

Essay: Does poor Economy of a country  
always effect education negatively ?

## OUTLINE

1) Introduction

2) Relationship between economy and education : An Overview

3) How Poor Economy of a Country effect its  
education negatively ?

a) Poor capacity building of policy makers to adapt  
to evolving global educational trends

b) Impedes the culture of research and development  
(R&D) due to resource constraints

c) Deters the state ability to deliver on its  
constitutional mandate - free education provision

d) <sup>Propels</sup> stark division between Urban and rural areas  
and quality of education



d) Rising out of school children and child labour

f) Poor civic sense and political awareness among youth - no checks and balance on economic policies

g) Hampers technological innovation in a country

h) Discourages females education and prioritizes male education due to resource constraints - Gender divide

i) ~~Rising~~ Acceleration of NEET (Not in Employment and Training) Youth

j) Reduction in STEM workforce (Science, Technology, Engineering and medicine)

4) Implications and detriments that stem from poor education for a country in a longer term:

a) Increase in Brain drain

b) Democratic retreat in a country and erosion of public trust



c) Poor Human development and standards of living

d) 3 evils of society - Extremism, Terrorism and separatism disintegrate the social fabric of society

5) Measures to leverage the limited economic resources for higher educational yield:

a) Greater allocation of funds from GDP for educational sector - scholarships, research & Development and technological upgradation

b) Seeking ↑ <sup>funding</sup> support of international actors and NGOs for ensuring qualitative education

c) Triple Helix partnership - Academia, Government and Industry linkage to boost economic growth while keeping/maintaining education



d) lessons from Bangladesh and India to turn burgeoning population into an asset with economic self-reliance models

b) Conclusion

Thesis statement:

Economy and education are the two facets of the same coin. Strong economies are a hallmark of vibrant educational system and vice versa.

It goes without saying that poor economy of a country always affect education negatively with poor skills, growth and innovation in

human workforce. Therefore, collective measures are high need of time to turn economic challenges into a catalyst for progress and development.



In an era defined by unprecedented connectivity, economic growth, innovation and development, most of the world still find itself more divided and underdeveloped than ever. Why is this so? A long list of causative agents comes to one mind while asking this question. The prominent <sup>reason</sup>, however, is the post-globalization repercussions on the global south that is directly translated into widening disparities and perpetuating economic inequalities. Such countries have struggled to navigate through the challenges of globalization and thus have lost their <sup>economic</sup> potential, afflicted with poor human development. Therefore, a poor education and human capital development can be rightly pinned on poor economy of a country. There are number of negative impacts that stem directly from poor economy on education sector of a country. For instance, the lack of funds and fiscal space with government debars the ability of government to train its policy makers on the recent novel trends in education sector and to improve their efficiency with



need of time. Similarly, lack of funds impedes the culture of research & development, propels stark division b/w urban and rural areas, compromises the quality of education and hampers the culture of technological innovation and growth. In a same manner, resource constraints fuel out of school

children dilemma and rising child labour in a country. It also lays the groundwork for gender divide and male youth in NEET. Similarly, considerable reduction in STEM workforce is also the necessary corollary of poor economic and educational growth in a country. People Youths

becomes insensitive to the issues encompassing economy of a country, thus instilling poor civic sense and political consciousness. These factors altogether exert a profound influence on a country in a longer run, instigating brain drain, demographic deficit, erosion of public trust, poor human development and social disintegration. Thus, the country falls into a pit of disaster, digged by poor economic management and resource handling.



Therefore, it is incumbent on the states to learn the tables on effective decision making involving resource management, if they want to achieve progress and prosperity in a longer run. With the right mix of economic reforms like greater share for education sector from the GDP of a country, seeking financial support of international actors and NGOs, leveraging public-private partnerships and Triple helix partnership, and incorporating successful models of regional countries, the country can be steered out of troubled waters towards the road of <sup>ce</sup> Progress and Development.

