



Setting Georgia's Schools Free?

An assessment of whether decentralisation reforms have made Georgian schools more accountable to their communities.

Summary

In 2005, Georgia passed a new Law on General Education that envisaged sweeping reforms to the way schools were run, decentralising the system. School boards of trustees were established with powers to appoint and dismiss school principals and formulate the school budget. A new system of school vouchers was introduced, granting parents choice and, theoretically at least, giving schools control over their own budgets.

This report analyses the reforms and comes to the unfortunate conclusion that decentralisation has not been as successful in achieving many of its objectives as had been hoped. A lack of funding for the voucher system has meant that schools have not been able to assert their financial autonomy. School boards of trustees have been undermined by a range of factors, including the lack of clear rules from the centre. Indeed, the government appears to be undecided on whether it really wants decentralisation at all. Amendments to the Law on General Education passed in 2009 significantly weakened school principals *vis-à-vis* the Ministry of Education and Science.



This paper argues that reforms and greater clarity of policy direction are needed if the system is to live up to its early promise. A series of concrete policy recommendations are given that will help improve the system and make it more transparent.

Introduction

The reforms conducted in Georgia's education sector are often seen as among the more successful of those conducted since the Rose Revolution. When it comes to combating petty corruption in the classroom and university admissions, this is a perception that is grounded in truth. The introduction of centralised university admissions exams have “virtually cleaned out”¹ the systemic bribery and nepotism that used to characterise university admissions.

However, the task facing the Georgian government when it came to power in 2004 required more than cleaning up university admissions. Georgia is bound to honour every child's right to a quality education by international documents like the UN Declaration of Human Rights and the UN Convention on the Rights of the Child. Unfortunately, the state of Georgia's schools during the 1990s and early 2000s left a lot to be desired – Soviet era textbooks, crumbling infrastructure and teachers' wages that amounted to under \$1 a day. The new government decided that radical measures were needed to end the post-Soviet malaise in the system and pull it into the 21st century. In 2005, under Education Minister Kakha Lomaia, Georgia passed a new Law on General Education that included a range of reforms to move away from the old Soviet system and towards a more decentralised system where schools would be able to make their own decisions.

This report will analyse two of the most important reforms that were introduced as part of this law and determine whether their key aim – making schools more autonomous and therefore more accountable to their communities – has been fulfilled five years after the Law on General Education was first passed. The report will begin with an overview of the rationale for decentralisation reform and an in-depth view of the reforms as they were passed in 2005 before moving on to analyse the practical implementation of the changes, with special attention paid to amendments to the law in 2009 that critics claim have destroyed much of the autonomy schools gained under the original 2005 law.

Why decentralisation?

Decentralisation is, quite simply, the process of moving decision-making “away from the centre and closer to the users of the service”.² This can be manifested in a simple reassignment of tasks to lower levels within governmental structures (deconcentration), or, as in full decentralisation, it can envisage the full devolution of powers to independent local actors such as schools. While decentralisation is

¹ Freedom House Nations in Transit report 2007

² Florestal K, Cooper R, *Decentralisation of Education: legal issues*, World Bank (1997)



often seen as the positive force in education, liberating schools and “setting them free” from central diktat, it is in reality a rather double edged sword. A glance at the academic literature on decentralisation reveals that although there are clear benefits to be had if it is done well, there are also significant pitfalls.

Indeed, decentralisation is often seen as entrenching existing inequalities,³ creating a system in which “ineffective schools are likely to remain ineffective”.⁴ One study went as far as to say that problems such as state capture and political clientelism are accentuated by decentralisation, as these problems are actually more prevalent at lower levels than in central government.⁵ There is also the risk that badly implemented decentralisation will introduce confusion into the system. If the responsibilities of actors overlap with each other or are unclear, citizens may become unsure about who to address on any given issue, reducing accountability in the system. This is especially the case when governments and lower level actors try to shift the blame for policy failures onto each other.

However, it is generally recognised that decentralising decision-making to schools can bring dividends in increased accountability when implemented properly. While it is certainly the case that more centralised education systems can also be accountable – albeit indirectly via the ballot box or through other measures such as consultation schemes – there is a strong case to say that by bringing decision-making closer to its main consumers (the children and their parents) the education system will become more accountable and more responsive to their needs.

The above is especially relevant in countries in transition from authoritarian political systems where there is a great appetite to move away from centralised decision-making. Indeed, it has been said that the decision to decentralise is often “sparked by strong reactions to a prolonged period of highly authoritarian rule”.⁶ This is obviously the case in many post-Communist states where decentralisation has become an “inseparable component of the post-socialist education reform package”.⁷

Georgia has been no different and there is a strong case to say that devolving key responsibilities to schools had the potential to raise the level of accountability in the system. Although Georgia is a small country, it also is a mountainous country with very poor communications. Many people do not have the resources to travel to Tbilisi or local administrative centres and some areas are almost totally cut off from the rest of the country for months during winter. This means that people living in the regions are less likely to be able to pursue issues they have unless they can deal with people based close to them. The devolution of responsibility to schools was aimed at overcoming this problem and giving local

³ The argument being that as better schools in wealthier areas attract the lion’s share of resources while poor schools, unable to compete, fall further and further behind.

⁴ Babyejeva E, Perspectives of Participation in Decentralised Public Schools, *Post-Script 2-1*, Melbourne (2001)

⁵ Campos J, Hellman J, Governance Gone Local: Does Decentralization Improve Accountability, in White R and Smoke P (eds) *East Asia Decentralizes: Making Local Government Work*, World Bank (2005)

⁶ Ibid

⁷ Matiashvili A, On Being First: The Meaning of Education Decentralisation Reform in Georgia in Silova I and Steiner-Khamsi G (eds) *How NGOs React: globalisation and education reform in the Caucasus, Central Asia and Mongolia*, Kumarian Press (2008)



stakeholders a greater role in determining the development of their local schools and holding their managements to account.

