Investing in Quality Education for Economic Development, Peace, and Stability

By Daniel F. Runde, Romina Bandura, and Madeleine McLean

Introduction

Education is the foundation of any functioning society: It prepares people to live cohesively in a community, participate politically, and contribute economically. Investing in education has individual, country-level, and global benefits. At the individual level, education can improve people’s employability, earnings, and health outcomes. Countries that have invested heavily in primary, secondary, and tertiary education have been able to contribute to advances in science and knowledge and create new products and technologies. Globally, investments in education underpin social cohesion, economic growth, competitiveness, and innovation.

In a time of rapid social, technological, and economic change, investing in education is also important for building the resilience of countries. As the Organization for Economic Cooperation and Development (OECD) highlights, “Investments in human capital can be a source of resilience over the long term and help ensure the well-being of future societies, especially in countries with large youth populations.” Studies by the World Economic Forum show that investing in education is necessary to protect economies from sudden shocks and rapidly changing labor markets. The Group of Seven (G7) meeting in Hiroshima in May 2023 outlined the importance of education for achieving the United Nations’ sustainable development goals. There is also a recognition that education is a fundamental conduit for global peace and security objectives beyond the societal and economic benefits. Thus, education is pivotal in steering society toward a path of economic development, peace, and stability.

However, the importance of investing in access and quality education has fallen off the policy radar. Although education has positive externalities, it can be overlooked in favor of more “vocally” pressing challenges. Competing global crises such as the Covid-19 pandemic, climate change, high inflation...
rates worldwide, increased indebtedness in emerging markets, and Russia’s war of aggression against Ukraine are front and center in the news. These are the core issues that are dominating the international development discourse, commanding significant donor funds, and taking up countries’ fiscal space.

The arguments that mobilized high levels of investment in basic education since the 1990 Declaration on Education for All no longer speak to the realities and challenges the world faces today. Education needs more champions outside traditional development circles. It also needs to broaden the focus beyond basic schooling, to include investments in post-secondary education and workforce development.

This CSIS paper offers some ideas on what a new vision for prioritizing education might look like. One promising avenue to further the global education agenda would be to highlight the links between education and broader themes of national and global security. It argues that beyond socioeconomic benefits, education can play a significant role in promoting stability, citizen security, and social cohesion. Investing in education can be critical to 1) forging strong economies and open societies, 2) preventing conflict and rebuilding social cohesion after conflict, and 3) promoting peace and stability by including women and girls.

In simple terms, to generate greater interest from a wider set of constituents, education needs to be embedded in policy discussions and decisions related to peacebuilding, inclusion of women and girls, and state fragility. As then UN secretary-general Kofi Annan said in 1999, “Education is quite simply, peace-building by another name.”

**Current Global Educational Challenges**

Developing countries have made significant gains in “access to education”—that is, there has been huge progress in getting children into school. Global primary-school enrollment (net) increased from 72 percent to 89 percent between 1970 and 2018, while secondary-school enrollment (net) increased from 54 percent in 1998 to 66 percent in 2018. Sadly, the Covid-19 pandemic has had a negative impact on education outcomes. According to the United Nations Educational, Scientific, and Cultural Organization (UNESCO), more than 1.6 billion students around the world have been impacted by school closures during the pandemic, with significant learning losses. As a result, the World Bank estimates that pandemic-related education deprivations put this generation at risk of losing $21 trillion in potential lifetime earnings. The pandemic has affected children’s formative years and will impact the economic potential of countries. Moreover, there are still large gaps and challenges, including: 1) the quality of education, 2) the inclusion of women and girls, and 3) the fiscal space of countries to fund education.

*As then UN secretary-general Kofi Annan said in 1999, “Education is quite simply, peace-building by another name.”*

**First**, although children have now gone back to attending school, this does not mean that they are acquiring foundational knowledge and skills. That is, the quality of education that children receive is often inadequate. As the World Bank’s 2018 World Development Report stated, “Schooling is not the same as learning.” Today, approximately 7 out of every 10 children in low- and middle-income countries are unable to read and understand a simple text by the age of 10. For millions of children around the world, their education systems and training institutions are not equipping them with the knowledge and skills that employers
demand, rendering young people unable to find jobs that match their aspirations. These learning shortfalls have negative repercussions for youth entering the workforce and can bring on “intergenerational transmission of poverty and vulnerability.” Moreover, such gaps mean education can be a source of frustration for youth rather than a promise of employment and higher earnings. They can feel alienated from their desire to contribute to society, which can worsen a country’s security.

