The Effects of Policy Changes on Education Consumption Profiles in Kenya

By

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outline

1. Education policies
2. Education profiles
3. conclusion

Policy Changes on education in Kenya

Several adopted since 1994:

1. Free primary education

- Introduced in 2003

- objective :increase access to education for all

- line with one of the MDG objective and evidence that return to education was high at this level of education(around 8% in Kenya compared to 7.3% in sub-Sahara Africa)

- Tackle inequality-seen as a pro-poor policy

Policy changes…

- **Key effects**
- Public expenditure in education substantially increased
- increased enrollment in primary schools by 22%
- Increased pupil -teacher-ratio
- signaled lowered education quality e.g average score went down compared to private school
- Lead to influx to private schools
- Associated with mushrooming of private academies

Policy changes…

2. Parallel degrees program and University charter

- 1998 Universities and colleges opened a widow for parallel education programs

- Reason: shortage financing regular programs due to inadequate allocation from treasury

- The ministry of finance decreased recurrent budget for education 37% to 30% of its total education expenditure

- public universities opened satellite colleges

Policy changes…

- More private universities were granted University charter by commission of higher learning
- increased confidence among students joining colleges and universities

3.Loan to University Students

Establishment of Higher education loan Board in 1995

- Any university student qualified for the higher education loan irrespective of degree program
- *Objective*: to increase access to tertiary education to all, including working persons

Policy changes…

But only those in the public university

- Loan to be paid after graduation or getting a job
- Parallel degree program and provision of university charter increased enrollment in higher education

Changes in Education Profiles since 1994

- There is continuous drop in education expenditure at early ages in 1994 but not in 2005
- 1994 profile peaks at age 15 while the 2005 profile peaks at ages 15 and 21
- A significant education expenditure is noticed after age 30 in 2005 as opposed to 1994
- In 2005, the profile drops at age 30 before another noticeable rise
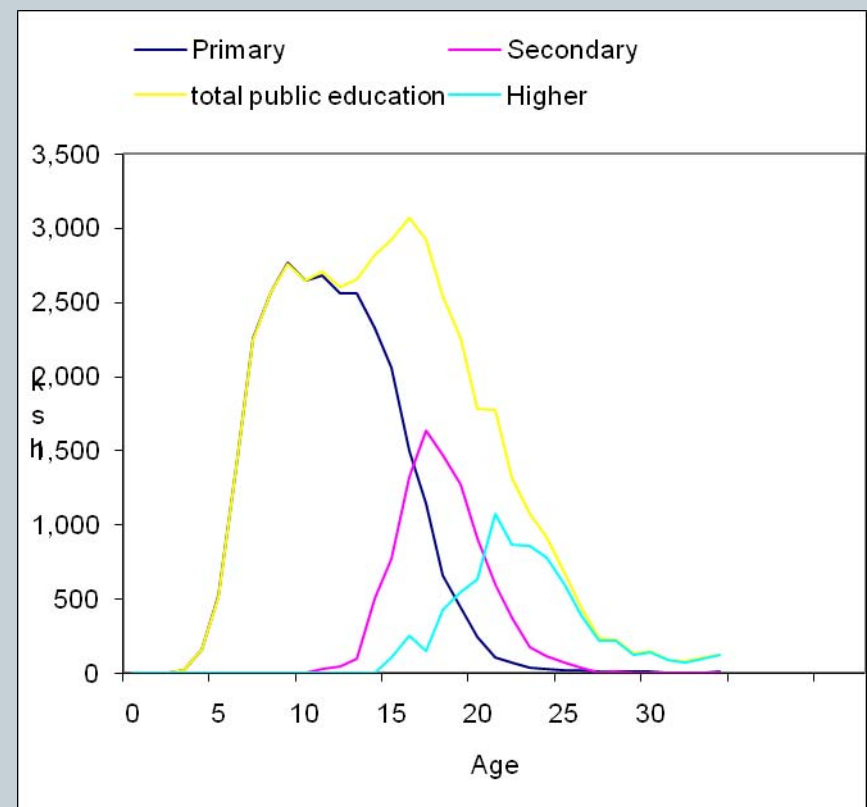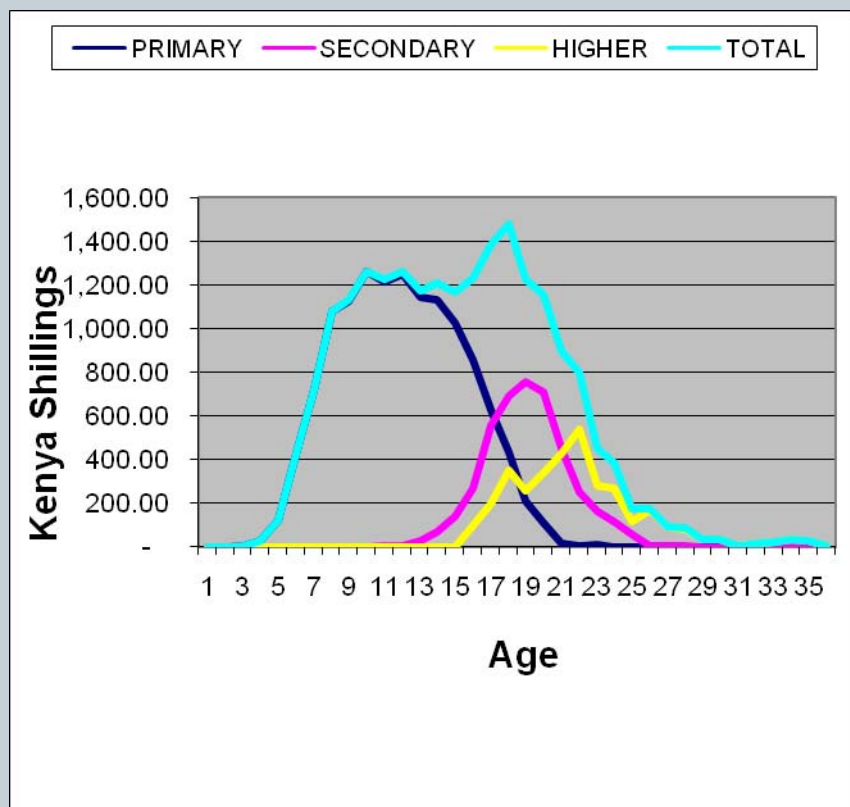- The education expenditure higher in 2005 compared to 1994

