

**Asia Public Policy Forum 2017:
Improving Education Access and Quality in Asia
18-19 January 2017
Sunway University, Malaysia**

Co-organized by the Harvard Kennedy School Ash Center for Democratic Governance and Innovation and the Jeffrey Cheah Institute on Southeast Asia

Sponsored by the Jeffrey Cheah Foundation

Synopsis

I. APPF 2017 Background and Objectives

The Harvard Kennedy School Indonesia Program (HKSIP) co-hosted, with the Jeffrey Cheah Institute on Southeast Asia at Sunway University, its sixth Asia Public Policy Forum (APPF 2017), on the theme “Improving Education Access and Quality in Asia,” at Sunway University, Malaysia on 18-19 January 2017.

APPF is an annual event that brings together senior central and subnational government officials, private sector and community-based leaders, as well as academics, researchers, and public intellectuals to discuss a complex policy challenge of great importance to both Indonesia and its Asian neighbors. Most of the roughly 120 participants are from ASEAN, whereas the remainder is from East Asia, with a few from further afield. APPF is convened by HKSIP at the HKS Ash Center for Democratic Governance and Innovation, with the venue alternating between Indonesia and another ASEAN country.

The primary long-term objective of APPF is to integrate Indonesian public policy researchers and implementers into regional and global public policy communities to create informal public policy support networks for Indonesian public policy scholars and leaders. A secondary short-term objective is to improve the design, implementation, and evaluation of current public policies in Indonesia and abroad.

To date, there have been five APPFs:

- 2011: “Energy Policy” in Jakarta with the University of Indonesia Faculty of Economics (FE-UI) and Bimasena (Indonesian Mines and Energy Society)
<http://ash.harvard.edu/event/asia-public-policy-forum>
- 2012: “Disaster Management” in Singapore with the Lee Kuan Yew School of Public Policy at the National University of Singapore (LKYSPP/NUS)
<http://ash.harvard.edu/event/asia-public-policy-forum-disaster-management-asia>

- 2013: “Poverty, Inequality, and Social Protection in Asia” in Jakarta with the Harvard University Asia Center, The National Team to Accelerate Poverty Reduction (TNP2K), the National Development Planning Board (Bappenas), and AusAid
<https://ash.harvard.edu/event/asia-public-policy-forum-poverty-inequality-and-social-protection-asia>
- 2014: “Urban Transport and Land Use in Rapidly Growing Asian Cities” in Ho Chi Minh City with the Fulbright Economics Teaching Program (FETP)
<http://ash.harvard.edu/event/asia-public-policy-forum-2014-urban-transport-and-land-use-rapidly-growing-asian-cities>
- 2015: “The Financing and Delivery of Public Health Services in Asia” in Jakarta with the Ministry of Finance and the Ministry of Health
<http://ash.harvard.edu/news/2015-asia-public-policy-forum-explores-financing-and-delivery-public-health-services-asia%E2%80%9D>

APPF has grown in scope, scale, and quality over the past seven years and is now Southeast Asia’s premier annual public policy event.

II. APPF 2017 Principal Findings and Lessons Learned

APPF 2017 focused on “Improving Education Access and Quality in Asia.” This topic was selected for two reasons.

First, it is a high priority of the Government of Indonesia. President Joko Widodo has declared repeatedly the importance of improving education to enhance the productivity and quality of life of Indonesia’s human resources, and the Constitution requires allocation of a minimum of twenty percent of the national and subnational budgets to education.

Second, it is an urgent challenge throughout Asia. Like Indonesia, after greatly increasing access to education, many of Indonesia’s neighbors have struggled to improve the quality and relevance of education. Many more students are attending school, but they are performing poorly on international exams and are graduating without the skills required by prospective employers in the current labor marketplace.

APPF 2017 thus focused on six themes:

- Creating a Vibrant Knowledge Sector
- Balancing Access and Quality in Primary and Secondary Education
- Balancing Access and Quality in Tertiary Education
- Assessing and Improving Education Quality
- Meeting Job Market Demand
- Understanding the Relationship Between Education and Development.

Session 1

The first session of APPF 2017, “Creating a Vibrant Knowledge Sector,” was devoted to developing education ecosystems conducive to the generation of innovation, creativity, and entrepreneurship.

The session opened with an overview of cross-cutting issues (Prof. Michael Woolcock). This focused on the need for a comprehensive approach to creating a vibrant knowledge sector because of the complex interactions and interdependencies of education policy components (policies, funding, logistics, teacher training and motivation, and family support) and the time lag in discernable impact. It also warned of the unintended consequences of success: it could be deeply disruptive because of the social and political changes it might generate.

The next two speakers (Daniel Suryadarma and Dr. Karndee Leopairote) presented case studies from Indonesia and Thailand.

