Education in Lao Economy and Society 1

Lao society and education are embedded in a heritage of colonialism, socialist revolution and, most recently, movement towards a market-economy and privatization. There is reason to be optimistic about the future. During the last decade, Lao People's Democratic Republic (PDR) has made advances in several areas, including economic and educational growth. Many communities are significantly involved in school affairs by contributing funds, providing labor for construction, and, less often, participating in local educational planning and monitoring school governance and teacher behavior. Teachers and administrators remain on the job in spite of grossly inadequate and infrequently delivered salaries. The education bureaucracy is often dedicated and hardworking, and a number of highly talented civil servants can be found. Nevertheless, the education sector remains inadequately planned, under-financed, and under-professionalized. Most children acquire some schooling but attendance is sporadic. The quality of instruction tends to be poor, and nearly half of those who enter do not complete the primary cycle.

In this section, brief attention is given to the relation of education to the Lao economic, social and demographic context. Lao educational development is examined and regional comparisons are discussed. A more extensive examination of the economy, human capital development and the financing of education is found in section 11.

Box 1.1
Long-Term Goal of Lao PDR

"Our long-term goal is to free the country from the 'least developed status' by the year 2020 through sustained and equitable economic growth" (MOE, Midterm Education Plan, 1997-2000, 1996, p. 18).

1.1 Education and Economic Change

Lao PDR has undergone three basic reforms since its creation. The first reform, initiated in 1975, saw the elimination of French control and the emergence of independent Laos. The first task of the socialist government was to establish control over the economy through centralized fiscal and economic planning. At the end of the interim three-year plan in 1980, a government-conducted assessment of the performance of the economy identified many unattained goals. Economic management was weak, the country remained dependent on external assistance, and many development projects could not be satisfactorily completed because of a lack of skilled labor.

A second reform was initiated in 1986 to move incrementally from a centrally-planned toward a market-oriented economy. The reform package, or New Economic Mechanism, also implied a redefinition of the role of the state. Major reforms in this transitional economy involved some divestment of state enterprises and development of a legal institutional framework for private economic and commercial activities. The underlying assumption and hope was that, over time, the state would become a facilitator of the shift toward privatization – including privatization within the education sector – by creating necessary decrees and policies, and by encouraging a supporting institutional framework and infrastructure.

In 1991, a third reform was undertaken to respond to problems resulting from a period of decentralization, which had led to an increase in economic and educational inequities among provinces. This latest reform was characterized by high rates of economic growth fueled largely by small industries using low and intermediate technologies. This reform, to a degree, recentralized control of education with added responsibilities given to the Ministry of Education (MOE).

The first 10 years of reform resulted in impressive economic growth, a period of macro-economic stability, increased public and private investment, and improved economic incentives which contributed to the real gross domestic product (GDP) economic growth rates of 7 percent per annum in the period 1990-1995. Recent currency inflation has eaten deeply into the benefits of economic growth and the economic downturn in neighboring countries has made the labor market outlook less predictable. Moreover, the economy's capacity for continued rapid growth is constrained by many factors, including: geographic location and topographic conditions; high population growth rate; low domestic saving; chronic and wide-spread poverty; and, weak physical and human infrastructure. With respect to the latter constraint, a government report identifies the human resource gap as potentially the most "deleterious one" (Asian Development Bank [ADB], 1996a).

1.2 Education, Social and Demographic Changes

Although Lao PDR is still classified as a "least developed country", the last decade has seen social and educational progress. The chances of child survival have improved, children and youth are acquiring more schooling, adult literacy rates have increased, and the population annual growth rate has been reduced to 2.4 percent. However, on human development indicators, Lao PDR continues to rank among the lowest countries in Asia. Lao population is characterized by high mortality and high fertility, with an average life span of 51 years and a 6.5 average number of lifetime births by women. Chronic malnutrition of children persists, and only 20 percent of children are immunized.

