

## **Competing Paradigms for Basic Education: Human Capital and Human Capabilities and What They Mean for the World Bank and UNESCO**

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### **Abstract**

This paper explores the history and philosophical ideas that have driven efforts to achieve universal primary and basic education since 1990. The paper focuses particularly on the role of UNESCO and the World Bank as primary multilateral agencies involved in international educational development debates and policy making. Using comparative policy analysis, the article examines the language of key documents in reference to basic and primary education and draws on human capital and human capability theories to make sense of the various approaches to educational development. The paper ends with some discussion of the way forward in the post-2015 international education development arena.

*Keywords:* Basic education; Human capital; Human capabilities; UNESCO; World Bank

### **Introduction**

Since the year 2000 there have been significant efforts to achieve universal primary education worldwide, yet with the culmination of the Education for All and Millennium Development Goals in 2015 the target remains unmet. Universal primary and basic education, which includes providing access and quality education on literacy and numeracy skills to children and adults worldwide, continues to be one of the most pressing issues in the post-2015 international education agenda. A number of international multilateral organisations have presented their visions for its future. Two of the most significant of these are those presented by

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the United Nations Educational, Scientific and Cultural Organisation (UNESCO) and the World Bank. The current paper took the form of an exploratory study of the roles played by UNESCO and the World Bank in the field of basic and primary education, with the aim of discovering what approaches had informed their policies and visions. The guiding question underlying the research was: to what extent have the World Bank and UNESCO been influenced in their policy making by various theoretical approaches, and what underlying worldviews seem to support the choice of theoretical approach?

To explore this question, we first provide a critical review of the history and development of the field of basic education since 1990, and the role of UNESCO and the World Bank within it. The history of the movement for basic education since the 1990 World Conference on Education for All held in Jomtien, Thailand, is examined, including the later international educational frameworks to emerge from this movement, such as the 2000 Dakar Framework and Millennium Development Goals. We then go on to use a comparative policy lens to situate the two theories of human capital and human capabilities within the field of international multilateral education development, specifically within the policies and philosophies of UNESCO and the World Bank. We focus on human capital theory and human capability theory as these are the two theories that emerged as being most dominant throughout our reading of the literature. In recent times, human capital theory is being subjected to increasing criticism due to its overwhelming focus on the economic impact of education at the expense of its other benefits, which this paper also critiques. The human capabilities approach, in contrast, while attracting praise for its more holistic approach to education also faces criticism for being impracticable. We will describe these theories, related debates, and their influence on international education policy throughout the paper. Finally, we aim to present the possibilities for basic and primary education in a post-2015 world, where a synthesis of the two approaches (human capital and human capabilities) might guide educational policy.

### **1. Global Conferences: A Brief History of the Field Since 1990**

The scene is set with the Jomtien World Conference on Education for All, which took place in March 1990 and included delegates of 155 countries and representatives of 150 governmental and non-governmental agencies. The four main sponsors of the conference were the United Nations Development Programme (UNDP), United Nations Children's Fund (UNICEF),

UNESCO, and the World Bank (Hallak, 1990; WCEFA, 1990). Several decades of prior development in educational multilateralism around basic education priorities led to this conference. The background document for Jomtien features several mentions of a human-centred development approach, which we explain in more depth later in this paper but briefly summarise here as shifting the focus from macroeconomic policy to people-centred economics. The document states on its first page that there is a “growing consensus that human development must be at the core of any development process” (WCEFA, 1990, p. 1). This “growing consensus” had been swelling at least since the 1960s was declared by the UN as the United Nations Development Decade. The document goes on to describe education as “the empowerment of individuals through the provision of learning” (ibid, p. 1) stating as well that “economic development does not automatically increase the quantity or quality of human development” (ibid, p. 4). This attitude continues throughout the document, with several mentions of empowerment and the role that education plays in improving quality of life and participation in society. The human development emphasis was interpreted differently by the lead educational agencies, however (i.e., UNESCO and the World Bank) with UNESCO emphasizing ‘basic education’ and the World Bank ‘primary education’.