Changes in Education Profiles since 1994

- The total expenditure more than doubled in 2005 as compared to 1994
- In both periods total education expenditure peaked at ages 14-19 (secondary and beginning of tertiary)
- higher education enrollments after age 28 in 2005 as opposed to 1994

Public education consumption

1994

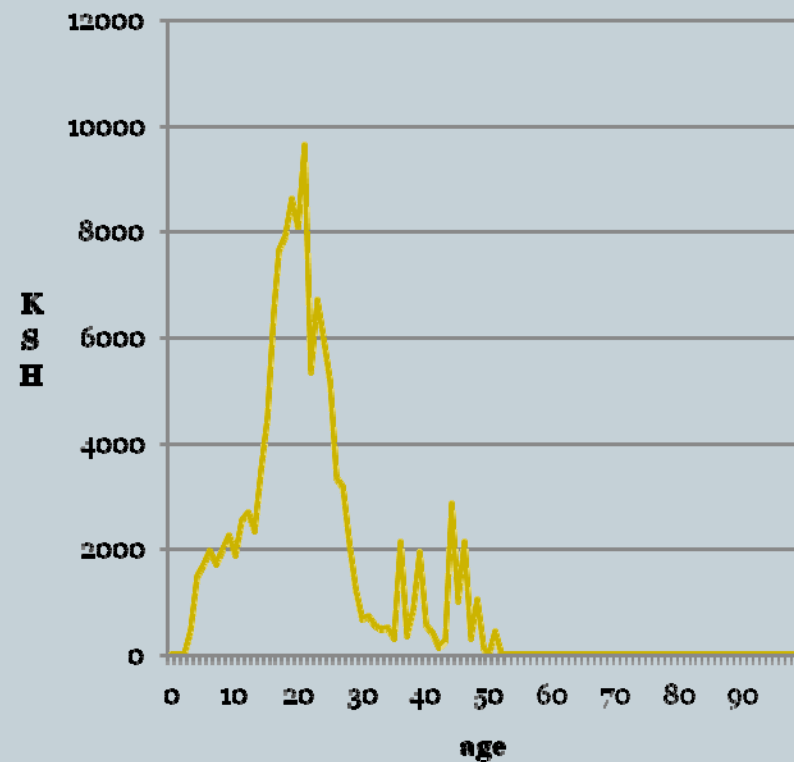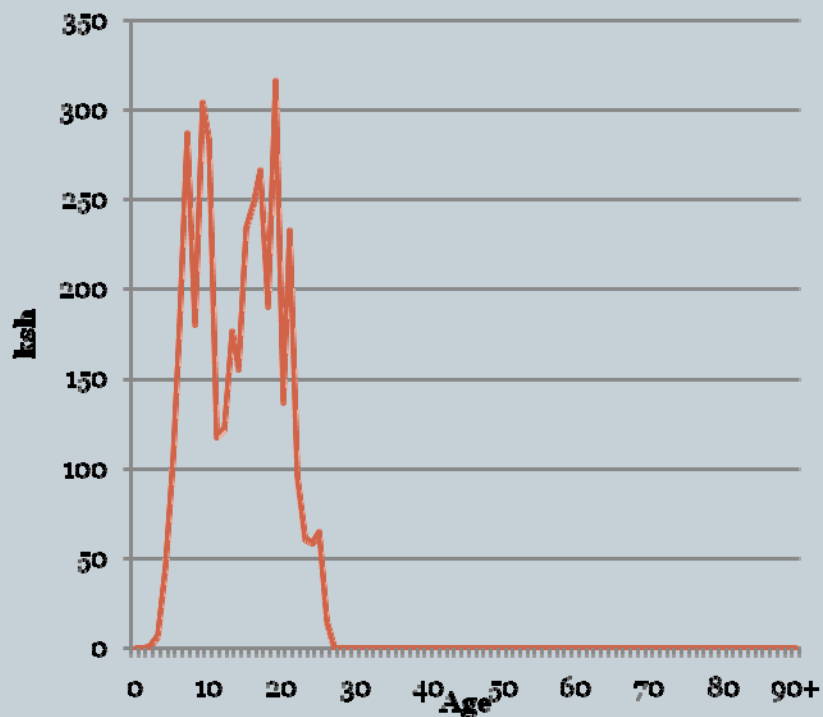**2005**

Changes in Education Profiles since 1994

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- 2004 profile peaks at age 15 while the 2005 profile peaks at ages 15 and 21.

- A significant education expenditure is noticed after age 30 in 2005 as opposed to 1994.

- In 2005 there is drop at age 30 before another noticeable rise in education spending