Second, these deficits in education disproportionately affect women and girls worldwide, who are more likely to lack access to schooling and experience poor learning outcomes. Globally, approximately 32 million girls of primary school age and 97 million girls of secondary school age are out of school. In countries impacted by fragility, conflict, and violence, girls are 2.5 times more likely to be out of school than boys of the same age and are 90 percent more likely to be out of school than girls the same age in non-fragile countries. There are many reasons why girls do not go to school including violence, safety concerns, child labor, and cultural norms, among others. For example, the practice of early, forced, and child marriage compels many girls to leave school. According to the OECD, all countries where more than 50 percent of girls are married by 18 are classified as “fragile.”

Third, countries need to continue investing in education and spend the money efficiently. During the pandemic, for example, approximately 40 percent of low- and middle-income countries (LMICs) decreased their level of education spending. Coming out of the pandemic, global macroeconomic fundamentals have weakened; the combination of high inflation, increased interest rates in G7 countries, and rising indebtedness are impacting countries’ ability to finance education for growing populations. Governments have competing priorities and need to make hard choices on where to allocate their budgets. With many urgent and competing items to finance—debt servicing, commodity imports, and energy supplies—governments need to ensure that these priorities are not crowding out education spending.

Investing in Education Can Forge Strong Economies and Open Societies

Against this complex global backdrop, the world is undergoing demographic shifts that are impacting the provision of educational services. Some polities in North America, Europe, and East Asia are experiencing a rapidly aging population, while other regions, including Africa and the Middle East, have a growing youth bulge. The United Nations estimates that more than half of global population growth between 2022 and 2050 is expected to occur in Africa, with the population of sub-Saharan Africa projected to double by 2050. Globally, the number of young people (i.e., under 25 years old) who will require education and training will amount to 3.3 billion worldwide by 2050, up from 3.2 billion in 2021.

Providing children and youth with quality education is an opportunity to adequately train and empower the future workforce. As there is a positive link between increased human capital and economic outcomes such as higher wages, increased rates of labor participation, and economic growth, educational institutions should equip young people with the skills and knowledge they need to transition successfully from the classroom to the labor market.¹

Beyond the labor market, educational institutions can foster more open and democratic societies. Younger generations need to have the capacity to address complex problems at the community,

¹. Investments in human capital include, for example, funding primary and secondary education, extending health coverage, and distributing social transfers to underserved populations.
national, and global levels. Learning institutions are instrumental in this regard by teaching children civic education, use of technology, and socio-emotional competencies and lifelong skills.

Part of the lifelong skills and twenty-first-century tool kit that children and youth need is digital literacy. In an era of rapid technological change, it is imperative for youth to learn to use basic digital technologies—both hardware and software—safely and appropriately. Digital literacy can help citizens engage via tools such as the internet and mobile applications, contributing to building stronger democracies. For example, Russia’s war on Ukraine has reinforced the willingness of Ukrainian citizens to participate in local decisionmaking using digital means. Ukrainians are staying connected with their local and national government through the Diia app, and in June 2022, they used mobile applications to rename landmarks related to the Soviet Union or Russia.

Beyond the labor market, educational institutions can foster more open and democratic societies.

Children growing up today and in the future will need to understand how the digital ecosystem works, including the principles and values embedded in the digital tools they use. Fundamental democratic principles and values—including “fairness, accountability, transparency, safety, protection from online harassment, hate and abuse and respect for privacy and human rights and the protection of personal data”—might or might not be embedded in digital systems. With the rise of states practicing digital authoritarianism and spreading misinformation and disinformation, youth who are equipped with strong digital literacy can help build more democratic and inclusive societies.

Investing in Education Can Prevent Conflict and Rebuild Social Cohesion

Unfortunately, a troubling trend is that most members of these new generations will be born in regions struggling with conflict, internal displacement, and the effects of climate change. Of the 60 countries the OECD classifies as “most fragile,” 40 are located in sub-Saharan Africa or the Middle East and North Africa. In these fragile contexts, almost three-quarters of the population is under 30, and these countries will be home to 86 percent of the world’s people experiencing extreme poverty by 2030.