While the outcome of the conference was the formulation of the World Declaration on Education for All, which endorsed the view that education was a fundamental human right, King (2007) notes that at Jomtien there was a strong concentration on the concept of basic education, rather than primary education (see also Buchert, 1995; Inter-Agency Commission, 1990). The phrase ‘basic education’ appears 76 times over the course of the document, whereas the phrase ‘primary education’ appears just 10 times (King, 2007). This choice of vocabulary is significant; it highlights the priorities of the lead agencies at the conference. King (ibid), for example, has noted the broad definition of basic education at Jomtien as including “early childhood education, primary schooling, adult literacy, essential skills for youth and adults, and access to knowledge and skills via the mass media” (ibid, p. 379). Despite this, two of the conference’s lead agencies – UNICEF and the World Bank – made clear that for them the funding priority would be primary education, not basic education. UNESCO, however, had a much wider remit that included a greater focus on adult literacy and thus basic education (Dorn & Ghodsee, 2012). King argues that this difference emerged for two reasons: the first being that primary schooling was a more

accessible target, and the second that it was both “politically and numerically a much more attractive target” (King, 2007, p. 380). Following Jomtien, multilateral education in the 1990s saw a struggle between these two approaches with the World Bank emerging to assume greater educational leadership than in earlier decades (Jones & Coleman, 2005).

Fast-forward 10 years to the Dakar Conference in 2000. Here, there was a return of interest to quality basic education with UNESCO leading the shift. The result of the World Education Forum in Dakar was the publication of the Dakar Framework for Action (UNESCO, 2000), which was a reaffirmation of the international education community’s commitment to basic education. The term ‘basic education’ (rather than primary education) was reflective of the fact that UNESCO played the role of lead agency at Dakar, as it had at Jomtien. While the Bank placed priority on education’s role in economic growth, i.e., higher levels of education correlate to enhanced gross domestic product (GDP), UNESCO’s approach placed emphasis on the broader benefits of humanistic education. This difference of approach between the World Bank and UNESCO emerges continually throughout our reading of policy documents. The following sections will detail the critical difference between the linguistic emphases on basic and primary education as partially indicative of the two underlying theoretical frameworks that guide much of the work of the agencies: human capital and human capabilities.

## **2. Central Theoretical Frameworks for International Development Education**

This section will examine the two contrasting theories of human capital and human capabilities emerging from the historical review of the global conferences above. We draw on the critical work of Schultz (1961), Becker (1971), Psacharopoulos (1994, 2006), Sen (1992, 1999), Nussbaum (2011, 2000) and Unterhalter (2009) in this review and then expound upon specifics within the human capital and human capabilities approaches later in reference to the World Bank and UNESCO specifically.

### **2.1 Human Capital Approach**

Human capital theory came to the fore in the second half of the twentieth century, with the works of Schultz (1961) and Becker (1971), who described it as investment in people’s skills and knowledge that would then enhance their value in the job market (Schultz, 1961). Schultz (1961) accepts the fact that while economists had long known that people were a significant contributor to a nation’s wealth, many people found the idea of people as a commodity to be

unpleasant. Schultz's reasoning behind the promotion of the human capital theory was that "by investing in themselves, people can enlarge the range of choices available to them. It is one way free men [*sic*] can enhance their welfare" (Schultz, 1961, p. 2). He described the way in which human capital theory...

rests on the proposition that people enhance their capabilities as producers and as consumers by investing in themselves. It implies that not all of the economic capabilities of a people are given at birth, or at age fourteen when some of them enter upon work, or at some later age when some complete their schooling; but that many of these capabilities are developed through activities that have the attributes of an investment. (ibid, p.1)

Schultz believed that human capital theory offered individuals the opportunity to improve their lives, and argued that investment in human capital was a powerful way of increasing peoples' prospects. Yet the use of the word 'capabilities' by Schultz here is significant, acting as a reminder that the economic benefits are merely one part of the many benefits brought by education. Education, and basic education in particular, does bring significant economic benefits both for the individual and society, especially in periods of significant growth and change. Investment in human capital can enhance peoples' capabilities in the world of work, and the potential increase in income can help to enhance capabilities in other aspects of life. Some scholars in the literature contend that the theory was later instrumentalised (e.g., Klees, Samoff & Stromquist, 2012) for development projects by organisations such as the World Bank that correspond high human capital with improved national development at the expense of people-centred policies. We tend to agree with these critics.

