# The Role of the World Bank in the World Politics on the Example of Providing Education on the Global Level

Natalia Beruashvili\* Nika Chitadze\*\*

# Abstract

The paper explores the main principles of the World Bank Group functioning on the global level and its role in promoting education in different Regions of the World. Particularly, such various aspects related to education are analyzed as: unequal development of the level of education in different states, which represents one of the key problems for the World Bank; the role of the World Bank in resolving the problems of education, especially in the countries of 'Global South'; the functions of the Global Partnership for Education (GPE); Collaboration between World Bank Group and GPE; World Bank Education Strategy 2020; Innovations, which have been introduced by the World Bank in the system of education, etc.

Key words World Bank, global partnership for education, innovation, education strategy, reforms.

# Introduction

Despite the progress in the field of education in the recent years, in the beginning of the XXI century, more than 115 million children – nearly 56 percent of them girls in developing countries – had no access to primary education, and many who began to study were forced to leave because of poverty, family and social pressures (UN, 2005, p. 184).

Despite literacy efforts, 862 million adults were illiterate, some two thirds of whom were women.

For resolving the above-mentioned problems, the United Nations declared the period 2003-2012 as literacy decade (UN, 2005, p. 184).

Despite the fact that the leading organization in the area of education on the international level is the United Nations Educational, Scientific and Cultural Organization (UNESCO), one of the leading roles for resolving the problems related to education on global level plays World Bank Group.

<sup>\*</sup> MA. International Black Sea University, Tbilisi, Georgia Email: 14400371@ibsu.edu.ge

<sup>\*\*</sup> Assoc. Prod. Dr. International Black Sea University, Tbilisi, Georgia Email: nchitadze@ibsu.edu.ge

According to World Bank, in the modern time on the traditional, 'physical' capital is coming only 16% of the general volume of the world wealth, 20% - on natural resources, and other 64% consist of the human capital, which includes first of all the level of qualification, i.e. – also education (Lebedeva, 2007, p. 294).

## **Research questions**

Based on the important role of the World Bank Group in resolving the main socio-economic problems which are interrelated with poverty, human rights protection, illiteracy, etc., one has to study the following questions:

- 1. What is the World Bank Group's potential for promoting education in the different regions of the World
- 2. How the World Bank will be able to resolve the problems of unequal development of education on the global level?

## Functions of the World Bank on the example of education

For the implementation of different programs (including the sphere of education), one of the main purposes of the World Bank is releasing the two main types of credits: Investment credits and credits for the development purposes.

Investment credits are issued for financing the production of goods and services in the framework of the projects of the socio-economic development of different sectors.

With regard to the credits for the development purposes, they are given by the agency of issuing the finance resources with the purposes of the support of the political and institutional reforms.

At the same time, the second main functions of the World Bank group is the implementation of the financial support in the form of grants. The purposes of the grants are to promote the preparation of projects by the agency for stimulating the innovations, cooperation among of the different organizations, including scientific and educational institutions.

Furthermore, the World Bank carries out not only financial support for the member states, its activity is also focused on providing those analytical and consultative services, which are needed by developing countries. The analysis of the policy of different states and working out appropriate recommendations with the purpose of the improvement of the socio-economic situation and increasing the standard of living of the population represents part of the activities of the World Bank Group. The Bank is involved in research work on a wide spectrum of such topics, as environment, poverty, trade, globalization, economics and field researches at the concrete sectors. The Bank analyzes the perspectives of the economic development of states, including, for example, banking sector, trade, problems of poverty and systems of social protection.

One of the most important parts of its efforts is directed on the education sphere and the distribution of knowledge, which is capable to resolve the tasks of the development of the concrete state. In this regard, one of the most important role is played by the World Bank Institute.

The World Bank Institute is one of the instruments of the realization of policy for promoting knowledge and information, capable for resolving the problems of the World Bank. The World Bank Institute works with politicians, businessmen, technical specialists, other categories of citizens, also with Universities and educational centers from various countries.

The Internet translation service B-SPAN is the internet portal, by the agency of which The World Bank Institute organizes seminars and conferences (World Bank Institute, 2016).

