

The Importance of Investing in Basic Education during COVID-19

Education is not a cost; it is a critical societal investment, and has long been championed for its vast array of social and personal benefits, and for its empowerment to communities. But in times of global crisis, the lack of learning opportunities will void the promise of education and hit vulnerable communities the hardest.

1. What are long-term economic consequences of protracted school closure and risk of increased drop-outs?
 - According to the World Food Programme, at least [310 million children rely on school meals](#). Prolonged school closures will result in many students, especially in poor and marginalized communities, losing their food safety net, while health and subsequent learning will deteriorate.
 - Prolonged school closures create large direct economic costs. Parents staying home from work can result in an estimated [1% GDP loss per month](#). The per capital costs are estimated to be [\\$2700 per capita](#), and can be especially high for mothers, single-parent households, and health care workers.
 - The longer a child is out of school, [the harder it is to ensure he/she return](#) to school. The loss of learning is significant, approximately [1 week learning lost for every 3 weeks closed](#).
 - Missed opportunities to accumulate human capital will be detrimental to countries' macroeconomic potentials. Each pre-mature dropout costs the public between [7.8% to 9.3% of per capita GDP](#).
 - Disruption of learning opportunities negatively impact girls. For example, [unplanned pregnancies increased by 65 percent](#) in Sierra Leone during the Ebola epidemic. Adolescent mothers are less likely to return to school, and their children will likely have worse health and educational outcomes.

2. How will potentially less ODA for education now and in the future, as well as less national education funding impact the economy?
 - COVID-19 induced economic downs will push [49 million people into extreme poverty](#) in 2020, and diminishing ODA for education will compound the negative effects on enrollment and attainment as households as they relocate resources from education spending to subsistence necessities. Simulations show that a .25 standard deviation reduction in student learning can lead to [1.5% to 4.6%](#) in slower GDP growth.
 - A 1% decrease in ODA for education can lead to [2.5 to 5% decrease](#) in basic education enrollment.

3. What does it mean for the economy in the medium- and long-term if basic education is not given sufficient attention now?
 - Insufficient investment to basic education today is both an immediate cost and missed opportunity.
 - Reduced learning significantly increases the probability of incarceration, leading to crime-related societal cost about [2% of GDP](#) in Southeast Asia.
 - In contrast, every dollar spent on basic education yields approximately [\\$10 to \\$15 return over a person's lifetime](#) in the form of higher earnings, while each additional year of education attainment equates [10% GDP boost over the course of a 40-year period](#).
 - Countries need to think beyond COVID-19, to focus on preparing a workforce equipped with foundational skills and ready for the changes led by automation and tech disruptions.