Supporters of the human capital approach, though, including Becker (1971), argue that few countries have sustained long term economic growth without significant investment in their labour forces. Becker stresses too the positive relationship between educational attainment and higher earnings. Yet Becker also emphasises the fact that a focus on the economic benefits of education should not mean that its other benefits are neglected or should be considered less important. He acknowledges that the monetary benefits of education are more easily measurable, but highlights the variety of benefits education has in areas such as health, democratic participation, use of birth control, and appreciation of diverse cultures (Becker, 1992). Crucially

he states that there is “nothing in the concept of human capital [that] implies that monetary incentives need be more important than cultural and nonmonetary ones” (ibid, p. 89). Becker’s point is a valid concern regarding the way in which the approach has been instrumentalised by governments and multilateral organisations in such a way that its monetary benefits have been emphasised to the exclusion of the non-monetary. Nonetheless, GDP growth is an important tool in the persuasion of both national governments and international organisations when it comes to allocating funding for education (cf. Psacharopoulos, 1994, 2006).

Furthermore, there is an undeniable attraction for policy makers for easily measurable and quantifiable indicators of growth, such as increased levels of education. This has, unsurprisingly, led to a focus on economic indicators being used to measure the success of education. This point is raised by Martha Nussbaum, who admits that while there is an attractiveness in the transparency and easy measurability of GDP, it alone is not an adequate measure of development, due to its lack of information on equality levels as well as the real and substantive freedoms which people have (Nussbaum, 2011). Easterly (2001) has also given a telling description of education as a magic formula for growth that has failed to deliver the expected results. Perhaps the question that needs to be addressed here is that the success of education is measured in terms of its effect on GDP, when the quality of education might be criteria itself. GDP alone cannot be the measure of every aspect of a good society.

Nussbaum is one of a number of critics of the way in which the human capital approach has dominated dialogue on development. Chan (2007) is also highly critical of what she terms a neoliberal developmentalist approach, which she argues does not give sufficient recognition and representation to the developing world. Chan states that this approach, as demonstrated by the World Bank, is based upon the construction of a hegemonic representation of the developing world as needing to be lifted out of poverty by the West.

Finally, it is significant that two of the early proponents of human capital theory, Becker and Schultz, focused on its ability to improve the lives of individuals both through the economic gains it brought and through the wider gains of education. In practice, however, human capital theory appears to have been subsequently employed as a macroeconomic means of strengthening national economies, with less focus on its power to improve individual lives. From this theoretical standpoint, education is viewed as a means to an end rather than as an end in itself. As

Walker (2003) argues, policies are reflective of the values of society, shaped by history and context. Cowen (2014) makes this point in direct relation to comparative education arguing that values in society (i.e., politics) in turn directly influence the policies of comparative education. This economic view of the purpose of education might, therefore, be argued as a result of the overwhelmingly neoliberal society out of which the approach emerged, which developed into an uncritical view of GDP growth as the measure of a country's success (Klees, Samoff & Stromquist, 2012; Chan, 2007). Walker contrasts this with the argument that if human flourishing was what is most valued in society, then democratic citizenship would be what is seen reflected in education policy (see also Reimers, 2009). This leads us to the human capabilities approach.

## **2.2 Human Capabilities Approach**

This approach is favoured by Melanie Walker, Martha Nussbaum and Mahbub Ul Haq, as enlarged upon by Sen in his capabilities framework (Sen, 1999). The capabilities approach has attracted strong support from many who argue that a purely economic view of development is too narrow and has been described as the “most powerful theoretical alternative to economic growth as an objective of development” (Alkire & Black, 1997, p. 1). Sen, for example, argues that in the human capital approach, there is too much focus on what a person has as compared to what opportunities they have, and that while we may begin our analysis of poverty with income we should not end it there (Sen, 1994). His approach focuses on real and substantive freedoms in society, whether humans are able to be and to do what they have reason to value being and doing, rather than simply what they have, as in the case of a more economic approach to development. Sen describes capabilities in terms of functionings – the things that a person does or is particular to a situated (i.e., relevant) context. Capabilities refer to an individual's freedom to achieve these functionings. According to Hick, “of crucial importance is the emphasis on real or substantive – as opposed to formal – freedom, since capabilities are opportunities that one could exercise if so desired” (Hick, 2012, p. 2).

