

DOCUMENT RESUME

ED 454 219

SP 040 098

AUTHOR Gertel, Hector R.  
TITLE Can Teacher Salaries Policies Help To Improve the Social Conditions of At-Risk Populations in the Americas?  
PUB DATE 2001-03-00  
NOTE 7p.; Paper presented at the International Meeting, "The Challenges of Citizenship in the Pan-American Integration" (Ottawa, Canada, March 9-10, 2001).  
PUB TYPE Reports - Evaluative (142) -- Speeches/Meeting Papers (150)  
EDRS PRICE MF01/PC01 Plus Postage.  
DESCRIPTORS Career Choice; Elementary Secondary Education; Foreign Countries; \*Poverty; \*Teacher Recruitment; \*Teacher Salaries; Teaching (Occupation)  
IDENTIFIERS \*Latin America

ABSTRACT

This paper examines whether teacher salary policies in the Americas can contribute to sustainable development and improve social conditions among at-risk populations. Many countries have invested in specific interventions. Chile worked to boost learning at low-performing schools. Argentina invested in new facilities to provide poor, rural schools with better learning environments. El Salvador developed community-managed schools. Countries have invested heavily in teacher training, resulting in rising enrollments, literacy, and test scores. Governments need to make such programs permanent. The cornerstone of sustained success in bringing quality education to all rests on the government's ability to attract appropriate numbers of qualified candidates to reproduce these results systemwide. This requires expanding recruitment of qualified teachers, now a scarce resource because of perceived low salaries. Increasing opportunities for the well-educated top percent of the population has resulted in soaring incomes, while teacher wages remain low. Reduction of poverty in the Americas remains a serious challenge. Many hope that education can modify this trend. However, access to quality education for all children who now identify poverty with powerlessness and lack of access to the job market requires a major revision in teacher recruitment and salary policies. (Contains 17 references.) (SM)

# Can Teacher Salaries Policies Help to Improve the Social Conditions Of At-Risk Populations in the Americas?\*

PERMISSION TO REPRODUCE AND DISSEMINATE THIS MATERIAL HAS BEEN GRANTED BY

*H. R. Gertel*

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

Héctor R. Gertel  
Instituto de Economía y Finanzas  
Universidad Nacional de Córdoba

[gertale@cordoba.com.ar](mailto:gertale@cordoba.com.ar)

U.S. DEPARTMENT OF EDUCATION  
Office of Educational Research and Improvement  
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

- This document has been reproduced as received from the person or organization originating it.
- Minor changes have been made to improve reproduction quality.

- Points of view or opinions stated in this document do not necessarily represent official OERI position or policy.

*The purpose of this presentation is to examine whether teachers' salaries policy in the Americas can contribute to sustainable development. Most countries in the Hemisphere have been experimenting with new Education Investment Programs as "treatments" to enhance the social condition of the poor and to integrate excluded populations to the formal economy. Implementation of these policies often took place without careful analysis of teacher markets conditions: who the teachers are and who is willing to work as a teacher at the existing wage given various country conditions. The first section set the general context for analysis. Then some results are briefly examined. A final section summarizes the main policy conclusions on teacher salaries and sustainable development.*

## I. Poverty, Education and Democracy

The size of at-risk populations has consistently increased in the Americas during the last quarter of the century as the countries were successively experiencing the effects of structural-adjustment policies and globalization. Welfare and freedoms suffered from unequal distribution of benefits and burden of pursuing these transformations. The reduction of poverty remains in the Hemisphere a serious challenge. Nearly half of all households in Latin America and the Caribbean, roughly 200 million people, live below the poverty line and everyday have to confront situations that further limit their long term capacity to escape poverty. Governments and Non-government Agencies started an open inquire into human well being and the phenomenon of destitution in the Americas because democracy and integration prospects have suffered in the Continent from these developments.

\* Presented at the International Meeting "The Challenges of Citizenship in the Pan-American Integration", Interdisciplinary Research Centre on Citizenship and Minority Studies, University of Ottawa March 9-10, 2001

Much hope was put on education and nutrition to modify this trend (Reimers, 1994 and 2000, UNESCO, 1995). Yet, a major challenge in achieving poverty reduction through education will be to find a way to guarantee access and quality education for all household children now identifying poverty with powerlessness to access the job market (Dasgupta, 1989 and 1990). Ensuring that by the year 2010, universal access to quality primary education for all children is the primary objective set by the Second Summit of the Americas. Quality education for all is expected in this framework to help alleviate poverty and to promote the integration of at-risk families, the excluded or ill equipped to fight for a place within the formal economy (Navarro, Carnoy and Moura Castro, 2000). With this idea in mind, most governments in the Hemisphere invested during the last decade to revamp their public school systems hoping to extend the benefits of literacy and primary education to the underprivileged and the excluded.

