

Policy Considerations for Educational Reforms in Central European Countries

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Summary

This paper discusses some preconditions to understand the possible reforms in education in the former socialist countries of Central Europe. This paper draws upon the review of some aspects of research in the field of education economics.

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I. Introduction

The quality of education in any country is influenced by broader tendencies and changes in society at large. Some impression of educational standards can be gained by looking at a nation's market for books. Van der Ploeg, Canoy and van Ours (2005) have observed that in the United States back in 1947, some 85,000 books were in print compared to the 1.3 million in 1996. This huge increase was for most part the result of the sharp decline in printing costs. However, a boom in the production of books does not necessarily lead to a boom in reading or to a subsequent advance in understanding or knowledge. The number of books published in European countries saw a marked increase during this period,

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nevertheless a large portion of the adult population in Europe never reads a book. Moreover, countries evidently vary not only with regard to their citizens' propensity to read but also with regard to their attitudes towards the importance and role of education.

In this paper we present some issues important for the understanding of the role of education in modern society and some contemporary pieces of research on the economics of education, which emerged in the 1950s in the work of Schultz, Mincer, Becker, and others. In this approach education is typically understood as an investment that has both costs and returns.¹ In this approach the returns are the increase in earnings due to the higher level of school instruction. The costs include tuition, fees, other direct expenses, and the earnings foregone by being in school rather than at work.

The focus of our investigation are the countries of Central Europe. Typically in these countries education is not in the forefront of interest of the political and economic elites. Salaries of teachers are comparatively low, teaching quality is similarly low, high quality students tend to leave this territory and go

¹ This was a new approach, as education before was seen as a privilege, indicating belonging to higher echelons of the society. However, democratization of societies led to widespread access to education by masses of population.

for study in Western European countries and typically prefer not to return.

II. Education and Economic Policy

There are various dilemmas in education, which make it difficult to pursue the appropriate educational policies. Results of empirical work, of estimation of educational production function basically show that providing education to younger generations is inefficient. There does not seem to be a clear relationship between students' performance and results, on the one hand, the investments in schooling and education. This relationship is crucial for understanding of policies to be designed. If there is not a clear relationship between students' outcomes and spending on education, then it is presumably hard to schedule and implement proper educational policies.

Thus, while there is not a clear relationship between inputs into education and the general student outcomes, the literature of economics of education still achieved lots of important insights. One of them is that teacher quality matters for students' performance, however the teacher quality is not clearly connected to pay or other aspects of the job. Another result is that one does not see consistent relationship between resources invested into education and the student outcomes. It does not mean that money never has an impact on education, but that generally there is not a systematic relationship between resources spent and students' results.

Hard Work and the Educational Results of Students

There is a general acknowledgment that education increases the quality of human capital. In the case of the younger generation, the quality is measured by means of tests, such as the international PISA testing

in mathematics, science and reading of fifteen years old. The remarkable success of students from Finland in these tests has attracted international attention. As a result, agenda-driven policy makers and some media outlets have arrived at the conclusion that students' performance reflected the progressive teaching methods prevalent at the time of tests. However, as the study by Sahlgren (2015) quite clearly shows, the new student-centered methods are presumably an obstacle to high education standards rather than their cause. What mattered most was students' hard work, along with the status of the country's teachers, their sense of vocational commitment characterized by motivation and resolve, a strong work ethic, and the acceptance norms of responsibility. These qualities are suggested by Sahlgren as traditionally strong values of Finnish teachers.

Discussion topics for the policymakers interested in education policy reform

As the present debate in a number of countries about how to raise educational standards gathers strength, it is possible to reach a number of conclusions which should be of value to the policymaker.

One, whether to increase budget for education?

Research results seem to confirm that quality education does not necessarily reflect the amount of money spent. It seems that in the poorer countries an increase in the amount of money spent on education can make a real difference. In the wealthier countries, however, there is almost no link and correlation between government spending on education and the average academic performance. For example, OECD countries have substantially increased the educational expenditures per student

since the 1970s but test scores showed no substantial improvement. This does not indicate that money and resources do not matter, only that once some threshold is passed there is no systematic relationship between resources and student outcomes. It is a very difficult question to decide how far the individual country is from its own threshold.

