Education Reform Support

Volume Six:
Evaluating Education Reform Support

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Joseph DeStefano and Luis Crouch

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Preface

In 1995, the United States Agency for International Development's (USAID's) Bureau for Africa published a report titled *Basic Education in Africa: USAID's Approach to Sustainable Reform in the 1990s.* That technical paper examined Agency experience in education in Africa in the late 1980s and early 1990s and drew out several lessons for how USAID could better approach the design, implementation, and evaluation of programs supporting education reform. One of those lessons concerned the role of information and policy dialogue in improving policy formulation and implementation in the education sector. This series, Education Reform Support, is the product of the Africa Bureau's two years of effort to pursue the operational implications of that lesson.

Neither information use nor dialogue is a new idea. USAID and other donors have years of experience supporting education management information systems. Likewise, the development community has grown quite fond of the term "policy dialogue." What Education Reform Support set out to do was to distill the best knowledge about information and dialogue, to examine the development field's experience in these areas, and to systematically apply that knowledge and experience to articulating a new approach.

This new approach, however, is not really new. Financial analysis, budget projection, planning models, political mapping, social marketing, and the techniques of stakeholder consultation and dialogue facilitation have long been available for use in education projects. These tools and techniques, however, have not been systematically organized into an approach.

Similarly, arguments abound for participation and for better—or more informed—decision making. The Education Reform Support series depicts realistically what those terms mean. Further, Education Reform Support identifies how capacity can be built within countries for broader, more effective stakeholder participation at the policy level, and, how that participation itself can contribute to better informing the policy process.

There is an ultimate irony to education. Good schools and good teaching can be found in any education system, sometimes under very adverse conditions. The problem is that they cannot be found everywhere. The challenge confronted in supporting education reform is exactly that: how to help good practice occur on a larger scale.

The inability of education systems to adapt and spread innovation is a result of poor policy and management environments. The policy environment is deficient for political as well as technical reasons. In most countries, the education of children is an issue of direct and personal concern to all sectors of the population, as well as to a number of large interest groups; as a result, education reform is a delicate and highly charged political force field.

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To wade into the politics of reform we must focus on understanding the political economy of reform in the countries in which we work: Who are the key stakeholders (both potential gainers and losers) in a given reform direction? What are their strengths, depth and breadth of influence, and points of vulnerability? What are the characteristics of local institutions, groups, and individuals who might be able to play critical roles of influence and dialogue facilitation as well as analytical and technical support to the reform effort, over the long haul? And, most importantly, how can we design reform assistance that attenuates stakeholder tensions and exploits stakeholder alliances, vulnerabilities, and strengths, to the advantage of positive and sustainable movement toward reform overall?

Education Reform Support creates an operational framework through which education programs and projects can organize the techniques of information, analysis, dialogue, and communication into a strategic package. The objective of that package is to help improve a country's capacity to formulate education policy and implement reform. It does so by applying these techniques in order to

- recognize and counterbalance the political interests that accompany reform,

- build the capacity of diverse actors to participate in the policy process,

- reassert and redefine the role of information in policy making, and

- create networks and coalitions that can sustain the dialogue and learning that are essential to educational development.

The Africa Bureau believes this series will prove valuable in helping education officers in USAID and other organizations design projects that take into account the knowledge and lessons gained to better support education reform. The Bureau also feels that the Education Reform Support approach will help governments, ministries of education, and other interested actors better shape their contributions to the difficult process of negotiating and managing education reform.

Julie Owen-Rea
Office of Sustainable Development
Division of Human Resources and Democracy

Foreword to the Education Reform Support (ERS) Series

This series of documents presents an integrated approach to supporting education reform efforts in developing countries, with particular emphasis on Africa. It is intended largely to specify how a collaborating external agent can help strategic elements within a host country steer events toward coherent, demand-driven, and sustainable educational reform. Additionally, this series of documents may help host country reform proponents understand the aims and means of donors who propose certain activities in this area. We hope that host country officials, particularly in reform-minded, public-interest nongovernmental organizations (NGOs) and civil society organizations, find this series of documents both an inspiration and a guide for coherently proposing and articulating undertakings to donors, using the donors' own vocabulary of reform and modernization.

Several key premises and motivations underlie ERS. First, the major *binding* constraint to successful educational development in poor countries is neither the need to transfer more funds nor a lack of educational technology and know-how. That is, we contend that in most instances, countries can make sufficient progress by better using whatever internal or external funds and pedagogical technology already exist, but that in order to so, they need far-reaching modifications in the way they approach both policy formation and system-wide management.

Second, policy-analysis inputs (such as information systems, databases, and models; training in public policy and cost-benefit analysis; training in management, budgeting, and planning; and so forth) into policy reform and management improvements, while necessary, are not sufficient. The constraints to policy improvement are ideological, attitudinal, affective, and political-economic as much as—if not more than—they are analytical or cognitive in origin.

Third, as a means of pressing for the attitudinal and political changes needed for reform, donor leverage of various kinds is largely insufficient and inappropriate. The pressure has to come from within (i.e., it must be both indigenous and permanent), which means that until powerful national groups are mobilized and have the means at their disposal to exert positive policy pressure, little will happen in the way of thoughtful reform.

Our approach aims, therefore, to integrate traditional public policy analysis (using known information and analytical techniques) with public policy dialogue, advocacy, awareness, and political salesmanship, and to build indigenous institutional capacity that can strategically use this integration for purposes of effecting purposeful education reform.

The above suggests that in order to support processes of education reform, a donor would need a rather flexible and sophisticated approach—so flexible that it would verge on a nonapproach, and would simply rely on the difficult-to-articulate wisdom of individual implementors. Yet, to define activities in a way that renders them "fundable" by donors and intelligible within the community whose efforts would support these activities, one obviously needs to have some sort of system—some way of laying out procedures, tools, and

steps that can be used in this messy process. As a way of systematizing both lessons learned and certain tools and techniques, we have developed Education Reform Support (ERS).

A long-winded but precise definition of Education Reform Support is: ERS is an operational framework for developing policy-analytical and policy-dialectical abilities, and institutional capacities, leading to demand-driven, sustainable, indigenous education policy reform. The purpose is to ensure that education policies, procedures, and institutions empower the system to define, develop, and implement reforms that foster relevant and meaningful learning for all children.

There are both operational and technical dimensions to ERS. With regard to the former, we have developed steps one might take in an ERS project. First, there are processes, procedures, operational guidelines for designing a project in ERS. Second, there are the same aspects to running such projects. Aside from the operational and institutional "how-to's," we provide a set of guidelines on the tools, techniques, analytical approaches, etc., that can motivate and generate reform movements, as well as assisting in managing the ongoing reform in a modernized or reformed sector.

The ERS series is organized in the following manner. Volume 1 offers an overview of the entire ERS series. It also contains the ERS series bibliography and a guide to some of the jargon that is found throughout the series. In Volume 2, we introduce the problem, and establish the justification and basis to the approach in terms of past donor activities in the sector, and its critiques from both "left" and "right" perspectives. This volume also sets out some of the main lessons learned that establish a basis for the procedures and strategies described in the following volumes. An operational perspective on how to support reform activities is presented in Volume 3. It discusses both the institutional frameworks that reformers can seek to support or help coalesce if they are only incipient, and some likely ideas for sequences of activities. Volume 4 lists and discusses in considerable depth the specific analytical and communication tools and techniques that can be employed. It also places these tools and techniques in the context of past and ongoing donor activities in areas which have in the past used these tools and techniques disparately and unselfconsciously.