The Indonesia case study focused on supply side constraints to knowledge generation for effective development policies. Whereas the quantity of policy research has increased substantially, the quality of this research is still relatively low. For example, even though total academic publications have grown dramatically since 2002, in terms of publications per \$1 billion of GDP (PPP terms), in 2014 Indonesia’s total was 30% of Vietnam’s, 8% of China’s, and 6% of Malaysia’s output. Key constraints to improving the quality of policy research in Indonesia include: the need to chase short-term, narrowly-focused government contracts rather than engage in longer-term, more challenging research because of funding shortages; lack of specialization and knowledge accumulation due to the nature of government research contracts; low quality of higher education, resulting in little training in critical thinking or writing; and an overall poor research environment, including poor access to international literature and limited peer review. The most promising recent development to address these constraints is the creation of the Indonesia Science Fund, but it is too early to assess results.

The Thailand case study focused on a broad generational divide across ASEAN, with more than half of ASEAN’s approximately 640 million population less than 30 years old. ASEAN’s “New Generation” seems to have much more in common than its older compatriots, including their affinity with technology, belief in social wisdom via crowdsourcing, and fluency in “Globish.” These differences call for reimagining concepts of knowledge, knowledge creation, and knowledge marketplaces. However, consistent with the findings of the Indonesia case study, a top education challenge is lack of critical thinking skills development.

Session 2

The second session of APPF 2017, “Balancing Access and Quality in Primary and Secondary Education,” was comprised of three case studies: Indonesia (Prof. Lant Pritchett), Malaysia (Prof. Rajah Rasiah), and Thailand (Dr. Deunden Nikomborirak).

The Indonesia case study focused on the difference between schooling and education, that is, the difference between attending classes and learning, stressing that schooling is not the goal, but rather, a means to enhance education. It documented the massive expansion of schooling around the world, including Indonesia, but also noted that increased years in school often has not resulted in much learning. It also highlighted the implications of this for both the bottom and the top of the education distribution. For example, the PISA (Program for International Student Assessment) reading test distribution indicates that not only are 58% of Indonesian children below Level 1 reading, but almost that no Indonesian children are above Level 4 reading. Furthermore, Indonesian university graduates are, on average, at the same literacy level as high school dropouts in the OECD. As the presenter quipped, perhaps Indonesian students are following the advice of American writer Mark Twain, who said, “I never let my schooling interfere with my education.”

The Malaysia case study also documented substantially increased secondary school graduation rates, rising from 7% in 1950 to more than 75% in 2010. However, although national school performance records have risen sharply (except for English), Malaysia has not done well when compared with other countries, as it has fallen in both PISA and TIMSS (Trends in International Mathematics and Science Study) assessments. For example, in 2015, 60% of Malaysian students failed to meet the PISA minimum benchmark in mathematics, while 44% and 43% did not meet the minimum proficiency levels in reading and science, respectively. A proxy for the disappointing results of government schools has been the rise of international schools in Malaysia. The key to reversing these trends is better quality English, science, mathematics, and reading, together with tighter discipline.

The Thailand case study assessed the state of the Thai education system. Similar to its neighbors, access to primary and secondary education, measured as change in net enrollment, has increased dramatically, rising from 81% and 55% in 2000 to 99% and 80% in 2012, respectively. However, also like its neighbors, the results of international comparisons have been disappointing, for example the fall in PISA science, math, and reading scores. These results are even more alarming when averages are disaggregated by distribution tails or by type of school. Another interesting similarity is the contrast between improved performance when using national tests versus worse performance when using international tests. The key constraints are “teacher-centric” long accountability chains, enabled by the political influence of teachers, and a “small-school” problem, exacerbated by Thailand’s low fertility rate. Suggestions to improve quality include education system decentralization, better teacher and school performance evaluation and incentives, including public disclosure of results, and non-discriminatory funding.

Session 3

The third session of APPF 2017, “Balancing Access and Quality in Tertiary Education,” was comprised of an overview (Dr. Connie Kyung-Hwa Chung) and two case studies, Vietnam (Dam Bich Thuy) and Indonesia (Mokhamad Mahdum).

The overview presentation focused on the Global Education Innovation Initiative (GlobalEd), which seeks to advance understanding of the ways education leaders and practitioners in diverse education systems define and practice teaching and learning that is relevant in the 21st century. GlobalEd is based at the Harvard Graduate School of Education and partners with institutions in Brazil, Chile, Colombia, China, India, Mexico, and Singapore. A key GlobalEd finding is that the most critical trends of the 21st century that education must adapt to are: rapid development and spread of technology, resulting in VUCA (volatility, uncertainty, complexity, and ambiguity); interdependence due to globalization, migration, and environmental challenges; and moving from an industrial to an information society. The resulting framework for 21st century education is thus based on three principal competencies, the cognitive, intrapersonal, and interpersonal domains, with an emphasis on attitudes and values, together with engaging and empowering students, including a focus on doing.

