



2016 ADB International Skills Forum Innovative Practices in Skills Development

19–21 September 2016 • ADB Headquarters, Manila, Philippines

Quality Education and Economic Development

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19 September 2016

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UN Sustainable Development Goals



Development = Growth



Growth = Skills



Introduction

- Focus on educational quality
- Implications of quality for economic outcomes
- Approaches to improvement

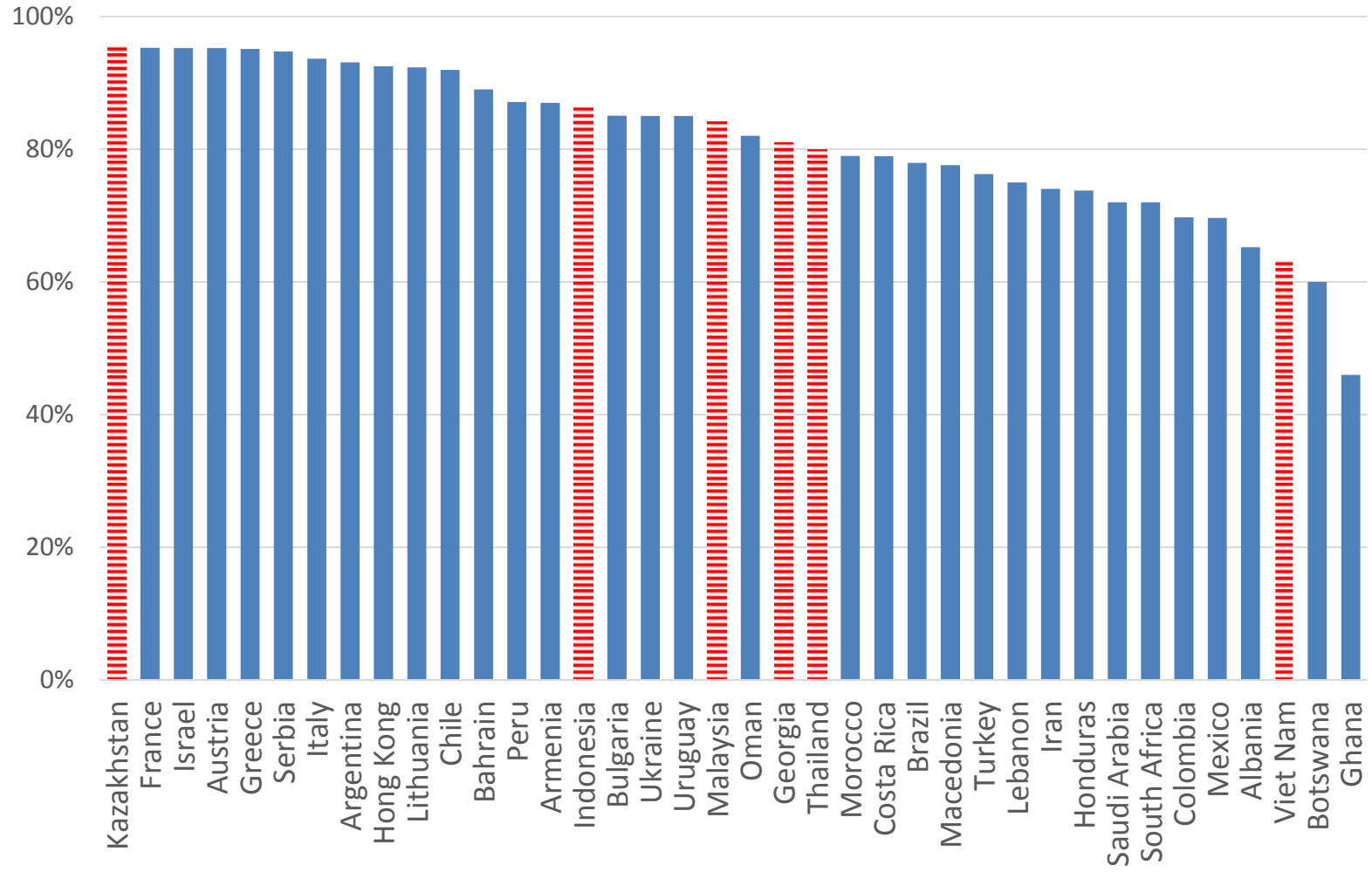


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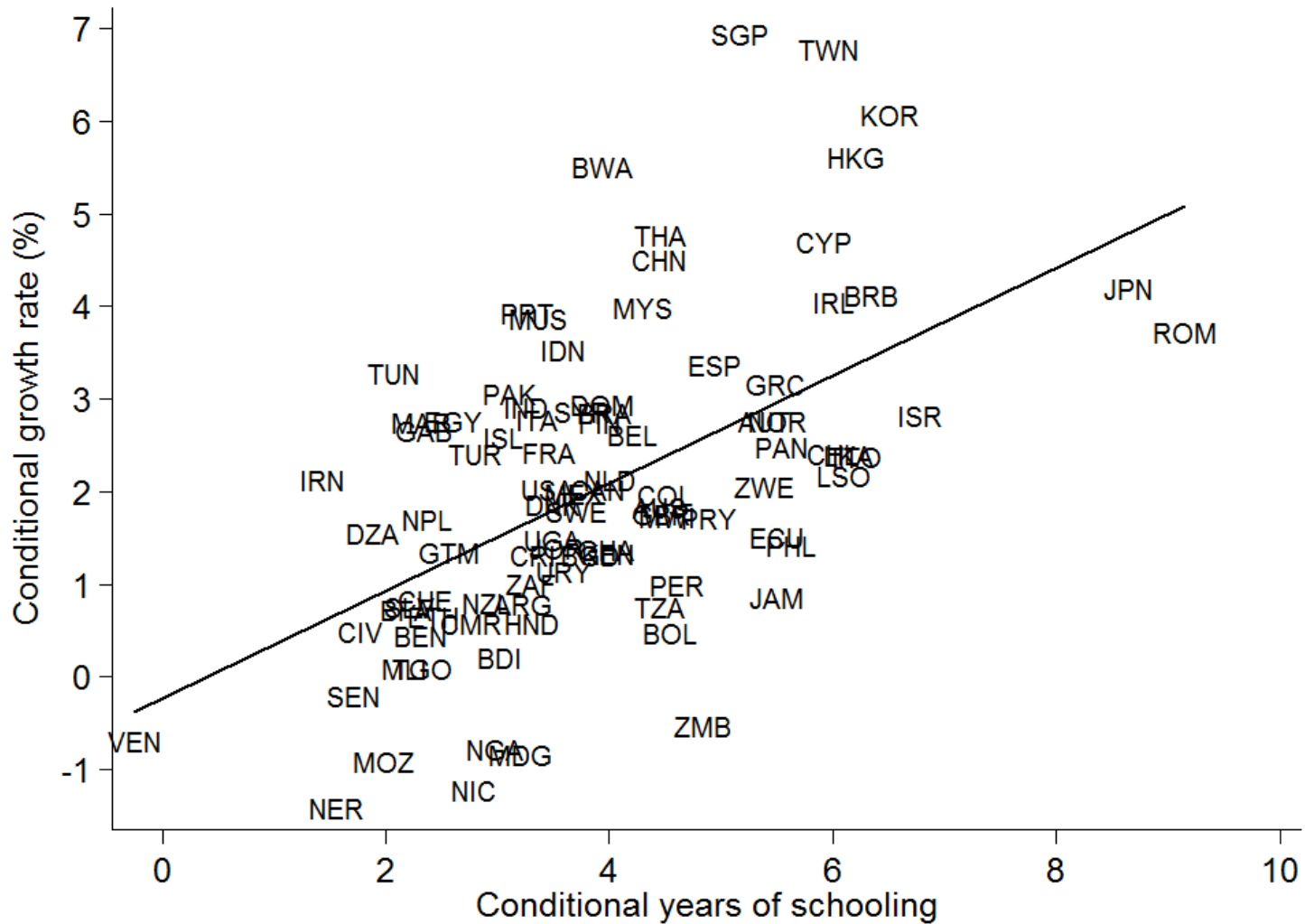
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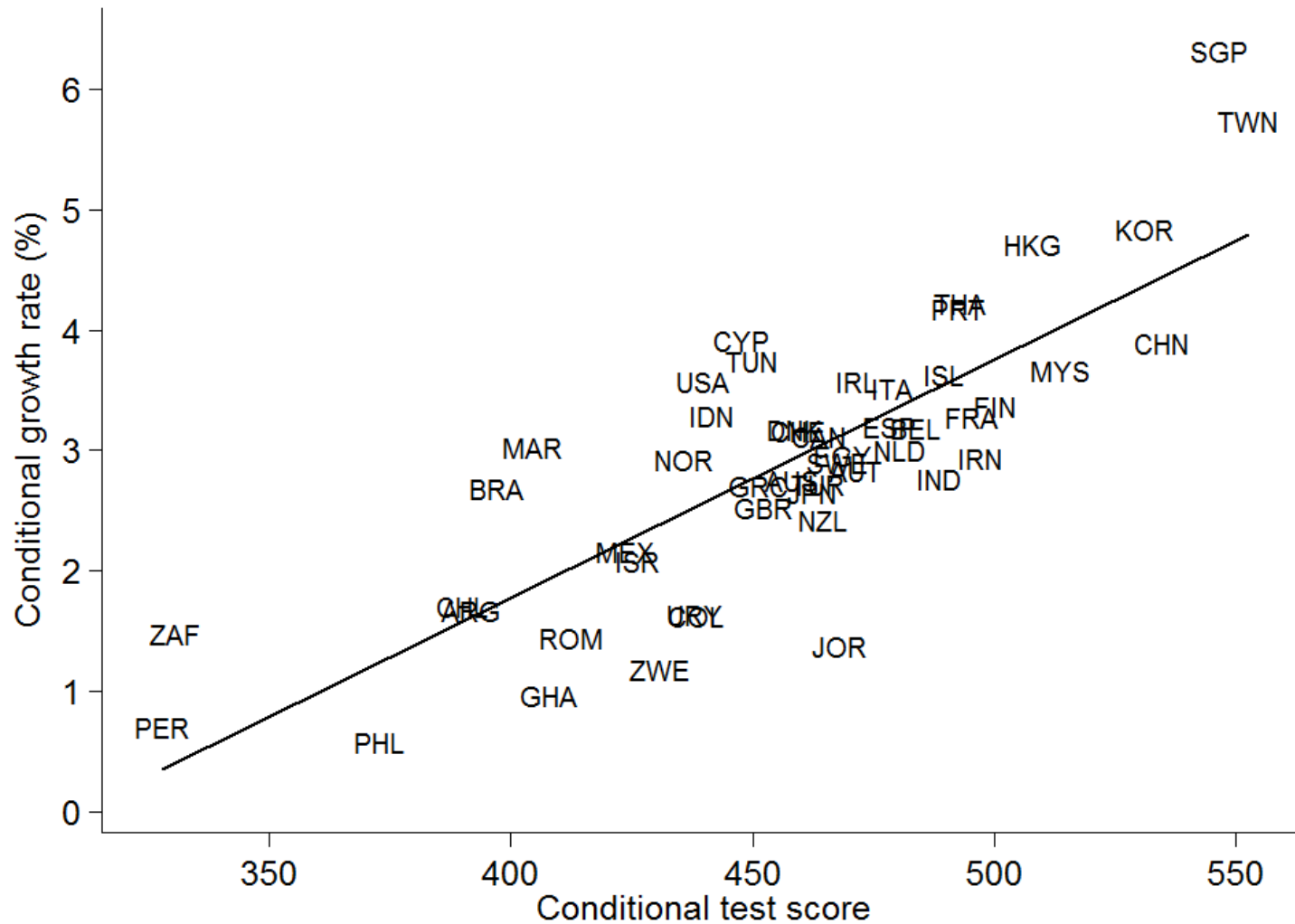
Percent Completing Lower Secondary