Economy and education are closely related to each other and both are intertwined. Strong economies are directly translated into strong human development. When the states have ample amount of resources and capacity, they invest in the human capital. Education decides the fate of a nation in global hierarchies. Countries with dwindling economic system always lag behind in education and global competition. Therefore,



investment in education sector is indispensable for sustainable economic growth of a country. Countries like India and Bangladesh are the best case studies in this regard. They ensured the qualitative education and employed greater share from their GDP to human development sector, paving way for strong economic output. It will be suffice to say that poor economy is tantamount to poor education and human development in a country, if the economic resources are not exploited well.

Having explored the relationship between economy and education, it is important to move to the next logical step of understanding how poor economy of a country affects its education negatively. To begin with, the governance sector of a country is confronted with several challenges to carve out an effective and efficient <sup>education</sup> policy. The low fiscal space with government exerts a profound pressure on research and problem identification during policy making. As a well researched



policy is tantamount to exploring ground realities of problems encompassing education sector, policy makers find themselves grappled by economic constraints. Moreover, scarce federal resources also discourage the capacity development programmes of policy makers due to which ineffective policies with poor problem identification emerge. The prime example of such hasty policy making can be found in Electric vehicles policy (NEVP), the casualty of unrealistic agenda setting. Thus, scarce resources set the stage for poor decision making encompassing education sector particularly.

Another substantial issue that undermines the education system is low funds for research and development (R&D). As the poor economies are in predicament of multitude of problems to make the ends meet, they divert the attention of resources from education to other political problems of elitistic nature. The trend can be observed in global poor economies like Africa, Pakistan and Afghanistan. The world Bank has ranked them worst on the



performance of education system with less than 3% of GDP allocated for the research and development. Such states, where other sectors like defense and military spendings are prioritized over research and development, are doomed to fail in a longer run.

Similarly, economic constraints deter the state ability to deliver on its constitutional mandate, like provision of free education to its citizens. Every constitution of democratic countries mandate free and impartial education to all population without discrimination. Unfortunately, lack of resources and funds with government prevent them from imparting free education to children, the results of which are far reaching <sup>consequences</sup>. Unavailability of opportunities to youth are often translated into socio-economic problems of a country. State becomes a breeding ground for illegal and immoral activities, disintegrating a social fabric of a country. In short, failing to meet constitutional objectives of involving education system can be rightly pinned on economic constraints.



With the declining state's ability to cater the growing educational needs of people, state also encounter challenges like allocation of funds to rural development programme involving funds for schools and early childhood programs. It deepens the faultlines of state, making it unable to meet its fiscal responsibility of provision of free and accessible to all population.

Consequently, center or schools in federal and urban areas receive considerable more attention than the schools in peripheries. Thus, the lives of people become degraded with the lowest enrollment rate in schools.

As parents are not able financially to fund the education of their children, they prefer to withdraw from imparting education to their children. United Nations

Development Programme (UNDP) also reports that the rate of enrollment in rural areas are 17% less than the urban areas. Conclusively, it intensifies the stark division between urban and rural areas.

The <sup>necessary catalyst</sup> ~~key driver~~ of urban-rural divide is more-out-of-school children, which exacerbates the



Socio-economic problems of a country. These out-of-school-children set the stage for harboring extremism, murder, rape, crimes and other evils in a society. The future of a state depends on the quality of its people. Illiteracy and or no prioritization of education will move the country into shambles, frustrating the very foundation of a country. Therefore, limited or no financial allocation for schools and colleges would serve as a catalyst for rising social problems of a country.

Another pivotal impact of poor economy on education system is poor civic sense and political consciousness. As Maslow's hierarchy of needs also implies that those stuck in basic physiological needs of life would never climb up the hierarchy to reaching to self-actualization. Similarly, less resources with the countries find themselves in a predicament of survival trap, their population aim to achieve short term goals in the



form of food, shelter and clothing. Resultantly, the objectives of people shift. They are not bothered by political participation as they find it luxury to spend a penny on performing civil duties. Bertrand Russel also argues in his book "why men fight" that one cannot expect progressive democracy in a country, where people fight over basic resources. This makes it clear that weak economies struggle with undermined political consciousness among its youth.