The Lao population of 4.9 million is ethnically and linguistically diverse, including over 47 ethnic and linguistic groups. School attendance, literacy, and other indicators of educational attainment vary greatly among different ethnic groups. Census data from 1995 reveal that 23 percent of the Lao never went to school as compared with 34, 56, and 67 percent for Phutai, Khmu, and Hmong. Among two of the smallest ethnic groups, 94 percent of the Kor and 96 percent of the Musir never attended school. Lao, the official and instructional language, is the

Box 1.2
The Wealth of Ethnic Diversity

The ethnic diversity of Lao PDR is often seen as an obstacle to communication and inter-region cooperation; however, this condition may be viewed positively. "Lao PDR's multi-ethnic society represents incredible wealth for our country and is of extraordinary significance for its unity and strength" (ADB, Capacity Building for Public Management and Community Development, p. 14).

first language of about 50 percent of the population. Children from homes where Lao is not spoken enter schools with a significant handicap, a condition partly accounting for the high dropout rate. Changing the language of instruction would be a complex political and technical problem, and is unlikely in the foreseeable future. However, as discussed in section 3, steps can be taken by schools to assist non-Lao speaking pupils.

Table 1.1 allows comparison of Lao PDR with other Asian countries on a number of demographic conditions. As noted, Lao PDR has a young, largely rural population, a high population growth rate and high population dependency ratio. The rural quality of Lao PDR has direct implication for the provision of education as urbanization facilitates educational delivery. It is more expensive to provide

Table 1.1
Selected Demographic Conditions

Country	Mid-year population (million) 1995	Population annual growth rate (%) 1990-1995	Urban population (%) 1995	Dependency ratio 0-14 (%) 1995	Life expectancy at birth (years) 1993		Total fertility rate per woman 1995	Infant mort. rate per 1000 live births 1995
					Male 1993	Female 1993		
Afghanistan	19.66	2.0 [a]	20.0	73	43[b]	45[b]	6.9[b]	
Bangladesh	118.23	1.8	18.3	75	56	56	3.5	79
Bhutan	1.77	2.4	6.4	79			5.9[e]	
Cambodia	10.02	3.4 [a]	20.7	78	50[b]	54[b]	4.7	108
Indonesia	197.46	1.7	35.4	67	61	65	2.7	51
Korea	44.91	0.9	81.3	33	68	75	1.8	10
Lao	4.88	2.6	21.7	86	50	53	6.0	90
Malaysia	20.14	2.5	53.7	65	69	73	3.4	12
Myanmar	45.10	1.9	26.2	59	57	60	4.1[d]	82[d]
Nepal	21.45	2.6	100.0	81	55	54	5.3	91
Philippines	67.84	2.5	54.2	66	64[c]	68[c]	3.7	39
Thailand	58.24	1.2	20.0	42	66	72	1.8	35
Vietnam	73.79	2.2	20.8	64	63	68	3.1	41

Source: ADB, Key Indicators of Developing Asian and Pacific Countries 1996; World Bank, World Development Report 1997; UNESCO, World Education Report 1998.
a) Figures may be influenced by refugees to an unknown extent.
b) Refers to the period 1989-94.
c) Refers to 1995.
d) Refers to 1993.
e) Refers to 1992.

individual schools (either complete or multigrade) for each small village than to build a smaller number of large schools in cities. These rural-urban differences are even more significant for provision of secondary and technical or vocational schools given the higher unit costs involved. From 1989 to 1995, Lao PDR experienced only a small increase in urbanization.

Box 1.3
Dependency Ratios

Dependency ratios reflect the proportion of the under-15-years age group to the size of the working population aged 15 to 65. For most Asian countries, the dependency ratio for the under-15 age group has decreased over the period 1985-1995. Exceptions include Bhutan, Cambodia, Lao PDR, the Maldives, and Nepal, where it has increased. It should also be noted that the school age group is not the only population group that is dependent upon the working group. The 65+ age group is also dependent on the working group and the size of this group relative to the 15-65 year-old population varies across countries. The dependency ratio for the 65+ age group exceeds 15 percent in Australia, Japan, and New Zealand while it is less than 7 percent in Afghanistan, Bangladesh, Bhutan, Cambodia, Lao PDR, Pakistan, and the Philippines.