Most of these actions took place through investment treatments targeting specific populations. We can mention a few examples. Investments to boost learning at the schools with the poorest performance in (classroom average) math and language tests have been successfully implemented in Chile. Argentina invested heavily in new facilities to run rural schools in a more healthy and adequate learning environment benefiting rural population dispersed in the poorest provinces. El Salvador implemented an innovative program of community-managed schools that successfully passed a recent external evaluation. From Mexico to the pampas, countries invested heavily in teacher training, existing programs were revamped and new flexible curricula creatively emerged from classroom projects having measurable impact on learning outcomes and bringing monetary incentives to basic teacher salaries of participating members. Generally speaking, most of these investment treatments now exhibit some decently good results in terms of rising enrollments, abating illiteracy, incorporating girls or even rising test scores within the targeted population. But these are small triumphs. Still, the unmet challenge is for most governments to substitute permanent programs for these investment treatments. Thus, the cornerstone of sustained

success in bringing quality education for all rests on government ability to ultimately attract the necessary number of qualified candidates to reproduce these results system wide. Yet, this would require expanding recruitment of qualified teachers, now a scarce resource in most societies because of perceived low salaries (Argentina, 1997, Brazil, 1996, ILO 1991 and 1996). Sustainability of quality education is constrained by the signaling capacity of the teacher market to induce an annual entrance of the adequate flux of skilled teachers required by the school to meet the challenge. Agencies and governments have started to pay increased attention to recruitment, selection and promotion of teachers but only fragmented information on teachers' salaries as a signaling device has yet been collected (Navarro, Carnoy and Moura Castro, op.cit. p.20, Psacharopoulos, Valenzuela and Arends, 1996).

## **II. The politics and economics of teaching markets and quality education for all**

A major challenge most nations face today is to increase the annual flux of skilled, constant quality, teachers (Hanushek, 1994, Navarro, Carnoy and Moura Castro, 2000). Two recent studies have shed some light on the mechanics of teachers markets in Latin America and the Caribbean and will help to assess what would be the mid-range consequences on quality education of keeping teacher salaries low for an extended period of time. First, the dynamic model of wage determination applied to actual teacher salaries in Argentina by Gertel and De Santis (2000) have examined the evolution between 1980 and 1997 of quantities of teachers required and supplied. The research results led to the conclusion that continuous excess-supply provides strong statistical evidence those salaries followed the expected (downward) direction. Then, a choice model for Brazil (Vegas, 1999) has shown that, those that are most likely to end up working as teachers have less human capital and belong to families whose income is, on average below that of other skilled workers. Thus, in Brazil, career decisions of the young are strongly influenced by previous human capital accumulated and family income, and the fact that the demand for teachers (of a constant

quality) will continue to expand seems to have created not enough incentives to the brightest youth to become a (qualified) teacher. Similar findings are presented for Argentina in Davini (1997). A major conclusion is that governments are today in trouble to recruit well-trained teachers. In the Americas, increasing opportunities for the well-educated top percent of the population resulted in soaring incomes, while the wages of teachers continue to fall relative to other professions. The major revision in teacher's recruitment, assessment and promotion policy undertaken by governments and the civil society has now to include new decisions based on recent finding on the role of salaries as signaling devices that allocate teachers to jobs.

### **III. Final Remarks: New Opportunities, New Threads**

The reduction of poverty in the Hemisphere remains a serious challenge. Much hope has been put on education to modify this trend. Yet, to warrant access and quality education for all household children now identifying poverty with powerlessness and lack of access to the job market would require a major revision in teachers recruitment and salary policies. In the past, centralized collective bargaining has prevailed and civil society representatives were not included at the negotiating table.

