



THE BUDGET FOCUS

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Crisis in the Education Sector: Education Policy and Financing

Education sector analysis indicates that for the last ten years the development of the sector has been lagging behind. Although, there has been an overall growth in resources the Government allocates to education, financing and cost of education have been critical issues in the sector in the last decade. Despite the recognized value of education and heavy investment in the sector by the government, parents, NGOs and other partners, the provision of education as a basic right in Kenya have been lagging behind. Besides, the sector has faced many constraints and challenges in the last three decades such as issues of policy and legal frameworks, access, quality, relevance, efficiency, cost and financing of education.

In this issue of the bulletin, *The Budget Focus* team gives you highlight from the recent public forum on education organised by the Institute of Economic Affairs and broadly explores the public policy issues and more specifically policy on public spending on education.

Background

The expansion of education opportunities has been a long-standing objective of the Government of Kenya since independence in 1963, because education continues to be considered by different stakeholders as a basic necessity for progress. The

socio-economic and political benefits accruing to education are now well established. The government has consistently invested in education with an objective of promoting human resource development. The current formal system of education,

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popularly known as 8-4-4, was introduced in 1984 and its main features are 8 years of primary education, four years of secondary education and four years of university education for a basic bachelor's degree.

The introduction of this new system seems to have justified the hitherto arguments that the education system in Kenya since independence had not addressed properly the issues of quality and relevance of education to individual and national development. The 8-4-4 systems saw the restructuring of the entire education system and the introduction of technical-vocational curricula at different levels of education.

The system was implemented without much debate for it was politically seen as a viable gateway for the much needed development in the country. The rationale given for the introduction of this system of education included: the challenge for national development, need for a more relevant curriculum, equitable distribution of education resources, and increased opportunities for further training.

Despite the recognized value of and heavy investment in education, the provision of education as a basic right in Kenya has been lagging behind. Besides, the sector has faced many constraints and challenges in the last three decades such as issues of access, quality, relevance, efficiency, cost and financing of education, which were supposed to be taken care of by 8-4-4 system of education, have all been major areas of concern to various stakeholders.

The extent to which the analysis and debates on these issues have informed policy formulation on one hand and the provision of quality education on the other has remained problematic.

Status of Education

As mentioned above, the government commitment to the development of education has not been in doubt. Since independence in 1963, this commitment has been expressed in:-

1. Constant increase in resources allocated to education (currently about 40% of recurrent expenditure) is allocated to education about Ksh. 54 billion—7.3% of GDP.
2. The number of commissions/working parties established to preview the education sector.

Much has been achieved since independence, in quantitative terms and in terms of diversifying of curriculum at all levels of education. For example, there has been increase in the number of learning institutions and learners (currently primary school and university enrolment stand at about 5.6 million and over 40,000 respectively), number of trained teachers (only about 2% of teachers are untrained) and enhancement of partnership for the development of education (many partners and donors are funding education sector).

After the high enrolment of the two post-independence decades, there has been a serious reverse at the pre-primary, primary and

secondary levels of education characterized by low enrolment, high dropout, and low completion & transition rates. In the case of primary schools, at independence there were 6,058 primary schools with an enrolment of 891,553, rising to 5,392,919 pupils in 1990, out of which 48.7% were girls; by 2000 there were over 17,000 primary schools with 5,867,800 pupils out of which 48.9% were girls. This represents enrolment rate of less than 70%.

The number of secondary schools at independence was 151 with an enrolment of 30,120 pupils; by 2000 there were 3234 number of schools with 662,824 pupils. This looks impressive but it has not kept pace with population growth and subsequent demand for education.

According to 1999 census, an estimated 5.8 million children are enrolled in primary schools, out of a population of about 9 million children of primary school going age, leaving out more than 3 million children out of school. The decline in enrolment has been aggravated by rising drop out levels; since of every 1 million pupils, who enroll in standard 1, only up to 430,000 on average complete the primary cycle at standard 8, representing a completion rate of only 40-50%.