The Vietnam case study was about the 23-year evolution of the Fulbright Economics Teaching Program (FETP), a cooperative endeavor between the Harvard Kennedy School and the Economics University of Ho Chi Minh City, to the Fulbright University Vietnam (FUV), Vietnam's first independent, private, non-profit university. FUV is rooted in Vietnamese society while embracing an American liberal arts education model. Key pillars of FUV are academic freedom and operational autonomy, with a firm belief that quality education attracts sufficient funding, together with exceptional faculty and students. FUV hopes to serve as a catalyst for institutional change in Vietnam's higher education system.

The Indonesia case study described the objectives and operations of the Indonesian Endowment Fund for Education (Lembaga Pengelola Dana Pendidikan, LPDP). LPDP was created to provide scholarships for graduate study at 200 pre-screened universities around the world. LPDP has supported more than 16,000 students in 135 countries, and its current value is Rp. 22.5 trillion (approximately \$1.7 billion).

Session 4

The fourth session of APPF 2017, "Assessing and Improving Education Quality," consisted of an overview (Prof. Xiao-Li Meng) and two case studies, Myanmar (Dr. Nay Win Oo) and Indonesia (Prof. Anita Lie).

The overview presentation focused on preparing future Harvard University faculty to teach and assess today's and tomorrow's students. The presenter observed that key challenges stem from new ways students get information and the changing classroom, in the context of three fundamental questions: What do we want students to learn? How do we achieve this? How do we know we are successful? Regarding the third question, we need to identify new ways to assess teaching effectiveness, including looking at long-term impact, utilizing new assessment tools, and testing for misconceptions in addition to the correct answer. One low-cost but underutilized tool to assess teaching effectiveness is active engagement of alumni, who are eager to share their assessments of what worked and what did not work for them.

The Myanmar case study was more qualitative than quantitative, given the limited availability of data and the relatively early stages of education sector development in Myanmar. The presentation focused on recent establishment of the Myanmar National Education Policy Commission (NEPC). NEPC's mission is to undertake a comprehensive policy review of education policy and formulate recommendations for improving education access and quality in Myanmar.

The Indonesia case study presented a comprehensive, comparative overview of the education sector in Indonesia, together with a review of current efforts to assess and improve education quality in Indonesia. Based on progress to date and future challenges, initiatives have been taken to improve: school readiness prior to entering primary school through broader participation in early childhood education; quality of universal basic education (12 years); access and quality of higher education; and better teacher quality and performance. One of the most rigorous education evaluations to date was the recently completed study of Program Pelita Pendidikan, a community-based professional development project for in-service teachers in three provinces in Sumatra, which concluded that this program has only had a very modest effect to date on enhancing knowledge of effective teaching, improving teaching practices, and engaging students in active learning. Another study, this one of the Senior High School English National Exam, observed the urgent need for substantial change in learning assessment approaches, concluding that most of the questions were focused on low-level literal and reorganization skills rather than high-order cognitive skills.

Session 5

The fifth session of APPF 2017, "Meeting Job Market Demand," consisted of three case studies: Vietnam (Dr. Vu Quoc Huy), Indonesia (Prof. Mayling Oey), and Malaysia (Prof. Tan Sri Dr. Ghauth Jasmon).

The Vietnam case study focused on difficulties in meeting fast-changing job market demand driven by economic modernization. This has entailed a shift from predominantly manual jobs towards more skill-intensive jobs, and although Vietnam's education system has a strong track record in producing basic foundational skills, it has been much weaker in generating advanced cognitive skills. Consequently, Vietnam's education and training sector is not meeting labor market demand in terms both of quality and quantity. Moreover, share of total unemployment rises with education level, whereas the greatest skills shortages are for managers, professionals, and technicians because applicants lack leadership, problem solving, creative, critical thinking, communications, and job-specific technical skills. To address these shortfalls, Vietnam needs a more interconnected system linking industry, universities, and vocational schools. Some examples of this approach are the Vietnam-Singapore Industrial Park and the Vinh Phuc Industrial Park university partnerships, and Vietsteel's internship program,

The Indonesian case study analyzed challenges and opportunities of the country's 2020 to 2040 demographic dividend, when the dependency ratio will be at its lowest. The case study concludes that the benefits of Indonesia's young population can only be realized through

improving human capital via substantial high-quality investments in education, including a commitment to vocational education. To date, Indonesian education policies have been built around the principle that education is a basic human right, and have thus been supply driven by the public sector and have emphasized universal access with a bottom-up approach (starting at the primary level). As discussed in earlier sessions, Indonesia has been quite successful in increasing enrollment and graduation rates, especially at the primary and secondary levels, and consequently, over time the workforce has become better educated, at least in quantitative terms. Unfortunately, improvements in education quality have not been commensurate with increased years of schooling, creating the paradox of vacancies in jobs requiring higher cognitive or technical skills at the same time as the highest unemployment rates are among general and vocational upper secondary school graduates. Indonesia must therefore strive to achieve a better balance between its education policy's social and economic objectives.