In many of these countries, there are limited pathways for children to receive quality education—or for youth to access jobs or additional education and training to realize their full potential. For many, their hopes and aspirations remain a dream. One study by UNESCO found that “children in conflict-affected countries are more than twice as likely to be out of school compared with those in countries not affected by conflict.” The fact that these children are out of school not only deprives them of education but also puts them at higher risk of adversity. Children who live in poverty, lack parental care, or live on the street are most vulnerable to being recruited by criminal groups and terrorist organizations. Children are often targeted because they can be easily intimidated and manipulated and often do not fully understand risks the way adults do. Terrorist organizations such as Boko Haram in Nigeria, Al-Shabaab in Kenya and Somalia, and the Movement for Unity and Jihad in West Africa have recruited

---

2. The OECD defines fragility as “the combination of exposure to risk and insufficient coping capacity of the state, systems and/or communities to manage, absorb or mitigate those risks. Fragility can lead to negative outcomes, including violence, poverty, inequality, displacement, and environmental and political degradation.” The organization rates the intensity of fragility along separate spectrums, measuring its economic, environmental, political, security, societal, and human dimensions.
Children to pursue their activities. Being in school could help children and youth resist recruitment into these groups.

Education is regarded as one way to prevent conflict. While poor provision and quality of education can be a driver of conflict, UNESCO estimates that doubling the percentage of youth with secondary education can cut the risk of conflict in half. Meanwhile, countries with high levels of horizontal inequality are more likely to experience violent conflict. For example, in places where educational inequality doubled, the probability of conflict more than doubled. In addition, educational inequality across ethnic and religious subgroups is associated with increased insecurity and internal conflict in a country.³

In post-conflict countries, education can also play a pivotal role in rebuilding social relations, strengthening social cohesion, and fostering peace among excluded groups. The cases of Rwanda and South Africa show how educational policies have evolved to address ethnic and racial divisions (see Annexes 1 and 2). After the 1994 genocide in Rwanda, education was used as a tool to promote cohesion and support vulnerable groups. In a similar vein, post-apartheid South Africa pursued policies aimed at narrowing inequalities for Black people. The government of South Africa expanded education opportunities to Black students that led to high enrollment rates and better economic outcomes for this historically disenfranchised group.

**Investing in Women’s and Girls’ Education Can Promote Peace and Stability**

Among the most vulnerable populations worldwide, women and girls continue to face discrimination and exclusion from participating in society, politics, and the economy—as well as restrictions on access to education and learning. However, numerous studies have demonstrated that educating and empowering women and girls has considerable positive impacts on household earnings, standards of living, and health and nutrition outcomes. In addition, when women and girls are educated, they play greater roles in their communities, contributing to a reduction of conflict and an increase in stability.

Ensuring respect for women’s and girls’ right to inclusive, quality education and their participation and leadership in decision-making processes is associated with stability. The World Bank’s 2018 report highlights that the status of women relative to men is a significant predictor of a country’s susceptibility to violent conflict. The study explicitly links gender equality and women’s participation in the economy and society with a state’s ability to sustain peace at the community through national levels. For example, countries with female labor force participation of 40 percent or more are 30 times less likely to experience conflict than countries with only a 10 percent participation rate. The study also found that that when women's organizations participate in peace negotiations, there is a higher likelihood of reaching a peaceful settlement and the resulting peace agreements last longer.

---

³ This study by the FHI 360 Education Policy and Data Center analyzed education and conflict in 24 nations in sub-Saharan Africa from 1989-2012, measuring inequality in the average educational attainment of young people (aged 15-24) of a group versus the national average.
Among the policies that can foster inclusiveness and reduce the risk of violent conflict include investing in the education of girls and women together with focused investments in a marginalized region, as well as engaging young women in decisionmaking and leadership roles in their schools and communities and at the national level. In this regard, women’s increased access to quality education has played a significant economic and stabilizing role in countries such as Bangladesh and Afghanistan.

While Bangladesh faces many development challenges, it has done a remarkable job in educating its girls. Its national investment in women and girls is far better than in any other country in South Asia, including India; partly as a result, per capita income has more than tripled since 1960. One could argue that the role of women, particularly educated women, in Bangladesh’s civil society and government has played a role in sustaining general stability in the country over the past 25 years. For example, education played a key role in paving the way for the 1997 Chittagong Hill Tracts Peace Accord, which ended the ethnic conflict between the government and the Pahari population.