Completion rates have been ranging between 46 – 48% in the last four years with a drop out rate of up to 53% and 27% of the secondary age group proceeds to form one from standard 8, representing a transition rate of only 46%. Enrolment at secondary level stands at an

average of 25% meaning that up to 75% of secondary age are out of school. In terms of figures up to 2.2 million youth of secondary age cannot be accounted for. Average teacher-pupil ratio for secondary schools stand at 16. This means the big problem is not necessarily teachers, but opportunities and cost. These trends are mainly attributable to high cost of education, which has had serious negative impact on access,

Up to 4.2 million adults in Kenya are illiterate for they can neither read nor write.

retention, equity, and quality of education.

Issues facing the Education Sector

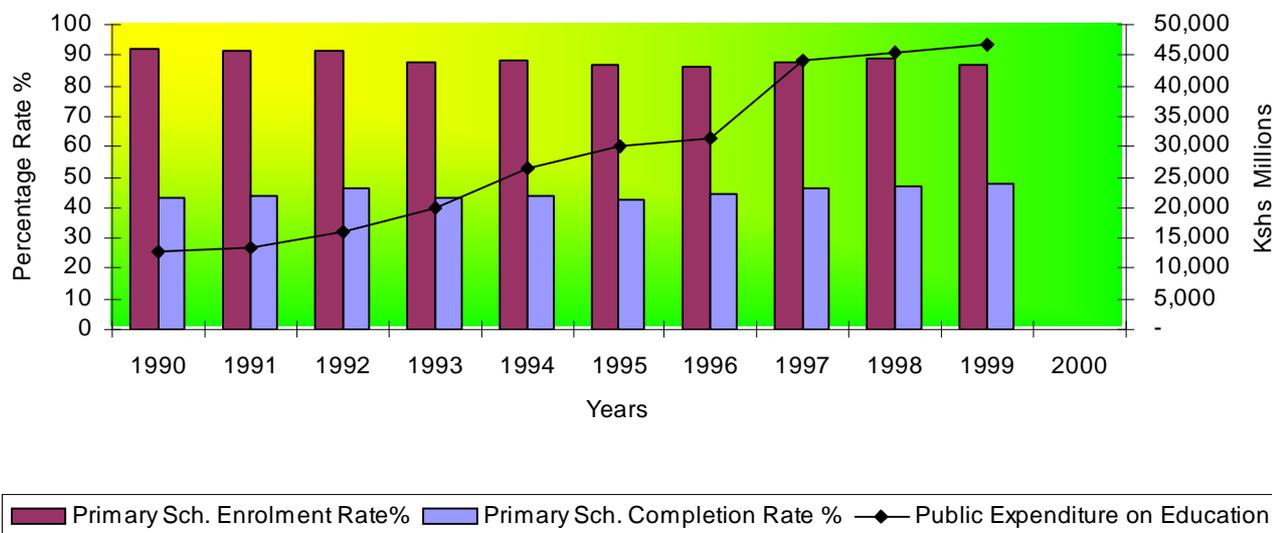
Increased politicisation of education, lesser and lesser external support among other factors has resulted in increased inefficiency in dealing with education problems and challenges.

S Access to education

About 3 million of school age going children are out of school. This is reflected by the dropping enrolment levels and low transition rates. The gross enrolment ratio (GER) for early childhood education stands at about 40 per cent. At primary school level, the gross enrolment ratio (GER) has been on the decline from 96% in 1990 to 88.1% in 2001 (after adjustment of age range from 6-13 years). The school completion rate has also been below 50 per cent between 1990 and 2000. Significant progress has been made towards the elimination of gender disparities in education but gender gaps continue to exist in arid and semi-arid areas of Kenya.

For example, in North Eastern province there are

Figure 1: Budget Allocation to Education Sector v/s Outputs



Source: Institute of Economic Affairs

twice as many boys as girls in primary school.

The number of primary schools is over 17,000 with an enrolment of 5.9 million. Out of the primary enrolment, only 12% make to secondary school. Completion rates have also been very low in the last decade. Of those enrolled in standard one only 46% manage to finish standard VIII.

Worse still, the sector has experienced low transition rates. For the last ten years only 45% of those who sat for the Kenya Certificate of Primary Education (KCPE) manage to join secondary education. Rural urban inequality, unfair distribution of teachers, facilities and equipment all contribute to failure in access to education.

S Quality and relevance of education

This has not been commensurate with the country’s development expectations. This has

been affected by inadequacy in physical facilities, teaching/learning and research materials. The curriculum is too broad in terms of scope and the required resources. The national examinations results have been used as the sole indicators of achievement, thus good education. The performance at national examinations, for instance has declined considerably, with mean scores in both KCPE and KSCE, in almost all subjects, stagnating at less 50%.

