

Can Kenya Achieve Universal Primary Education?

Introduction

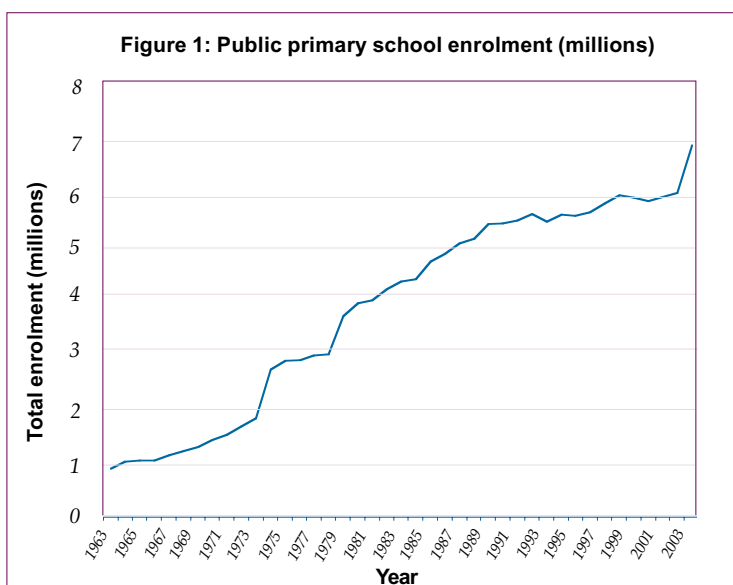
Education is the main factor associated with the probability of being poor. Improving educational performance should therefore be a core element in poverty reduction. Since independence, the Government of Kenya has given education a very high social priority and has committed itself to providing universal education to all primary school-going age children. Kenya's policy on enrolment has been geared towards universal education as stipulated in the Sessional Paper No. 1 of 1965. The number of public primary schools in the country increased from 15,196 in the year 1995 to 17,683 in the year 2002. Primary school gross

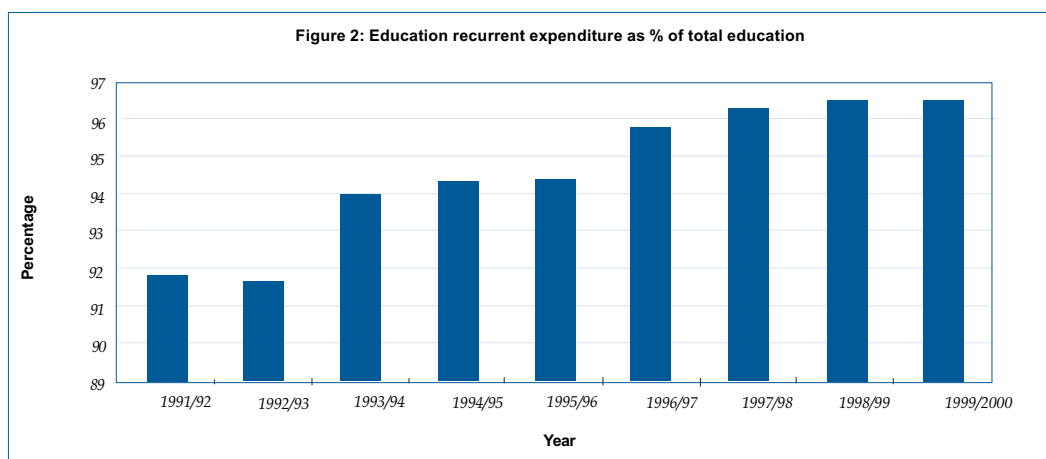
enrolment rose from 5.5 million to 6.1 million over the same period (Figure 1).

The rapid expansion of the education system is partly due to high government expenditure on education. Between 1991/1992 and 1999/2000 fiscal years, public expenditure on education averaged between 5 and 7 percent of GDP while public expenditure on education as a percentage of total public expenditure averaged between 27 and 32 percent over the same period. Between the year 1991 and 2000, public recurrent expenditure on education accounted for over 91 percent of the total education expenditure (Figure 2). Despite the high level of expenditure on education, primary school enrolment declined

between the early 1990s and 2002. For example, gross primary enrolment declined from about 98 percent in 1989 to 88 percent in year 2002. In 2003, however, gross primary school enrolment rate increased to 104 percent due to the introduction of free primary education.

Currently, the government spends more than 50 percent of its education expenditure on primary school education. Most of the expenditure on education goes to paying teachers' salaries. Before the introduction of





free primary education in 2003, most of the resources allocated to the education sector were consumed by the teachers' wage bill. More than 75 percent of the education budget was used to pay teachers' salaries. In primary school education, teachers' salaries took about 96 percent of the fiscal resources allocated to the sector.

After the 2002 general election, the NARC government moved to fulfill one of its election promises – provision of free primary education. This policy is in line with the Millennium Development Goals (MDGs), Poverty Reduction Strategy Paper (PRSP) and the Economic Recovery Strategy (ERS) for Wealth and Employment Creation. The goal is to achieve universal primary education by the year 2005 and education for all by the year 2015. Since the introduction of free primary education, an estimated 1.5 million children who were previously out of school have enrolled for primary education. Although the introduction of free primary education witnessed an upsurge in enrolment, net enrolment rate stands at 77 percent, indicating that Kenya is far from achieving universal primary education because over 1.6 million children of school going population are out of school.