Having provided in Volumes 2-4 both the basic intellectual underpinning as to what might be done and how to proceed technically, sequentially, and institutionally, Volume 5 assumes that reformers, particularly donors, might be interested in designing an intervention of considerable size. Therefore, it lays out in detail the specific design steps one might wish to undertake to ensure a healthy start to a major level of support to an ERS process. Finally, Volume 6 presents ideas for how to monitor and evaluate a typical ERS intervention.

In addition to the volumes, the ERS series includes three supplemental documents: *Policy Issues in Education Reform in Africa, Education Management Information Systems (EMIS) for Accountability,* and *Strategies for Stakeholder Participation.* An ERS Course Description is also a part of this series. This course description provides guidelines for teaching almost any ERS-relevant course (e.g., education planning, EMIS, policy modeling) within a larger ERS construct. It also details the provision of a core set of ERS skills.

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Section 1

Introduction

Education Reform Support (ERS) is an approach that includes activities that are vastly different from what most education projects do. It is not premised on building classrooms, purchasing materials, developing curriculum, or training teachers. ERS activities could be part of an overall sectoral strategy that includes these more traditional donor inputs, but the ERS components would be directed at very different aspects of that strategy. Education Reform Support most fundamentally involves building local institutional capacity to engage in a transparent, ongoing, widely participatory, information-based process of sector-wide, learning-based reform. As such, it is inherently less tangible than constructing buildings or delivering textbooks.

Given the somewhat intangible nature of the policy process, participation, accountability, and information use, and given the donor community's obsession with demonstrating project impact, the Education Reform Support approach is faced with a particular challenge. How can we construct a framework that permits objectively verifiable measures of the impact of policy reform support activities? And how can we do so in a way that does not subvert the basic intention of ERS efforts to build local institutional capacity and promote indigenous demand for reform?

This document attempts to construct a set of evaluation frameworks that respond to these two questions.

Section 2

Context

2.1 Impact vs. Results

Assisting development is probably the most complex undertaking any institution can attempt. If that is not burden enough, development assistance is often attacked in donor countries for its irrelevance to national priorities or for its wastefulness. As a result, development institutions and professions are seemingly forever trying to define and measure "impact." Within the Africa Bureau of the U.S. Agency for International Development (USAID),[1] the discussion of program or project impact over the past eight years has been framed by the Development Fund for Africa's (DFA's) focus on "people-level impact." The legislation establishing this fund explicitly directed USAID to report quantitatively on tangible measures of program impact on the lives of people. The 1989 DFA Action Plan (USAID 1997) interpreted this mandate in the education sector to require the use of the following indicators of impact:

- share of government budget going to primary education,

- school enrollment levels,

- dropout and repeater rates for primary and secondary schools, and

- literacy rates.

To their credit, the framers of the Africa Bureau's strategy in the education sector recognized the incremental, progressive, and time-bound nature of change implied in achieving impact at the "people level." Clearly, increased allocations for primary education could lead to expansion of schooling and thus increased enrollment levels. If some of the additional resources went toward improving schooling, then dropout and repetition would be expected to decrease. And finally, as more children got into and through school, the rate of literacy of a country's population would increase. If only it were so easy. What is wrong with these seemingly simple and direct indicators of impact?

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[1]Volume 6 singles out USAID from among all donors because (1) the primary author was an employee of USAID at the time, and (2) much of the thinking draws on USAID's experience with its Democracy and Governance Initiative.

There is nothing wrong *per se* with these indicators. The problem arises in applying them (or similarly focused indicators) to measure the relative success or failure of a given set of interventions. Experience in trying to help reform education systems has taught us that the complexity of the reform process tends to subvert any attempt at a simplified cause/input and effect/impact paradigm for evaluating the efficacy of a given set of interventions. A misdirected focus on end results, or impacts, as the yardstick by which to measure program success actually prevents donors from understanding and appreciating the variety of positive intermediate results which their programs may be helping realize (DeStefano, Hartwell, and Tietjen 1995, Chapter 3).

A specific example can illustrate this point. In one country, an objective in the education sector has been to reduce repetition in primary grades. Considerable project and government resources have been invested to enable repetition rates to be more accurately measured and tracked as an indicator of progress on this objective. After three years, repetition rates are declining for some grades and in some parts of the country, so that overall repetition has decreased. The program can claim impact, but of what? No one can say why repetition has declined, or more insightfully, why it has declined in some areas and not others. It is not possible to say what intervention *resulted* in reduced repetition.

Norton (1993) argues that USAID's increased attention to impact (which particularly characterized the implementation of the DFA in the Africa Bureau) has actually undermined the achievement of results. In making her case, Norton accentuates the distinction between impact, or how a successful program contributes to change; and results, or the direct outcomes of the activities that USAID funds. This distinction is in fact the starting point for shifting from an accountability to a learning focus for Agency reporting. For example, if the country mentioned above had been tracking and analyzing what was happening in different classrooms, how repetition was or was not being targeted, or what factors were associated with different levels of repetition, and not just looking to measure repetition rates as an impact indicator, then we could have learned some valuable lessons about what contributes to or reduces student repetition in that country. We, and more importantly our counterparts, would have been able to understand the *results* of the interventions, or at least been able to associate results with different factors or characteristics of different schools.

We remain interested in monitoring the kinds of indicators cited in the DFA Action Plan mentioned above. We still want to know that over time, enrollment rates are increasing, repetition and dropout are improving, and literacy is increasing. However, those kinds of indicators can only serve to depict longer-term trends. When it often takes

two years just to get a project up and running, the absurdity of expecting year-to-year changes in enrollment—let alone repetition or literacy rates—is obvious. What is needed is a framework for monitoring what transpires on the way to longer-term impacts.

The activities we have described within the ERS approach are focused more on laying the foundation for sustainable long-term reform and development of education. As we pointed out to begin with, they do not include construction or provision of equipment and materials for the sector.

If we allow pressure for annual measures of impact to drive our programming decisions, then we will revert to inherently unsustainable activities such as using donor funds and contractors to do the work of indigenous institutions (such as obtaining and distributing textbooks). If we want to fight off that tendency, then we need first to state explicitly what our short- and medium-term objectives really are, then show that we can measure results on those objectives in a manner useful for understanding and learning from the relative success or failure of different strategies.

2.2 A New Focus for Program Monitoring

Some attempts have been made recently to redefine what is "acceptable" impact. Most notably, within USAID there is a growing willingness to accept intermediate and process indicators as valid tools for monitoring progress toward long-term project or program impact. Specifically, in the education sector this slow evolution has entailed a more comprehensive understanding of the phases of educational reform and the arenas within an education system in which change can take place—policy, institutional, classroom, community (see DeStefano, Hartwell and Tietjen 1995, pp. 159 - 171). Within that framework, the processes through which change can be brought about are also governing increased attention.

In assessing the results of the ERS approach in the education sector, we can learn from two areas in which important progress is being made in understanding how participation and a changed interaction between state structures and society contribute to development. One area is USAID's work on democracy and governance, and in particular the development of civil society. The USAID Center for Democracy and Governance targets in its Strategic Plan the strengthening of civil society through increasing the effectiveness of citizen interest groups at influencing government policies (USAID 1996). Within this framework, the Agency is looking at nongovernmental capacity to participate in public debate, use information to frame issues, and represent the interests of different stakeholders, as well as examining the extent to which the legal framework for civil society organizations creates an enabling environment for these kinds of activities. Further-

more, there is increasing recognition that democracy and governance work can benefit from a practical sectoral focus, and that many of the analytical categories applicable to generic democratic governance activities clearly apply to sectoral work such as we are proposing (see Walker 1995). This is clearly an area where ERS and democracy and governance objectives overlap.