#### Unequal development of the level of education as one of the key problems for the World Bank

Together with the analysis of the World Bank's role and functions related to education, it is important to review the level of education in different regions of the World, which will give us a clear picture of the challenges that the World Bank faces in the field of education. The level of education represents one of the key indicator in the framework of human development index criteria. The number (and proportion) of literate (or illiterate) people among the population older than 15 years usually determines this level. Admittedly, through the efforts of the World Bank together with the entire international community, there is a tendency of constant increase in the absolute and relative indicators of literacy. If in 1950, the literacy rate among the adult population of the world equaled 55 %, during 1990, in 2005 and 2010 it increased to 73%, 77% and 84.1%, respectively (Literacy, 2014). But this overall index, as it can be assumed, hides very large differences between the two main groups of countries and some large regions of the world.

With regard to the two groups of the states, according to the UN, in 2010 the literacy rate amounted to 99% and 75% in developed and developing countries, respectively (UN, 2014). It can be concluded that in developed countries, the problem of illiteracy in fact has already been solved, while here attention is attracted to the so-called functional illiteracy - the inability of a literate person to adapt to political, technical, and technological changes taking place in the society. In the U.S. in the 90s there were more than 20 million functionally illiterate people whereas in the UK - more than 5 million, which, of course, raised the level of unemployment. Many functional illiterates are in the CIS countries, including Russia. For example, according to the 2002 census, illiteracy in Russia was not so low - 6 % of the total population (Maksakovsky, 2009p. 186). That is roughly the same percentage as in Singapore, Thailand, and the Philippines.

Nevertheless, the problem of illiteracy is primarily a problem in developing countries, where the total number of illiterate people is still over 775 million (Literacy, 2014). Data on literacy in the big regions of the World only confirms this conclusion. For example, in the beginning of the XXI century, 99% of all residents over 15 years in Europe were literate, 88 % in Latin America, 76 % in Asia, 70 % in the region of the Middle East, 62% in sub-Saharan



Africa (Maksakovsky, 2009, p. 186). It follows that the problem of illiteracy is still the most pressing primarily for Africa (see Table 1).

Country	The share of illiterates in the population, elder than 15 years %
Mali	72.3
Niger	71.3
Burkina-Faso	71.3
Sierra-Leone	64.9
Senegal	60.7

Table.1. Five developing countries with the largest share of illiterate population, 2010

Sources: Literacy, 2014 & UNESCO, 2014.

As illustrated in Table 1, West African countries are among the countries where illiteracy problem is especially acute. Apart from these, other African countries - Benin, Mauritania, Ethiopia, Mozambique, Chad, Central African Republic report illiteracy above 50 % along with some Asian countries such as Pakistan, Bangladesh, Nepal, and Yemen. But it cannot be limited only to these figures, because some absolute ones are equally impressive. For example, at the beginning of the XXI century, in China, only 9% was illiterate, but this percentage corresponds to 120 million people. In India, this number was higher and exceeded 400 million people (Literacy, 2014)!

International statistics also shows that in developing countries, illiteracy among women is much higher than among men. Burkina Faso and Niger are among the countries reporting the worst literacy level. To be more specific, it amounts to 90% in Burkina Faso and Niger, over 80% in Mali, Chad and Sierra Leone, over 70% in Benin and Senegal, over 60% in Mozambique, Central African Republic, Côte d'Ivoire, Ethiopia, Liberia, Togo, South Africa, Bangladesh, Pakistan, Nepal, over 50% in Egypt, Morocco, Ghana and India (Literacy, 2014). It is clear that India, Pakistan, Bangladesh, Egypt and Ethiopia are leading by the absolute number of illiterate women.

It should also be borne in mind that primary schools are the most widely spread in developing countries (with insufficient numbers of secondary schools), whereas in developed ones a rational combination of primary and secondary schools has been achieved. In many Western European countries and Canada, high school covers more than 90% of all graduates of middle school and in Japan - even 100% (United Nations Development Program, 2014). All this, obviously, also affects the quality of life of the population.

Japan can be called as a country of full literacy – Japan is regarded as the cradle of literacy. School education in Japan is divided into three stages: primary (6 years), middle (3 years) and high (3 years). The academic year is divided into three semesters and lasts 240 days, i.e. much longer than, for example, in the United States. At the

same time, students are at school during six days a week from 8 to 15 hours, and then remain in the class for the homework (Platt, 2005, p. 965-985). Summer and winter holidays are very short - only 40 days. But they use them for training, because exams are very difficult. It is very often said that Japanese teenagers do not date, drive cars, attend parties, etc., they just learn. But the results that they have are appropriate.