S Cost of education and financing

The rise in the cost of education and training has made many parents not to send their children to school. Besides, they are unable to supply necessary facilities for learning. According to the welfare monitoring survey report 1999, 26% of the total per pupil expenditure is contributed by the parents.

The government spends about 20% of its national budget in the education sector. Comparisons

with other countries shows that we spend 7.4% of GDP (higher than SSA average, as shown in table 2). Forty per cent of the government recurrent expenditure (about Kshs. 54 billion) goes to the education sector.

Throughout the last decade, government expenditure on education remained constant at approximately 15–20% of government expenditure and 7% of GDP. This is considerably higher in comparison with other countries in Sub-Saharan Africa with similar GDP per capita. This raises the question whether we are getting value for money in view, for instance, of the dissatisfactory enrolment rates enumerated above.

Kenya teacher-student ratio stand at 32 and 16 per teacher for primary and secondary schools respectively which is markedly below the recommended 40 and 25. The teacher’s salary constitute 90% of Ministry of education recurrent

expenditure. This suggests that low teacher/student ratios have led to higher expenditure on teachers salaries with fewer returns especially in view of declining enrolment and stagnating mean scores of less than 50% in both Primary and secondary level examinations.

Such high expenditure no doubt influenced the decision of government and donors to introduce cost sharing in education. The introduction of cost sharing at the time of the 8-4-4 system which required heavy investment in technical equipment combined with increased poverty has contributed to the high drop out rate alluded to above.

Past financing have shown that:-

1. In the last ten years, recurrent expenditure in education has been taking over 90% of the total education budget. This leaves only 10% for operations which subsequently contributes to lack of

Table 1, below indicates the Percentage of Share of Personal Emoluments and Operations & Maintenance per Sub-Sector in Education between 1993/94 and 1997/98

Sub-sector	Items of Expenditure	1993/94	1994/95	1995/96	1996/97	1997/98
Pre-primary	PE	79	15	18	56	37
	O & M	21	85	82	44	63
Primary	PE	98	97	98	97	98
	O & M	02	03	02	03	02
Secondary	PE	92	94	95	92	96
	O & M	08	06	05	08	04
University	PE	64	100	100	100	100
	O & M	36	00	00	00	00

PE = Personal Emolument

O&M = Operation and Maintenance.

Source: Appropriations Account 1993/94-1995/96 and Draft Estimates 1996/97, Supplementary Estimates 1997/98 and 1998/99

facilities and equipments maintenance.

of teaching-learning materials.

2. General administration and planning has the highest share of the recurrent expenditure (about 96%) largely because of personal emoluments, including teacher's salaries. This has led the government to pursue the policy of cost sharing in education. Households and communities have supplemented government efforts in supporting education. Shifting more burdens to parents and communities became apparent when the cost sharing was pronounced as an official government policy in mid-1980s. Studies indicate that households and communities meet over 90% of recurrent costs in both primary and secondary education. About ten donor agencies, including DfID and the World Bank have been supporting education programs/projects, including capacity building, curriculum review and provision

Efficiency

The Ministry's main activities is to provide primary and secondary education by providing teachers to schools through Teacher Service Commission (TSC), providing textbooks, instruction and materials to schools, conducting national examinations and provision of bursaries. These services are not delivered effectively because the Ministry's structure and organisation does not allow it to carry out these functions efficiently. The crisis facing this sector is of too many teachers and too few pupils.

The Kenya Teacher—Student Ratio stand at 32 and 16 pupils for primary and secondary schools respectively which is well below the recommended 40 and 25; while the teacher's wage bill has continued to rise. This increase in the recurrent expenditure has left little or no money for other operations including the supply

Table 2: Public Expenditure on Education as a Percent of Both Total Government Expenditure and Gross National Product in Selected African Countries: 1995

Country	Real per capita GNP (ppp \$)	% of total Government expenditure	% of Gross National Product	Primary	Secondary
Botswana	5,367	20.5	9.6	115	56
Burundi	698	.	2.8	70	7
Comoros	1,366	21.1	3.9	78	19
Egypt	3,846	13.8	5.6	100	74
Ethiopia	427	13	4.7	31	11
Gambia	939	16	5.5	73	22
KENYA	1,404	23.7	7.4	85	24

of learning materials, facilities, equipment and bursaries.