Another complex issue that a country struggles to address due to its weak economy is limited technological capabilities in education sector.

A country struggles with adequate computer labs and science laboratories in educational institutes, further eroding the quality of education. It has been observed that the implication of improper technological infrastructure is not only poor quality of education but also of innovation and creativity. The silicon valley of united states is



closely working with universities like Stanford.  
The students does not only leverage the innovative machines but also produces similar or more advanced one. Thus, the advancement in technology of a country is a result of reciprocal relationship between the use of technology by students and in turn contributing more innovations in the field of technology.

Similarly, the other substantial issue stemming from poor economy of a country is gender divide. As it is an established fact of patriarchal societies that the education of women is given considerable lower weightage and importance than of men. The phenomenon is exacerbated particularly in economic crisis, where the marginalized segments of society, that is, women are forced to quit education and seek early marriage. There are many reports of UN women and human rights commission on impact of poor economy on gender divide, the notable



one is the aftermath of 2022 floods in Pakistan, which has inflicted a severe cost on the economy. Human rights commission reported destruction of more than 1500 schools in Pakistan, pushing the families to marry their daughters at early age due to rising poverty. Hence, marginalization of women is the natural outcome of poor economy of a country.

Another detriment of weak economy on education system is NEET youth. The Gallup report of Pakistan (2023) presents that out of 58 million youth, 21.8 million youth comes in NEET (Not in Employment and Training). Such huge number of young people paints a gruesome picture and is an evidence that how poor economy of Pakistan, having less than 3.5% growth (IMF), contributes to escalation of NEET youth. State's scarce resources impedes it of funding of training and educational programs. The result of which is of uncompetitive manpower and unproductive



youth, which is nothing but a huge liability on state. It will be suffice to say that the emaciated resources render deplorable youth

With the rising NEET youth, a country also plagues with the problem of reduction in STEM workforce. The countries, having poor educational output in the form of uncompetitive workforce, struggle to keep with the evolving trends of STEM. As per UNESCO, low income countries <sup>contribute</sup> only 7% to the STEM workforce due to their unstandardized, uncompetitive and uninnovative curriculum <sup>in</sup> education sector. Therefore, low income countries are confronted with the challenge of productive workforce. The blame of this situation can be squarely pinned on reallocating priorities from the education sector to all other areas.



Having outlined the core impacts of poor economy on education system of a country, it is necessary to shed some light on indirect implications that stem from poor educational system on a society in a larger sense.

The foremost consequence due to poor educational opportunities is increase in brain drain.

As youth struggle to get the standard education and if some get so, they find dearth of opportunities in accessing employment opportunities.

The result of which is brain drain, leaving country for sophisticated employment opportunities abroad. India stands as a prime example of such

situation. Before 1991 reforms of Manmohan Singh, India's economy was closed and performed worst, and recorded less than 5% annual GDP growth. The critical number of talented youth left India and moved abroad. As per IMF and World Bank, which later rescued India's economy, atleast 3 lakh skilled workforce moved abroad.



It proves the fact that <sup>education system</sup> poor economy that <sup>exacerbated by poor economy</sup> is often ~~education system~~ propels brain drain in a country in the longer run.

Another problem that bewilders the country with flawed education system is democratic retreat. People of such countries stop trusting their authorities due to their inefficiencies <sup>and inability to deliver on their responsibility</sup>. Such erosion of public trust prevent people from taking participation in democratic activities. The trend of waning trust of people was visible in Pakistan. Since 2018, the turnout has been a mere paltry 20 percent or lower. The eroding civic sense and desire to participate in country's decision making can be rightly attributed to substandard education system.

Similarly, another pressing consequence of inadequate education system is deterioration



of human development. With the decrease in overall literacy rate, the substantial fall in the human development index can be observed. One of the most evident example of such fall in human development index is of Afghanistan. It lies at the bottom of human development index (HDI) published by UNDP, ranked 182 out of 193 countries. The abysmal condition of Afghanistan's education system with the distinct exclusion of women intensified its falling in the human development index (HDI).

