Economic and Social Council High-Level Segment of the 2011 Substantive Session General debate

Presentation to ECOSOC of the 2011 Report of the Committee for Development Policy (CDP) by Professor Frances Stewart Geneva, 5 July 2011

Mr. President, Distinguished Delegates, Ladies and Gentlemen,

On behalf of the CDP, I have the great honour of introducing to you the Report of the Thirteenth Session of the Committee for Development Policy (E/2011/33), held in New York from 21 to 25 March this year.

I have been asked to emphasize here, today, the relevant parts of the Report related to this year's AMR theme on the internationally agreed goals and commitments in regard to education.

The relevance of education to individual wellbeing, institutional development and economic growth cannot be overemphasized. At the level of the individual, education plays a major role in enhancing the quality of life by developing cognitive and social skills and capabilities. Moreover, female education is a major influence over children's health and nutrition. At the country level, education contributes to enhancing social cohesion, promotes better citizenry and improves the quality of institutions. Education is also a key to faster productivity growth.

The centrality of education for both individual and collective growth has long been recognized by the international community. In 1948, the General Assembly adopted the *Universal Declaration of Human Rights* which included the right to education for all. The Declaration also stated that education should be free and compulsory at least in the elementary stages. At the *World Conference on Education for All* in 1990, the international community committed to provide universal education for all. The *Millennium Development Goals* and *the World Education Forum*, both in 2000, reaffirmed this commitment and indicated the year 2015 as target date for meeting this goal. The CDP recognizes the important role these initiatives in promoting education. With international support, national efforts achieved remarkable progress in increasing the coverage of primary education, particularly since 2000.

The CDP noted, however, that 68 million children were still out of school in 2008 and at the current pace, the goal of universal primary education risks not been achieved by 2015.

The CDP also noted that, contrary to earlier expectations, higher enrolment rates at all levels have not led to faster economic growth or increased productivity in many parts of the world. While there are various reasons for this, the Committee stressed two major factors.

First, the expansion of school enrolment was not paralleled by improvements in the quality of education. There are countless children who have not learned basic reading, writing and math shills even though they went through formal education. In fact, tests recently conducted in Africa and Asia show that many students in primary and secondary schools were not able to recognize a single word/sentence or to perform simple divisions. This poor outcome is often labelled as a "learning crisis."

The *second* reason lies in the linkages between education, labour markets and the overall economic conditions confronting a given country. Today's competitive and globalized markets with their fast changing technologies require human resources with skills and flexibility to adjust to changing circumstances.

Labour supply matters. But labour demand, often conditioned not only by the rate of growth but also patterns of growth--is also critical.

In economies with slow job creation, educated workers are underutilized and productivity gains are minimal. The lack of opportunities for educated workers in the domestic economy often leads to brain drain. But even in economies with strong demand for educated workers, skill mismatches may happen, leading to unemployment among the educated. The lack of workers with the right qualifications may, in turn, constrain growth.

These problems constitute major challenges for human resource development in many developing –and also developed—countries. But they can be addressed if educational policies are designed as an integral part of the national development strategy. And, in integrating education policies into development strategies, attention should be paid to equity. A strategy that generates great returns to education but rests on unequal access is unjust and leads to worsening social inequalities.

To enhance equality of opportunity in labour markets and to increase the public returns to education, comprehensive educational reforms may be necessary. How well students are taught and how much they learn at the primary level have significant impact on their capacity to acquire further skills and knowledge. Equitable access to <u>quality</u> primary education must be guaranteed.

Changes are also required at the level of secondary and tertiary education. Reforms need to include both public and private providers. In some countries, increased demand for education beyond the basic levels has led to a mushrooming of institutions—often outside the public sphere—offering a generalist type of education. While less costly than technical and professional education, this type of education barely provides the skills demanded. Thus, a better regulatory framework needs to be in place to guide the content and quality of education offered by private institutions.

Moreover, reforms need to go beyond formal education.

Life-long learning and training to upgrade skills for those already in the labour force are also important. Yet, such programmes are often limited to workers in large enterprises. They should be made available for those in small- and medium-sized enterprises, micro entrepreneurs and, more generally, for workers who have not had the opportunity of quality education. Without training, these workers are ill-equipped to adjust to the structural changes in the economy. They will not benefit from either the introduction of new technologies or the mobility associated with economic growth

Effective partnerships between private and public employers, on the one hand, and educational institutions, on the other hand, are thus necessary to link formal and informal systems of education and training.

Mr President,

Development strategies differ among countries. Naturally, the Committee does not advocate a one-size-fit-all approach. But improving the quality of education at all levels is often a key to the successful implementation of such strategies. High quality of education leads to productivity growth and higher earnings which, in turn, create a larger demand for quality education at all levels. If the educational systems expand workers' skills and competence, a virtuous circle is set in motion.