This has affected the quality and access of education due to lack of learning materials and physical facilities. Even the schools inspectorate unit that was formed to evaluate if the curricula is being implemented is not effective due to lack of resources to go round the schools.

Stakeholder's Proposals

S *Need for a national vision and policy* it is difficult to run a responsive and quality education without a national vision and policy. The mode of policy-making, planning and implementation, which is not in every case based on considered evaluation of systematic data and information, has impacted negatively on our education sector.

S *Need for a formal policy on education* currently we have an Education Act (1964) (Revised 1980); there is no official formal national policy on education. Two past attempts was made when Master Plan on Education & Training 1997-2010 (GoK/MoE, 1998) was commissioned shelved and the other was made in 1998 when the Commission of Inquiry into the Education System of Kenya (Koech's Commission) was established by the government. The outcomes from both reports were produced and shelved. With all the changes and challenges that call for radical change, our education is still somehow being guided by the Report of the Presidential Working Party on Education and Manpower Training for

the next Decade and Beyond (Kamunge Report, 1998).

S *Lack of clear priorities among sub-sections* (primary, secondary, university education, general education) has not been articulated making it difficult to plan for the future. There is a dearth of systematic data on the financing, particularly with regard to the contribution of NGO agencies and the private sector.

S *Co-ordination* between different GoK ministries, other institutions, Parents teacher associations, Board of governors and the local authorities are players who duplicate efforts and this causes inefficiencies. There is need for players to address multi-sectoral problems like HIV/AIDS and poverty.

S *The norms on facilities and materials* that are absolutely essential to teaching-learning at all levels of education have not been developed. Thus, unit costs and fee guidelines are established haphazardly. The current teacher-pupil ratios of 1:31 and 1:16 at primary and secondary education levels respectively are low and waste-full for a country like Kenya.

S *Poor planning and bad governance/management of the education sector* in general and learning institutions in particular have become common, thus leading to misappropriation of resources, corruption, strikes and indiscipline in the education sector.

S There should be *clear articulated and*

effective administered schemes of service that specify both job scales and channels of professional progression. This will reduce dishonesty and lack of responsive dialogue with teachers that is affecting the learning process.

S There should be **sound, regular and effective ways of developing management scales.**

S Stakeholders should be **fully involved in the planning and management of education.**

S The Kenya **schools equipment scheme** which will help in supply of teaching and learning resources to all public primary schools should be revived.

S There should be a **management information** system capable of advising, budgeting the day to day administration management and planning for the future.

Conclusion

Kenyans are looking for an education system that is responsive in all fronts (regional, gender, class, race etc.) The sector

needs a complete overhaul. There is need to rationalise expenditure in the education budget. This may require cutback on administrative layers. There is need for equity in teacher distribution so as to improve the access and quality of education.

Trends in low enrolment and transition rates are attributed to high cost of education which has had serious negative impact on access, retention, equity and quality of education. 56% of Kenyans live below the poverty line and still are expected to meet 80% of the education cost. It is time the government controlled all the funds from donor support by channelling it into one basket to be used efficiently in priority areas in basic education.

This can lessen the burden on the part of the parents as the Ministry of Education and various Civil Society Organisations (CSOs) dealing with education work out modalities on how to achieve the goal of providing free education by the year 2005.

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PUBLISHED BY THE INSTITUTE OF ECONOMIC AFFAIRS (IEA), 5th ACK GARDEN HOUSE
P O BOX 53989 NAIROBI - 00200. TEL: 2721262, 2717402, FAX: 2716231 E-MAIL: admin@ieakenya.or.ke

DIRECTORS: DR. JAMES KARUGA, PROF. ANYANG' NYONG'O, MR. ARTHUR NAMU, MR. NJAU GITU,
MR. EVANS OSANO, MS. RADHA UPADHYAYA, MS. LILIAN ONDUKO

WRITTEN BY: ROSELIDA AJWANG; EDITORIAL: FREDERICK MUTHENGI, ALBERT MWENDA, DENNIS KABAARA
DESIGN & LAYOUT: IRENE OMARI