So overall, although raising schools' autonomy is no panacea, there are reasons to consider that it may well be what is needed to ensure more accountability and transparency in Georgia's education system.

The reforms

The success of school decentralisation in Georgia cannot be analysed without first looking in-depth at the reforms themselves. The 2005 Law on General Education outlined two major decentralising reforms: (1) the creation of revitalised school boards of trustees endowed with increased authority and (2) the creation of a new system of voucher finance to enhance parent choice and ensure that schools were financially autonomous.

Boards of trustees

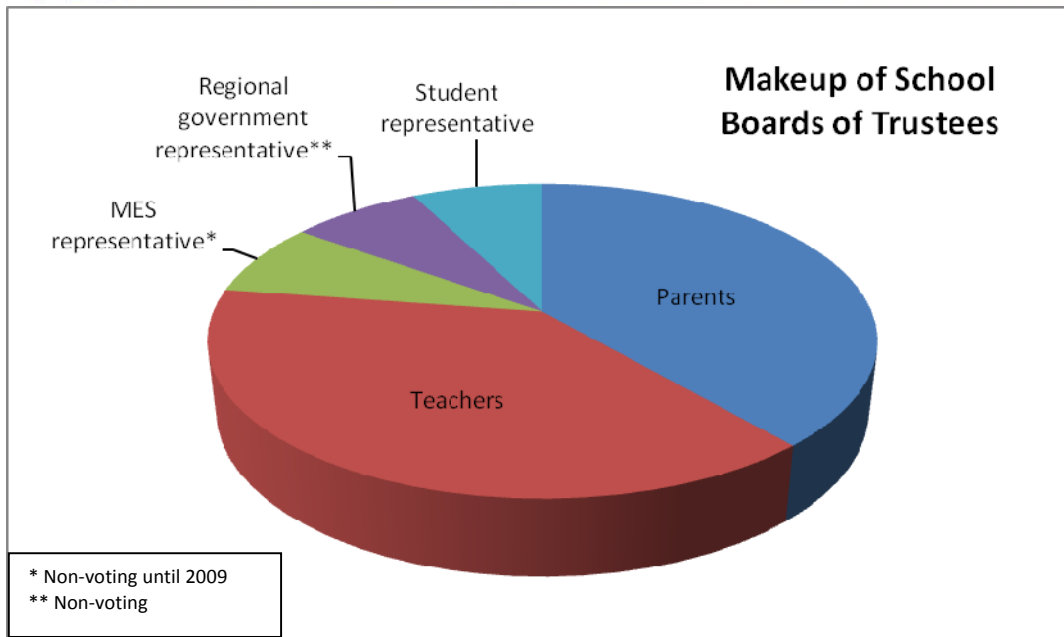
Since 2005, boards of trustees have been the main strategic decision-making body within schools in Georgia. Many other countries have similar institutions running and overseeing schools, although different countries have different names for their equivalents (e.g. the UK has boards of governors, while in Australia these are called school councils). In Georgia however, the introduction of boards of trustees with significant authority was an innovation.⁸

According to the Law on General Education, each school must be headed by a board of trustees of between 6 and 12 members. Teachers and parents have to be represented equally on the board and there also has to be one representative from the school's student body. Local government is also allowed to appoint one member as is the Ministry of Education and Science.⁹ Elections to the boards of trustees take place every three years on the same day across the country.¹⁰

⁸ Although boards of trustees with limited powers were introduced in 1999, it was not until the passing of the 2005 law that they were given significant influence.

⁹ Until 2009 the Ministry's member did not have voting rights.

¹⁰ The first elections were held in 2005. The most recent elections were held in 2008.



The boards are responsible for a range of internal issues such as school rules and the implementation of the national curriculum. The board also elects a disciplinary committee to consider cases of misconduct by pupils and school staff. There is also a teachers' council which, among other tasks, approves the choice of textbooks to use in the school – decentralisation has meant that schools are free to choose from a wide range of assessed books. Most importantly however, the boards of trustees now have the power to appoint the school principal,¹¹ approve the annual budget and conduct monitoring of all spending going on in the school.

None of these powers is out of line with what is common in many other countries but, in Georgia, these functions used to be conducted either by the Education Ministry or the regional government, making the reforms a significant step towards decentralisation and a stark contrast to the situation before 2005.

Before the reforms, accountability was almost non-existent with a system that was “overburdened with bureaucratic layers of overlapping responsibilities and accountabilities”¹² and a “lack of effective coordination and administrative and financial management at nearly every level”.¹³ Education policy was decided at the centre and implemented by the local divisions of the ministry in each district with public opinion “not taken into consideration in the decision-making process”.¹⁴

¹¹ The principals are elected by a secret ballot of all the members. Candidates for the position must have passed the prerequisite examination and have officially applied for the position.

¹² Matiashvili A, On Being First: The Meaning of Education Decentralisation Reform in Georgia in Silova I and Steiner-Khamisi G (eds) How NGOs React: globalisation and education reform in the Caucasus, Central Asia and Mongolia, Kumarian Press (2008)

¹³ Ibid

¹⁴ Sharvashidze G, *Educational Reform, Curriculum Change and Teacher Education in Georgia* (2004)



There is no doubt that the creation of school boards of trustees has provided a clearly responsible school-level institution for parents and other stakeholders to hold to account. The Law on General Education as it was passed in 2005 set boundaries of responsibility between the centre and the schools that were far clearer than those that existed under the previous system. According to this framework, the centre is responsible for setting the curriculum, basic standards and other aspects of broader education policy while schools are responsible for deciding how they can best meet their obligations to the state and their communities. The Ministry of Education’s regional divisions have been replaced with district Resource Centres whose role is to serve as a source of assistance to schools and serve as a conduit for information between schools and the centre. This shift of emphasis from control to assistance was a significant step forward towards the modernisation of the system.