Empirical research has shown, first, that less trained teachers have substituted for the more able ones. This might be accepted to imply that traditional centralized bargaining has failed across the Hemisphere to warrant an adequate annual flux of well-trained teachers. Second, decentralization and local management of schools was to incorporate civil society in school decision-making improving recruitment screening and linking quality control in teaching to salaries. Yet at the same time, increasing opportunities for the well-educated top percent of the population resulted in soaring incomes, while the wages of teachers continue to fall relative to other professions. Defenders of decentralization failed to account for the financial impact of these trends on the payroll and quality of teachers. Furthermore, the effect of technology on wages has to be considered. If productivity across the economy improved at

a faster rate relative to schools the brightest college students will perceive better career possibilities outside teaching. These would weaken the opportunities of decentralization for quality control in teaching. Thus, sustainability of quality education for all does not depend on centralization vs. decentralization. It is constrained by the capacity of the teacher market to anticipate the trend and provide the adequate flux of skilled teachers required by the school to meet the challenge. Credible and hard fought efforts to extend through education economic and participation benefits to the most forgotten corners in society might be hampered by uninformed government policy on teachers' salaries limiting gains in poverty reduction and equality.

#### References:

- Argentina, MCE (1997) El perfil de los docentes de nivel primario. Buenos Aires, Publicación del Censo de Docentes 1994, Serie C No 4.
- Brazil, (1996) Ministry of Education and Culture, Document submitted to UNESCO/MINEDLAC 1996.
- Partha Dasgupta (1989) "Welfare, Positive Freedom and Economic Development" in I. Adelman and S.Lane (eds) The Balance between Industry and Agriculture in Economic Development: Social Effects, London, Macmillan.
- Partha Dasgupta (1990) "Well-Being and the Extent of its Realization in Poor Countries", Economic Journal 100 (Supplement)
- María C. Davini (1997) "Así ven su formación los estudiantes de magisterio" *Zona Educativa*, (Publicación mensual del MCE) marzo.
- Héctor R. Gertel and Mariana De Santis (forthcoming) "Teachers and their Salaries in Argentina and Brazil: Does the market matter? In Supranational cooperation and Integration: Goods and Services vs. Information, Zurich, Peter Lang Verlag.
- Eric A. Hanushek (1994), Making Schools Work, Washington, The Brookings Institution.
- ILO/OIT (1991), Personal Docente: los retos del decenio de 1990. Ginebra. (Organización Internacional del Trabajo).
- ILO/OIT (1996) Incidencia del ajuste estructural en el empleo y la formación del personal docente. Ginebra. (Organización Internacional del Trabajo).
- Juan Carlos Navarro, Martín Carnoy and Claudio de Moura Castro (2000) "La reforma educativa en América Latina: Temas, Componentes e Instrumentos" en J.C.Navarro,

K.Taylor, A.Bernasconi and L.Tyler (Eds) *Perspectivas sobre la Reforma Educativa: América Central en el contexto de políticas de educación en las Américas*, Washington, Harvard Institute for Economic Development, AID and Inter-American Development Bank

George Psacharopoulos, J. Valenzuela and M.Arends (1996) *Teacher Salaries in Latin America: A Review*, *Economics of Education Review*, Vol.15, No 4, pp.401-406.

Fernando Reimers (1994) "Education and Structural Adjustment in Latin America and Sub-Saharan Africa" in *International Journal of Educational Development* , Vol. 14 (2), pp. 119-129.

Fernando Reimers (2000) "La igualdad de oportunidades educativas como prioridad de políticas en América Latina" en J.C.Navarro, K.Taylor, A.Bernasconi and L.Tyler (Eds) *Perspectivas sobre la Reforma Educativa: América Central en el contexto de políticas de educación en las Américas*, Washington, Harvard Institute for Economic Development, AID and Inter-American Development Bank .

UNESCO (1995), *Informe anual sobre el estado de la educación en el mundo en 1994*. Madrid, Santillana.

UNESCO (1996) *Anuario Estadístico*, Paris. Unesco.

Emiliana Vegas (1999) *Teachers in Brazil: Who they are and how well they fare in the labor market? Draft version*.



**U.S. Department of Education**  
 Office of Educational Research and Improvement (OERI)  
 National Library of Education (NLE)  
 Educational Resources Information Center (ERIC)



# REPRODUCTION RELEASE

(Specific Document)

## I. DOCUMENT IDENTIFICATION:

Title: <i>Can teacher Salaries Policies help to improve the social conditions of At-Risk Populations in the Americas?</i>	
Author(s): <i>Hector R. GERTEL</i>	
Corporate Source: <i>INSTITUTO DE ECONOMIA Y FINANZAS UNIVERSIDAD NACIONAL DE CORDOBA (Argentina)</i>	Publication Date:

## II. REPRODUCTION RELEASE:

In order to disseminate as widely as possible timely and significant materials of interest to the educational community, documents announced in the monthly abstract journal of the ERIC system, *Resources in Education* (RIE), are usually made available to users in microfiche, reproduced paper copy, and electronic media, and sold through the ERIC Document Reproduction Service (EDRS). Credit is given to the source of each document, and, if reproduction release is granted, one of the following notices is affixed to the document.

