

The effect failed education has on society, business & the development of the Bahamas

"A significant portion of Bahamian youth are not only unemployed, but in many respects, because of substantial skills deficits, they are unemployable without intervention," -National Development Plan Report on the State of The Bahamas - April, 2016.

The Organization for Responsible Governance (ORG), as a nonprofit, nonpartisan, civic foundation, is dedicated to promoting accountability, responsibility, transparency, integrity and respect for the rule of law in The Bahamas. To accomplish these goals, ORG brings together stakeholders, employs statistically-driven research and international best practices to target the core problems affecting our nation; and create actionable and sustainable solutions. The goal of ORG's efforts is to improve the governance and socio-economic growth within the Bahamas. It is evident that no government over the last 30 years has resolved to the socioeconomic disorders. Education, crime, unemployment, government debt, government services and efficiency, taxes, cost of doing business, ease of doing business and GDP growth have all remained flat or lost ground. The status quo must change or at the current rate the Bahamas will become a failed state in less than 10 years. A successful Education System - one which fosters the development of a dynamic and capable work force, is vitally necessary to bring about this change.

It is widely acknowledged that the Bahamian Public Education System has systemically failed, and as such, jeopardizes the long term economic viability of the country. In fact, a 2016 World Bank study on youth employment in the Caribbean noted the lack of an employable workforce as the top obstacle affecting businesses in The Bahamas. However, despite this recognition, there is a notable gap in coordinated efforts to address this critical need. As such, ORG has identified Education Reform as a priority areas of focus and is committed to join all vested stakeholders to foster policies and programs that will bring sustainable change.

Historic Failure

For the past four decades, The Education System in the Bahamas has continually produced poor results and a review of standardized testing serves to confirm these results. The results on the Bahamas General Certificate of Secondary Education in 2012 (the most current available statistics) present a disturbing profile of the undereducation of the Bahamian youth.



BGCSE Statistics in 2012

Number of persons tested: 7117

Grades %		Numbe	er of students Notes
Α	7%	498	Great grade and suitable for higher learning
В	11%	783	Good grade and suitable for higher learning
С	26%	1850	Fair cognitive skills & suitable for employment or vocational certificates
D	21%	1495	Lacking cognitive skills & suitability for general employ
>E	35%	2491	Seriously lacking cognitive skills (illiterate & innumerate)
Added statistics: lower)		s:	56% 3986 Total number of students lacking suitable education (D or
	27%	1892	Delta between students having taken BJC and BGCSE. Where did they go?
	65%	5877	Annual number of young adults challenged to obtain middle income employ

Observation: Skewed results

The above statistics include results from both public and private schools, as separate results are not made available by the Government. An estimated 82 % of the students (approximately 55,000) attend public schools versus 18% (approximately 10,000) who are in private schools. The private school BGCSE results are understood to be significantly better than those in public settings. Hence, the private school results, viewed independently, paints an even more stark picture of the educational challenges within the public schools.

It is widely accepted that the BGCSE, comparative to other first world standardized tests, are below par. The net result of this is that The Bahamas presents a lower comparative educational GPA on an international and/or regional scale. Hence the potential workforce and economic prospects of The Bahamas are ill equipped to either meet local needs or compete globally for opportunity.

The knock-on effect to the economy

When combining students scoring a D and below, and those that drop out of school, it would indicate that roughly 70% of persons reaching the age of 18 years of age will be challenged to attain college diplomas, certificates in higher learning and/or any executive or senior management position in the job market. This likely precludes this group from middle to high income employment earning



potential and leaves them with middle to low income opportunities and/or unfortunately, higher earning criminal activities. This significant educational imbalance has created an educational gap that has led to a wealth gap that is unhealthy in any society.

As the larger percentage of the available work force is only semi-literate and numerate, Bahamian employers are faced with the problem of only being able to provide minimal upward mobility to their employees. This phenomenon seriously hinders the normal socioeconomic growth and development of the nation, limits business growth and results in limited national gross domestic product (GDP) outputs. Businesses are challenged to try and train the very people the education system has failed to educate properly during their 12 years in the school system. Ostensibly, this educational phenomenon has produced an undereducated work force that has hurt, and continues to hurt, GDP growth. This educational dilemma is one of the more significant contributing factors to the socioeconomic hardships (crime and unemployment) that currently exist in The Bahamas.