In theory, the new distribution of responsibility between schools, regional government and the central ministry as it stood after the Law on General Education was passed in 2005 constituted a more decentralised and transparent setup than what preceded it.

Vouchers

While the creation of school boards of trustees was important, it was certainly not controversial. As has already been mentioned, similar institutions exist in most developed countries. This is not the case with school vouchers – a system of funding that can be found in very few places and that has been the subject of huge controversy in the few US educational districts where it has been implemented.¹⁵ The principle of voucher finance is incredibly simple. Instead of providing funding directly to state schools, the state provides a voucher to every parent which can be used at school of their choosing. The idea is that parents are given choice and schools are motivated to improve performance and reorient themselves towards parents rather than government.

So why the controversy?

The fact is that school vouchers introduce the market into a sphere of society that is traditionally that of the state. This has automatically made it the subject of heated political debate between free market libertarians and social democrats. Supporters of vouchers claim that it boosts parent choice, which has been described as the “ultimate accountability mechanism”¹⁶ while detractors argue that the system has failed to produce improvements in educational standards in the areas it has been introduced.¹⁷

The Georgian system of voucher funding goes even further than those few that do exist in the US. While voucher systems in the US, such as that operating in Milwaukee, are based on giving vouchers to poorer students, the Georgian system envisages giving every child a voucher – a prospect that libertarian

¹⁵ There are a few other examples of voucher finance - for example Sweden which has a variant of the voucher system that bans private schools from charging top up fees to students with vouchers. However, the Georgian system seems to be based more on the libertarian school of the USA than the Swedish social democratic model.

¹⁶ Hill P and Bonan J, *Decentralization in Public Education*, Rand Corp (1991)

¹⁷ For example - Anrig G, An Idea Whose Time Has Gone, *Washington Monthly* (April 2008)



activists in the US can only dream of. By introducing the school voucher system on this scale, Georgia is experimenting with a system that is more market oriented than almost all of those in the developed world.

If the prospect of implementing such a radical policy isn't daunting enough, there are also many disadvantages to this system that are already well known. The basic idea behind the voucher scheme is to offer parents choice. However, in the Georgian system, this choice includes private schools, meaning that parents can choose to use public money to help buy their way out of the public school system. This has two potential negative consequences. Firstly, as fees at private schools are generally higher than the value of state vouchers, only wealthier parents can afford to take this choice, accentuating the "education gap" between the rich and poor. In an already deeply unequal society like Georgia, this is not good news. Secondly, the use of vouchers outside state schools means that a lot of public money that could otherwise be used to boost state schools seeps out of the system. In Georgia, where state schools are still seriously underfunded, this can just make matters worse. In 2009, approximately 16 million lari¹⁸ in vouchers were spent at private schools which is approximately 6% of all voucher funding.¹⁹

The system of parental choice can also backfire in that schools are often under pressure to retain students who are disruptive in order to retain their voucher funding. A teacher interviewed by TI Georgia said that this had led to a situation where "there is a total lack of discipline...students know that they are worth money and act accordingly".²⁰

However there are also some very significant positives that have come out of this system.

Firstly, the voucher system of finance is a far more transparent method of funding than what preceded it when there were "no objective criteria and procedures that define the specific amount of money that should be allocated to each school"²¹ and a budget drafting process that was "entirely undemocratic and unjust".²²

Voucher finance has improved transparency and accountability because is it a very simple system that is easy for the public to understand. Voucher funding implies per capita financing (calculating school budgets on the basis of number of pupils) which means it is easy to see how much funding each school gets by looking at the number of pupils attending any given school. Assuming that the school gets by on voucher funding alone (many don't, which is a major problem as will be explained later) the sheer simplicity of the system is good news for the accountability of schools.

Another argument put forward by proponents of this system is that competition between schools for pupils would drive standards up. The theory being the threat of parents taking their children out of a

¹⁸ Statistics estimated from database of voucher funding provided by Ministry of Education and Science in response to a freedom of information request.

¹⁹ Voucher funding for 2009 was approximately 260 million lari

²⁰ Interview with teacher in Ozurgeti – all interviews with teachers are anonymous in this report.

²¹ Sharvashidze G, *Educational Reform, Curriculum Change and Teacher Education in Georgia* (2004)

²² Ibid



school (and their voucher funding with it) will keep schools concentrated on keeping standards high. Although, as has been stated above, this market based approach could merely lead to bad schools getting worse, proponents of vouchers argue that if schools were solely dependent on vouchers, the worst schools would simply close, rationalising the system.

Theoretically, and perhaps most importantly, another positive aspect of the voucher system is that it provides Georgian schools with financial autonomy to match the institutional autonomy gained through the Law on General Education. Without the former, the latter loses a lot of its value. The voucher system theoretically allows schools to fully define their own budgets.²³

Overall, there is no doubt that the voucher system is a very ambitious idea that – despite the problems outlined above – had the potential to significantly raise schools’ capacity to make their own financial decisions. However, as the following section will show, the practical implementation of both vouchers and administrative decentralisation has failed to fulfil its ambitious goals.