Two, how to Recognize Good Teachers

Differences in teacher quality make almost all the difference. Unfortunately, a teacher's quality, defined in terms of effects on student performance, is neither closely related to salaries nor to other readily identified attributes of teachers. To evaluate the work of teachers is a complicated matter. For supervisors, it is difficult to monitor the teachers, and consequently not easy to guarantee improvement in a teacher's work. A large body of empirical literature shows that productivity varies greatly among teachers, but this literature also demonstrates that it is difficult to use observed characteristics of candidate teachers to predict who will actually perform well in the classroom. Teachers themselves might know whether they are good or bad teachers, but they do not have a simple way how convincingly to reveal this information to their employers.

How countries choose teachers is obviously an important factor. Successful countries such as South Korea and Finland recruit most of their teachers from the top third of the academic stratum, which is in contrast to other countries – including some transition countries – where those who become teachers generally have not performed well academically themselves.

The social status of the position of a teacher matters a great deal, although it is important to acknowledge that social status

is something that does not change quickly. It is clear that if teachers do not receive respectable income and if they are not looked up to by society they are unlikely to perform well. Teaching can, and should, be an honorable profession and should be seen as such. In some countries, historical factors which typically have little to do with education policy but rather reflect the fact that schools were centers of resistance to domestic or foreign authoritarian powers, explain the high status of the profession.

Third, inequalities begin at very young age.

The growing inequality in a large number of societies means that even at a young age, one can observe huge differences between the cognitive and non-cognitive abilities of children. Heckman (2006) and also in his other studies shows that it is not only the case that children from less educated and poorer families achieve worse results; what matters even more is that these children have less developed non-cognitive skills even at very young age. This process continues into to adulthood and ensures that children from upper classes are culturally dominant. In large number of countries higher education reproduces economic inequalities. Students' performance in PISA varies significantly by students' socioeconomic backgrounds and by the type of the school.

Fourth, education and the growth rates

Increasing schooling attainment across the world does not necessarily translate into higher growth rates as Hausmann (2015) has nicely documented. Today, the average worker in a median country goes to school for almost nine years, compared to little more than two years during the period following the Second World War. We observe that, on the individual level, highly educated people enjoy higher pay, though there is

no clear connection between advances in educational standards necessarily and the average income levels. This situation can be explained in a number of different ways; it could be that in particular cases there is no economic demand for a more educated workforce, or that the quality of schooling is basically low, or that those with high educational standards are spending a considerable amount of time on rent-seeking and other un-productive activities. In many countries, well-educated individuals are unemployable in the private sector and found positions in the bloated public sector; this represents an obvious drain on resources.

Five, democracy and schooling

Democracy has created mass education, which accordingly brought about a decline in the traditional culture of academic learning, with only a few elite institutions proving the exception to the rule. An increasing number of students are influenced by their peer culture and tend to spend less time on real study, displaying habits which make them less prepared for real life and acquiring attitudes which are at variance with the need to work hard. This lack of academic focus of students and their reduced devotion to work has little impact on grades, however, as in a large number of countries grade point averages have been on the rise! Further, it is evident that the role of many institutions of higher education has effectively become to serve as a warehouse for students who would otherwise face unemployment.

Six, education in the Central Europe

Once we look at the broad spectrum of Visegrad countries we can see that, except for some leading institutions, there is widespread pessimism, disillusionment, slow progress and funding shortages. After the

collapse of socialism the state remained the provider of funds, though the autonomy of universities has increased. In some cases too much democracy at too many levels led vested interests to preserve the status quo. Autonomy seems to be negatively associated with student achievement in systems that do not have external exit exams.

After the break-up of socialism more of secondary school graduates wanted to enter higher education. As a result, the number of higher education institutions as well as number of university students significantly increased as compared to the pre-transition level. However, this expansion was not reflected in additional resources. Educators continued to receive low wages and to enjoy low social status. For example, in 1990-2013 the enrolment rate in Poland rose almost fourfold while public spending on higher education as a share of GDP slightly decreased. The state expenditures into higher education and research are comparatively low by international standards and many among business and political elites still do not consider education as worthy of substantial investment. Sadly, it is generally the case that education and research are not a priority of policy makers in the CEE states.

At the same time, the predominance of new medium quality courses on management, business, social work, political science, and the like sends a bad signal for those who think seriously about the future of this region and who cannot but fail to notice that economic needs do not correspond to the new educational structures. Strangely, it would seem that employers still want employees with higher education even if this is not necessary for them to do the available jobs. Thus the tertiary degree becomes not a guarantee for a higher income but rather a guarantee to find a job.

III. Conclusion

Overall, by far the most important lesson to be learned by policymakers, however, is that undermining authority in schools, and especially eliminating knowledge-based instruction will not be of much help. Schools are not supposed to reflect the outside world; they are meant to prepare students for that world.

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