The Bangladeshi government recognized the importance of empowering women to reduce the onset of extremist violence. In order to mitigate conflict factors such as unemployment, poverty, and lack of economic opportunities, the government supported women's education and inclusion in the labor force. Some successful programs focused on micro-lending, school attendance, and increasing factory jobs. In turn, women’s secondary school enrollment has increased from 41 percent in 1998 to 72 percent in 2018, and at least 41 percent of women had completed secondary school in 2019 compared to 30 percent in 2011. This increase in female education is reflected in women’s labor-force participation rates. In addition, mixed-gender industries increased by approximately 60 percentage points from 2003 to 2016. Bangladesh, as an elected member of the UN Security Council, also played a lead role in the drafting and passage of the groundbreaking Security Council Resolution 1325 (2000), which established the United Nations’ Women, Peace, and Security agenda—through which the international community supports the participation of women and girls in conflict prevention and peacebuilding processes.

Afghanistan presents one of the most fragmented educational journeys in the world for women and girls. Following the U.S.-led invasion that toppled the Taliban government in 2001, Afghanistan’s new Western-oriented government adopted a constitution that strengthened women’s rights and allowed them to attend schools once again. Between 2001 and 2021, women’s participation in higher education grew 20 times, female literacy rates went from 17 percent to 30 percent, and the number of girls receiving primary schooling went from effectively zero to 40 percent. Among the steps that the successive administrations of Hamid Karzai and Ashraf Ghani put in place to support women’s rights, the 2009 Elimination of Violence against Women law made it a criminal offense to prevent women from attending school. While convictions under this legislation remained rare due to entrenched cultural biases, it marked a monumental shift in official attitudes toward women’s rights. Meanwhile, women’s participation in the labor force increased from 17 percent in 2013 to almost 22 percent in 2019, the highest so far in Afghanistan’s history.

Since the U.S. withdrawal and the fall of the Ghani government in August 2021, the Taliban has taken draconian steps to deny women their human rights, and Afghanistan is currently the only country in the world to bar girls from attending school beyond the sixth grade. The Taliban’s edicts, backed by violence, make it impossible for most girls and women to attain schooling—to say nothing of a quality education—beyond an elementary level. According to a United Nations Children’s Fund (UNICEF) report published in 2022, Afghanistan’s economy is losing as much as $5.4 billion due to the prohibition
on girls and women completing their secondary education. In addition to crippling the middle class and dividing the country’s potential workforce in half, such policies have made life as a woman in Afghanistan increasingly repressed and restricted. The gendered segregation of the country is tied explicitly to the role of education in girls’ and women’s lives.

These country case studies highlight how women’s education can be a fundamental force in creating more peaceful and prosperous societies—and how its lack can contribute to development, peace, and security challenges. At the same time, further research into this relationship is needed to truly understand this correlation.

**Conclusion**

Education is and will remain a fundamental enabler of opportunities for individuals and innovation and growth for economies, but this narrative alone is no longer sufficient for global leaders to prioritize it. The successful messaging that brought the global education community to where it is today is not going to be enough to advance education to the next level. A new narrative is needed to refocus attention on the topic, one that connects development, education, and security actors in a more focused dialogue.

Investing in quality education should be linked to various policy decisions—including peacebuilding, women’s empowerment, and responding to state fragility—and be part of broader national security and foreign policy discussions. By stressing education’s implications for advancing human well-being and ensuring security, this new vision could work tangentially to garner increased interest from a diverse set of “nontraditional” global education leaders. An educated population is needed now more than ever to protect and further gender equity, combat climate crises, and build a world that is safer and more prosperous for future generations.

Daniel F. Runde is a senior vice president, director of the Project on Prosperity and Development, and holds the William A. Schreyer Chair in Global Analysis at the Center for Strategic and International Studies (CSIS) in Washington, D.C. Romina Bandura is a senior fellow with the Project on Prosperity and Development and the Project on U.S. Leadership in Development at CSIS. Madeleine McLean is a program coordinator and research assistant with the Project on Prosperity and Development at CSIS.

The authors would like to thank Sarosh Sultan and Jedidiah Devillers for their excellent research support. This paper also benefited immensely from the insights of a CSIS seminar held on May 31, 2023. Finally, special thanks to three anonymous reviewers who provided feedback on an earlier draft.

This paper is made possible through a partnership with the Global Partnership for Education (GPE).

This report is produced by the Center for Strategic and International Studies (CSIS), a private, tax-exempt institution focusing on international public policy issues. Its research is nonpartisan and nonproprietary. CSIS does not take specific policy positions. Accordingly, all views, positions, and conclusions expressed in this publication should be understood to be solely those of the author(s).