The quantity and quality of schooling are influenced by demographic structures and are highly sensitive to the size of the school-age cohort. The extremely young population of Lao PDR puts a heavy burden on schooling and, at the same time, the high dependency ratio contributes to the low national productivity. In some countries smaller youth populations have been demonstrated to reduce educational expenditure as much as 1 percent of GDP from what it would otherwise be. Moreover, large families force choices as to which children go to school, tending to suppress female enrollments and indirectly reducing the number of subsequent opportunities for girls in education and in the labor market. Richer Asian countries with lower dependency ratios have been able to invest more per child at similar allocations of funds. Thirty-one percent of the Lao population is under 10 years of age. If, through family planning or other population policies, dependency rates in Lao PDR decline, then more resources would be available to concentrate on improvements in quality of schooling.

Education and economic growth have provided employment opportunities for women to help support their families and added to the independence of women. Although women are 50 percent of the Lao population, they remain underrepresented at every level of the education system and in the technical and professional ranks of labor. The largest number of employed women is found in agriculture and fishery occupations. Other occupational groups which include larger percentages of women are clerical and service work.

1.3 Education Profile and Growth

In Lao PDR, as in all countries, there are multiple education or learning systems operating concurrently through which individuals may acquire the necessary values, information, and skills to become active members in society. The informal or indigenous system of learning may reinforce or inhibit the efforts of formal schooling. "The central learning system or educational system is the family and village unit in which children learn through watching older children and adults taking on tasks as they reach an age able to do them and gradually developing the skills and knowledge needed to be an economically productive and socially valued and respected member of village life. This learning occurs in a social context and the child is learning not only economic skills but necessary social skills, language skills, and emotional patterns which enable him or her to live with a specific group of people and to form a personal identity within that group" (ADB, 1997a).

The indigenous or traditional knowledge system and its associated teaching/learning process might be called indigenous or traditional pedagogy. This pedagogy emphasizes "the notion that the knowledge learned is not taught from one to another but is held in their social group and transmitted through a variety of processes to individual members" (Ibid, 1997a).

The indigenous process in the "informal" system contrasts with the pedagogy of formal education in its mode of transmission, its abstraction from everyday life and its assumed distant future goals of relevance. Within the formal education system, learning and acquiring knowledge become the immediate goal, and economic rewards, higher social status or social mobility are expected in the future. Thus, there is a danger that teachers and administrators may lose sight of the school embedded in a larger community that needs economically productive children and youth.

If schools do not address the local social, economic and familial context through curriculum and culture, the gap between formal schooling and other learning systems may be wide. As noted, about half of the pupils entering grade one do not receive instruction in their native language. Thus, the precepts of formal schooling do not follow a basic learning principle found in indigenous learning systems: "Learning can only occur from the known to the unknown." The implication of this distinction is relevant to school success because it addresses one of the oldest principles of learning, "readiness." If entering pupils have acquired school-related knowledge as an integral part of their natural learning environment, then the gap between indigenous knowledge and school knowledge is more easily bridged. "Thus the child whose parents speak the Lao language, the child whose parents read, even the child who must learn to count money in the market place have an advantage over the child who learns none of these things at home. These 'school advantages' are distributed unevenly among ethnic groups in Laos as they are everywhere" (Ibid, 1997a).

Education Development

The formal system of education, as shown in Figure 1.1, is organized around four main levels: primary (5 years); lower secondary (3 years); upper secondary (typically 3 years); and tertiary education (3-7 years).

In terms of the percentage of population served, the efficiency and the quality of education delivered, the education system is in an early stage of development. Universal primary education has not yet been achieved. The style of classroom instruction in the lower grades is essentially 'copy-copy' or 'read-copy' where the teacher reads from a textbook or writes on a board and pupils copy to a notebook. At its current level, the system may provide basic literacy to those who graduate from primary school. As Lao PDR further industrializes and utilizes more intermediate and advanced technology in all sectors, including agriculture, the current quality of basic education will be inadequate even for those who complete it. Applications of more advanced technology and the requirements of a more mobile and participatory society will require a population with good math skills, capabilities in written communication, elementary science, reading comprehension, and ability to access information from print and electronic sources. Another indicator of an immature educational system is inefficiencies within cycles. If, for example, the primary and secondary cycles have meaning and represent distinct programs of education, then selection would be expected to be largely between cycles rather than within cycles as is the case of Lao PDR.