Key to the capabilities approach for Sen is the concept of relevance, as described above. This is where the approaches of Nussbaum and Sen differ. While Nussbaum (2011) defines a list of ten core capabilities that she sees as essential universal entitlements, Sen (1999) sees capabilities as being entirely situated, arguing that relevance is key to the theory of capabilities

and that these will be different based on an individual's location and situation. Nussbaum has outlined ten central capabilities that she describes as a "bare minimum" level that citizens must be provided by their government (Nussbaum, 2000, p. 32). These ten capabilities are: life; bodily health; bodily integrity; senses, imagination and thought; freedom to feel and express emotion; practical reason; affiliation; other species; play; and control over one's environment – both political and material (Nussbaum, 2000, pp. 33-34). Nussbaum is clear about the fact that the approach leaves a number of areas to be determined by government and by individuals, but argues that this threshold should enable a "dignified and minimally flourishing life" (p. 33). She describes the provision of these capabilities as being a "necessary condition of social justice" (p. 40) though not necessarily enough to ensure its provision.

Nussbaum's approach contrasts with that of Sen. Sen critically argues that in providing these central capabilities, what was previously an approach becomes a theory due to its prescriptiveness (Sen, 2004; Alkire & Black, 1997). Nussbaum instead argues that the advantage of her approach is that in specifying ends themselves there is a greater chance that the approach will be utilized in policy making (Nussbaum, 2000). She has a point; the clarity of Nussbaum's approach makes it more likely that governments and international organisations will actively use the approach when working in development, given that some of the strongest criticism of Sen's approach is that its weakness is its lack of prescriptiveness.

Deneulin & McGregor (2010) claim that Sen's approach puts ethics at the centre of policy making. They contend that Sen's notion of an approach rather than a theory "allows for flexibility in its interpretation and use, and in doing so it first and foremost provides a way of reframing many of the issues that contemporary applied social sciences address" (ibid, p. 504). In contrast to the human capital approach, the capability approach is problematic in terms of measurement due to the importance it places on contextual variations.

Despite the criticisms regarding the operationalization of the capabilities framework, Robeyns (2000) argues that while it may not be operational in the same way as income measurement that does not mean the human capabilities approach should not be used. She argues that it is foremost a framework that allows for diverse applications and which could provide the most relevant and interesting analysis and evaluation. Unterhalter (2009), too, argues that the capability approach allows much more importance to be placed on the intrinsic good of

education rather than its measurement in terms of its economic contribution. Mahbub Ul Haq (1990) argued in the first Human Development Report that:

People are the real wealth of a nation. The basic objective of development is to create an enabling environment for people to enjoy long, healthy and creative lives. This may appear to be a simple truth. But it is often forgotten in the immediate concern with the accumulation of commodities and financial wealth. (Human Development Report, 1990, p. 9)

This concern for enabling human-centred development again links to the major criticism of the human capital approach as instrumentalised by the World Bank that it has treated education too much as a means to economic development rather than as an end in itself. Having detailed some of the advantages and disadvantages of each of the two approaches, the next section of the paper will examine the way in which these approaches have been put into practice in international education and development work.

### **3. Methodology**

To examine the topic of basic education within the field of international education development we used a critical literature review lens (Bell, 2005) combined with comparative policy analysis (Bray, Adamson and Mason, 2014; Merriam, 2009; Tatto, 2012). Bell (2005, p. 100) explains that a critical literature review “involves questioning assumptions... considering the findings of one researcher compared to those of others and evaluating.” Bell further explains that the underlying philosophical assumptions of the researcher and the research influence the choice of theoretical framework. For this, we turned to comparative policy analysis combined with critical literature review, as comparative policy analysis adds an additional avenue through which to gauge the assumptions and theoretical frameworks in written policy documents. The choice of policy analysis was made due to our assumption that texts contain choices on language and representations of reality (Gee, 2011; Bell, 2005; Freebody, 2003) that reflect the worldviews of the agencies and scholars conducting the research. Examining these texts and questioning the underlying ontologies and assumptions of the work provided insights into the tensions played out in the efforts to achieve universal basic and primary education through educational multilateralism.