In addition, according to the percentage of high school-age students' enrollment, the top 15 countries are: Belgium (165%), Finland (145%), Australia (138%), Sweden (133%), Denmark (130%), Spain (130%), Singapore (130%), Netherland (132%), United Kingdom (128%), Ireland (126%), Costa Rica (120%), New Zealand (117%), Portugal (116%), Latvia (115%), and Norway (113%) (United Nations Development Program, 2016, p. 230). At the same time, according to United Nations Development Program (2014), according to the number of the high school students, the top five countries are: China (90 million), India (70 million), USA (23 million), Russia (16 million) and Japan (more than 10 million), followed by Germany, Great Britain, Indonesia and Mexico reporting a slight difference (Human Development Report, 2014).

Characteristics of the educational level would be incomplete, if we did not discuss the question about higher education, for the evaluation of which two main measures are typically used. The first of these is the number of students on the basis of per 100 thousand inhabitants. This figure is the highest in Canada (7000), USA (5500), Russia and the Republic of Korea (4800) and New Zealand (4700). Another indicator of the same series is the proportion of people with higher education in the population from 25 to 64 years. For this indicator, U.S. A. is the leader (25 %). The group of the countries, where the rate is between 10 to 15%, includes the most advanced countries of the Western Europe (Germany, UK, France, Spain, the Nordic countries), as well as Japan, Canada, Australia, and New Zealand (Sauter & Hess, 2012).

Additionally, the majority of the countries in the modern world are implementing a significant reform of their education systems, which concerns secondary and higher education. At the same time, they are increase the expenditures on education, which in the most developed countries account for 4-6% of their total GDP, and sometimes more. This is quite a natural process, which is associated with the task of transition to the so-called new formation, which would correspond to the new economy (The World Bank, 2013).

It is necessary to explain that the new economy is no longer the oriented economy, which as a rule, was based on the material resources. It is the economy based primarily on the knowledge and information technologies, absolute priority of the intellectual labor. What is required for the new economy is new education and providing a higher level of professionalism and training of employees, their ability to adapt to qualitatively different economic conditions and life in general, embedded in a constantly changing economic and social environment.

Newly industrialized countries of Asia serve as an excellent example, where labor forces were not only cheap and disciplined, but also qualified. These countries have provided their breakthrough thanks to largely introducing the universal secondary education, which has raised the level of general and professional training up to the modern standards. The priority of the education led to the 'educational explosion' that changed the quality of human resources. And in its turn, it led to the 'economic miracle' in these countries, which has surprised the entire world.

## The Role of the World Bank in resolving the problems of education

Nowadays, for resolving the above-mentioned problems and according to the Millennium Declaration, the World Bank accumulated its activity on the purposes of the millennium development. In the transition period, for the third Millennium, under the UN, eight main programs have been formulated, where various, first of all International Universal, Organizations have to be involved. The purposes of the Millennium development must be reached by the year 2020 and include the following aspects:

- 1. Liquidation of hunger and poverty;
- 2. Providing the general basics for education;
- 3. Promoting the equality of man and women and increasing the rights of the economic possibilities of females;
- 4. Decreasing children's mortality rates;
- 5. Improvement of protecting the mothers' rights;
- 6. Fighting with AIDS, Malaria and other deceases;
- 7. Providing the sustainable development of environment;
- 8. Forming the global partnership for the development purposes (The World Bank, 2015).

For resolving the global problems of the humanity development, the World Bank, for the reconstruction purposes, gives credits with low interest rates, according to the socio-economic conditions of concrete states. Another financial organization of the World Bank – International Development Association - gives credits to the poorest countries with the minimal interest rates and sometimes without any interest rates.

#### **Global Partnership for Education**

As it was mentioned above, one of the main purposes of the World Bank is supporting different states, especially developing countries, in the field of education. Considering the priorities of the WB in the modern period, it should be pointed out:

- The World Bank Group (WBG) is a founding member of the Global Partnership for Education (GPE) established in 2002 as the Education for All Fast Track Initiative;
- The purpose of the partnership was the promotion of the progress for the successful implementation of the Millennium Development Goals 2 and 3 (providing universal primary education; strengthening gender equality and protecting women's rights). The concept of Education For All goals was adopted in Dakar in 2000;

 The World Bank Group supports the cooperation in the framework of the partnership program in general, as a Board Member, host of the GPE Secretariat, trustee and supervising unit for the majority of those grants, which have been released in the framework of Global Partnership for Education (Global Partnership for Education, 2017).