The results of reform- where decentralisation went wrong

Five years on from the passing of the original legislation, many key stakeholders in the Georgian education system have been left disappointed by the effects of the reforms. When interviewed, Manana Ghurchumalidze, head of the ESFTUG (Educators and Scientists’ Free Trade Union of Georgia) teachers union, said that “there is no such thing as school boards of trustees”.²⁴ Tea Tutberidze of the School Principals’ Association told TI Georgia that she thought that Georgia “was taking backwards step after backwards step” and “taking consistent steps towards the Soviet education system”.²⁵ One teacher told TI Georgia that despite decentralisation, her experience was that “the state still runs everything” in schools.²⁶

The major problem is not so much that decentralisation has caused any of the problems highlighted in the previous section, but that decentralisation has been undermined by a variety of factors. As shall be explained below, among these factors is the fact that the voucher system suffers from a total lack of sufficient funding, rendering the system pointless in many schools. Another is the effect of the amendments to the Law on General Education passed in 2009 which have undermined schools’ autonomy. There are also problems related to the vestiges of authoritarian political culture and lack of capacity.

²³ Although there are a few limitations in that they cannot pay teachers less than a minimum rate set by the state.

²⁴ Interview with author

²⁵ Interview with author

²⁶ Interview with author



The voucher system that isn't

As has been explained, the aim of Georgia's system of school voucher financing is to allow parent choice and grant schools financial autonomy by giving them ownership of their own budgets. On the first point, this has happened to a great extent. Parents are free to choose which schools they want their children to attend. However, while this works well in urban areas, it does not work at all in rural areas where there may only realistically be one school to choose from. School voucher finance schemes in the USA are usually introduced in urban areas with many schools. Potentially, the system could also work if there is an elaborate bussing system, such as those that exist in the USA. In Georgia, the system has been introduced throughout the country without sufficient measures taken to provide the transport necessary to allow parents in rural areas real choice. Of course, this doesn't detract from the fact that, in urban areas, an element of competition between schools has become established, with schools enjoying better reputations benefiting from the additional funds.

However, in many schools, vouchers have failed to provide the financial autonomy that was promised. The simple reason for this is that the vouchers themselves are not worth enough money.

In 2009, one school voucher was worth 345 lari²⁷ in urban schools and 475 lari in rural schools per year. After the first 400 (in urban areas) or 200 pupils (in rural areas) the value of this voucher falls to 325 lari and 450 lari respectively. Vouchers used at schools in mountainous areas enjoy the higher rate of 565 lari regardless of student numbers. These rates are incredibly low and mean that, in many schools, voucher financing does not even cover basic fixed costs such as teachers' wages and utilities payments. Although schools may look for donations (a recent government initiative has encouraged schools to seek donations from alumni)²⁸ schools cannot rent out school buildings to raise money without the permission of the Ministry of Education and Science. Although there is an oversupply of teachers in the Georgian economy as a whole,²⁹ dismissing teachers as a cost cutting measure is often not an option due to the strength of the teachers' trade union³⁰ and the fact that this is a move that is often unpopular and potentially damaging to pupils' education. This has meant that, in order to continue functioning, many schools have been forced to apply for additional money from central government to cover basic costs. This more or less totally negates any dividend in financial independence the school gets from vouchers.

Also a problem is the fact that there is no extra money for special needs and disabled pupils. This means that a school admitting a disabled child – with all the additional costs that entails – does not get extra money from the voucher system. Although the Ministry of Education and Science does provide extra money for such students through its accessibility programmes, this again is direct funding that could just

²⁷ At the time of writing the dollar/GEL exchange rate was approximately 1.74GEL/\$1

²⁸ Ministry of Education and Science website

²⁹ *Analysis on projected and required number of teachers*, Teachers Professional Development Centre of Georgia and Institute of Social Studies and Analysis (2008)

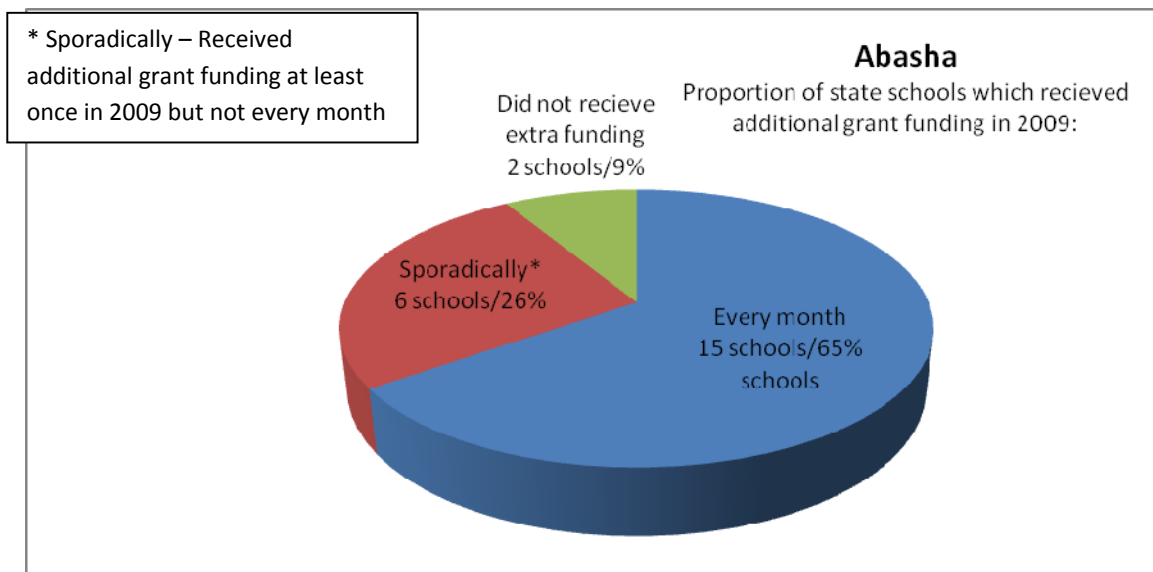
³⁰ ESFTUG is the strongest and most dynamic trade union in Georgia and unites the majority of Georgian teachers. For more information see TI Georgia's report on the subject: *The Georgian Trade Union Movement*



as easily have been incorporated into the voucher system by way of a higher valued voucher for disabled pupils.

