**Education and Just Development[[1]](#footnote-1)**

 words

**Ishrat Husain**

I wish to commend the TCF Chapter of Seattle for organizing this Fund raising event and for the past efforts they have made in sponsoring several TCF schools in various parts of the country. Overseas Pakistanis have proved to be a big supporter of TCF in its operations and expansion. Both the attendance at today’s event and your enthusiastic response have inspired me.

Before I dwell upon the current situation and future prospects facing Education in Pakistan let me place this topic in the context of the overall trends in the global economy.

 The equilibrium of economic power has begun to shift from the traditional western block of North America, Europe and Japan towards the Emerging and Developing Economies (EDEs) led by China. Two thirds of the World economic growth in the recent years has been contributed by the EDEs. China, India, Indonesia, Brazil, Turkey, Russia, Mexico and South Africa are likely to be the leading nations in expanding world output of goods and services.

 This shift in economic power is accompanied by a major demographic transition. Most of the advanced countries starting with Japan are projected to have majority of their population ageing and dependent on a shrinking younger working population. Even in China the rate of growth of the younger working population in the current decade would drop by more than 1 percent a year. The only regions where the youthful population forms the majority would be South Asia and Sub-Saharan Africa. In Pakistan, sixty percent of the population is below the age of 30. Although international labor mobility is restrictive, the demand pressures would suggest that an educated, trained and healthy young labour force of Pakistan can become a source of work force for the rest of the world. The remittances from the same numbers of overseas Pakistanis can more than double (from the current level of $13 billion to $30 billion) if the skill mix of Pakistanis working abroad becomes comparable to that of the Philippines. Unemployment problem of absorbing the additional 1.5 to 2 million young workers every year can also be eased if we invest in primary, secondary, technical and vocational education of our youth and make them employable globally.

The third emerging trend with which you in this audience are more familiar than anyone else is that of the dominance of Knowledge Economy over Agriculture, Industry and Services. Technology, Connectivity, Information Explosion and Innovation are changing the pattern of economic growth. Countries that equip their populations with the capabilities to compete in the knowledge economy will forge ahead. Under the current set of our weak factor endowments the probability of Pakistan becoming a player in this game is quite low. The recent Global Competitiveness Report 2012 has downgraded Pakistan to 124th rank out of 144 countries with very poor values for Innovation.

 We also know from the experience of the last six decades that Economic development is closely correlated with the status of education in a country. One year of additional education of the labour force translates into hundreds of billions of rupees in greater output of goods and services. The richest 20 percent in Pakistan receive almost seven years more education than the poorest and about 30 percent of Pakistanis live in extreme educational poverty having received less than 2 years of education. If the average Pakistani engaged in the labour force had the same level of educational attainment as the richest 20 percent our per capita income today would have been twice as high as the current level. Poverty would have been much lower than one-quarter of the population. Income inequality would have been reduced with greater social mobility and equality of opportunity for advancement available to the majority of the population. The vast differences in the living standards we observe between the rural districts of Baluchistan and Khyber Pakhtunkhwa (KPK) on one hand and Karachi and Lahore on the other would not have been so stark.

 We also know, on the basis of cross- country evidence from different parts of the world, that investment in female education has the highest rates of return compared to any other sector or project. The collateral benefits of educated females do not remain confined to education alone but extend to improved nutrition, better health care and sanitation, family planning and environment. We can see that the districts in Pakistan with the lowest female literacy rates and lowest female enrolment ratios are also the most backward and poor districts.

 It has also been proved beyond any doubt that Education is a powerful leveling influence as it not only lifts people out of poverty but also promotes social mobility. You may not realize but it is the fact that Civil services and Armed Forces in Pakistan have attracted several hundreds of thousands of young men and women from low income and low middle income families and transformed them into upper strata within one generation. This is possible only if the recruitment is done on pure merit. The demonstration effect of merit based recruitment on the younger members of the poor and low middle class is very powerful. They work really hard and try to excel because they believe that their diligence will pay dividends in form of appointment to these prestigious positions and life long career. Just and Equitable Development is therefore closely connected with Education. In absence of it, the society will be elitist, closed and unjust – ripe for social upheaval and explosion.

 So, if the benefits of education are so well known what seems to be the problem in Pakistan. Is this a demand-side problem or a supply-side problem? There is no doubt in anyone’s mind that demands for education in Pakistan is quite high across the board. Even the parents in the FATA tribal areas want their children – both boys and girls – to attend school. A very powerful indicator of the demand is the rapid growth of private sector schools where parents are voting by their feet. Even small farming families in rural areas are paying tuition fees and other expenses for their children to attend private schools. It is a myth that private schools are necessarily expensive. The majority of private schools are low cost charging Rs.200–300 per month. In Punjab, it is estimated that as many as 30 percent of the primary school enrolment in the rural areas of Punjab is in the low cost private schools. But despite this high demand, as many as 7 million kids aged 5-9 or 3 out of 10 children of this age group are not in school. Dropout rates are quite high, only one out of four children aged 10-19 attends secondary or higher secondary school. In all 25 million children are denied the right to education that is now a constitutional right of every Pakistani.