The other area is USAID's New Partnership Initiative and growing World Bank interest in collaborating with nongovernmental organizations (NGOs). These initiatives represent concrete ways in which the objective of building the capacity of citizen organizations to shape and implement policy is being addressed by the donor community. This increased attention to the role of NGOs in development and a shift from donor reliance on them as direct implementors to seeing NGOs as the means to build sustainable capacity for local input into development efforts is the second area from which ERS can draw important lessons on how to measure results (see Brown and Korten 1991).

Another factor contributing to the changing focus of program monitoring is the restructuring and redefining of internal processes undertaken by many development agencies in the past few years. For example, USAID's re-engineering efforts are attempting to construct an iterative process for project planning and management. The Agency shift to obligating resources according to sectoral, or strategic, objectives provides a more flexible program structure, because activities can be tried, continued, modified, or ended as monitoring of results indicates is warranted. It has been argued that this kind of approach is needed and that a monitoring and evaluation system capable of learning from these "experiments" must be developed and applied. Central to such a system is a change in the focus of internal reporting from rewarding success or punishing failure to helping managers understand the relationship between activities, the environment in which they are implemented, and the results obtained (Norton 1993, Rondinelli 1994).

However, as budgets are increasingly squeezed, pressure within the development community is growing for a more concrete demonstration of tangible results. In particular within USAID, the revised approach to contracting (results-based contracts) and the new annual budget submission and approval process rely on very specific identification of and short-term reporting against "results." These contradictory trends—recognition of the importance of intermediate change, and process indicators and year-to-year resource allocation based on measurable results—create a unique challenge within USAID. How do we define not just reform-related results, but also results that pertain to the nature of the reform process itself, in terms that are sufficiently tangible to form the basis of contracts and Agency budgeting decisions?

To begin to address this challenge, we need to be frank about what it is we are trying to accomplish. The approach we are advocating is predicated on facilitating an indigenously demanded, driven, and managed reform. Everything we have learned about how to promote sustainable development leaves us little option but to pursue change in this manner. This does not say that we are not interested in achieving people-level impact. In the end, we do expect to see more children in school, getting a better quality education, and going on to healthier and more productive lives. The key is "*in the end*." We will monitor long-term changes in the standard measures of educational progress. We must make the case for why we will not rely on those measures as short- or medium-term indicators of how well our activities are performing. That performance can only be ascertained by attention to the direct results we think ERS activities can generate.

Section 3

Education Reform Support Results

The context for thinking about ERS results derives from the operational framework of the approach. At its base, ERS is an attempt to improve the process of education policy development and implementation. The basic vectors for improving the process are expressed in the components of the ERS approach: data, analysis, dialogue, and capacity. Our basic strategy is that improvements in dialogue—who participates, how open the process is, how regularized, and how directed—feed into and feed on improvements in the quality, quantity, and nature of analyses and data available as the basis for that dialogue. Further, we do not intend for donors or their contractors to provide the inputs necessary to improve the policy process. We expect to develop the capacity of indigenous institutions themselves to support improvements in the policy process. The concept of a reform support infrastructure (see Volume 3 for a detailed description of what we mean by reform support infrastructure) implies the emergence of local institutions, the development of local capacities, the refinement of permanent mechanisms, and the modification of the enabling environment that will contribute to putting into place the essential elements of participatory, informed, publicly debated processes for defining, implementing, and evaluating education policy.

Improvements in the policy development and implementation processes and building of local institutional capacity to support policy reform are not ends in themselves. But they are the main areas in which the direct results of ERS activities will be apparent. Our whole point is that the yield to resources spent on obtaining these results will be very high. Better informed, more publicly debated processes will lead to better educational policy, more accountable implementation, and better educational outcomes—more children attending school, completing school, and actually learning something useful.

Without the apparently intermediate results or "better policy process and better policy," other interventions will not be sustainable. Better educational results are identifiable, but are necessarily long-term. We need to be candid about accepting that ERS activities will not quickly—by themselves—produce more schools, more books, more

teachers, or more learning. These activities will contribute to the longer-term achievement of those objectives.

In the near-term, ERS activities will show concrete improvements in the education sector in three areas:

- the process of reform,

- the capacity of local institutions to support reform, and

- the nature of the policies, programs, and strategies countries develop and implement.

In perhaps overly simplistic fashion, we can say that the evaluation concept relies on a notion expressed as the following equation:

$$\left[\begin{array}{c} \text{Improved Policy Process +} \\ \text{Improved Institutional Capacity} \\ \text{to Support the Process} \end{array} \right] = \text{Improved Policies}$$

Unlike past efforts, we do not assume that improving institutional capacity automatically results in better processes—the processes are a matter not of organizational development but of the institutional environment within which organizations develop, and of the rules of the public accountability game. The evaluation framework proposed here looks at the two determinants—an improved process and improved capacity to support it—and then looks at the result of improved policy as well. The following sections outline frameworks for assessing these three categories of results.

3.1 The Quality of the Policy Process

The basis for framing attempts to improve the policy process can draw extensively from work on the development of civil society. Before the emergence of the modern state, communities organized their efforts to develop on the basis of what we presently refer to as civil society. Ironically, to further develop the modern state—i.e., make it more effective, democratic, and accountable—a return to an understanding of the importance of civil society structures and organizations, and the interaction between the state and civil society, is paramount (Tandon 1991). Enhancing the relationships among civic organizations and contributing to the civic culture those relationships promote are seen as fundamental to the development of sound government and healthy societies (Putnam 1993).

First-order results from ERS interventions relate to the nature of the processes of policy formulation and implementation. We include in the term "processes" the identification of problems and issues in the education sector, the setting of a policy agenda in response to those issues, the definition and promulgation of actual policies, the

translation of those policies into strategies and programs of action, and the implementation and evaluation of those actions. We can learn a major lesson on this topic by combining the work on civil society development (Brown and Korten 1991; Miller 1994a, 1994b; Putnam 1993; Tandon 1991) and our growing understanding of the policy process (Haddad and Demsky 1994, Kamano 1995, Porter 1995). That lesson is: Changes in the nature and quality of these processes is quantifiable in terms of the following elements:

- How open is the process to participation?

- Who participates, and what is the nature of that participation?

- How institutionalized is participation?

- How public is the debate of policy and strategy options?

- How open to outside input is public sector policy making?

- Is policy debate framed by objective analysis?

- What information is used?

- What are the sources of information and analysis?

- What mechanisms for accountability are in place?

- Who has the power to invoke those mechanisms?

- Are they invoked?

- How decentralized is the process?

- Are legal and statutory constraints to stakeholder participation and public debate being identified and dealt with?

There are other elements, of course, but this is enough as illustration. Our interest here is assessing the degree to which, as a result of ERS interventions, changes occur in the characteristics listed above. To simplify matters, we can create categories that encompass these characteristics: participation, public dialogue, use of information and analysis, accountability, decentralization, and enabling environment. Each of these categories can then be rated on a scale ranging from less developed to more developed. Plotting the *quality* of each of these aspects at a given point in time would create a profile against which future developments could be compared to determine whether the policy process was improving along these vectors. The real challenge lies in *quantifying* the intervals on each scale. While exact values cannot be attributed to each increment, we can identify benchmarks that allow us to objectively verify where on the scale in each category a country may be at a particular point in time. Table 1 below illustrates how this approach could be applied.

This construct is not intended to be "the evaluation instrument." It could serve as a basis for formulating process indicators. It could be used as is, altered, enhanced, or modified in any way. The idea is to create a framework for measuring results that are often overlooked or undervalued because of the difficulty associated with quantifying them in the terms to which we have grown accustomed.

The basic concept embodied in such an assessment framework is to recognize the characteristics that we are trying to develop and then to map out how that development may progress. The richness of such a tool lies not so much in its ability to precisely identify the exact steps through which the policy process will evolve along each of the vectors. Rather, it lies in the utility of the exercise that must be undertaken by all concerned parties to examine how this evolution or development could play itself out in a given context.