Table 1.2 identifies gross enrollment ratios (GERs) by level over a 15-year period and projects GER to 2010. AIthough the accuracy of these data may be questioned and their meaning subject to interpretation, the system appears to be inefficient at the first level and less developed at the second and third levels than most countries in the Asian region. Cross-national comparisons of educational indicators can be misleading without knowledge of the country context, and such comparisons at best provide useful but crude benchmarks for determining if national efforts are adequate. Such comparisons raise questions that require search for other data for clarification. Projected GERs to 2010 show modest growth at the second level and no growth at the third level. (Recent data, however, suggest a rapid increase in secondary enrollments.) These projections contrast with the ambitious targets for growth found in all five-year national education plans and in the 2000-2020 perspective plan. The pupil/teacher ratio of 13:1 at the secondary level is comparatively low. First-hand observation of schools suggests a large within-province range of class sizes and pupil/teacher ratios. Efficiencies in school organization, for example trade-offs between class size and teacher salaries, are beginning to surface as policy issues in Lao PDR.

On the indicator of public educational expenditure as a percent of GDP, Lao PDR ranks among the lowest countries in the region with 2.4 percent of GDP allocated to education. National spending on education reflects a variety of factors including national and individual values, the size of the youth population and the number of students enrolled. The latter factor, in particular, is a central policy issue for all budget decisions. Moreover, indicators on expenditure at best tell incomplete stories. There are, in Lao PDR and elsewhere, many financial supports for schools and other educational programs not calculated within the typically reported expenditures. Additionally, even more subtly, there is room for those who administer funds to maneuver within any given amount of available school resources.

Table 1.2
Gross Enrollment Ratios by Education Level (1975-2010)

Country	First Level Education Gross Enrollment Rate (%)					Second Level Education Gross Enrollment Rate (%)					Third Level Education Gross Enrollment Rate (%)				
	1975	1985	1995	2000*	2010*	1975	1985	1995	2000*	2010*	1975	1985	1995	2000*	2010*
Afghanistan	25	20	49	26.5	23.4	7	8	22	11.4	11	1			1.9	2.3
Bangladesh	73	64		80.4	82.3	19	18		22.4	23		4.8		4.3	4.4
Bhutan	9	27		36.4	38.5	1			7.6	8.7				0.3	0.4
Cambodia			122					27					1.4		
Indonesia	86	117	114	115	111	20	41	48	63	70	2.4		9.3	10.6	12.8
Korea	107	97	101	107	107	56	92	101	101	102	103	34	54.8	46.2	50.8
Lao	67	111	107	116	121	8	23	25	27.4	30		1.6	1.5	1.4	1.5
Malaysia	94	101	91	94.6	94.6	46	53	57	62.2	67		5.9	9.6	14.2	18.4
Myanmar	83	98	103	125	125		23	30	35.8	40		4.5	5.1	8.2	9.3
Nauru															
Nepal	51	75	110	90.8	90.8	13	25	37	31.9	33	2.3	4.3	4.8	6.1	6.3
Philippine	107	107	116	108	106	54	64	79	80.9	84	18.4	24.9	26.8	34.3	36.2
Thailand	84	96	87	89.6	89.1	25	30	55	37.6	45	3.5	19	20.6	20.3	24.1
Vietnam	107	103	114	106	105	39	43	47	48.9	52	2.1	2.4	3.2	1.9	2.2

Source: UNESCO Statistical Year Book 1989, 1993, 1996, 1997; UNESCO Trends and Projections of Enrollment by Level of Education, by Age and by Sex 1993; UNESCO, World Education Report 1998.

* Data for 2000, 2010 are projections by UNESCO.

1.4 Summary

Education in Lao PDR is developing within a changing cultural and social context and an uncertain economic environment. The education system is evolving under severely constraining conditions of inadequately prepared and poorly paid teachers, insufficient funding, shortages of facilities, and often ineffective allocation of the limited resources available. There are significant geographic, ethnic, gender and wealth disparities in the distribution of educational services, and inequalities exist in access and success at every level of the system. On the brighter side, there are capable teachers to be found in many schools throughout the country and identifiable productive administrators at all administrative levels. Further, many communities demonstrate great effort and sacrifice by contributing labor, money, and time to build, develop and maintain local schools.

Figure 1.1
Organization of Education System