Before the operationalization of the budgeting process within the Medium-Term Expenditure Framework (MTEF), resource allocation within sectors was based on a line item incremental system of budgeting, without any scrutiny of each expenditure item in the budget. The system put more emphasis on inputs as opposed to outcomes. With the Government facing financial constraints, there is a need to allocate the available resources more efficiently to achieve the set targets. Allocation of educational resources should be based on systematically worked out strategic priorities. Given the worsening economic and fiscal situation in Kenya, there is need to strengthen the linkages between costing policies and programmes, planning and resourcing, budgeting, implementation and monitoring, to ensure efficiency and effectiveness in the use of resources. This requires, among other things, analytical tools for evaluating the relative cost-effectiveness of various alternatives.

This policy brief is based on a study on *Universal primary education: Can Kenya achieve it?* The study focused on cost-effective ways of achieving universal primary education by evaluating the budget resources needed to achieve the key educational targets, and the implications on allocation of resources within the education budget. The study analyses *intra-sectoral efficiency* of public spending on primary education using

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the Budget Negotiation Framework (BNF) and projections of the KIPPRA-Treasury Macro Model (KTMM) for the Kenyan economy. The BNF is a tool aimed at achieving equity and efficiency in resource allocation. Issues of implementation or *operational efficiency* are not considered in the study.

A study by KIPPRA on *The decline in primary school enrolment in Kenya* shows that the costs of attending school exert a negative influence on the decision to enrol a child in school. The findings of the study indicate that enrolment rates are higher in those districts that have a larger share of trained (P1) teachers. The study did not find any link between the student-to-teacher ratio and enrolment rates.

Although the study found a clear negative effect on the spread of HIV/AIDS on enrolment rates in urban areas, there was no effect of HIV/AIDS on enrolment in rural areas. Other factors that were found to have an influence on school enrolment are the age and sex of the child, and the education and household income status of the parents. Other studies have also identified provision of textbooks and the educational qualifications of teachers as important in determining test scores.

This study uses share of trained teachers, provision of textbooks and subsidies as policy instruments to run scenarios for educational outcomes. The scenarios show how policy changes in resource allocation affect educational outcomes. In some scenarios, the simulations indicate the resources needed to achieve set educational targets while other simulations show how the available resource allocation to the Ministry of Education, Science and technology may be allocated more cost-effectively to achieve higher educational outcomes.

Main Findings

Simulation results show that a combination of various policy instruments results in different educational outcomes (enrolment), as illustrated in the table below. For instance, increasing the

Sample of scenario analysis: Budget implications and educational outcomes

	Scenario			
	Baseline2002/ 2003	Increase share of PI teachers by 5%, volume of textbooks by 39 % and giving subsidies to the 2 poorest income groups (40%)	Additional resources allocated for free primary education programme 2003/ 2004	Increase share of PI teachers by 2%, volume of textbooks by 205% and giving subsidies to all income groups
Budget implications				
Required primary education budget increase				
- Average additional cost 2002-5 (as % of GDP)	-0.1	0.1	0.4	0.7
Real spending per pupil (Ksh) by 2005/6	4,977	5,219	5,523	5,914
Educational outcomes (by 2005/6)				
Net primary school enrolment rate (%)	80	86	86	97

with a more cost-effective spending of education resources increased trained teachers, enhanced textbook supplies and subsidies targeting the poor Kenya could realize higher enrolment rates than what has been achieved with free primary education.

share of trained teachers (P1) by 5% points, the volume of textbooks by 39% and giving subsidies to the two poorest income groups (40%) over a period of three years will result in a 86% net primary school enrolment by year 2005. Increasing PI teachers does not necessary imply employing more teachers. This can be achieved by retraining P2, P3 and untrained teachers to PI teachers.

The second scenario is a budget simulation using additional resources for free primary education as allocated to various budget items by the government. This results to a net enrolment rate of 86% in 2005. In the third scenario, an alternative was explored: more cost-effective spending of the resources using a policy mix with increases in trained teachers, enhanced textbook

supplies and both demand subsidies and curriculum support expenses benefiting the poorest three income groups (60%). This leads to a net enrolment of 97% by 2005. The results also show that with a more cost-effective spending of education resources—increased trained teachers, enhanced textbook supplies and subsidies targeting the poor— Kenya could realize higher enrolment rates than what has been achieved with free primary education.

Conclusion

Kenya's free public primary education programme has led to improved enrolment rates. Universal primary education by the year 2005 is a feasible target for Kenya. For the targets to be achieved, however, there is need to allocate the available resources for primary education efficiently by linking education inputs to outcomes. There is need for results-based budgeting, and the results of this study could be used by the Ministry of Education, Science and Technology in the resource bidding process. The study gives some cost-effective ways of achieving the educational targets outlined in the Economic Recovery Strategy.

About KIPPRA Policy Briefs

KIPPRA policy briefs are aimed at a wide dissemination of the Institute's policy research findings. The findings are expected to stimulate discussion and also build capacity in the public policy making process in Kenya.

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