In this regard, the Committee puts forward a series of recommendations on how developing countries, with the support of their development partners, could improve the quality of education provided.

Allow me to highlight some of them:

To develop and monitor indicators for the quality of education, which could also be incorporated in the MDGs. For this, the UN Statistical Commission and other relevant UN agencies could be engaged and propose a list of possible indicators;

To mainstream education in development strategies. In this regard, policy makers need to enhance the coordination between higher education and skills development polices, on the one hand, and technology and innovation policies, on the other hand. This helps to upgrade national technological capabilities and raise productivity;

To ensure that educational opportunities are equally open to girls and boys, and to deprived and marginalised people and groups as well as the more privileged.

To provide better education and adequate incentives for educators; teachers play a crucial role in improving the quality of education and reducing the large quality gaps in education received among different socio-economic groups;

To strengthen cooperation and coordination between education and training providers --both in the public and private sectors--and employers in order to address skill mismatches and unemployment of educated and skilled workers; and

To improve the efficiency of international support extended by reviewing educational reform programmes to identify those components that have worked well and need to be further strengthened.

Mr. President,

Before closing my statement, I would like to introduce, very briefly, the other two issues the Committee considered in its report. One refers to the interaction between migration and development, particularly in the context of the recent global economic crisis. The other is related to the least developed countries, including monitoring of the development progress of Equatorial Guinea and Samoa.

Last year, when addressing the AMR on gender, the CDP noted that women are often less resilient to crises due to their relatively weak positioning in economic, legal and social-cultural spheres. The same observation applies to migrants due to their relatively disadvantaged position in transit and destination countries.

The economic crisis in 2008 has slowed cross-border migratory flows, partly due to new restrictive immigration policies, and increased anti-immigration sentiment in destination countries. Existing immigrants are especially vulnerable to these trends.

The international community recognizes that migration is a powerful force. Its positive impacts extend beyond migrants themselves to their families, their communities as well as their countries of destination. Despite this recognition, migration remains without a formal international regime: no agreed multilateral regulatory framework or specialized labour migration organization exists.

The Committee calls for increased international cooperation and clear progress towards creating a multilateral framework for the regulation of migration flows. This effort should also include guaranteeing the rights and obligations of migrants in transit and destination countries and the promotion of measures to enhance the positive development impacts of migration.

Turning to issues related to the least developed country category, the Committee reviewed the criteria and indicators that are used to identify such countries.

The Committee identifies LDCs as low-income countries suffering from severe structural impediments to sustainable development. As research on development evolves and improved data on socio-economic and environmental conditions of LDCs becomes available, the Committee finds it necessary to examine whether these new insights are

useful for strengthening the methodology it uses to designate countries as LDCs. This is particularly true with respect to research on developmental impacts of climate change.

In this regard, we analyzed the extent to which climate change is a structural impediment to the sustainable development of these countries. Climate change will increase climate variability as well as the intensity and frequency of extreme natural events. It has significant impacts on the social, environmental and economic dimensions of sustainable development.

The Committee considers that current LDC indicators capture some aspects of the developmental impacts of climate change, but not sufficiently so. Thus, a few refinements were introduced to its economic vulnerability index (EVI). For the sake of brevity, I would kindly invite you to refer to the CDP Report for further details of the changes introduced and other issues related to the criteria.

The Committee also monitored the development progress of two graduating countries: Equatorial Guinea and Samoa.

Samoa is scheduled to graduate in 2014. The Committee noted with satisfaction the country's recovery from the economic crisis in 2008 and the devastation caused by the tsunami in 2009. We anticipate that Samoa will continue to maintain a relatively high level of income and human asset in the near future.

The CDP recommendation on the graduation of Equatorial Guinea was endorsed by the Council in 2009. In 2010, the country was classified by the World Bank as a high-income country.

The General Assembly has not yet acted upon the recommendation to graduate Equatorial Guinea from the LDC category. The Committee is concerned that further delays could have negative implication for the integrity of the LDC category and the graduation procedure. This urgency gains particular relevance after the adoption of the Istanbul Plan of Action and its overarching goal of having half of the LDCs meeting the graduation criteria by 2020.

Mr. President and distinguished delegates,

I hope that your deliberations on this year's AMR theme will provide additional impetus to accelerate the progress towards achieving the education goals adopted by the international community. The Committee is honoured to assist you in this task. We hope the Report in your hands will make a positive contribution in helping the Council to fulfil its important mandates in the benefit of all.

Thank you.