## **WBG and GPE Collaboration**

- The **WBG's Education Strategy 2020** (will be discussed below) is well-aligned with GPE's strategy, which takes into account the issues, related to making investments in early childhood education with an aim to provide the basic education for all children of our planet.
- Early reading and numeracy skills are one of the basic priorities of GPE. The WBG has been more and more involved in its assistance to early childhood development since the beginning of the XXI century and is supporting the states to set up sustainable early grade reading assessment systems.
- The WBG strongly cooperates with GPE and other similar institutions for the gathering the information about the needs of the poorest and most disadvantaged children, particularly girls, ethnic and religious minorities, children with health problems and children, who suffered as a result of the internal or interstate conflicts (The World Bank, 2014).

## **WBG Education Financing for the Poorest Countries**

- The WBG is one of the main donors of the system of education in developing countries, from pre-primary and primary education all the way to higher education. After the declaration of the Millennium Development Goals in 2000, the WBG has released more than US\$35 billion in education.
- Within the past decade, the WBG has provided US\$10 billion in International Development Association (IDA) for providing the funds for basic education in the countries with the lowest standards of living. From this amount, US\$3.7 billion has been released to GPE countries, of which one-third has been linked to GPE grants.
- Next step from the WB side was transferring US\$4 billion for International Development Association for the supporting the basic education program and promoting the development of the initiative - Learning for All (The World Bank, 2014).

#### WBG as Supervising Entity for GPE Grants

• The WBG implements the decisive role during the supervising the activities funded by GPE grants. This involves signing grant agreements with appropriate institutions in partner states, transferring the financial

resources and monitoring the fulfillment of the projects in the field of education by the appropriate governmental agencies.

- Within the period 2004 2014, the WBG has assisted in the preparation and observation the 88 GPE grants in 43 countries for a total of US\$3.1 billion. This consists of about 80% of all GPE grants.
- At the end of 2013, the WBG supervised GPE projects in 36 countries with the budget US\$1.7 billion. An additional amount US\$554 million was presented by IDA. Furthermore, WB was a co-financier of US\$812 million in parallel financing as a result of the cooperation with trust funds from other donors (The World Bank, 2014).

# **Innovation in Education**

- The WBG has provided the introduction of various new and innovative education initiatives to GPE countries, including:
- Results-based programs where project disbursement is connected to specific indicators, particularly, improvement in basic literacy and numeracy in primary schools of several countries of Asia and Africa;
- Community-run school canteens to increase the number of school attendance in several countries of Africa;
- Donkey carts for the providing the transportation of young pupils, who are residing in more than 3 kilometers away from school in several African states;
- Cash transfer programs for Koranic schools achieving proficiency in literacy and numeracy in several countries of Africa;
- Increasing the qualification of learning and teaching through the use of Information and Communications Technology (ICT) (Global Partnership for Education and World Bank Group, 2014).

# World Bank Education Strategy

Taking into account the importance of education for resolving the global problems, the World Bank adopted the new Education Strategy, which lays out a ten-year agenda focused on the crucial goal of **'learning for all'.** The bottom line: **Invest early, invest smartly,** and **invest for all.** The strategy involves consultations with governments, development partners, students, teachers, researchers, civil society, and business representatives from more than 100 countries (World Bank Education Sector Strategy 2020, 2012).

For the successful implementation the strategy, after the adoption of the document in 2012, the WB started to work for removing the barriers that hampered getting education by female and other disadvantaged children. The WB has participated in this redeveloping and applying new tools to help countries improve their education systems and outcomes and supporting countries to deliver the learning and skills necessary for all people to live healthy and productive lives.

The Bank's basic objective is to assist states to improve Learning for All. Learning - not only schooling - is critical for children and young people to succeed. And learning for all - giving not just some, but all children an opportunity to be involved in education process - is critical for a nation to prosper. The strategy calls for:

- Investing early, due to the fact, that the foundational skills acquired early in childhood make possible a lifetime of learning;
- Investing smartly, because investments that prioritize learning and skills development—and their measurement, to inform reform—are most effective in producing results
- Investing for all, targeting girls and disadvantaged populations, because a nation can prosper only when all children enjoy an opportunity to learn (The World Bank, 2015).

For the Bank, positive steps toward improvement of education has to be done by strengthening countries' education systems. This goal can be achieved by (A) providing technical and financial support to countries, (B) developing knowledge, and (C) strengthening Bank staff capacities (Global Partnership for Education and World Bank Group, 2016).