In successful economies, the undereducated minority are absorbed in productive manual labor or physically demanding jobs like farming, fishing, construction, manufacturing, mining and the like. Unfortunately, Bahamian GDP is further hampered by two other conditions. The first being that the Bahamas has limited natural resources throughout the archipelago, thereby limiting industries like farming, manufacturing and mining. Second, a culture exists within many Bahamians of not wishing to work in certain manual labor positions or in physically demanding careers, and thus, industries like construction and farming are challenged to find Bahamians that will consistently show up to work and who are productive at a globally competitive level.

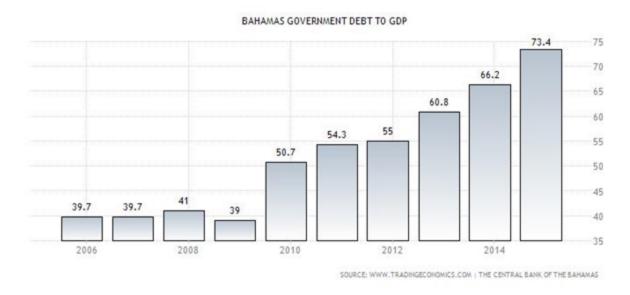
The lack of raw materials and productive farming has caused the economic focus to be on the nation's two biggest industries, tourism and banking. These sectors have guided the country into a primarily service sector driven economy for decades. Significant focus must be aimed at encouraging new industries and changing the cultural dislike of physical labor that, if addressed, will drive a more diverse economy.

The lack of an educated Bahamian work force and the cultural intolerance to physical labor has lead Bahamian and foreign employers to look to a supply of Caribbean, European and South, Central and North American workers that are better educated, skilled and willing to work in physically demanding careers. The educational divide will continue to cause socioeconomic problems for the Bahamas until its importance and interconnectivity into the greater economy is understood and addressed on a macro level. With such a large percentage of the populous falling into the undereducated category for the last 30 years, it is not surprising that the socioeconomic condition is deteriorating. Crime and unemployment are not core problems but rather symptoms of core problems that have not been adequately addressed for decades.

Adding to the Bahamian educational dilemma is the "brain drain". When limited growth and opportunity are available to the educated, another social phenomenon comes into play, and this is the "brain drain". The brain drain further exasperates the countries socioeconomic problems as those with the ability to improve the development of the country seek employment in countries that



provide greater opportunity and a better safer lifestyle. The brain drain makes it that much harder for economic growth and recovery as many of the top 18% of students with A's and B's that sought higher education do not return to the Bahamas. The 18% A & B grade is already too low to sustain strong economic growth and so by losing any portion of these skilled Bahamians to other countries, the Bahamian economy continues to suffer and debt to GDP climbs.



Data source: http://www.tradingeconomics.com/bahamas/government-debt-to-gdp

Nonfunctional Immigration policies

The current work permit policies in the Bahamas cause further burden to GDP growth. The cost of work permits, the burden of obtaining them and the restrictive issuance of them hinders and discourages businesses from expanding, thus reducing GDP growth, increasing the cost of doing business and negatively impacting the ease of doing business. While the work permit policy may be good for politics, given the current high unemployment levels, it negatively impacts Bahamian GDP growth. Simply put, the Bahamas must adopt an immigration policy that provides a concurrent plan: one, to allow businesses to bring in educated lower, middle and upper management that can then provide businesses the ability to grow and hire more undereducated Bahamians and, two, to provide the incentives and initiatives noted below that will improve the education level at all levels over the short, medium and long term.