Years of Schooling and Growth

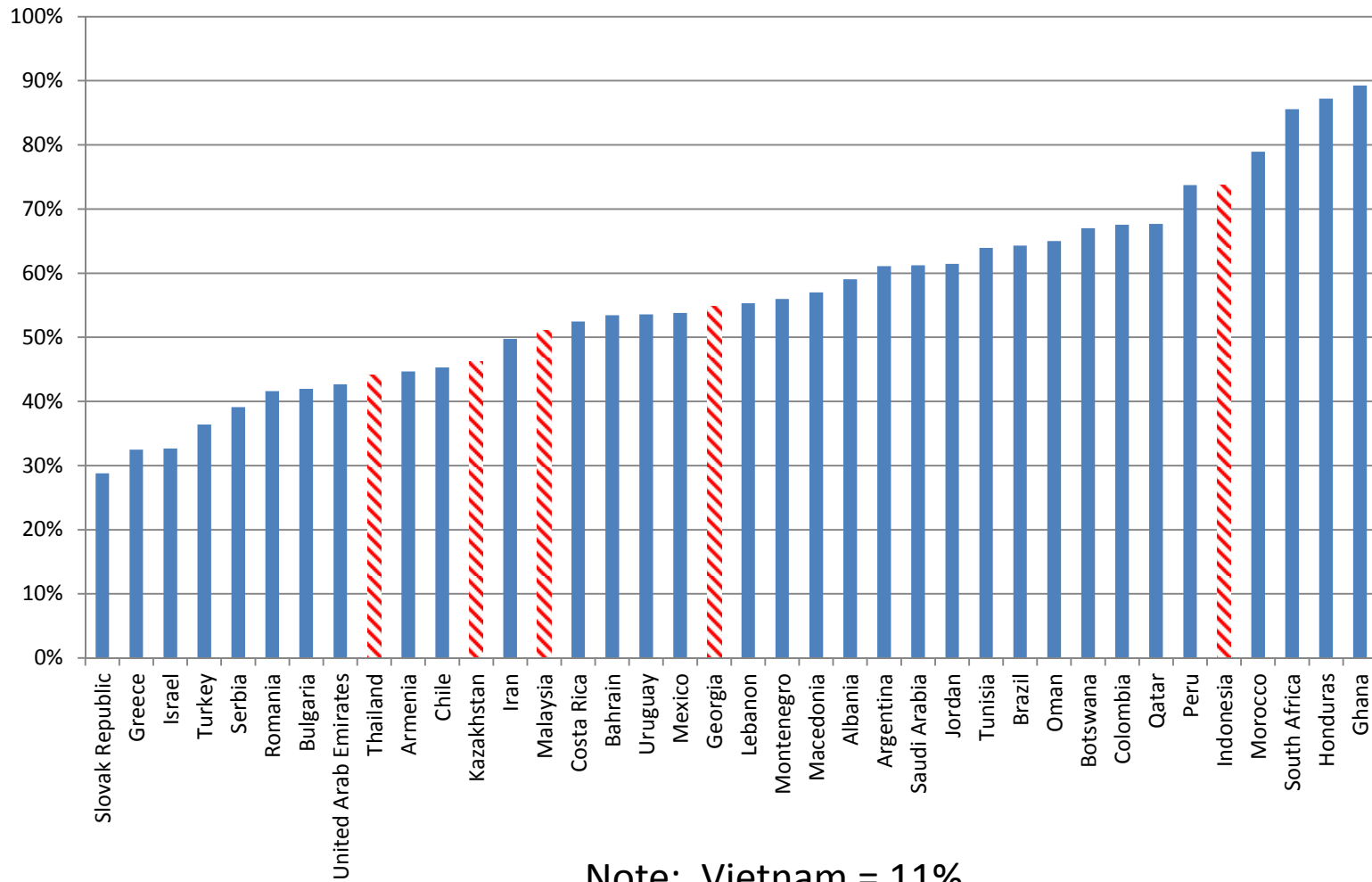


Knowledge Capital and Growth



Source: [Hanushek/Woessmann \(2015\)](#).

Students Lacking Basic Skills



Examples of Value of Improvement

- Assuming historical patterns hold
- Present value over 80 years
- 15 year improvement plan

Example 1. Malaysia moves to Turkey level
(25 PISA points)