Specifically, we considered policy analysis through three levels of engagement as developed by Maria Tatto (2012): i) the problem being addressed by the policy; ii) the theory informing the policy decision; and iii) the social environment influencing the theory. To identify relevant literature and policy documents, we first searched the databases of Google Scholar, JSTOR and ERIC for literature on ‘basic education’, ‘capabilities approach’, ‘human capital’, ‘World Bank’ and ‘UNESCO’ – the key themes of our investigation. We limited our review to these educational databases due to their popularity as high-quality repositories for educational research. We focused on documents and articles especially related to Education for All and the Millennium and Sustainable Development Goals since our focus was on post-1990 basic education policy up until the period of 2015 when the Sustainable Development Goals were articulated. Then, we examined the literature for references to guiding theoretical frameworks, and the contexts that influence the choices of these frameworks. Finally, we questioned the deeper philosophical assumptions driving the choice of theoretical framework.

In this, our review focused on the content and language of the documents, where we especially noted the importance of the language used, particularly in the case of the choice between ‘basic education’ and ‘primary education’ – which had been previously indicated by King (2007) during our literature review as a site of contestation. Here, we took what Bell (2005) describes as a source-oriented approach, where the content and nature of the documents helped to generate further questions and avenues to be explored, in this case the delineations between the meaning and purpose behind the use of ‘basic’ versus ‘primary’ education. This provided insights into the theoretical influences behind the choices. We followed this further in a review of other documents and found that the use of this language roughly related to the use of two different theories on education in development, namely human capital and human capabilities theories. We then went on to use these two theories as a lens through which to critically examine the policies of multilateral educational agencies by reviewing their policy papers and reports, as expressed in the literature, and questioning the underlying worldviews that inform this choice of theoretical framework. Thus, our methods focused on the use of language to inform and reflect the various approaches that these multilateral bodies have taken throughout the history of international education development policy making (Gee, 2011; Bell, 2005), and the ways in which these choices reflect the challenges faced in comparative international education today.

#### **4. The Theories in Practice in Educational Development**

This section will examine the ways in which each of the two theories detailed above has influenced policy making and goal setting in UNESCO and the World Bank over recent years. In particular, it is apparent that the World Bank favours the human capital approach while UNESCO seems to rely on human capabilities.

##### **4.1 World Bank**

Human capital theory appears to have been particularly influential on the policy of the World Bank, which has been described by King (2007) as the foremost architect of global education policy. The Bank entered the field of education with a strongly held view that only economic factors should be taken into account and human capital theory allowed the application of a neoliberal, i.e., a privatised and market oriented, approach to education (Rose, 2003). Fundamental to the Bank's work in the field of basic education has been the application of rates of return to education (i.e., the measurement of the economic benefits of learning) that has provided an economic justification to educational investments. The Bank's Education Department Research Unit showed that primary education in particular indicated amongst the highest rates of return for any level of education. This in turn led to the promotion of investment in primary education, as can be seen by the steep rise in funding allocated to this area (Klees, Samoff & Stromquist, 2012). Amongst those who argue in favour of the human capital approach are Psacharopoulos and Patrinos (Psacharopoulos, 1994; Psacharopoulos & Patrinos, 2004, 2011). Their work on rates of return has strongly influenced much of the Bank's policy making.

Psacharopoulos has argued that, while the social benefits of education are harder to measure, the private benefits are much clearer and claims that for every dollar invested in education the individual enjoys on average a 10% return (Psacharopoulos, 2006). Amongst the private, market based benefits of education Psacharopoulos lists better employability, higher earnings, lower unemployment, enhanced labour market flexibility and greater mobility. He concedes, however, that the social benefits of education are significantly harder to measure and states that there is a danger that "this asymmetry has implications for public education finance policies" (Psacharopoulos, 2006, p. 132). Because of this, he argues, education policy must proceed with caution and should prioritise lower levels of education where the returns are

greatest, in other words where the individual and society might benefit the most from investments. There are other strong advocates of these ideas adopted by World Bank.