If permission is granted to reproduce and disseminate the identified document, please CHECK ONE of the following three options and sign at the bottom of the page.

The sample sticker shown below will be affixed to all Level 1 documents

The sample sticker shown below will be affixed to all Level 2A documents

The sample sticker shown below will be affixed to all Level 2B documents

PERMISSION TO REPRODUCE AND DISSEMINATE THIS MATERIAL HAS BEEN GRANTED BY

*Sample*

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

1

PERMISSION TO REPRODUCE AND DISSEMINATE THIS MATERIAL IN MICROFICHE, AND IN ELECTRONIC MEDIA FOR ERIC COLLECTION SUBSCRIBERS ONLY, HAS BEEN GRANTED BY

*Sample*

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

2A

PERMISSION TO REPRODUCE AND DISSEMINATE THIS MATERIAL IN MICROFICHE ONLY HAS BEEN GRANTED BY

*Sample*

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

2B

Level 1

Level 2A

Level 2B

Check here for Level 1 release, permitting reproduction and dissemination in microfiche or other ERIC archival media (e.g., electronic) and paper copy.

Check here for Level 2A release, permitting reproduction and dissemination in microfiche and in electronic media for ERIC archival collection subscribers only

Check here for Level 2B release, permitting reproduction and dissemination in microfiche only

Documents will be processed as indicated provided reproduction quality permits. If permission to reproduce is granted, but no box is checked, documents will be processed at Level 1.

I hereby grant to the Educational Resources Information Center (ERIC) nonexclusive permission to reproduce and disseminate this document as indicated above. Reproduction from the ERIC microfiche or electronic media by persons other than ERIC employees and its system contractors requires permission from the copyright holder. Exception is made for non-profit reproduction by libraries and other service agencies to satisfy information needs of educators in response to discrete inquiries.

Sign here, please

Signature: <i>[Signature]</i>	Printed Name/Position/Title: <i>Hector R. Gertel, Ph.D., Full Professor</i>	
Organization/Address: <i>INSTITUTO DE ECONOMIA Y FINANZAS Facultad de Ciencias Economicas UNIV. NAC. CORDOBA CIUDAD UNIVERSITARIA 5000 CORDOBA - ARGENTINA</i>	Telephone: <i>54-351-480858</i>	FAX: <i>54-351-620868</i>
	E-Mail Address: <i>hgertel@econ.uncom.edu</i>	Date: <i>18/MAR/01</i>



(over)



### III. DOCUMENT AVAILABILITY INFORMATION (FROM NON-ERIC SOURCE):

If permission to reproduce is not granted to ERIC, or, if you wish ERIC to cite the availability of the document from another source, please provide the following information regarding the availability of the document. (ERIC will not announce a document unless it is publicly available, and a dependable source can be specified. Contributors should also be aware that ERIC selection criteria are significantly more stringent for documents that cannot be made available through EDRS.)

Publisher/Distributor:
Address:
Price:

### IV. REFERRAL OF ERIC TO COPYRIGHT/REPRODUCTION RIGHTS HOLDER:

If the right to grant this reproduction release is held by someone other than the addressee, please provide the appropriate name and address:

Name:
Address:

### V. WHERE TO SEND THIS FORM:

Send this form to the following ERIC Clearinghouse: <b>ERIC/CRESS AT AEL</b> <b>1031 QUARRIER STREET - 8TH FLOOR</b> <b>P O BOX 1348</b> <b>CHARLESTON WV 25325</b>  phone: 800/624-9120
--

However, if solicited by the ERIC Facility, or if making an unsolicited contribution to ERIC, return this form (and the document being contributed) to:

**ERIC Processing and Reference Facility**  
**4483-A Forbes Boulevard**  
**Lanham, Maryland 20706**

Telephone: 301-552-4200

Toll Free: 800-799-3742

FAX: 301-552-4700

e-mail: [ericfac@inet.ed.gov](mailto:ericfac@inet.ed.gov)

WWW: <http://ericfac.piccard.csc.com>