These problems are exacerbated by the fact that the decision-making process for granting schools extra money is far from transparent. Despite numerous requests by TI Georgia, no representative of the Ministry of Education and Science would be interviewed on the issue. However, TI Georgia received email confirmation that decisions to grant extra funding to schools are now made by a special committee established by ministerial order in 2008. The committee is chaired by the deputy minister. Ministerial orders are usually displayed on the ministry’s website, but the order establishing this mysterious committee does not appear. The committee was theoretically established to assist small schools but, as information obtained by TI Georgia shows, money often goes to larger schools whose voucher funding does not cover fixed costs.³¹

To give an idea of the scale of this phenomenon, TI Georgia has attained statistics from two Georgian districts, Abasha and Gldani-Nadzaladevi in Tbilisi. These districts were chosen as the former is almost completely rural and the latter is urban.



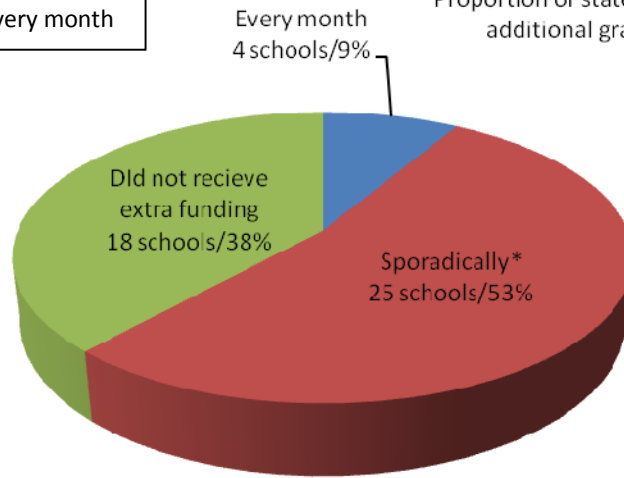
³¹ For example school no. 79 in Tbilisi, a relatively large school with over 450 pupils, receives a large proportion of its budget directly from the centre.



* Sporadically – Received additional grant funding at least once in 2009 but not every month

Gldani-Nadzaladevi (Tbilisi)

Proportion of state schools which recieved additional grant funding in 2009:



As we can see, the majority of schools in both districts received additional state grant funding in 2009. However, the situation is worse in the more rural Abasha district, where the majority of schools require additional funding every month just to keep functioning. Just two schools in Abasha managed on voucher financing alone in 2009. This shows that the voucher funding rate for rural areas is not differentiated enough from the urban rate.

Even in Gldani-Nadzaladevi though, just 38% of schools managed solely on voucher financing in 2009. TI Georgia have only calculated the situation in these two districts, but anecdotal evidence suggests that this is a pattern repeated across the whole country.³² The majority of schools just cannot survive on voucher funding, never mind have money left over to invest in development. The majority of school budgets are not the result of school boards deciding to spend in a certain way, but are predefined by the fact that the entire budget must go on fixed costs. This defeats the entire object of voucher funding.

However, the lack of money going into schools through the voucher system is not the only problem with the way voucher finance has been implemented in Georgia. Despite the fact that the move to per capita financing has generally been positive in terms of transparency, the new system has nevertheless thrown up new potential for corruption in the form of inflated pupil numbers. While some schools struggle to

³² The government argues that much of the extra funding could be for capital expenditures. Although TI Georgia was not able to obtain an exact breakdown of what the extra funds were for, we do know that a large proportion of the extra funding is for utilities payments as a lot of the spreadsheets we received were marked “gas”. It is unlikely that much of this direct funding is for capital expenditure (some of it, however, may be for maintenance) as funding for such expenditure mostly comes either from local government (in the case of small-scale issues) or the Educational and Scientific Infrastructural Development Agency, which deals with larger scale tenders for educational capital expenditure.



get by on paltry voucher funding (or don't at all as has been shown above), reports from several school principals and teachers suggest that others have been able to abuse the system.

Ironically, it is the introduction of the national centralised exams for university applicants –responsible for massively reducing corruption in admissions – that has made this possible. In Georgia, pupils in the last two grades of school – year 11 and 12 – generally do not attend school very often. This is because the national examinations are not linked in any way to the school curriculum. Students who want to get good grades in the exams will often decide to avoid school altogether and spend the time either in independent study, or, as is more common amongst those who can afford it, attending special “exam classes” privately. As things stand, the system allows schools to “buy off” these students by agreeing to turn a blind eye to their lack of attendance. Schools that engage in this practice can often poach pupils (and therefore their voucher funding) from schools that do not. This penalises schools which fulfil their obligation to ensure pupil attendance. As one school principle told TI Georgia “I have lost quite a few 11th and 12th grade pupils to other schools this way...this practice is quite common”.³³

Thankfully however, the Ministry of Education and Science appears to have recognised this problem, and are currently planning measures to deal with it as part of its “second wave” of educational reform. In order to incentivise school attendance for higher grade pupils, from summer 2010 onwards, all school leavers will have to pass nationally assessed school leaving exams in a range of subjects before being allowed to progress to the university admission examinations. School attendance registers will also be introduced to ensure that attendance records are kept. These measures, if well implemented, should hopefully close this loophole for corruption.