As an evaluation tool, the framework is intended to be used by ERS implementors. The object of the evaluation is the policy process itself. A set of inherent assumptions underlies the progression from less developed to more developed in each of the categories. These assumptions include:

- Increasing nongovernmental involvement improves the policy process.

- Greater availability of information and diversification of sources and users of information are basic components of an improved process.

- Government policy makers must be accountable to education stakeholders.

- Participation should not depend on the whims of government officials, but should be statutorily provided for.

Attached to each of the cells within Table 1, there needs to be a series of questions that enable the evaluator to assess whether a given benchmark in the table has been met or not. Whether the ERS activities that were intended to help improve the policy process focused on one category or another would depend on the priorities established for the specific context. Notations reflecting more or less progress then would depend on the initial prioritization.

Table 2 below demonstrates how this kind of framework could be applied over time to assess progress in the development of the quality of the policy process along the chosen vectors. By conducting evaluations periodically and according to standard criteria, reviewers can learn how well activities are contributing to progress.

Table 1. Evaluation Framework for the Policy Process

Category	Evaluation scales				
	1 (worse)	**2**	**3**	**4**	**5 (better)**
Participation	Nonparticipatory approach to policy	Isolated meetings convoked by the government	Regular meetings to which nongovernmental stakeholders are invited	Active role by stakeholders on policy formulation teams	Stakeholders able to independently develop policy proposals and having power of convocation
Public Dialogue	No public dialogue	Little public debate of issues outside of government-sanctioned fora	Media coverage of education issues from different perspectives	Independent media coverage and nongovernment-initiated dialogue	Unrestrained debate and dialogue among a wide variety of parties
Use of Information and Analysis	Little or no information available for policy making	Information available, but not used for policy making	Standard school statistics used for some planning decisions	Some nongovernmental sources of information; policy-related analyses conducted	Nongovernmental policy analysis available and used; government capacity to conduct analysis or willingness to use independent sources
Accountability	No accountability structures or measures	Rules existing, but never invoked	Some measures for technical accountability, but lack of reporting	Some measures of full accountability and some reporting	Full accountability through well-established mechanisms and reporting
Decentralization	Highly centralized, elite policy development	Some participation by education officials at decentralized levels	Structure for local input established, but initiative and authority still at center	Some ad hoc local initiatives and limited local authority	Structures for local government and nongovernmental autonomy and initiative in place
Enabling Environment	Legally constrained participation and dialogue (i.e., no freedom of association or speech)	Participation dependent on the will of individuals and not legally protected	Legal framework establishing some of the basic rights of stakeholders	Legal framework clearly defining roles for and rights of different stakeholder groups	Participation and open debate: actively encouraged, facilitated, and legally protected

In this example, it is clear that the most progress was made in the areas of accountability and decentralization. Of course as a snapshot, this tool would have little value beyond a general observation of the kind we just made. Instead, the value resides in comparing progress along different vectors with the activities that were undertaken targeting (or not targeting) them. In particular, evaluators would be required to assess what constituted genuine progress, how any given activity may or may not have contributed to it, and why.

3.2 Reform Support Institutional Capacity

In addition to improving the quality of the policy process in the ways described above, the ERS approach is predicated on building local capacity to support the processes of reform and policy development and implementation. A second important area for monitoring results of ERS activities therefore is local institutional capacity. This capacity can be divided into two areas of interest: the capacity of the education system itself and the capacity of nongovernmental actors.[2] But capacity to do what?

A basic tenet of the ERS approach is to help centralized government institutions to redefine their roles from education service providers to both facilitators and supporters of a more market-driven and democratic education reform process. Changing the government's role will involve specific capacities within the realms of data, analysis, and

Table 2. Hypothetical Application of Evaluation Framework Over Time

Category	Evaluation scales				
	1 (worse)	2	3	4	5 (better)
Participation	Initial	Initial	Subsequent		
Public dialogue	Initial	Initial			
Use of information and analysis	Initial	Initial	Initial	Subsequent	
Accountability	Initial	Subsequent	Subsequent		
Decentralization	Initial	Subsequent	Subsequent	Subsequent	
Enabling environment	Initial	Subsequent			

Initial Assessment [light gray]   Subsequent Assessment [dark gray]

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[2]Our perspectives on ERS reflect two key strands of thought. One is the NGO-as-policy-actor perspective. Normally the idea of NGOs influencing policy is seen as having a basis in democracy, equity, grassroots empowerment, and human rights viewpoints. Increasingly, however, NGOs are seen by donors as leading rather than just following—that is, leading reform efforts to increased efficiency and social profitability. The other strand of thought is based on the economic and governance

dialogue. Changing the role of government *also* will require the involvement of the NGO sector.

As we noted in Section 2, over the past five years, the development community has recognized the importance of working through non-governmental institutions, not just as implementors but also as important players in shaping policy (Brown and Korten 1991). In fact, the question of *whether* development agencies should work with NGOs as policy advocates has been replaced with discussion of *how best* to do it (Covey 1994). The case for working with these institutions has been made from the perspective of both developing democratic institutions and practices (Covey 1994, Tandon 1991), and supporting sustainable development that benefits the traditionally marginalized segments of the population (Bratton 1990; Brown and Korten 1991; Clark 1995; Miller 1994a, 1994b). Often these two objectives are seen to be mutually reinforcing, if not inclusive (Veneklasen 1994).

Within the framework of ERS, we are therefore advocating a dual approach—push and pull—that works on both governmental and non-governmental capacity in the key areas of policy dialogue, information use, and analysis for the development and implementation of education sector reforms. Our objective is to work on how government defines its "support and facilitation" role and how nongovernmental actors organize to demand and hold government accountable for more democratic and more effective strategies for educational change.

3.2.1 Governmental Capacity

Our perspective on governmental capacity follows our dual approach in ERS: (1) increasing the ability of—and pressuring—the state to open up to participation by other agents in policy design and governance, while at the same time (2) assisting the state to modernize so that it can better generate, use, finance, and channel private, market, and lower-tier government energies in civil society. Thus, assessing and nurturing governmental capacity improves the government's ability to interact with civil society both in the design of policy and in the execution of social sector programs.

Simplifying perhaps to the point of caricature, we could say that a "state modernization" view holds that the ultimate goal of an efficient and equitable state with regard to services such as education should be

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reform (sometimes also known as "state modernization") movement, which emphasizes appropriate privatization, decentralization, market forces, provision of full information about prices and markets, targeted but direct subsidies, and indirect rather than direct governmental controls (see Castañeda 1992 and Klitgaard 1991 as examples). This perspective traditionally has been seen as interested in efficiency and growth, but increasingly is seen also as being related to democracy, participation, and the empowerment of individuals and communities. Given these two strands behind our approach to ERS, it is only logical that we find it necessary to work on both governmental and nongovernmental capacity.

to set a clear, effective, coherent policy environment, including funding and information policies. Under such policies, individuals, communities, lower-tier governments, cooperative and competitive ventures, and markets will provide for themselves in a manner that maximizes efficiency and socioeconomic equity. We posit this admittedly extreme view to draw out two key points.

Within this view, the two main functions of a "modern" state—with regard to education, for example—are information (including technical assistance and technical development) and finance (broadly defined as entering into accountability relations with other agents in society). A state that controls and supplies these two functions *with accountability*, and does a good job with them, probably is a state that has set up a policy environment in which communities, individuals, and markets can cooperatively and competitively provide themselves with a set of services consistent with the economy's productive capabilities. Furthermore, they can supply the services with whatever degree of dignity, equity, and protection for the weak is expressed through the political marketplace. We recognize that our definition by necessity is oversimplified, somewhat extreme, and abstract.