#### A. Providing technical and financial support to countries

In September 2010, the Bank adopted the decision to increase its support to countries not on the track to reach the education Millennium Development Goals (MDGs), committing to top up its average annual IDA financing for basic education with an additional \$750 million over five years (Millennium Development Goals, 2017).

#### B. Developing knowledge

New knowledge is reinforcing areas prioritized in the strategy:

Improving access for the job places. Regional flagship reports have provided countries with information and recommendations upon how to address the shortage of labor market-relevant skills, ways to reform tertiary education systems to develop such skills, and how to improve learning at pre-primary and primary levels.

Promoting gender equality. *Getting to Equal: Promoting Gender Equality through Human Development* (The World Bank, 2011), underlines the existence of gaps in education for marginalized populations and details proven interventions that should provide equality. The aim of the April 2012 Gender Colloquium was to give the floor to thinkers, professors, think-tank representatives, researchers and people who are involved in the practical activities in the field of education to exchange their points of view and work out recommendations for resolving the problems with educational disadvantages, with a focus on gender.

Measuring the results. The Bank is implementing monitoring the projects as a way to assist the process of policymaking and to increase resource effectiveness. In this regard it should be pointed out that a recent study in different countries showed higher early grade reading outcomes when teachers had an opportunity to be involved in intensive training on reading instruction, while an evaluation in other countries found that providing information effectively to parents has affected positively school accountability and learning outcomes.

Strengthening education systems. The World Bank Group (2017) SABER (Systems Approach for Better Education Results) initiative provides its assistance for Learning for All and is being widely applied around different regions of our planet to help countries examine and increase the level of education systems. Under SABER, the Bank is gathering policy and institutional data covering 13 critical policy domains, including Teacher Policies, Student Assessment, and Early Childhood Development. SABER case studies, country reports, background papers, and policy notes are creating convenient conditions for the global evidence base in the different policy domains.

SABER tools have positively affected sector strategies and project design in various states. In some of them, three SABER domain tools (School Autonomy and Accountability; Student Assessment; Teachers) helped to shape project design. In other countries, the Bank cooperated with the appropriate state structures to apply four SABER domain tools to promote the successful fulfillment of the State Education Program Investment Project.

#### C. Strengthening Bank Staff Capacities

A comprehensive World Bank education staff learning program was launched on May 2, 2012. The program contributed significantly to the assistance of education staff to increase their qualification for carrying out the new education strategies and developing cutting-edge knowledge and skills in technical and operational topics in order to deliver high-quality advice and services to country partners (World Bank Education Sector Strategy 2020, 2012).

## **Conclusions and recommendations**

In the article, the role of the World Bank in the field of education was clearly shown. Despite the huge problems, which still exist in the field of education, for the example the issue of illiteracy, which first of all are clearly reflected in the countries of the 'Global South', it should be mentioned that the World Bank Group plays an important role in spreading of information and knowledge on the global level. For example, the introduction of the new technologies with the participation of the WB has promoted especially significantly changes in the field of modern educational process. Internet represents the most important source for gaining the information by the representatives of different target groups – students, researchers, scientists, businessmen, etc.

According to statistics, as of March 31, 2017, there 3,731,973,423 internet users in the World, 49.6 % of the World population. At the same time it should be pointed out, that Internet users growth within 2000-2017 was about 933.8% (Internet World Stats, 2017).

It should be noted, that together with World Bank, in the modern period in the development and planning of the education international interstate and international non-governmental organizations are actively involved. Among of them first of all should be mentioned about UN and its specialized Agencies, particularly UNESCO (United Nations Educational, Scientific and Cultural Organization), UNICEF (United Nations Children's Fund), UNDP (United Nations Development Program) and other interstate organizations, which use difference sources of financing.

Thus, for the successful implementation of programs in the field of education, there exists the necessity of strong coordination of activities between the WB and other appropriate institutions. For example, discussions about increasing different financial programs in the majority of the countries in Africa, Asia, Latin America and the Pacific should be included in the agenda of different intergovernmental organizations (UN, EU), also World Summits (G7, Davos Forum) and International Financial Institutions (World Bank Group, International Monetary Fund – where most of the decision-making process is adopted by the economically developed states. It is essential that countries from the 'global south' with the assistance of democratic states and International Institutions (who will develop the main recommendations according to the specific needs of the concrete state) will take the responsibilities for introducing the modern style of educational programs there. Thus, the future success in the field of knowledge and education will be determined by working out an appropriate for the modern conditions programs in the field of educations and applying those recommendations by the different countries in the World.

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