While the ministry's latest proposals will help fight corruption, this does not detract from the fact that the voucher finance system has failed to give genuine financial independence to Georgian schools. A school that is dependent on grant finance from the centre is far less likely to view itself as accountable to parents and more likely to act to please central government. This is accentuated by the totally non-transparent manner in which these decisions to grant such funding are made. While vouchers have succeeded in boosting parent choice in urban areas, the picture in rural areas is very different. In short, the benefits that could have come from voucher funding in terms of increased transparency and autonomy for schools have been almost completely negated by the bad implementation of the system.

Back in the USSR – problems of capacity and the culture of fear

Implementing decentralisation in a post-Soviet country like Georgia is not easy where cadres – especially teachers as many are past retirement age - have spent the bulk of their professional lives under the Soviet-era centralised system in which teachers “were given very detailed instructions on what to teach

³³ Interview with author



and when to do it”.³⁴ The extant literature on decentralisation often talks of the importance of the capacity of local level actors in ensuring a successful outcome. As a USAID working paper³⁵ on the subject states, decentralisation has “little, if any” impact on education quality if it is not effectively exercised by local schools with enough capacity to make the system work.

Unfortunately, such “effective exercise” of school boards’ powers is hard to come by.

There is no quick fix to this problem, which is something the Ministry of Education’s Accreditation Centre recognises. The Accreditation Centre was to begin accrediting schools and certifying teachers in 2010, but the whole process has been pushed back – in the case of full teacher certification to 2013/4. Davit Kereselidze, director of the Accreditation Centre told TI Georgia that rather than setting unrealistic standards “the focus is more on assisting schools and helping them improve”.³⁶

The Accreditation Centre has approved of dozens of organisations to train educational cadres in various areas, including to fulfil their duties on school boards of trustees.³⁷

Despite these positive efforts though, there are many aspects of Georgia’s education system that perpetuate a lot of what will be more grimly familiar to older teachers.

One of these aspects is the General Inspectorate of the Ministry of Education and Science. As the name suggests, it is charged with ensuring that there are no financial, safety or administrative irregularities at schools. The Inspectorate does not assess quality of teaching.

“We are very afraid of the General Inspectorate” one school principal told TI Georgia.³⁸ And with good reason. If a school receives more than one warning from the Inspectorate in a year, the school principal is automatically dismissed. When such warnings can be given out for “failures” as minor as having a badly filled out form or, as in one case in the Kakheti region, the trees in the school yard not being balanced properly (a job that cannot be done on the school’s paltry budget), one can forgive principals for feeling uneasy. The number of dismissals have been rising – while just two school principals were dismissed this way in 2008, the figure rose to 15 in 2009.³⁹

The head of the School Principals Association says that she thinks that school principals are targeted “for political purposes”.⁴⁰ This cannot easily be proved or disproved, but what is certain is that the General Inspectorate is not sufficiently transparent.

³⁴ Sharvashidze G, *Educational Reform, Curriculum Change and Teacher Education in Georgia* (2004)

³⁵ *Identifying the Impact of Education Decentralization on the Quality of Education*, USAID (2007)

³⁶ Interview with author

³⁷ According to a survey by the International Institute for Education Policy Planning and Management (EPPM) 89%, 71% and 91% of school principals, boards of trustees and Resource Centres respectively said that they had received training in the new methods of school management and were satisfied.

³⁸ Interview with author

³⁹ Letter from the Ministry of Education and Science in response to request for public information

⁴⁰ Interview with author



Simon Janashia, the former head of the National Curriculum and Assessment Centre, told TI Georgia that “the biggest source of corruption” is the lack of clear rules: “No clear standards have been established on how schools should act, so there is always the risk that the state can always find some sort of violation”.⁴¹ Neither does there exist an objective formula to determine which schools the General Inspectorate visits. While inspections have to be unexpected for the system to work, the lack of a widely available formula means that there is little to stop inspections being targeted at specific schools for arbitrary or inappropriate reasons. A fully randomised system, for example, would be one way of ensuring that the system is fair.

The Ministry of Education refused to divulge information on which schools the Inspectorate had visited when requested by TI Georgia through freedom of information legislation. When asked over the phone, the ministry employee simply replied that the information did not exist. It is rather hard to believe that the Ministry of Education and Science does not keep a record of where inspections take place. TI Georgia also requested to meet with the staff of the General Inspectorate twice but were refused.

School principals may be afraid of the General Inspectorate, but it is not just school principals who live in fear. TI Georgia held meetings across Georgia with groups of teachers to talk to them about their stance on the reforms. Several teachers told TI Georgia that the use of threats were quite common in extracting votes on school boards of trustees. In one such meeting in the port city of Poti, one teacher declared that she had been threatened for refusing to vote to approval the appointment of a school principal. “I was being persecuted for having different opinions, some of my colleagues wouldn’t even talk to me because I had different opinions”.⁴² TI Georgia later heard that the day after the meeting, the teacher in question was verbally abused by the school principal for taking part in the meeting with TI Georgia in an incident that led to the teacher resigning her job in protest. After a similar meeting in Batumi, the author of this report received “friendly advice” from one of the teachers by phone warning us to “concentrate on issues more relevant to teachers” and accusing TI Georgia of having “ulterior motives”. In another city, one teacher told TI Georgia that “the culture of fear [in schools] is just as strong now as it was in Soviet times”.⁴³

Although there are clear cultural problems which limit the capacity of some school boards of trustees, it seems clear that decentralisation is also being undermined by the use of scare tactics on school boards and the rather Soviet-esque methods of the General Inspectorate. The right of individuals to vote according to their conscience and speak freely should not be allowed to be undermined by the activities of unscrupulous officials or school staff. Even perfect legislation is useless if it is ignored without consequence in practice. However, as we shall see in the section below, the last year has seen changes to the legislation itself that have further undermined decentralisation.