- The education expenditure is substantially higher in 2005 compared to 1994
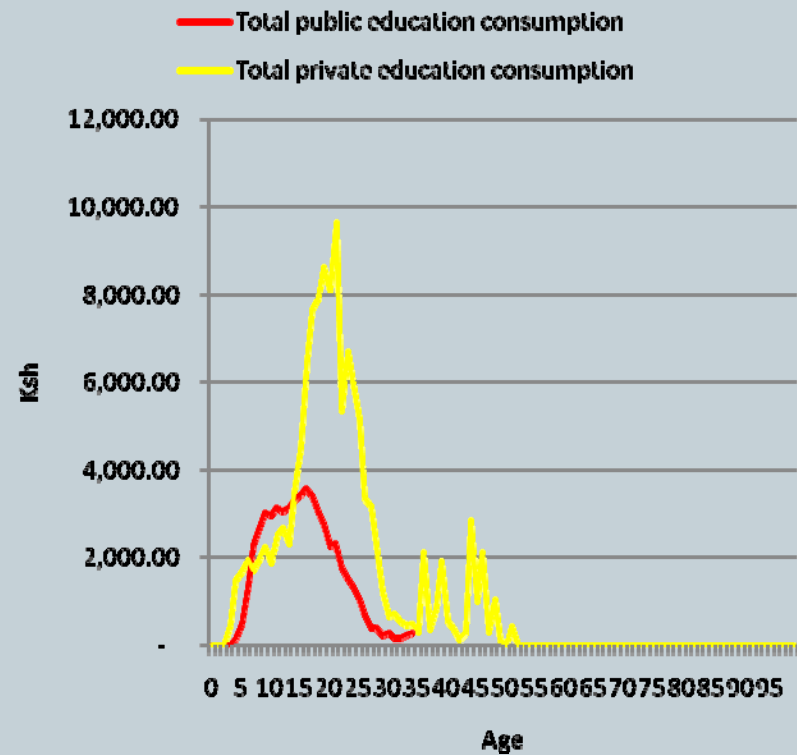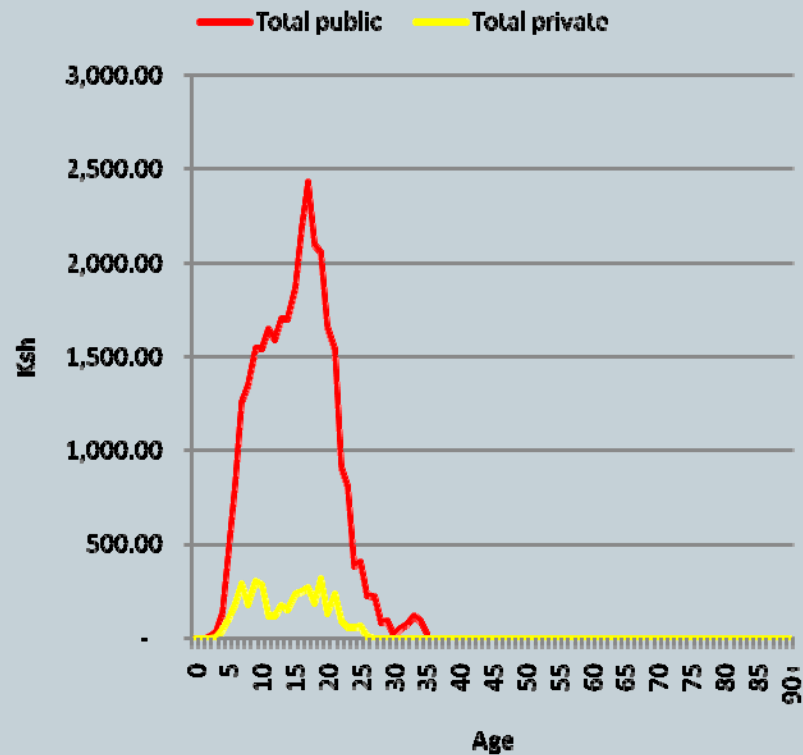
Private Education Consumption

1994

2005

Total public and total private education consumption

1994

Legend: Total public (red) — Total private (yellow)

Y-axis: Ksh (3,000.00, 2,500.00, 2,000.00, 1,500.00, 1,000.00, 500.00, -)
X-axis: Age (0, 5, 10, 15, 20, 25, 30, 35, 40, 45, 50, 55, 60, 65, 70, 75, 80, 85, 90)

2005

Legend: Total public education consumption (red) — Total private education consumption (yellow)

Y-axis: Ksh (12,000.00, 10,000.00, 8,000.00, 6,000.00, 4,000.00, 2,000.00, -)
X-axis: Age (0, 5, 10, 15, 20, 25, 30, 35, 40, 45, 50, 55, 60, 65, 70, 75, 80, 85, 90, 95)

Conclusion

Is there any lesson to be learned from all this?

- Generally, but only to a limited extent, the NTA methodology can be used to evaluate effectiveness of policies.

- Information on the *timing* of policies facilitates such an evaluation.

- The profiles on education and other consumptions can be used to identifying policies that should be continued or supported.

Thank you and have a pleasant trip to RIO