

## Highlights

### THE INVESTMENT CASE FOR EDUCATION AND EQUITY 2015, UNICEF

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#### Background Story – Improving the Future of Children

There are approximately 650 million primary-school-age children and 370 million children of lower secondary school age in the world today. If children of pre-primary school age are included, the total rises to 1.4 billion. Improving the futures of these children – whether they are poor, live in conflict situations, or face discrimination because of gender, disability or ethnic origin – is the most important reason to invest in education.

#### An Introduction

Education has positive impact on individuals, families and nations, both in terms of national income, economic growth and poverty reduction and in human development outcomes such as health, fertility, women's empowerment, risk management, individual and community resilience, civic engagement and increased tolerance. Thus investment in education can have both economic and human development returns. It also has the potential for inter-generational effects. However, the amount of return reaped in future will depend upon the investments made at different levels of education, quality of learning achieved at pre-primary and school level and the inclusion of vulnerable and marginalized children in education.

#### Equitable & Cost-Effective Investment

Challenges in the education sector will not be addressed solely by increased funding. Policies that allow for the equitable targeting of resources and improve the efficiency of overall education spending are needed for development of countries. Once the amount of funding dedicated to education within countries is defined, governments make different choices in the way they distribute this funding across different levels of education.

- Low-income countries need a good-quality pre-primary, primary and lower secondary education – basic education.
- Middle-income countries need on an average, the secondary level (general and vocational/ technical) education.
- High-income countries need tertiary-level education.

Example: Low expenditure per student may result in very large class sizes, and low investment in teachers or supportive materials can adversely affect the quality of education and learning outcomes.

#### Select Highlights

➤ **In low-income countries, the expansion of primary education contributes the most to national income growth.**

It is estimated that 10 additional percentage points in the primary enrolment rate is associated with an increase of between 0.2 and 0.3 % points in GDP per capita annual income growth (in real terms), a significant increase as the average annual growth has been 0.8 percentage during the period considered.

➤ **Higher levels of education are associated with lower poverty rates.**

171 million fewer people will be living in poverty (on \$1.25 a day) if all students in low-income countries learned basic reading skills (The Education for All, Global Monitoring Report 2013/14).

➤ **The greatest reduction in poverty is associated with primary education, followed by secondary.**

The chance of being poor, on average, is 28% for households headed by adults with primary education, 19% for households headed by an adult with lower secondary education and only 6% for households headed by an adult with tertiary education.

➤ **Women education improves child health.**

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The study (Gakidou et al. 2010) found that around half of the under-five mortality reduction from 1970–2009 can be traced to increases in the average years of education of women of reproductive age.

- **Equity in education leads to conflict risk reduction.** In 55 low- and middle-income countries, where the level of educational inequality doubled, the probability of conflict more than doubled, from 3.8 per cent to 9.5 per cent (UNESCO 2014).

- **Children of more educated mothers are more likely to attend school.**

Research found that around 2003, for 16 sub-Saharan African countries, on average, 68% of children of uneducated mothers attended school, 87.7% of children of mothers with six years of education attended school, and 95.5% of children of mothers with 12 years of education attended school (Majgaard and Mingat 2012).

- **Higher education levels lead to higher empowerment and civic engagement.** The EFA Global Monitoring Report 2013/4 (UNESCO 2014).

Education is also linked to empowerment, particularly for girls. For instance, women in India who had at least a secondary education were 30% points more likely to have a say in choosing their husband than their peers with less education.

- **Increasing levels of access mask low levels of completion and learning**

It is estimated that 250 million children worldwide have failed to learn how to read or write, to do basic mathematics (UNESCO 2014). This is due to exclusion at various stages of education. They were denied access to education, they did not complete their education or, despite attending school, the low quality of the education they received did not enable them to learn.

- **Children who attend early childhood development programmes have lower chances of dropping out of primary school and have better exam results,** EFA Global Monitoring Report 2007 (UNESCO 2007).

- **Countries with lower pre-primary enrolment rates often have low primary completion rates.** There are some exceptions, Kyrgyzstan, for which pre-primary gross enrolment was only 25% in 2012 is close to reaching universal completion for primary education.

- **Grade repetition have a significant effect on pupils dropping out.** It is costly, requiring the education system to invest in two years of study while only one year is validated for the student Pole de Dakar 2005.

Studies show that 1.0 more percentage point of repeaters results in a 0.8 percentage point increase in the drop-out rate (Mingat and Sosale 2001; Pôle de Dakar 2002).

- **Vulnerable and marginalized children suffer from high levels of exclusion** at each step of education.

Children from the poorest quintile of households were four times more likely to be out of school compared with those from the wealthiest households (UIS 2012)

- **Inequities also persist in many developed countries.**

In 2009, in the United States, the high school drop-out rate for students living in low-income families was about five times greater than the rate for their peers from high-income families.

### UNESCO Institute for Statistics (UIS) estimates:

- 650 million children are of primary school age today.
- Out of 650 million children, approximately, 28 million will never enroll or attend school and among those who begin school, as many as 92 million never reach Grade 4. In total, 120 million children have never reached Grade 4.
- Approximately 130 million children among those who reach Grade 4 do not learn to read. Hence, the total number of children who do not learn to read is 250 million out of 650 million of primary-school-age children, or close to 40% of the total.

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- **Gender is also a persistent source of exclusion.** In most regions, inequality disadvantages girls, but in some countries and regions, boys are at a disadvantage. This is true in Latin America and the Caribbean, where girls have higher levels of completion than boys in Belize, Honduras and Suriname.
- **Disability can be a barrier to enrolment,** the World Health Organization and the World Bank (2011).
- **Conflict is an important factor for non-enrolment or non-completion.**
- **In the first decade of the 2000s, donor funding to education more than doubled.** Overall aid to education increased from US\$6.5 billion in 2002 (US\$2.9 billion was dedicated to basic education), to a peak of US\$13.9 billion, (US\$6.0 billion was for basic education).
- **Since 2010, there has been a decline in external aid to education.** Contributions to education in 2011 were US\$13.0 billion, including US\$5.7 billion for basic education, and fell further to US\$12.6 billion in 2012, including US\$5.1 billion for basic education.
- **The demand for education will only grow.** By 2030, 619 million additional children aged 3–15 will need to be enrolled in school in order to provide education from pre-primary to lower secondary for all children.
- **Demographics are bound to present a major challenge to education progress in the 2015–2030** due to high youth dependency ratio in some regions. It means that each adult must ‘finance’ the education of more children. There will be an absolute increase in the number of children which means that education systems must continually expand in order to provide good-quality education to all.
- **A call for increased domestic and external funding to education, including private-sector involvement.** Just 5% of the annual profits of the five highest-earning public companies in the world would be sufficient to raise US\$12.6 billion annually – almost half of the estimated gap in external funding for basic education. 5% of the profits of the 15 highest-earning public companies would suffice to close the entire gap.

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