Example 2. Thailand move to Universal Basic
Skills

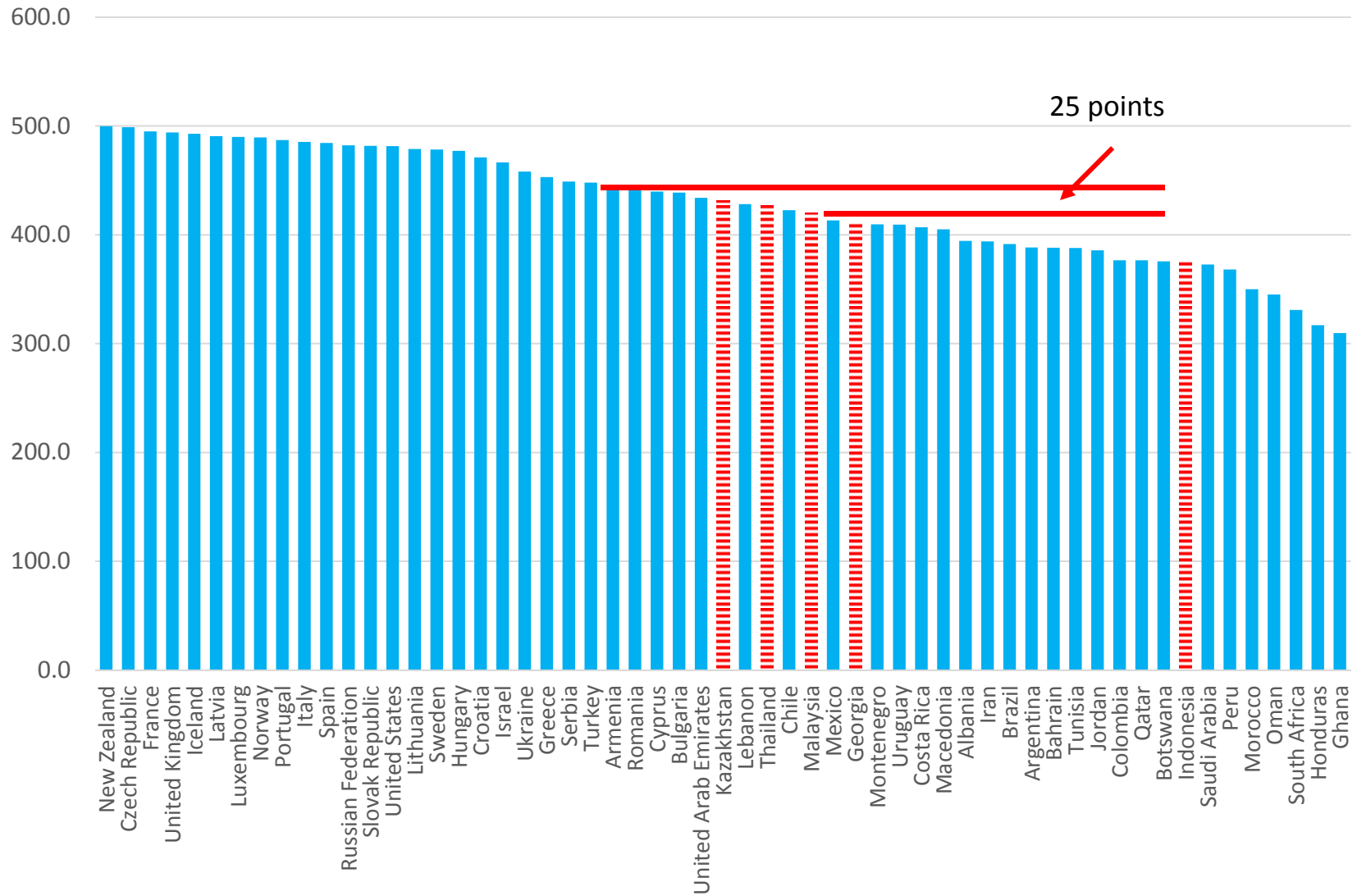


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PISA/TIMSS Math Performance 2012



Examples of Value of Improvement

1. Malaysia moves to level of Turkey (25 points)

- Present value of **282% of GDP**
- Average **6.0% higher GDP/pop** for 80 years
- **12% higher paychecks** for all workers every year

2. Thailand moves to universal basic skills

- Present value of **414% of GDP**
- Average **8.9% higher GDP/pop** for 80 years
- **18% higher paychecks** for all workers every year



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Universal Basic Skills

- Universal access at current skill level
- Basic skills just for current students
- Universal basic skills