For example, Hanushek and Woessmann strongly support the World Bank's idea that "universal primary education is but a beginning step for survival in today's complex, fast-globalizing world. Only by raising the capacities of its human capital can a country hope to increase productivity and attract the private investment needed to sustain growth" (World Bank, 2005, p. 47). Hanushek and Woessmann (2007) subsequently argued that differences in productivity between countries are affected more through learning achievements than by the difference in years of schooling. They place much emphasis on the need for competition and decentralization in the education systems of developing countries. Their paper argues that the failure of education to prompt the expected growth in some countries is due to a focus on years of schooling rather than learning outcomes and development of cognitive skills. They argue that there are three factors that are key to providing students with the cognitive skills necessary for success. The first is choice and competition; the second is decentralization and autonomy for schools; and the third is accountability for outcomes. They claim, "it is inconceivable that more competition would not be beneficial" (ibid, p. 17). Hanushek and Woessmann are amongst those mentioned by Klees et al (2012) in their criticism of the World Bank's approach to research. They argue that the World Bank relies too strongly on its own internal research, and pays too little attention to dissent and contestation from other scholars.

Passionate critics of the theory of human capital have argued that it is neither possible nor desirable to apply the science of economics to the field of education, giving education a specific and measurable economic value (Bennell, 1996; Jones, 2006; Mundy, 2003; Reimers, 1994). Bennell (1996), for example, argues that conventional rates of return analysis as demonstrated by Psacharopoulos cannot necessarily be generalised to the extent which they have been, particularly with reference to sub-Saharan Africa and claims that conventional rates of return analysis have "pervasive theoretical and empirical shortcomings" (p. 183). Furthermore he argues that it is not the case that primary rates of return are consistently higher than those for either secondary or higher education, which has been a central pillar of the argument for concentrating aid on primary education at the expense of other forms of education. Jones (2006)

agrees in describing the World Bank's theory as "grounded more in hope than evidence" (p. 117).

This emphasis on the economic role that education plays has led to arguments that proponents of the human capital theory, particularly the World Bank, have framed education itself only in economic terms, meaning that its purpose is primarily seen as being the formation of human capital for economic development (Mundy, 2003). A number of other critics, including Rose (2003), have argued that in doing this the World Bank has shown no understanding of the educational process of teaching and learning. Walker (2003) too argues that a view of education that concentrates solely on promoting economic growth ignores many of the qualities acquired through education that are vital for dynamic participation in society – confidence, resilience, motivation and knowledge.

Partially in response, the World Bank has attempted in recent years to place greater emphasis on quality in education, although again in a way that is linked to its overriding economic interests, stating that there is a major link between learning outcomes and economics. It argues that quality re-establishes the link between education and growth and that improving learning outcomes and expanding schooling will result in improved labour productivity, reflected in individual earnings, and will contribute to higher and more sustainable rates of national income growth. There is little doubt that there are economic benefits to education, both for the individual and society, and perhaps emphasising these more easily measurable outcomes is the most secure way of ensuring that education receives funding both in terms of aid from developing countries and investment from less developed countries into their own education systems. Furthermore, it is unsurprising that in its role as an international bank, the World Bank should focus largely on the economic benefits. What is crucial, however, is that these economic benefits perhaps be seen not as the sole end goal of education but as one of many benefits that results from education. This more pluralistic approach to international education development, which draws together the differing approaches of the World Bank and UNESCO, will be recapitulated in the final section.

#### **4.2 United Nations Educational, Scientific and Cultural Organisation (UNESCO)**

UNESCO states its purpose in the field of education to be the mobilization of political will, and the coordination of efforts of stakeholders and assistance for countries in the

formulation and implementation of education, cultural and scientific policy (UNESCO, 2002). Since 2002 one of its key roles in the field of education has been the production of the annual Education for All Global Monitoring Report, discussing progress towards the meeting of global education targets. Several of these reports contain direct and indirect mentions of a human capabilities approach, and differ significantly from material published by the World Bank. This is notable in the 2002 document that repeatedly stresses the intrinsic worth of education to the development of people's capabilities. The report contains sections on both the human rights arguments for education and those from a capabilities perspective, arguing that the impact of education on capabilities is a fundamental part of its conception of development (UNESCO, 2002). It is notable that the section on the economic returns of education comes after the section on capabilities and forms a lesser part of the overall argument in favour of Education for All.

