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Why the public discourse on education is wrong

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First of 2 parts

ONCE upon a time, the Philippines was praised for its relatively well-educated labor force. Not anymore. The situation seems to have reversed: policymakers and commentators single out education as one of the primary causes for the country's poor performance (lack of competitiveness) and the unemployability of many of its workers.

To put the discussion in the correct context, I will start by arguing that the relevant measure of progress for a developing nation like the Philippines is productivity. Without productivity increases, there cannot be increases in income. Productivity in the Philippines is low in general. Is education the key to increasing productivity? I will argue that it is not.

The public debate on education is oversimplified, and probably many assumptions about its relevance have no basis. Education, understood as the process of receiving (for a student) systematic instruction, especially at a school or university, matters more for political reasons than for its contribution to productivity and growth. Education is the means through which societies acquire political philosophies based on individual rights. These rights are necessary for political and social developments that overcome the

privileges of special interests and satisfy individual and consumer desires better. Education is necessary to understand the complex political systems necessary for advanced economic performance. It's possible that poor countries today will not get out of poverty traps without political changes. Those political changes may only be possible with broader education. While this is an important issue, it differs from the emphasis on education in the public debate.

'Upgrading'

The public debate has also been misled for decades by the "upgrading thesis." This is the idea that the changing conditions of work require a better-trained, better educated and, therefore, upgraded working population. This is a myth resulting from three observed trends. One is the increasing average level of skills (in terms of average years of education) that the statistics show. It is misleading. Since with the development of technology the labor processes of society embody a greater amount of scientific knowledge, the average scientific content, and in some sense, the skill content, of many jobs is much greater now than in the past. But this increasing skill content has affected only some jobs. Indeed, today's technological world has magnified the returns to those with strong math and science skills and used them in fields such as finance, software development or genetics. This is increasing inequality in both developed and developing countries. In the Philippines, and given that it is not a leading nation in the development of advanced technologies, this group represents a very small percentage of the labor force. Many of the jobs modern societies create, and certainly in developing countries, do not require high skills. Indeed, many of the jobs created in the Philippines during the last decades do not require more skills, although workers have more years of schooling.

A second trend is the shift of workers from some major occupational groups into others, that is, structural transformation. Workers

classified by the statistics in the secondary sector are believed to need and have more skills than those classified as working in the primary sector, and those working in services are believed to need and have even a higher level of skills. It is only true in the world of census statistics, and not in terms of direct assessment, that an assembly line worker is presumed to have greater skills than a fisherman or oysterman. Even pick and shovel work takes more learning before it can be done to the required standards than many assembly, or machine-feeding, jobs.

The third observed trend is the prolongation of the period of education. Better and more educated workforces are assumed to be necessary today. Hence, a longer period at school is required. However, we do not spend so many years at school today because the jobs that the marketplace creates require at least 12 years of formal schooling. The lengthening of the school period has more to do with the need to reduce unemployment and with the fact that today, by law, we do not send 14-year-old children to the labor market (surely the law is not followed in many instances). Many of the jobs created today in most developing countries in services do not require more than basic literacy, that is, reading, writing and performing basic arithmetical operations. These qualifications are demanded by the urban environment in which many people now live, so that they learn how to conform to the rules of society and to obey the law. Beyond this need for basic literacy, there is also the function of the schools in providing an attempt at socialization in city life, which now replaces socialization through farm, family, community and church, which once took place in a predominantly rural setting.

One can hardly argue that, for the Philippines as a whole, the key constraint on its development is education. There might be specific sectors that lack “good” professionals, but this is not true at the aggregate level of the nation. This is a country where helpers, guards and drivers have college degrees. Claiming that education is the binding constraint is barking up the wrong tree. When France reached high income status, approximately in the early 1970s, its

workers had an average of 6.05 years of total education, split into 4.05 years of primary, 1.75 of secondary, and 0.25 of tertiary. The same four figures for the Philippines were 5.56 (total), 3.65 (primary), 1.52 (secondary), and 0.38 (yes, more tertiary). They were not so different from those of France to justify an income per capita ratio of 15 (lower in the Philippines). Even today, the difference in education does not justify the per capita income ratio of 10. No, it is not education.

Trainability

For these reasons, the public policy debate should shift toward a different paradigm: the ability of the current work force to be trained on the job to work in high-productivity operations. Trainability is the faculty to learn quickly, pick up new skills, make fast decisions, and master different tasks. Welltrained workers perform well in an office and in an assembly line, can read and understand a manual, write correctly and know how to convey a message, and can be easily redeployed to perform new tasks. I contend that Filipino workers can be trained to achieve much higher productivity levels. Trainability is not a constraint on Philippine development.

A key aspect or component of trainability is cognitive aptitude. This is the capacity to think critically, solve problems, and digest and apply new information. Cognitive aptitude is acquired during the first few years of life. For this reason, the government's efforts must go into ensuring that children of all backgrounds receive the high-quality basic education that propels their cognitive ability. This is what will allow them to eventually enter the job market, quickly absorb the training acquired in a company, and become productive workers.

Summing up, what the Philippines needs is a well-trained labor force. I am talking about plumbers, electricians, carpenters, bricklayers, mechanics, welders, etc. workers who can build a road

properly, mid-level technicians, and workers with skills to make quality products (shoes, furniture, bricks, cement, plastic, glass) that meet international standards and can compete in world markets (i.e., be exported). The skills of most of these workers do not require college degrees, much less graduate degrees. The latter serves a different purpose. Certainly, we need good college and graduate students, but the reality is that many of them end up performing jobs that in other countries are undertaken by workers with lower educational attainments. Why? Because the country generates very few jobs that need tertiary, and much less master or PhD, education. This means that, paradoxically, a significant share of the Filipino labor force suffers from overeducation.

To be concluded on Friday, Sept. 15, 2023