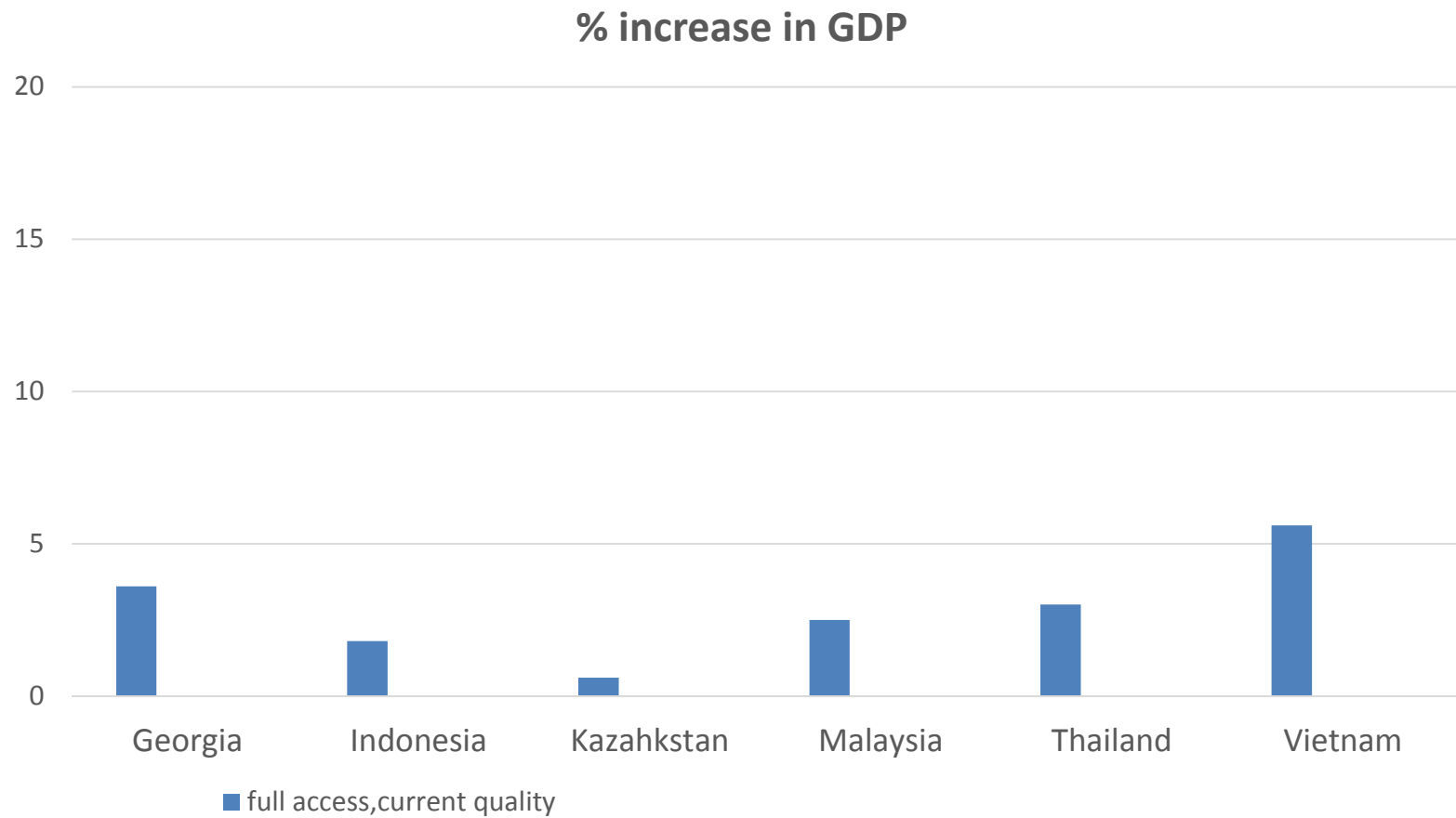
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