We mention these various perspectives on the modern state only because they are germane to an evaluation of governmental institutions' capacity or readiness to move in a given direction. Bearing this context in mind, the following are points for assessing governmental institutional readiness to either perform the functions discussed above, or begin moving in that direction.

Data and Information

- Does the government gather data on education?

- Are the data presented in an attractive and easy-to-understand manner?

- Does the government gather data on educational outputs or only on inputs?

- On inputs, does the government gather and distribute data on quality-enhancing inputs, or only traditional, simple input counts?

- Does the government have any real output quality indicators (systematic test scores of a census-like rather than filter-like nature) or only quality proxies such as teacher certification, "quality-oriented" inputs such as texts, etc.?

- Does information get distributed to stakeholders?

Analysis

- Is there any systematic analysis of the relation of inputs to outputs?

- Is there any effort to use output or quality information for targeting of subsidies and bureaucratic attention?

- Is there any awareness, based on local analysis and information, of what inputs matter and why?

- Is there any awareness of the relation between this kind of information and a policy of decentralization based on the principle of subsidiarity?

- Is there any relation between information systems and budgeting?

- Is there any strategic, policy-driven budgeting?
    - Is there awareness of what this means and the need for it?

- Is there financial analysis as opposed to simple budgeting? (That is, targeting of subsidies, formulae for fiscal transfers, etc.)

- Is there analysis of the issue of teacher costs, salary brackets, and incentive pay, particularly in the context of decentralized decision making?

Dialogue and Stakeholder Consultation

- For dialogue based on raw information:
    - Does government make relatively raw information (teacher and other input supplies, test scores) available to stakeholders? How proactively? Does it assist them in using the data?

- Does the government publicize data sources to stakeholders?

- Is comparative (community to community, country to others) information emphasized?

- Is information related to some sense of input "entitlement" such as fundamental quality levels?
    - Is this information used in dialogue with communities and their representatives?

- For dialogue based on information turned into analysis:
    - Do government officials meet with other officials (within and outside the education sector, at central and provincial levels) and base discussions on information and analysis, e.g., of salary scales and the relations of inputs to outputs, comparative efficiency, etc.?
    - Do government officials meet with civil-society stakeholders on the same issues? (See related questions below on NGOs.)
    - Do government officials read and pay attention to analyses (if any) from civil society stakeholders? What degree of technical proficiency in such analyses do officials seem to need/expect before they pay attention? What, other than technical quality,

can draw governmental officials' attention to these analyses?
– Do government officials (e.g., inspectors, regional or district advisors) act as true information brokers or extension agents, e.g., disseminating information based on analysis, about what works?

General

If the situation with regard to stakeholder consultation is not as developed as one would hope:

■ Are government officials at least aware of the potential of NGOs, and partnerships with them, both in service provision and in policy determination?

■ Are they aware of what role government can play in creating an enabling environment for this participation, in the sense of helping create the legal and institutional infrastructure so that this can happen (e.g., standardized contracts for certain services and studies, support to the development of accreditation systems, etc.)?

■ Is there awareness/openness to the fact that research on what works from a production function point of view may need to be highly localized, and hence based on local action research by stakeholders and NGOs themselves? Is there any awareness of the relationship of this concept to outcome-based indicators in the information systems? to decentralization efforts? to the need for financial analysis rather than budgeting?

3.2.2 Nongovernmental Capacity

Traditionally, NGOs have been thought of as alternate service providers, often seen as a more efficient or effective mechanism for channeling resources to needy populations (Miller 1994a, 1994b). Some of this perspective can be attributed to donor agencies' long-held view of NGOs as relief organizations (Brown and Korten 1991). It is only recently that NGOs themselves, as well as donor organizations, have broadened their understanding of the role these organizations can play in support of sustainable development (Covey 1994; Miller 1994a, 1994b; Tandon 1991). It has become increasingly clear that NGOs have links to grassroots stakeholders, they can act flexibly, and they have the capacity to innovate and experiment in ways governments find difficult (Brown and Korten 1991). These basic characteristics lend themselves to effective policy advocacy (Miller 1994a, 1994b). ERS helps NGOs better exploit these strengths.

As mentioned earlier, USAID's New Partnership Initiative is laying out a framework for assessing NGO capacity development (USAID 1989a). Two aspects of that framework are of particular interest to our discussion:

- It is not the responsibility of the donor to both monitor institutional progress and achieve development impacts by those institutions.

- Rigidly standardized measures are inappropriate for this kind of monitoring.

Thus, USAID proposes to hold itself accountable in the medium-term for the intermediate results of more NGOs better empowered and enabled to produce impacts, not for the impact itself. Moreover, the Agency proposes developing monitoring systems in consultation and collaboration with NGO partners within the context of specific objectives and activities (see Grimm and Buckley 1996).

Thus, a case is being made for monitoring institutional development of nongovernmental partners. Much work has been done in this area. Categories of institutional capacity have been defined and tools are being perfected for assessing institutions' progress in each category. Projects are making use of these tools to construct institutional profiles in key areas of capacity, and ERS can benefit from the frameworks they have been using (see the monitoring and evaluation materials from the Living In a Finite Environment [LIFE] Project in Namibia, and Africa Bureau work in this area). However, these tools tend to focus on general issues of organizational development, such as organizational goal or mission, strategic planning, financial management, governance, and leadership—e.g. existence and operation of a board, monitoring and evaluation systems, etc. The general organizational development frameworks are of use for evaluating whether institutions are on the path of sustainable involvement in ERS activities. However, our immediate interest homes in on the organizational skills and capacities that are associated with successful participation in the policy process. The following areas for capacity development are drawn from some of the recent work on NGOs, civil society, and policy advocacy.

NGO Presence in the Sector

For NGOs to have an effective voice in the education sector, for that voice to credibly represent stakeholder interests, and for popular demand to begin to create pressure on government institutions to be accountable for policy choices, there needs to be a "critical mass" (Veneklasen 1994). By critical mass we mean a sufficient number of credible institutions involved in policy issues in the sector. However, large or growing numbers of individual NGOs alone would not constitute that mass. There also needs to develop an institutional framework for those NGOs—an umbrella organization, a sectoral network, a collaborative structure of some kind. Pertinent evaluation questions could include:

- How many NGOs are active in the education sector?

- How many are engaged in service delivery?

- How many define themselves as advocates?

- How do NGOs in the sector relate, organize and share resources and skills?

- Is there an umbrella organization?

- Are there emerging markets (that is, spontaneous processes where organization is an emergent property of the process) for NGO services? Is anyone policing the market? (Standardized contracts, certification processes, etc.)

- Are there either NGO umbrella organizations or NGO markets specific to the education sector?

- Do they define their role primarily as institutional support for service delivery or as advocacy on certain issues?

Information and Analysis

USAID's Global Bureau recognizes the importance of information and communication skills for civil society institutions. To effectively influence policy, mobilized public opinion must be accompanied by convincing analysis that can be pitted against the analyses of decision makers or entrenched interests (Covey 1994). NGOs must be able to document and analyze their own concrete experiences if they are to bring to the public debate alternate perspectives on issues and demonstrated innovations in service approaches (Veneklasen 1994). Useful questions include:

- Do NGOs document their own experience?

- Do they conduct independent research on specific issues?

- Are they contracted to do research on specific issues?

- What internal reports do they generate?

- Are those reports shared among NGO colleagues?

- Do they conduct analysis related to specific policy questions?
    – In reaction to government declarations?
    – In anticipation of government decisions?