The Malaysia case study provides an overview of the current Malaysian scenario in meeting job market demand in a services and industry driven economy. Specific skills in deficit across all firms are English language and ICT, particularly for technicians, clerical, and service workers, indicating inadequacies in vocational training. These challenges are exacerbated by the estimated 6 million legal and illegal foreign workers in Malaysia amidst a relatively sluggish economy hit by sharp downturns in commodity prices. There are also shortages in engineering, banking, and finance. However, although poor English language, communication, and technical skills are common causes of unemployment among recent graduates, the top two reasons are requests for unrealistic compensation and poor character, attitude, or personality. Thus, managing labor force expectations is another big challenge in Malaysia, especially in light of recent severe cuts in the government's higher education budget.

Session 6

The sixth session of APPF 2017, "Understanding the Relationship Between Education and Development," consisted of two case studies, Indonesia (Prof. Satrio Brodjonegoro) and China (Prof. Chen Zhao), and a recap of the previous five sessions (Prof. Woo Wing Thye).

The Indonesia case study focused on fundamental links between education and development as nations move from economies reliant on comparative advantage based on natural resources and abundant labor to more productive economies reliant on competitive advantage based on capital, technology, skilled labor, and innovation. This requires a change in work force competencies from manual skills to analytic, cognitive, and interactive skills, and Indonesia is an example of shortages in the latter skills set. In order for Indonesia to become a high-income country, it must focus more on people-driven development with a paradigm shift from input to output driven education and training. In addition to hard skills, greater emphasis should be placed on soft skills such as creative and critical thinking, teamwork and interpersonal relations, adaptive management, and distributed leadership.

The China case study also examined fundamental links between education and development, focusing on education as a way to promote inclusive, equitable development. Of special concern in China is not just general unequal distribution of income and wealth, but also large and rising urban-rural gaps. The latter is partially a result of unequal access to returns to education during marketization in China. This has been made worse by: more recent school closures and mergers in rural areas, resulting in larger classes, lower quality, safety and psychological problems, higher dropout rates, and increased costs; and the Hukou residential permit system in urban areas, resulting in restricted access to education for the children of migrant workers. Key recommendations to address these problems are more fiscal support to rural education and equal access to education for migrants' children in megacities.

The recap presentation returned to the recurring themes of APPF 2017, underlining the common need across Asia to build on already achieved increased access to education by improving education quality and relevance. The presentation emphasized that this was essential for a country to increase productivity, and thus remain economically competitive and eventually become a high-income nation.

III. APPF 2017 Follow-Up

Every APPF not only provides a platform for policy engagement of senior public sector officials, private sector managers, community-based leaders, and top scholars, but also serves as a catalyst for future research and action to enhance policy impact.

The local, regional, and global education networks either created or renewed during APPF 2017 will continue to be facilitated by the wide dissemination of APPF 2017 materials. The APPF 2017 agenda, synopsis, session videos and presentation slides, and event photos are posted on the Harvard Kennedy School Ash Center's website and can be accessed for free at:

<https://ash.harvard.edu/event/asia-public-policy-forum-improving-education-access-and-quality-asia>

This will assist APPF participants to continue to learn from each other and to work collaboratively to address key common challenges in improving education access and quality in Asia.

APPF 2017 also identified many issues requiring further rigorous applied policy research that could be the focus of future collaboration. Foremost among these research issues is the need to more effectively convert schooling into learning so that increased enrollment rates result in better educated and more qualified graduates.

This challenge can be explored by trying to answer the following two primary policy questions and their six subsidiary research questions:

- 1) How can countries achieve equal opportunity to go to school while at the same time ensure that schooling results in high quality learning?
 - a. What are the principal constraints to further increasing enrollment and graduation rates, particularly for upper secondary, tertiary and vocational education?
 - b. What do we want students to learn at each level, and why?
 - c. How can we improve assessment of student, teacher, and school performance?
- 2) How can nations ensure that education enhances skills and knowledge of students relevant to job market demand in dynamic, evolving economies?
 - a. Given the financial and opportunity costs of going to school, will graduates be able to find employment that justifies their sacrifices?
 - b. Will the supply of graduates meet the demand of prospective employers?
 - c. Will investment in human capital increase productivity enough to move up the value added chain and justify increased wages essential for higher standards of living?