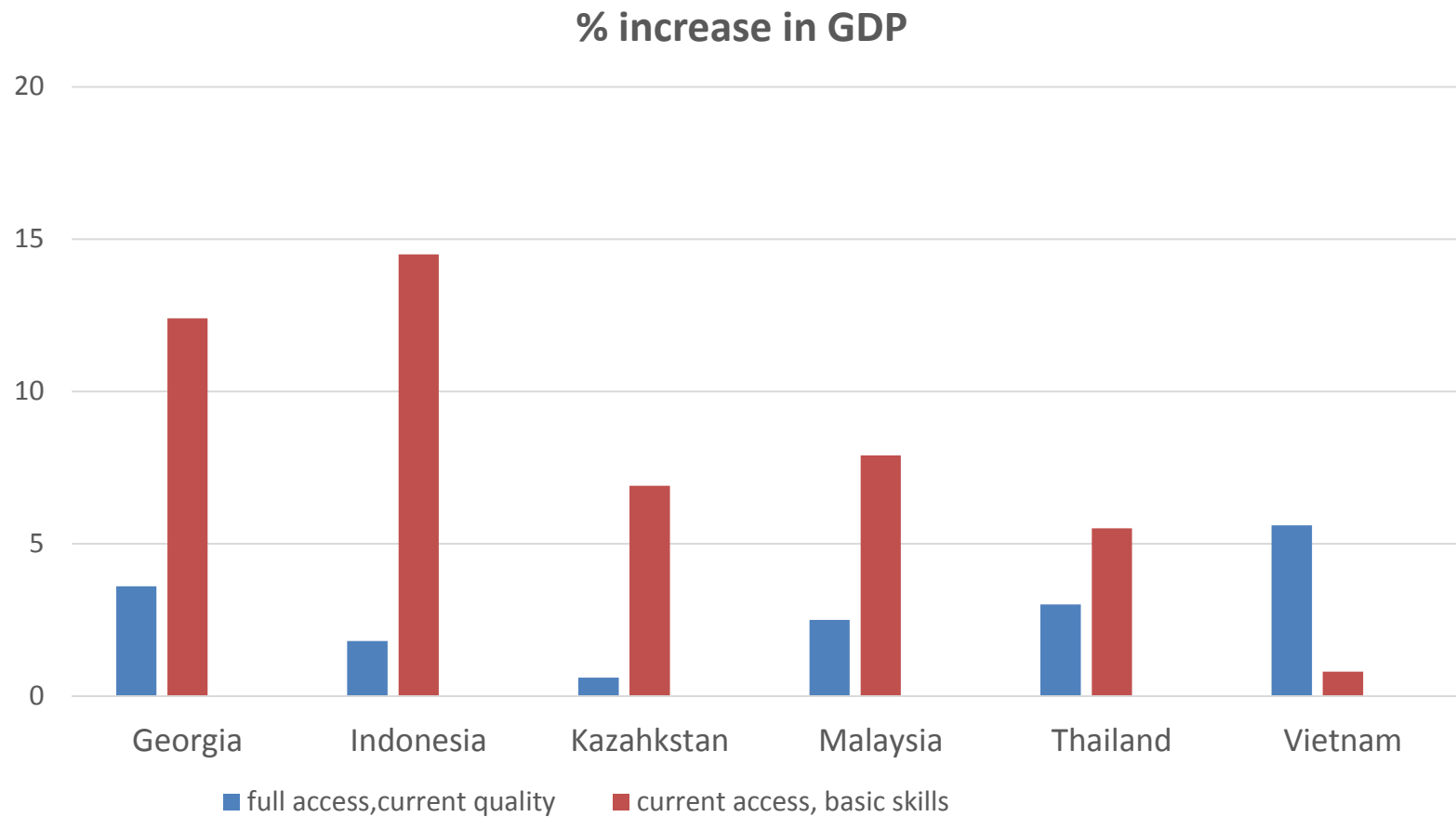