Communication

In addition to analysis, the capacity to present findings in a persuasive manner is basic to an institution's ability to influence policy. Presentation entails skills such as analyzing stakeholder positions, under-

standing the audience, choosing the correct forum and format for presenting information, and pursuing alliances and networks for touching multiple audiences. Capacity and willingness to negotiate are also important skills (Miller 1994a, 1994b). Questions that could be used to assess progress in this area include:

■ Do NGOs share information on issues of common interest?

■ Do they target reports, research, and so forth to specific audiences?

■ Do they make use of different media to communicate and advocate policy positions?

■ Do they publish documents, take advantage of presentation opportunities in an attempt to
  – Persuade decision makers?
  – Shape public opinion?
  – Stir interest among different stakeholder groups?

■ Do they negotiate on behalf of the constituency they purport to represent?

Strategic Planning and Management, Internal Accountability

Ability to use strategic planning techniques for organizing an institution's efforts will determine how effective an advocate an NGO can be. Case studies of successful NGO policy advocacy efforts in the Philippines underlined the importance of focusing policy goals, identifying alliances, choosing multiple advocacy targets, and in general having a coherent strategy for taking on a set of issues (Miller 1994a, 1994b). At the same time, participatory planning techniques and community organizing skills are essential to ensure that an organization incorporates the interests of the constituency it is purporting to represent (Veneklasen, 1994). That is, the planning should be both strategic and participatory. The development of mechanisms for internal accountability—reporting, election of officers—serves the same objective. Questions that could be used to assess progress in this area include:

■ Do the NGOs clearly articulate the issues they are interested in and the positions they choose to represent?

■ How focused are their issues?

■ Do they develop a strategy for addressing those issues?

■ Do they consult with members to ensure internal consistency?

■ Do they have permanent mechanisms for gathering constituency input on issues?

■ How formal or informal are mechanisms of representation?

— How effective?

■ How much reporting to a constituency is there?

■ How often do they revisit their strategy?

■ How do they assess their own degree of success on an issue?

Capacity to Engage and Question Service-provision Authorities

One of the keys to improving service provision, particularly in situations of natural monopoly (almost unavoidable in rural schooling), is to increase the "voice" capacity of those being served (see, e.g., Paul 1992). In fact, some would maximize voice by having the services run by the people being served. This approach would be a fairly extreme version of decentralization of governance. Without going to predefined extremes, NGOs can play a useful role both at the macro level, through national policy dialogue that opens up the system to local voice, and at the micro level, by demonstrating and training communities in exercising their voice options. In this context, questions that could be used to assess progress in this area include:

■ Do the NGOs perform a "watchdog" function by publishing reports on government programs?

■ Do they confront government officials with analysis of effectiveness and results of government initiatives?

■ Do they make use of other institutions to demand accountability in the education sector (ministry of planning or finance)?

■ Are there NGOs engaged in promoting local-level voice options and local-level accountability?

To summarize, constructing an evaluation framework for monitoring results in institutional capacity building could be similar to what was done above for the policy process itself. The areas of governmental and nongovernmental capacity could both be included and the areas elaborated in the preceding discussions could constitute the assessment vectors or categories. Table 3 below illustrates how.

As was the case with the framework for evaluating the policy process, Table 3 is not intended to serve all needs and all contexts. It is illustrative only. However, it does show how specific benchmarks can be identified so that capacity development can be mapped and assessed over time. Reformers should create the *approach* to developing evaluation mechanisms—at least for activities whose primary purpose is skills development—for each context individually, by adopting and then changing the mechanisms we have suggested here. Indicators or

benchmarks need to be tailored to the objectives of the specific activities and to the characteristics of the partners in reform. They also must be tailored to the environment in which the activity takes place, particularly because the overall level of development and sophistication of the NGO sector could vary greatly from one country to the next. Rigidly standard indicators would not be appropriate (USAID 1997). Our intent is to standardize the approach to evaluating results in this area.

3.3 Evaluating Actual Policies, Programs, and Strategies Emerging from ERS

Thus far we have looked at:

- The quality of the reform process per se: how to measure whether the process is democratic, open, participatory (which are ends in themselves from a governance point of view), and yet sufficiently informed and directed so that they can actually lead to synthesis, resolution, and forward movement.

- Governmental and nongovernmental institutions: Since the nature of the institutions involved constrains the process, we also looked at ways to track institutional improvements that would result in a better policy process.

We now turn to the final step, namely evaluation of the resulting policies. This is important because even a much-improved process, and a much-improved institutional capacity, are not very meaningful if there is no concrete movement on policies. Furthermore, given that some processes can be ineffable, it may be possible to track the development of actual policy, and simply leave alone processes that do not appear very good but are in fact leading to good results. Finally, it is important that processes have clear objectives, so that they do not exist solely for their own sake. The goals help define the process.

Table 3. Framework for Evaluating Institutional Capacity for Education Reform Support in Government and in Nongovernmental Organizations

Category	Evaluation scales			
	1 (worse)	**2**	**3**	**4 (better)**
Government				
Data and Information	Little or no data gathered or reported	Some gathering or reporting, but dissemination is weak and passive variables do not measure important concepts	Effective gathering and dissemination; orientation may be toward only "internal" bureaucratic management, rather than research or accountability	Full gathering of meaningful, quality-related data; full dissemination for internal management as well as external accountability, research
Analysis	No government skills in policy analysis	Analysis skills developed in basic areas: cost-benefit; regional comparisons; cross-tabulations	Advanced skills in several types of analysis: finance, incidence, multivariate, social/political, etc.	Ability to use analysis to make case to other government offices and to stakeholders
Stakeholder Consultation	Consultation confused with giving instructions to stakeholders	Skills in gathering information and facilitating dialogue being developed	Ability to conduct consultations— e.g., beneficiaries assessments	Ability to incorporate data from client consultation into policy analyses
NGOs				
Presence	Zero to few NGOs involved in policy work in education sector	Growing number of NGOs involved in policy work	Sectoral group formed with policy advocacy as part of its mission	Sectoral group providing support to members in policy advocacy skills areas
Information and Analysis	Ability to generate limited documentation of experience	Ability to produce internal reports analyzing experience (and to share them)	Ability to do analyses of specific policy issues when contracted	Ability to target and generate own analysis of policy issues
Communication	Little sharing of information	Ability to generate reports targeting issues and audiences	Ability to use presentation techniques	Ability to present issues and negotiate on behalf of stakeholder interests
Representativity/ Accountability	Little skill for evaluating government or own programs	Ability to evaluate relative success of government interventions	Ability to make use of media and other opportunities to demand accountability	Ability to demand accountability and to report to own members on relative success of own work
Strategic Management	No clear statement of advocacy objectives	Ability to articulate advocacy objectives and to pick issues	Ability to develop medium- to long-range strategies for advocacy on specific issues	Ability to assess and reorient strategy as needed

Evaluating policies necessarily means taking a stand with regard to what "good policy" might be. Note that this is not a new requirement. Donors have been using the notion of "good policy" implicitly in conditionality requirements, for example. In ERS, we want to make "good policies" more explicit, so that they become a goal of the policy process. In this series we have often taken a safe, minimalist approach to the notion of "good policy." That is, we have seen "good policy" as policy that leads to a reasonable balance, or trade-off, among desired outcomes. For example, we do not suggest that a society's educational investments should be more efficient or more equitable, but we do insist that it is not desirable for a society's policies to lead to less of both, and that it is not desirable for society to end up with choices as the result of chaos, unexamined tradition, or simple authority.

We assume that, given that in any society resources are limited relative to human need or desire, and given that human agency is weak and fallible relative to how to use those resources to meet those needs, societies simply cannot have as much as they want of everything. Thus, there are trade-offs, and these depend on the level of development of the society. Most African countries simply cannot will themselves to provide to everyone who wants it a high-quality university education, and well-paved roads, and access to the latest medical technology. Countries that thought they could, if only they could rid themselves of the "imperialists" or the "Indian merchants" or the "exploitative middlemen," and then "plan" everything, have only made mistakes of tragic proportions. The resources simply are not there to guarantee everyone access to everything they might desire. In some cases there are not even enough resources to satisfy basic needs.