⁴¹ Interview with author

⁴² Comment at meeting with teachers in Poti

⁴³ Interview with author



The 2009 amendments – recentralisation?

On 11th July 2009, the Georgian parliament passed a set of amendments to the Law on General Education. The changes included:

- Giving the Ministry of Education and Science the right to appoint a representative on school boards of trustees with full voting rights.⁴⁴
- Giving the above mentioned representative the power to unilaterally call meetings of the board of trustees.
- Allowing the Ministry of Education and Science to overrule a school board of trustees and dismiss the school principal if they do not comply with an administrative order⁴⁵ from the centre.

The amendments were immediately condemned by the School Principals Association as being “aimed at weakening decentralisation and reviving the old centralised model”.⁴⁶ One journalist called the changes “a mechanism for controlling schools”.⁴⁷

The changes certainly do grant the central authorities greater powers.

The new amendments effectively gives the ministry the right to dismiss any school principal who breaks an administrative order (some of which may be quite trivial). Technically, the ministry must first ask the relevant school board in question, but the fact that it can overrule the board’s decision unilaterally rather devalues this. This, when added to the existing threat to school principals posed by the General Inspectorate, creates a situation where school principals are wary of doing anything that contravenes even the most preposterous of orders from the centre. There are indications that this has allowed the Ministry of Education and Science to tighten control over what happens at schools.

For example, Manana Ghurchumalidze, the head of the main teachers’ union ESFTUG, told TI Georgia that representatives of her organisation “can no longer meet teachers in school buildings” because of an order from the ministry telling school staff that they should not use school premises to hold meetings without permission from the central ministry.⁴⁸ This, Ms Ghurchumalidze says, comes at the same time as members of the government-friendly rival union, the Education Syndicate, is allowed to meet

⁴⁴ Although the ministry always was allowed to appoint a representative on school boards of trustees, this representative did not have voting rights or the right to call meetings.

⁴⁵ *Administratsiuri-samartlebrivi akti*

⁴⁶ Statement by the School Principals’ Association published at www.principals.ge (05/06/09)

⁴⁷ Eka Chitnava, “How schools choose”, *Liberali Magazine* (21/12/09)

⁴⁸ Interview with author.



teachers freely.⁴⁹ ESFTUG also managed to acquire an email message sent to every school district requiring that all school staff inform the central ministry if they are to speak to journalists.⁵⁰

While it is perfectly normal for even decentralised systems to have established a set of central guidelines and rules within which schools work, the sort of micromanagement that is taking place (especially if, as ESFTUG claims, it is discriminatory) is incompatible with true decentralisation. The fact that school principals can be dismissed for contravening even the most trivial of these rules could significantly undermine decentralisation.

The decision to allow the ministry to appoint voting members to boards of trustees has also attracted a lot of angst. “This decision is despotic” according to lawyer Revaz Rizhamadze who represents schools in court proceedings against the state, “it has created a fifth column in school boards of trustees”.⁵¹

This may be a bit of an overreaction. It is perfectly normal in many countries for representatives of local governments or educational authorities to be on school boards. In the UK, for example, local education authority appointees have full voting rights and can make up to 1/5 of the board as a whole.⁵²

Giorgi Gabashvili, the ruling party MP and chair of the education, science and culture parliamentary committee says that the move to add ministry representative to school boards was necessary because of a lack of awareness among board members about their role. The ministry representative would be “someone who is competent in this way and will be able to help”.⁵³

However, the genuine concern is that ministry appointees may use their positions to undermine the ability of schools to make their own decisions. As Tea Tutberidze of the School Principals’ Association puts it:

“Imagine that someone arrives at a village school with the status of ministry representative. And they say that things should be done in a certain way. Which member of that school’s board of trustees will resist them?”⁵⁴

Although raising the level of central control over schools was not the official aim of the amendment adding ministry representatives as voting members on school boards, it does appear that the government wanted to be able use the representatives to subject schools to closer scrutiny and control. Nika Gvaramia, the minister of education at the time the amendments were passed, openly told a Georgian newspaper that part of the rationale for the change was to gain information to “enable the

⁴⁹ For more on the Education Syndicate, read TI Georgia’s report entitled *The Georgian Trade Union Movement*

⁵⁰ Copy of letter sent to TI Georgia by ESFTUG

⁵¹ Interview with author

⁵² Governonet (<http://www.governonet.co.uk/cropArticle.cfm?topicAreaId=1&contentId=295&mode=bg>)

⁵³ Tamar Ghonghadze, “Why Education Reform is Being Hindered” *Liberali magazine* (01/07/09)

⁵⁴ Tamar Ghonghadze, “How do school board members manage schools”, *Liberali magazine* (25/06/09)



ministry to dismiss school principals, not just for financial mistakes but for mistakes made in the educational process” and to ensure that “principals are unable to dismiss teachers of their own will”.⁵⁵

Whatever the real rationale for the amendments, the fact that these “recentralising” reforms were passed puts the entire decentralisation project at risk. While the addition of the extra member on school boards is not a problem in itself, the additional power the centre has gained to dismiss school principals under the 2009 amendments allows it to potentially undermine school autonomy.