Universal Basic Skills

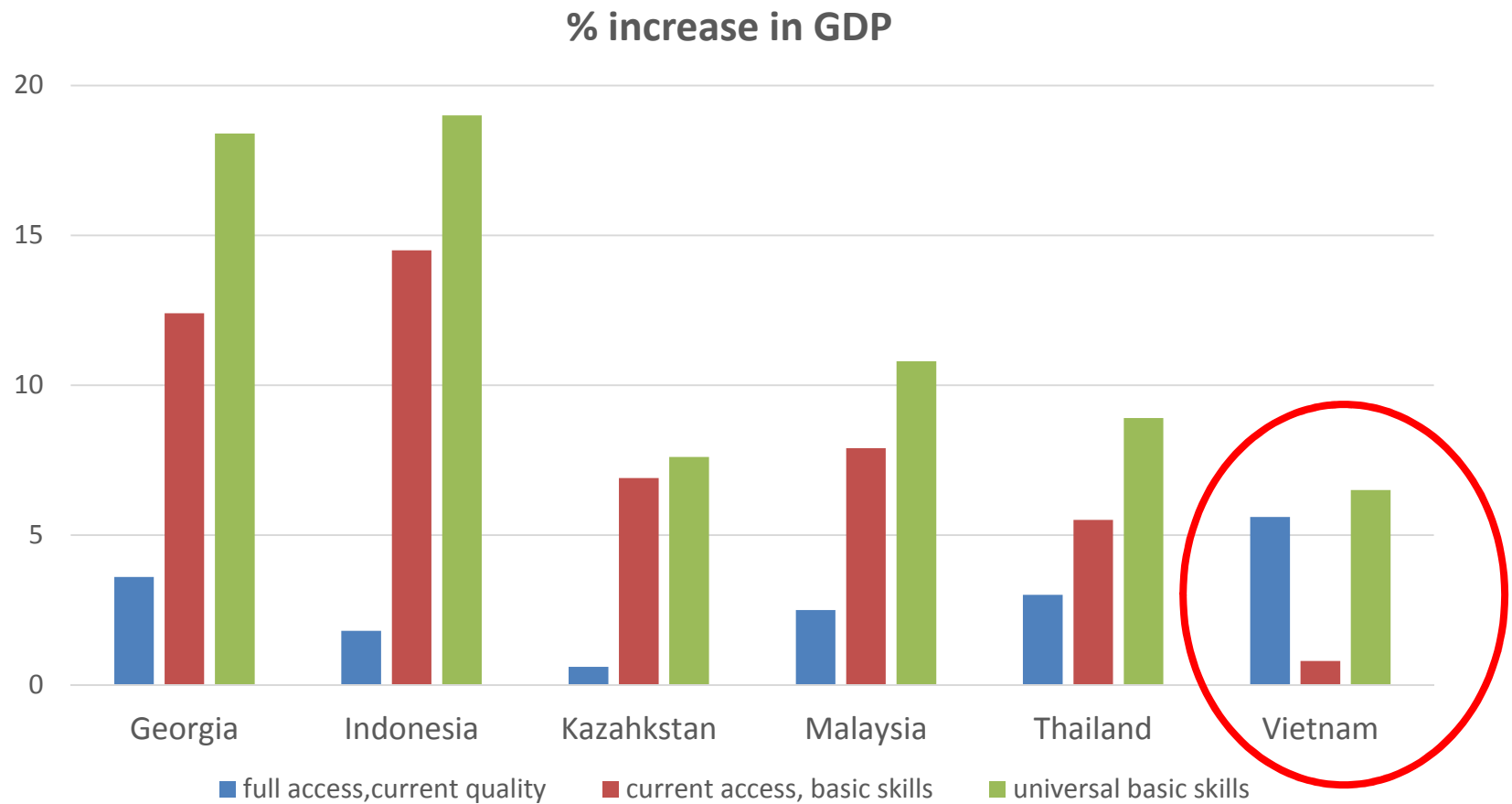
Universal Basic Skills



Universal Basic Skills



Universal Basic Skills



Improvement Path

- **Not just spending – how resources are used**
- **Teacher quality improvement**
- **Incentives**
 - *Incentives to focus on improving student outcomes*
- **Institutional framework**
 - *Accountability*
 - *Autonomy*
 - *Choice and competition*



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What is needed?

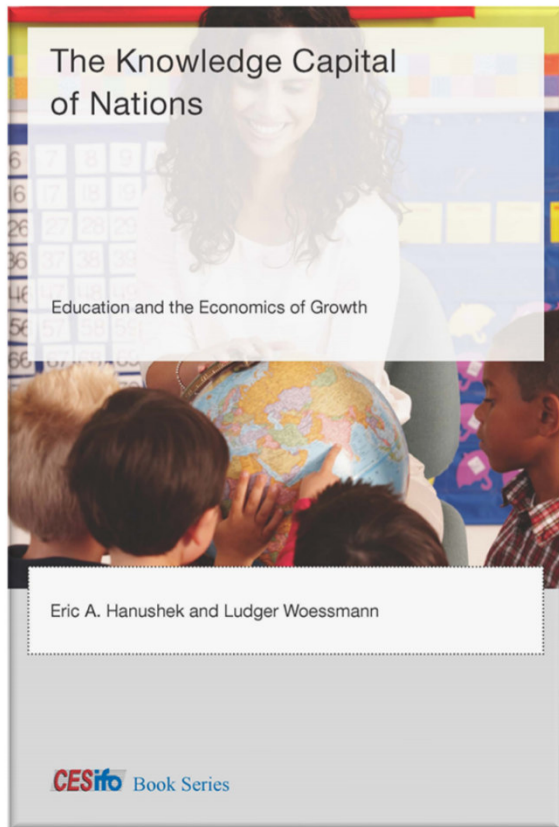
- Commitment to education **quality**
 - Possible but difficult
- Expansion of quality measurement
 - Limited countries in prior analysis
- Common cause for education ministers AND finance ministers
- **No alternative if SDGs are to be realized!**



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- <http://hanushek.stanford.edu/>

Thank You

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