At a more abstract level, there are sometimes tragic trade-offs between efficiency (think of it as social profitability and hence opportunity for investment and growth) and equity. Some policies might result in a highly efficient but ruthless society; other policies might result in a highly just one, but offer few or no incentives to work hard and hence produce goods in order to satisfy needs. The point at which a society would place itself along the spectrum of trade-off options should be a matter of political rather than technical choice.

Whatever the ultimate choice, it is apparent and tragic that if many developing societies were to employ the "right" policies, they could have both more efficiency and more equity. They are often blocked by (1) lack of technical expertise to design such policies, (2) interest-group pressure to prevent these "good government" responses, (3) the historical weight of inequitable and inefficient government, and

frequently even (4) a lack of awareness that they are inside the trade-off curve rather than on it.[3]

In the education sector, a consensus is emerging about the kinds of policies that enable a society to move from being inside the trade-off curve toward being on the curve. The sorts of policies that maximize efficiency for a given level of equity, or maximize equity for a given level of efficiency, are the following. (A more detailed analysis and description can be found in a "standard" set of detailed policy discussions, such as Heneveld and Craig 1996; World Bank 1995b).

- In some cases, greater share of gross domestic product (GDP) going to education overall.

- Generally, greater shares of the education budget going toward the primary and secondary sector, but not necessarily a greater share of the policy and reformist attention, and not in all cases.

- Greater use of targeted cost recovery for purposes of fiscal accountability and rationing, and to provide scarcity information with market "price" as the indicator, particularly at the tertiary and vocational/technical levels.

- Generally, greater shares of spending being devoted to certain nonlabor inputs, such as books, stationery, libraries, research, and information systems.

- Information systems oriented toward realistic minimal entitlements (e.g., fundamental quality levels) on the input side.

- Information systems that tie to community accountability and participation, rather than simply to bureaucratic management.

- Information and analysis systems based on quality and end-product assessment (assessment of cognitive achievement).

- Finance and budget systems that favor subsidizing those without means rather than those in apparent need, where "need" is measured

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[3]Social scientists commonly use a simple graph to illustrate trade-offs between two factors, such as quality and access. For example, with the *x*-axis denoting access and the *y*-axis denoting quality—and assuming a fixed budget—the trade-off curve is the straight line that connects the points (x_0, y_{high}) and (x_{high}, y_0). Coordinates of various points on the curve demonstrate that raising access lowers quality, and vice versa. Preparing such a diagram allows policy makers to choose an option somewhere along the curve, and to view with suspicion proposals that are either inside or outside of those practical limits. Note that the curve also can be moved farther out—for example, by a substantial infusion of additional funds. (The trade-off curve is illustrated in Annex A of Volume 1).

[4] We offer these examples as a basis for discussion and evaluation, not as gospel truth. The discussion and evaluation among the stakeholders should be what guides the policy process.

in terms of the service to be offered (e.g., building schools not where enrollment rates are low and schools are uncrowded, but where demand is high and schools are crowded, even if enrollment rates are already high).

■ Funding systems that favor those in greatest need due to lack of means (rural areas, girls and women), but in a means-tested, targeted, and direct (demand-oriented) fashion, rather than in a blanket, supply-led fashion.

■ Finance and budget systems that force and allow managers to hold to a budgetary bottom line, in a context of entitlements based on at least minimal quality, and under accountability pressure.

■ Systems that favor means-tested bureaucratic attention and state control. Relatedly, selective decentralization based on appropriate indices of local capacity and means, based on the principle of subsidiarity.

■ Reduction in shares of spending devoted to labor inputs. In addition, salary systems that reward performance rather than tenure, seniority, and paper certification, without falling into simplistic merit-pay schemes.

■ Increased spending for certain inputs shown to increase learning, such as books, libraries, chalk and chalkboards, maps, etc., obviously in a context where teachers know how to use them *and* have the bureaucratic incentives to do so.

■ Movement toward having the private sector and communities control or determine provision of technical and vocational educational services. Again, particularly in technical and vocational areas, systems that closely mimic and learn from traditional market, community, and apprenticeship systems, but add funding and information functions from the state. (Note: not systems that mimic private sector firms, but systems that mimic markets.)

■ Bureaucratic and management systems that clear space for local action and innovation (which minimize costs and maximize spread of innovation) along with subsidies that are more targeted (favoring the poor) and direct, and fuller information about what seems to work. Includes more freedom for local authorities to hire and fire (within certain limits), determine teacher pay, determine calendars and schedules, choose certain elements of the pedagogical approach, etc., again in a system of selective, means-tested decentralization (where the means are both financial and administrative, so that the central state more strongly supports those without either type of means).

■ Procurement and production systems (e.g., for books, classroom materials, and furniture) that favor cost-effective solutions (where

cost is broadly understood to include information costs, real distribution costs, etc.), whatever they may be, rather than systems that automatically favor centralized, nationalized production and distribution or vague ideological commitments.

We emphasize that unless the pressure for these changes is locally understood, internalized, expressed, and defended by powerful interest groups, technocrats, and intellectuals, it will often be useless (or worse than useless) to try to formulate these policies into indicators of performance for contracting with ministries.

Using these criteria, and summarizing them, we can then construct a table similar to those for the process and institutional capacity indicators. However, while analysts may be able to come up with some "absolute" benchmarks for both the process and institutional development indicators, it is practically impossible to come up with such graduated or scaled benchmarks for policy itself, particularly for quantitative benchmarks, and generically. It is impossible, for example, to say that countries should spend X% of the education budget on primary schooling. This decision simply depends too heavily on the context. In fact, the whole purpose of the process whose indicators we have discussed above is to *discover* such goals in a manner that is consensus-based, informationally sound, and participatory, and therefore achievable, rather than relying on foreigners' best guesses based on "the literature" and discussion with a few local technocrats. Nevertheless, a sense of progress can be gained from a tabular presentation of specific issues.

Finally, we emphasize that in Table 4 we focus on policy areas, or areas usually thought of as being close to policy making. We therefore ignore areas in which donors are already exercising considerable technical expertise, such as teacher training, curriculum development, etc.

Table 4. Policies and Indicators of Policy Development

Policy area	Indicators	
	Worse	**Better**
Overall education budget, as a share of GDP	Few nations have successfully developed education systems with this ratio at less than 3.5%. But reaching 6% or 7% with less than universal primary and 50% to 80% secondary enrollment is a sign of waste. And, it is difficult to really "lead" quality and access development with raw expenditure.	Most countries in Africa where USAID works, for example, should be in the 4% to 5% range, or slowly growing from there, if their systems are efficient and expanding in either access or quality.
Ratio of education budget going to primary education	This ratio is impossible to determine a priori. It has to be based on (1) country-by-country analysis of levels of enrollment access and quality, comparing primary to secondary; and (2) how efficient each subsector is, both internally and externally. Generally such ratios are too low relative to tertiary, but not necessarily relative to secondary.	Generally, it is better to lower tertiary costs to the 15% to 20% range, and reallocate to pre-primary, primary, and secondary.
Ratio of salary to total costs	This ratio usually is impossible to determine a priori, but overall, such ratios are too high in most of Africa. More funds are allocated toward nonsalary recurrent costs, particularly books, stationery, pedological materials, information systems, and research and extension.	The ratio is low, with goals (perhaps idealistic) in most countries in the 80% to 85% range.
User fees	No or few fees exist at any level.	Means-tested costs are recouped from users at university (particularly the professional branches), urban secondary, and vocational-technical levels. Some consideration of user fees for teacher training is feasible in limited cases.
Local taxes	No or few taxes exist, even in rich zones.	Local taxes are assessed in richer areas particularly. Taxes could be earmarked for local education. Or they could be formula-based, depending on wealth of region as determined via national poverty mapping exercises increasingly feasible in many countries.
Funding in general	Funding procedures are ad hoc. Flat spending occurs without sensitivity to the need to target resources toward the poor. Budgeting is by input allocation and requisition, which results in regressive spending and inefficient allocation. There is little sense of targeting, or of the behavioral impact of funding mechanisms. Few people have the conceptual and program-matic ability to delink funding from direct provision (since funding is by requisition and input allocation).	The county is evolving toward more progressive funding mechanisms that also create a sense of both rights and responsibilities, based on known, transparent criteria. Funding formulae allow the central state to use and be used by others as partners and agents.