The 2005 EFA Global Monitoring Report concentrated on the problem of ensuring quality education, stressing the link between good education and higher wage levels but still placing emphasis on the individual and social benefits of education by arguing "the learner is at the centre of the educational experience" (EFA Global Monitoring Report, 2005, p. 30). It also acknowledges the need for more relevance, more equity of access and outcome, and for greater attention to individual rights. Concerns are also highlighted about the demands that today's economy places on national governments in relation to global economic competitiveness. This, the report states, can lead to a lack of emphasis on understanding of community and individual needs and priorities in relation to education. It concludes by commenting that, "As with all aspects of development, a balance should be struck between ensuring the relevance of education to the socio-cultural realities of learners, to their aspirations, and to the wellbeing of the nation" (EFA Global Monitoring Report, 2005, p. 32). The importance of relevance is something that has been stressed by Sen in particular who argues that education must be situated according to an individual's location and position (Sen, 1992).

While the World Bank is strongly in favour of decentralization and greater autonomy for schools, UNESCO is generally opposed to large-scale decentralization, arguing that it has too great a potential to lead to regional inequality, as well as acting as a substitute for countries fixing their basic and primary education systems. The problem of regional inequality is supported by evidence that in Nigeria the wealthiest states receive up to five times as much

funding as the poorest (UNESCO, 2009). UNESCO also shows significantly less support for private schools, arguing that a properly financed public system must be a priority in the poorest nations. Further differences emerge in the attitude to teachers displayed by each organisation. For example, while the World Bank expresses support for contract teachers and for greater assessment through marketised incentives and accountability (Hanushek & Woessmann, 2008), UNESCO propounds a more holistic approach (Tikly, 2011; Lauwerier & Akkari, 2015).

UNESCO has recently published its post-2015 goals, which offer a broad view of education, its many potential benefits, and one in which the influence of the capabilities approach can be clearly seen. UNESCO's new goals offer a focus on quality learning rather than enrolment alone (UNESCO, 2013; UN, 2017). Article 28 of the post-2015 goals states:

UNESCO reaffirms a humanistic and holistic vision of education as fundamental to personal and socio-economic development. The objective of such education must be envisaged in a broad perspective that aims at enabling and empowering people to meet their basic individual needs, fulfil their personal expectations and contribute to the achievement of their communities and countries' socio-economic development objectives. In addition to the acquisition of basic knowledge and skills, the content of learning must promote understanding and respect for human rights; inclusion and equity; cultural diversity; and foster a desire and capacity for lifelong learning and learning to live together, all of which are essential to the realization of peace, responsible citizenship, and sustainable development. (UNESCO, 2013, pp. 5-6)

The extract demonstrates clearly the approach UNESCO is taking, which places significantly more emphasis on the empowering and freedom enhancing benefits of education for both the individual and society as a whole and is much closer to that of the capabilities approach. There is increased emphasis too on the importance of learning, equity, human rights, peace, and inclusion rather than simply enrolment targets. Nonetheless, though the two organisations have adopted different approaches, there is some hint in recent documents (UNESCO, 2013; World Bank, 2011) toward greater coherence and collaboration between UNESCO and the World Bank going forward beyond 2015. It is this integration of the two theories to which we turn.

### **Conclusion**

Our paper has provided an illustration of the ways in which human capital theory and a human capabilities approach have influenced the policies and goals set by the World Bank and UNESCO since 1990. In terms of the post-2015 international education agenda UNESCO has re-articulated its commitment to a broader and more learning oriented approach that displays significant influence of the capabilities approach. The World Bank, despite something of a change in discourse, seems to be continuing along much the same path as previously. It remains human capital focused and still appears to see economic growth as the primary aim of education, rather than as a means to an end. Admittedly, economic growth is important for personal, social and state development, and increased GDP is an attractive prospect for both the governments of developing countries and those that are funding international aid. In this, human capital has a valuable role to play in the advancement of economies, and there is no doubt that increased income and earning opportunities can enhance a variety of human capacities. Human capital, however, should not be mistaken for the developmental end in itself.

Finally, as Walker (2003) and Unterhalter (2009) argue, what is needed is an account of education that acknowledges the significant economic benefits it can bring, while continuing to emphasise the intrinsic worth of education and its role in expanding so many other human possibilities beyond income and economic production. We especially agree with the statement of UNESCO that our aspirations should set goals and policy, rather than the other way round. While quantifiable goals are indeed useful tools in the international arena, the success of development and education cannot itself be reduced to numerical form. Hence, the alternate capabilities approach provides a crucial reminder of the importance of the central values of humanistic education to development. A critical integration of the two approaches, with a particular emphasis on human capabilities, may provide the best way forward for 21<sup>st</sup> century international education development policy.

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