 The problem really lies in the inadequate supply of schools and teachers. Government schools form 70 percent of the total supply but they are still insufficient to meet the growing demand. But more worrisome is the prevalence of absenteeism among teachers, poor quality of instruction and deficient infrastructure facilities. Public expenditure on education accounts for 1.5 percent of GDP and 85 percent of that is spent on the salaries of teachers. Monitoring and Supervision of the schools are lax, head teachers do not enjoy any administrative powers, local communities have hardly any say and political interference in the appointment, postings and transfers in the Education Department is quite rampant. So even this budgeted amount is not effectively spent.

 How can this problem of inadequate supply, low public expenditure and poor governance be resolved? There are some interesting experiments that are taking place in Pakistan that can be replicated and scaled up. But this will be possible only if we change our mind set and do not insist that the Government should enjoy exclusive monopoly of provision of education. While it is the responsibility of the Government to make sure that we have universal compulsory primary education and also financing is available for meeting the education needs of the poor and the disadvantaged it is not necessary that the private sector, non-profit sector, local communities should be excluded from the provision of education. Given the gravity of the situation and enormity of the challenge ahead we must adopt ‘All hands on the Deck’ approach in expanding the access and improving the quality of education in the country. We must have Government schools, private schools, NGO schools, Public-private partnership schools, community schools etc. throughout the book and corners of the country.

 Let me share with you the successful example of the public –private partnership adopted by the Punjab Education Foundation (PEF). As many as 850,000 students from poor families receive vouchers worth Rs. 350/- per month which entitles them to enroll at the approved private school of their choice in their neighborhood. 1780 schools have been screened and evaluated and are eligible to participate in this scheme. The cost of educating a child in a private school under the voucher scheme is only one third of the cost of educating a child at the public schools. So within the same amount of budget, the Government can finance three times more students at private schools in place of the Government’s own provided schooling. The quality at private schools is also relatively better. So both in terms of access and quality private schools and NGO schools offer better prospects.

 I now turn to the work of The Citizens Foundation (TCF) whom you have been rightly supporting for the last few years. TCF has so far established more than 800 schools in 93 different locations throughout Pakistan and has enrolment of 115,000 students. In my view the biggest contribution the TCF has made to the delivery of education to the disadvantaged segments of the society is that they have developed a tried and tested viable model of Private Sector – NGO partnership that can be replicated and scaled up. Other organizations having seen the efficacy of this model are following the example of TCF and therefore, its success should not be gauged simply by its direct efforts but from this larger contribution. The multiplier and demonstration effect of the TCF would be much more valuable than its direct provisioning. But even in the area of direct provisioning, the TCF has still a long way to go and penetrate in many backward areas of the country. They would continue to deserve your financial and moral support for expanding their activities in the coming years.

 What are the critical success factors of TCF? First, there is a highly dedicated and committed group of private sector businessmen and professionals who are involved in the governance of the schools. Second, the management has been entrusted to highly competent professionals who are given decision making authority but are held accountable for results. Third, the students belonging to the poor families are given the same quality of education as enjoyed by their well-to-do cohorts. Fourth, the stipulation that the teachers should be female only has promoted girls’ education widely in its co-educational schools. Gender balance is one of the healthy consequences of this stipulation. Fifth, the teachers are trained regularly and assessed at periodic intervals with constant feedback provided for improvement. Sixth, there is a complete transparency and disclosure of financial and other information. Accounts are audited by professional auditors of repute and annual reports, websites, videos and other means display all the relevant information and data.

 The TCF has brought about a complete rethinking about the provision of quality education for the poor and disadvantaged segments of the population. Overseas Pakistani such as yourselves present in this gathering have been among the most ardent supporters of TCF. But you only do it because you are convinced about the effective utilization and purposefulness of the amounts you donate every year. You are satisfied that the number of students is slowly and gradually expanding, the standards are maintained despite such growth and expansion and they money is being rightly utilized. We have a long way to go to achieve 100 percent enrolment at the primary level but if we continue this eclectic ‘All hands-on-the-deck’ approach I am quite confident that we will be able to meet this goal sooner than later. I wish to express my sincere gratitude to all of you for your continuous support to TCF and hope that you will spread the word among your relatives, friends, colleagues so that the TCF can expand its network and enrolment at an accelerated pace.

1. Keynote address at The Citizens Foundation, Seattle event held on October 13, 2012 [↑](#footnote-ref-1)