© 2023 by the Center for Strategic and International Studies. All rights reserved.
Annex 1: Investing in Education to Rebuild Social Cohesion after the 1994 Rwandan Genocide

Recognizing the need to build social cohesion after the 1994 Rwandan genocide, the new Paul Kagame government adopted a multi-pronged approach to reducing ethnic tensions, with education at the center. Emerging from this tragedy, the Rwandan government worked to ensure universal primary education and gender equity. In April 1995, the Conference on Policy and Planning of Education in Rwanda outlined several key priority areas that focused on building a citizenry free from prejudice, committed to human rights, and working toward lasting peace. Rwandans have since made significant gains toward social cohesion and reconciliation. In 2015, the number of Rwandans who saw themselves as members of ethnic groups, instead of simply as Rwandans, had dropped to 28 percent from 31 percent in 2010, and the level of trust in other citizens had risen to 96 percent.

With “near-universal and gender-equitable primary school enrollment,” Rwanda’s education system presents a powerful example of the government’s ability to provide equal opportunity to the country’s more than 13 million residents. Education is a tool that can be utilized in both positive and negative ways. Before the Rwandan genocide, certain education policies had amplified ethnic divisions. To combat these ill effects, the government focused on using education to increase social cohesion in the following years. Schooling was made accessible to everyone regardless of their ethnic background or other social affiliations, and curricula were revised to promote values of unity and peace. Education became the sector with the highest spending in the country, reaching 15 percent of the national budget in 2021. As a result of these improvements in educational quality and access—as well as policies providing free basic primary and lower secondary education—school enrollment rates in 1999 exceeded what historical rates of increase would have predicted, and the gross enrollment ratio (reflecting how many students are enrolled at a particular level of education relative to the number of children in the corresponding age group) reached 107 percent in 2001.

Despite progress, the quality of education remains a challenge: On average, Rwandans only receive the equivalent of 3.8 years of schooling by age 18. Even with the high enrollment rate of 98 percent, only 71 percent of children are able to finish primary schooling. Lack of government funding, top-down policy approaches, and limited infrastructure also mean that only 18 percent of children are enrolled in pre-primary education and over 30 percent of children with disabilities are out of the classroom. High student-to-teacher ratios and low levels of English literacy among teachers further complicate the issue. Yet Rwanda has been taking steps to address these problems, and the Education Sector Strategic Plan (2013–2017) further protects the rights of vulnerable students, addressing gender, health, and economic concerns.
Annex 2: Investing in Education to Reduce Inequality in Post-apartheid South Africa

During apartheid, South Africa had huge educational inequalities. Black South Africans were expressly prohibited from attending white universities, and the ratio of teachers to students in Black schools was nearly twice that of white institutions. The 1953 Bantu Education Act centralized the education of Black students under the Department of Native Education with the intention of instilling the idea of white superiority into Black communities. During this period, educational institutions for Black students focused on creating the rigid cultural divide that would define the latter half of the twentieth century, and funding per student for Black educational institutions was significantly lower than at white educational institutions.

Since the fall of apartheid, the educational landscape in South Africa has changed drastically. The African National Congress (ANC) recognized the intrinsic value of an educated, equitable, and inclusive society; it attempted to use education to increase societal cohesion and committed to “equalizing the per capita expenditure between black and white education.” At the 1992 ANC National Conference, the party resolved that if it took power, it would ensure that resources were “redistributed to the most disadvantaged sectors of our society, in particular, women, rural and adult students, and mentally or physically disabled children and adults.”

South Africa implemented several key policies to combat the effects of apartheid in the education system, such as the 1996 National Education Policy Act (NEPA), which created a single Department of Education with monitoring responsibilities, replacing 19 disparate departments divided by ethnicity, race, and region. The same year, the South African Schools Act (SASA) further promoted basic educational access and quality. In terms of higher education, a Council on Higher Education was formed in 1997, and in 1999, the Education White Paper 3 and the National Student Financial Aid Scheme (NSFAS) Act created the framework for institutional planning and budgeting, empowering financially disadvantaged Black students to attend college. As a result of these efforts, education began to improve for Black South Africans. By 2019, the youth literacy rate in South Africa had reached 98 percent.

However, challenges persist, and the system is far from perfect. The rate of Black students attending university remains low, at only 4 percent in 2020. Disparities in graduation and completion rates, overall enrollment numbers, and access to funding all present major challenges to equal opportunity in South Africa. Yet the progress made in reducing barriers to education for Black and non-white students is undeniable, and education has been important in building societal cohesion in the country. The commitment to equitable access and quality education is moving South Africa toward a more inclusive society.