Conclusion and Recommendations

There can be no doubt about the fact that decentralisation in Georgia’s schools has not been as successful as planned. When the newly empowered school boards of trustees were elected in 2005, there was a lot of hope that it would herald the beginning of a new era of accountability and grass roots participation in the life of schools across the country. Instead, in many schools, the opportunities presented by these boards of trustees have not been taken by teachers and parents alike. The government often blames this on the lack of capacity among the teaching cadres to adapt to these modern institutions and a lack of culture among parents. This, while true in some cases, is not the whole story. During research for this paper, TI Georgia staff met with many very talented and dynamic teachers and school principals who were willing and able to use the levers of influence that the school boards gave them. Unfortunately, their efforts are being undermined in some cases by unacceptable practices and, more recently, changes to the legislation that may in practice reduce schools’ scope for independent action.

The voucher finance system has also failed to live up to its expectations. While it has given parents in urban areas the opportunity to choose any state or private school for their children, it has failed to give schools financial independence. The lack of money in the system has meant that the state funds a large proportion of school directly through additional grants. Schools almost never have enough funds to allow them to define their own priorities.

The crux of the matter is that Georgia has a system that, since July 2009 especially, is now neither centralised or decentralised. Formally, the Law on General Education set up institutions in schools with clear powers and clear accountability to schools’ local communities. In practice however, the centre behaves in ways that are aimed at cementing its control. This leads to what can justifiably be described as a mess. As Simon Janashia described the situation to TI Georgia, “there is no system”.⁵⁶

This has very negative repercussions for the system’s accountability. There exist a broad range of education systems in the world, some more centralised, others decentralised. Valid arguments can be posited in favour of one system over another, but the fact is that a more centralised system that comes with proper checks and balances and accountability mechanisms may be preferable to a decentralised

⁵⁵ Kviris Palitra newspaper website (<http://old.kvirispalitra.ge/archive/2009/6-2009/htm/politika%20da%20sazogadoeba-6.htm>)

⁵⁶ Interview with author



system that is confused, badly implemented and unaccountable . The latter is what we have in Georgia at the time of writing.

While there are structural and cultural reasons for the problems of decentralisation in Georgia, it also seems like there has also been a sort of doublethink at the policy making level. On the one hand, Georgia’s government is keen to be seen implementing liberal reforms, but on the other, wants to retain a large extent of control over the system. Part of the reason for this is that many of the internationally acclaimed successes of this government have come, precisely because they managed to establish firm control over actors that, before 2004, acted in clientelistic and often corrupt ways. For example, the eradication of corruption from the traffic police was achieved by tightening, not loosening control. The introduction of national university admission exams was a move that centralised a process that was once devolved to universities themselves. The government appears stuck between its commitment to decentralisation and its centralising instincts. This problem has been accentuated by discontinuity of leadership – Georgia has had five different education ministers since 2007 – which has in turn led to a degree of discontinuity in policy.

If the Georgian education system is to be effective, the authorities must decide whether they want a more centralised system (which can also be made to be accountable) or reform the current decentralised setup to make it one that truly gives schools freedom to make their own decisions.

Assuming that Georgia decides to stick with the current model of school autonomy, there are some changes that can be made to improve the system and raise its effectiveness:

1.) Significantly raise the value of vouchers – The voucher system’s utility is currently undermined by the lack of money in the system. If vouchers were worth more money, the system could begin to work as designed – granting schools financial independence and ensuring greater transparency. An overall rise in funding would also help. Georgia spends just 2.7% of its GDP on education,⁵⁷ less than it does on defence. A few less tanks and a few more textbooks in schools would be a boon to the system.

2.) Increase differentiation between rural and urban school vouchers and introduce a higher rate for special needs children – Currently, it is disproportionately smaller schools in rural areas which need to apply for direct ministry funding. Special needs children require more funds, which is something that should also be reflected in the voucher system. This doesn’t mean that current centrally managed projects have to end (these certainly have a role in ensuring equal access to education) but raising the value of vouchers of these schools will ensure that the voucher system can reflect need more accurately.

3.) Either limit vouchers to state schools or ban private schools from charging additional fees to children using voucher funding. The latter option would allow private schools to compete with state schools on an equal basis without excluding poorer students. If a school wants to charge fees to a student, it would not be able to access that particular student’s voucher funding. This would reduce the cost to private schools of providing free places to disadvantaged students while allowing them to charge

⁵⁷ 2007 figures



wealthier parents. More importantly, this would mean that the state would no longer be subsidising private school places for pupils from wealthier families.

4.) Increase the transparency of the General Inspectorate by:

a.) Rationalising the regulations with which schools have to comply to ensure that schools are aware of their obligations. Complicated or unrealistically stringent technical regulations can often open the door to selective enforcement of the rules. Shifting the focus of state oversight from the punishing of schools for technicalities towards assistance may also help. Of course, a punitive element must remain to disincentivise corruption, serious financial misdemeanours and safety violations .

b.) Publicising the list of schools where inspections have been conducted as well as any conclusions reached in an accessible way (preferably online).

c.) Publicising the formula that determines which schools are inspected and when. Inspections must be unexpected to ensure their effectiveness but the formula that determines when visits occur should be public. A random system would be one way of ensuring fairness. This, in combination with the publication of inspection reports, would ensure the transparency of the system and guard against selective inspections.

d.) Exercising more restraint in issuing official warnings on trivial matters.

5.) Protect school staff from intimidation – More must be done to raise awareness of school board members’ rights. The state must ensure that board members’ right to free speech is upheld. This could be done in several ways, like, for example, a hotline service.

6.) Make it more difficult for the Ministry of Education and Science to dismiss school principals – Repealing this 2009 change would free school principals from the threat of arbitrary dismissal by the Ministry and boost school autonomy.

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