

Does poor economy of a country always affect education negatively?

I- Introduction

II- Understanding the nexus between poor economy and education

III- The poor economy of a country always affects education negatively

(a) Economic downturns leading to budget cuts in public spending

Case study: reduction in education spending during Greek financial crisis

(b) The widening gap between public and private education opportunities

Case study: increased privatization of schools during economic crisis

(c) Increasing the cases of dropout rates from educational institutions

Case study: 2.8 million children out of school in Pakistan

(d) Limited access to resources due to economic stagnation

Case study: The Journal of Educational Psychology proves the decreased access to educational resources

(e) Emigration of talented individuals for better opportunities

Case study: high rate of brain drain in Pakistan

(f) Decreasing quality of education due to underqualified teachers

Case study: 70% of teachers lacking required qualification in Zimbabwe

(g) The growing digital divide in the realm of economic instability

Case study: Reduction in digital literacy as per the report of OECD

(h) Less focus on vocational training and skills development

Case study: Journal of Vocational Education and Training shows that: every 1% decrease in GDP leads to 0.5% decrease in vocational training investment

(i) Lack of extracurricular activities due to budget cuts

Case study: According to the report of American Educational Journal, budget cut reduces extracurricular activities

(j) Reduction in scholarships and financial aid programs

Case study: Spain economic crisis (2008-14) <sup>have</sup> resulted in 40% reduction in financial aid for university students

#### IV- Factors that mitigate the impact of a poor economy on education

(a) Effective policies buffering the negative impact on education

Case study: Singapore's government increased education spending by 10% during 2008 financial crisis

(b) Targeted programs for vulnerable population

Case study: Ehsaas Scholarship Programs for poor families in Pakistan

(c) Flexible tuition fees to promote inclusiveness

Case Study: The Global Partnership for Education allocated \$2.3 billion for education in developing countries in 2020

(d) Innovative education models to prioritize education

Case study: online learning, community-based initiatives

(e) Collaboration with private and non-profit organizations for additional funding

Case study: resource sharing and expertise

## V. Conclusion

The relationship between education and economic state of a country is quite intricate. While some nations experience negligible impacts on education sector, in poor economic conditions, the majority have to face the consequences. According to Pournic spike in the Journal of Educational Psychology, "Although education sector is the least focused sector in some developing countries, the poor economic indicators mostly affect education, which is felt due to their indirect relation." The repercussions on education involve the <sup>budget</sup> cuts, unprecedented surge in out of school children, and reduction in the quality of education. In addition, with a stagnant economy, the infrastructure of school remains in dismal conditions. Therefore, in order to reduce the effect of dwindling economy on education, various factors need to be pondered upon. Among them, government strategies hold the prime importance. With effective policy formulation, the spending on education could be encouraged. Moreover, inculcating vulnerable

population and introducing innovative  
education model could mitigate the  
ramification. These steps, if taken sagaciously,  
could transform the education sector  
to the highest level even in a  
situation of economic instability.