Another polemic consequence of weak education system, that detrimentally influences society in the longer run, is affliction of society with the three evils - extremism, terrorism and separatism. Without adequate education, the society becomes breeding ground for such evils. Education does not only prepares individuals with better employment opportunities in future, In fact, it fosters a more resilient, tolerant and inclusive society. Unfortunately with the



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poor and sub-standard education that radicalizes society, the very foundation of a society ~~becomes~~ are fractured, leaving its people hollow shells. Therefore, it is rightly said that if you want to destroy a nation, lower its quality of education.

Only highlighting the issues and its consequence would not solve the problem, it is equally important to shed some light on what ought to be done to steer the country out of crisis.

For this, there is a need to adopt some painful measures to ensure development of a nation in the longer run. Therefore, some steps like increasing allocation of resources from the national exchequer for the education sector is necessary to turn the tables on effective education. A country should list down its priorities, but keep the education on top to guarantee the sustainable development. It



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would create a win-win situation, where government will take and ~~draw~~ <sup>reap</sup> profits from the skilled youth, contributing in the economic development of a country. Example of India stands as an outstanding one, which has made ~~ensured~~ its education sector an epitome of efficiency and innovation. It allocates more than 14% of its GDP to the education sector. (OECD). Thus, It proves that the success of the economy of a country is tantamount to its allocation of resources for the education sector, as in case of India.

Another important measure to uplift the status of education system is to seek the support of NGOs and international organizations. As the utmost aim of these organizations is to promote quality education. United Nations is actively advocating for sustainable development goals and, therefore, supporting several initiatives working at grass-root level. These resources



should be prudently channeled for the sustainable education system by the governments making sure funds reach the desired targets without any leakage. Similarly, the help of NGOs are equally important to strengthen the roots of qualitative education in a country.

Alif Aalaan, one of the successful NGO in Pakistan, which up-lifted the lives of 100+ rural communities through education and skills development in Pakistan, can be should be replicated to gain wider benefits for a society. Hence, it becomes clear that the support and funds of NGOs and international organizations are substantial to elevate the status of education system in a country.

Lastly, government should foster an environment of triple-helix partnership for the strengthening the education and economy of a country. ~~Govt~~ Industries should closely work with universities under the supervision of government to enhance the culture of



research, development, innovation and productivity in a country. It would not only boost economic growth by increasing productivity but also ensure thriving of the research and development (R&D) culture. One of the notable examples of such partnership is evident in Shenzhen city of China, a neo-silicon valley, which works in close coordination with the universities and government, producing tech-giants like Huawei with the help of research produced by students. In short, academia-industry and government linkages are indispensable for innovation, productivity and economic growth in a country.

To conclude, education and economic growth are closely related to each other. Therefore, if any of the two suffers, the shocks could be felt in whole body of a country. Poor economics have always been the source of below par performance of the education system across the world. Lack of funds lead to poor capacity building of policymakers, who shape education models to the emerging trends



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of the world - Similarly, other challenges that stem from poor economy and poor allocation of resources for education sector are dysfunctional culture of research and development (R&D), urban-rural divide, rising out of school children, child labor and <sup>poor</sup> political consciousness among citizens. Moreover, <sup>it also</sup> impeded technological innovation, female education and contributes to acceleration in NEET youth and reduction in STEM.

workforce. The implication of poor education system on society is far-reaching in the form of increased brain drain, democratic retreat, erosion of public trust, poor human development and extremism. ~~be a~~ society. However, with the correct mix of reforms like greater share for the education sector from the annual GDP, seeking support of international organizations and NGOs and ensuring triple-helix partnership, a country can turn its economic challenges into a catalyst for progress, setting an example of resilience, adaptability and innovation across the world. Therefore, in order to materialize reforms, countries should always adopt pragmatic measures — For tomorrow belongs to those, who strive for it."