The Risk of Doing Nothing

The Lack of Education in The Bahamas Equals:



- Lack of safety National security is at risk as there is a direct correlation between a failing
 educational system and increases in criminal activity and violent crimes. If the educational
 system is not fixed, increases in crime and unemployment will continue, and the Bahamas
 will be hard pressed to maintain stability and security.
- Lack of financial security When consideration is given to the lack of basic educational and cognitive skills being attained by the majority, then it can be viewed that poor work ethics and practices evolve. This leads to lower productivity, competitiveness and GDP growth.
- Jobs and opportunity going elsewhere The Bahamas is surrounded by a number of countries that may not have the same proximity to the USA but they do have raw materials for manufacturing, good soil and water for farming, a cheaper labor force, a more educated labor force, and they are focused on improving their economies. Cuba, The Dominican Republic, Jamaica, Dominica and Trinidad are examples of governments seeking change. If citizens are not educated, the Bahamas will become a less competitive and less desirable country with which to do business.
- Government corruption and cronyism As the populous becomes less educated and cognoscente, so then does the level of candidates available for election within government.
 This leads to a significant risk of persons seeking nomination and election to government as a means of employ instead of serving one's country.

The Critical Need for Change

The Organization for Responsible Governance has concluded that to foster economic development, The Bahamas must adopt a socioeconomic vision for the country that starts with education high on the agenda. The policies of the past are no longer applicable to the global environment the Bahamas now finds itself in.

To validate this conclusion, The Organization for Responsible Governance assembled a Think Tank of over thirty Civil Society leaders to identify initial policy changes and project areas that could make a significant and sustainable impact on the key pillars of Accountability, Economic Development and Education Reform. In the area of Education, the following needs were identified:

- <u>Create environments that facilitate innovation and learning!</u> Adopt internationally successful teaching models, such as charter or partnership schools.
- <u>Tax discounts to businesses that provide their employees with education!</u> Significant tax and work permit fee discounts to employers who provide industry-recognized certification programs and applicable higher learning opportunities to their Bahamian staff.
- Partnerships with businesses to offer apprenticeships that lead to long term employment!
 Apprenticeship programs instituted into the high school curriculum for grades 10 through 12.
 This program must be a public-private partnership (PPP) that is industry driven to assure the greatest success.
- Supporting teachers who do a good job and getting rid of bad ones! Accountability at every
 level of the educational system. The MOE, principals and faculty must be accountable to
 deliver better results. Teacher testing and evaluations are critical with mandatory training for



those teachers who do not meet a passing grade. Merit-based pay for teachers and principals.

- Prepare our children to meet the challenges of the future! Implement mandatory "Character and Virtue Development" programs in all grade levels. Essential character and virtue life skills are not being taught to children due to the breakdown in parenting and the family structure.
- Remove work permit fees for all teachers or certified instructors who are hired by schools, colleges, associations or businesses to teach students or train staff.

The Path Forward

To move these concepts forward, ORG has formed a Volunteer Committee comprised of leaders and experts from Education, Private Industry and Civil Society from across The Bahamas. The following are the current initiatives of the Committee, as of January, 2016:

- 1. Working with Scott Hamilton of Circumventure, LLC, an internationally recognized education expert to research, develop and pass legislation for Partner Schools, as independent settings where innovative and effective educational practices can be incubated and then subsequently applied in the Public Education System.
- 2. Researching and identifying an appropriate socio-emotional curriculum, teaching students critical social competencies necessary for academic and life success, which can be implemented across all age groups within the public schools in The Bahamas.
- 3. Drawing from the internationally renowned Swiss apprenticeship model and building partnership with private industry to develop functional and sustainable apprenticeship programs within Bahamian Public High schools to ensure a workforce with the most in-demand skills needed for the country's growing industries.
- 4. Crafting revised immigration and work permit policies to foster the successful transfer of skills and knowledge to support industries that can foster economic development.
- 5. Promoting the value of effective and innovative teachers in public schools, including ensuring appropriate evaluation systems and professional development, competitive salaries and progressive recruitment to diversify the talent and expertise within the profession.

Sustainable Solutions

The Organization for Responsible Governance seeks to encourage long-standing and positive change through the collaboration and cooperation of all stakeholders who seek a brighter Bahamas providing opportunity for all. Join ORG now and be a part of the collective voice for a brighter Bahamas.

For more information on opportunities to join or support The Organization for Responsible Governance and it's initiatives, contact Matthew Aubry, Executive Director at



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