Table 4 (Continued)

Policy area	Indicators	
	Worse	**Better**
Local governance	Local governments have no real powers. They collect taxes or receive budget supplements (decentralizing liabilities but not assets), but have no authority over expenditures, hiring, promoting, firing, requisitions, or purchasing. They are often used only to shed the load of providing services to the poor, while maintaining centralized and generous funding and management for urban elite schools. Decentralization often is carried out via traditional political structures and in mediocre compromises (e.g., decentralization down to large centralized regions).	Local governance is developing, in a negotiated and means-tested manner that assigns variable powers to different communities. It also incorporates appropriate, well-thought-out delegation depending on consideration of information costs, local capacity, economies of scale, etc.
Salaries and salary structures	"Worse" status on salaries is difficult to define a priori. Frequently salaries are too low on average, but just as often they are too high. Above all, they almost never have any relation to performance, scarcity, or reward for difficult conditions; or, if they do consider these factors, they do so in a bureaucratic and counterproductive manner that is easily corrupted.	Salaries are evolving toward a system that allows communities and principals to reward good performance in a manner that is difficult to corrupt and is nevertheless fine-tuned, rather than rule-based. Many traditional systems in fact worked in this manner. There is a need to establish and maintain a national base for minima, which must operate in the context of formulae that equalize purchasing power, and must be linked to overall progressivity of the system of school finance.
Materials procurement and distribution	Procurement is very centralized, often (less so in former British colonies) based on nationalized production and state-owned distribution channels, frequently within the ministry of education itself. Procurement procedures often attempt to satisfy vague, infeasible, and non-education-related goals (e.g., the stimulation of a national printing industry). Information and distribution costs are very high. Distribution is very slow and inefficient—much below what the society is capable of, as demonstrated in the commercial sector.	Movement occurs toward policies that procure goods and services on a least-cost and least informational transaction basis, regardless of the ownership of the producers and transporters. Policies decentralize purchasing power as a means of decentralizing some transport, storage, and use decisions. Policies are designed with careful consideration for trade-offs such as those between information costs and economies of scale.
Information systems	Information systems are often nonexistent. If they do exist, they are slow, focusing on (1) indicators for which there is little demand, and (2) input counts. The systems have very little linkage, if any, to outcome indicators. They are oriented toward bureaucratic management rather than public accountability and discussion. The systems are based on the assumption that the bureaucracy is inherently interested in good management and measurement.	The systems are evolving toward measurement of results, linking of results to inputs, and dissemination of information to the public for accountability purposes. Attention is given to strategic evaluation and handling of information development needs. Information is used in policy debate rather than only in internal bureaucratic management.

Table 4 (Continued)

Policy area	Indicators	
	Worse	Better
Research systems	Research systems are nonexistent, moribund, or irrelevant. If they exist, they have little policy focus, little action research, little attention to where the demand for research results might lie, little attention to "best practices" research, slavish and uncreative use of multivariate analysis, no link between research and community needs.	The system shows movement toward decision-needs-driven systems emphasizing accountability, action research, dissemination of results.
Gender issues	The country lacks a supply side and demand side research base and awareness of how to overcome gender inequity barriers. If awareness is budding about the problems and the barriers, few people know of cost-effective means to address the barriers (e.g., focusing on supply-side policies when there are demand problems, or physical infrastructure problems when the binding problem is legal-institutional). In general, the country lacks a systems orientation to the gender issue. Often the policy agenda is dominated by sterile contrasts between a simpleminded, do-goodish approach versus the traditionalist pattern of decision making and resource allocation.	The country is moving toward a systematic and cost-effective treatment of the gender issue, based on gender systems analysis, strong awareness and advocacy, and appropriate policy based on both of these.
Sense of entitlement	There is little sense of what communities are entitled to, in terms of education, and little entitlement-based discussion around issues of minimum standards. Often a hopelessly misguided, undeliverable notion persists of entitlement to government jobs as a result of education, rather than entitlement to education or education rights per se.	The country is moving toward a process of honesty and dialogue about what education might produce for communities, appropriate education, and educational rights.

Section 4

Conclusion

While measuring what we admit up front is inherently intangible may seem like a daunting task, not undertaking ERS because it is difficult to measure its impact would be a mistake, for two reasons.

First, we think that the approach as it has been described in this series constitutes a valid response to the criticisms often levied against development projects. ERS draws on experience and the latest thinking about the role of the state and the nature of the relationship between civil society and the state apparatus. In so doing, it plots a means to supporting sustainable improvement in the provision of basic education in the developing world. The alternative—to return to traditional projects or to banally apply policy conditionality—for us simply is not a viable option.

Second, the present document shows how to monitor and assess improvements in process-related activities. We think education efforts need to learn more from other fields where capacity building, institutional development, and improved institutional relationships are accepted as the objectives of development assistance (e.g., democracy and governance, local NGO strengthening, and micro enterprise development). The frameworks provided here are examples of how development institutions can monitor the results and impacts of ERS.

Only if development institutions and professionals can redefine their role more as supporters of local institutions and processes, and less as direct providers of goods and services, will the riddle of sustainability ultimately be solved. ERS is a fundamental attempt to move in this direction.

Documents in the ERS Series

The Education Reform Support (ERS) series of documents presents an integrated approach to supporting education reform efforts in developing countries, with particular emphasis on Africa. It is designed for development agencies and for individuals interested in helping strategic elements within a host country steer events toward sustainable reforms in education, as well as for host country reform proponents who wish to understand the aims and means of agencies that propose activities in this area.

The six main volumes in the series are:

Volume Number	Title
1	*Overview and Bibliography*
2	*Foundations of the Approach*
3	*A Framework for Making It Happen*
4	*Tools and Techniques*
5	*Strategy Development and Project Design*
6	*Evaluating Education Reform Support*

There are also three supplementary documents:

- *Policy Issues in Education Reform in Africa*

- *Education Management Information Systems (EMIS) for Accountability*

- *Strategies for Stakeholder Participation.*

The series also includes an ERS Course Description, which consists of materials for teaching topics related to Education Reform Support.

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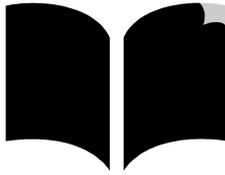
Advancing Basic
Education and Literacy
Phase 2

For additional information, please contact

Advancing Basic Education and
  Literacy Project
ABEL Clearinghouse for Basic Education
Academy for Educational Development
1875 Connecticut Ave., N.W., Suite 900
Washington, DC 20009-1202

Africa Bureau Information Center
USAID, SA-18, Room 203-J
Washington, DC 20523-1820

telephone: 202-884-8288
fax: 202-884-8408
e-mail: abel@aed.org

telephone: 703-312-7194
fax: 703-312-7199
e-mail: abic@usaid.gov