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Economic Prosperity of a Nation  
is Directly Proportional to the  
level of literacy in it (2004)

## 1. Introduction

1.1. South Korea alters agrarian to industrial economy by upgrading literacy level.

1.2. Economic Prosperity link to level of literacy.

1.3. Thesis statement:

Literacy drives economic prosperity through innovation, industrial efficiency, work force productivity increase. It can directly link to resilient economy.

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2. How literacy level <sup>directly</sup> link to the Economic Prosperity of a Nation

2.1 Literacy fosters innovation through research and development which boost economy.

Case-in-point: Israel 4-5% GDP spending on Research and Development lead to economic prosperity.

2.2 Literacy enabled workers in adoption of technological tools that increase their efficiency. 2.6

case-in-point- South Korea technology adoption

2.3 Literacy rate can help in more employment generation by entrepreneurship and start-up culture. 2.7

case-in-point IMF Report on <sup>role of</sup> education in knowledge economy.

2.4 Skilled and technical literacy increase productivity of workforce that increase economic outcomes. 2.8

case-in-point. Germany Dual Vocational Program.

2.5 Literacy directly increase efficient industrialization that increase production of goods and decrease imports. 3

case-in-point. china development in industrialization 3.1

2.6 Women Literacy increase workforce participation that drive economy at higher level.

Case-in-Point. Bangladesh garment industry by women participation

2.7 Human per capita income increase which foster economic prosperity by reducing poverty.

Case-in-Point. Per capita income of Pakistan according Pakistan Economic Survey.

2.8 Digital literacy helps to create <sup>wide</sup> economic opportunities in online platforms beyond geographical constraints.

Case-in-Point. UNESCO report on online learning.

3. Suggested Measures to increase literacy level to foster/catalyse economy -

3.1 Promote technical, vocational and

Skilled literacy to increase economic Prosperity.

3.2 case-in-points Estonia e-learning model

3.2. Industry academia linkage for employment generation and job opportunities

3.3 Align curriculum to modern trends that drive national economy.

3.4. Increase education budget for capacity building.

• UNESCO Report on Budget allocation

3.5. Promote Research and Development culture for innovations and discoveries

• china as model in R & D.

## Conclusion

# The Essay

South Korea in mid 19<sup>th</sup> century have no minerals, no oil, no technology then they start investing in education rather than industry. This step led to emerge engineers, scientists and skilled workers that boost their economy from agrarian to industrial economy. South Korea examples shows that investment on literacy pays the best interest. Any nation economy depends on the literacy level.

Modern and up graded literacy can help any nation to get height of prosperity through innovation, efficient industrialization and increase in the productivity of workforce. Developing countries like Pakistan that facing struggle to sustain their economy they must invest on the education or literacy rate rather than industry. It is due to that skilled nation can help in a

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better way to get resilient development by employment generation and increase in per capita income. This economic prosperity leads to decrease in poverty in developing countries and enable them to adoption of new technologies at root level. High literacy level helps people to increase awareness about new learning tools and increase in women labor participation which directly helps in economic prosperity of a nation.

Literacy level is directly proportional to the economic prosperity of a nation as literacy fosters new discoveries and innovations through research and development. In educational institutes research culture helps student to innovate new thing by experimentation. Students develop their interest when their institute provide research

facility. They expose to new lab culture that enables them for creative thinkings. This can help them to make discoveries rather than just holding a degree. Every student have a unique creative nature that nurture only by polishing and research and development culture helps all students to use their conscious minds to innovate and discover new things. These innovation helps their country to boost economy. when a research applied at industrial level and produce new things that lead to less imports and more exports that generate more income in developing countries like Pakistan for example Israel spend its 4.5% GDP share on research and development that help it to innovate and prosper in new technology and boost its economy at next level.

So, investment on education sectors pays the best interest. If any nation want to get prosperity then it must upgrade its literacy rate that foster innovation and technology development.

Moreover, Literacy is the need of the time in 21st century.

Now, world is changing rapidly. If any nation want to get prosperity

then it must align itself to new and modern trends. There

are many tools and new machineries available but developing countries like Pakistan lack

Such people that use these tool efficiently to get best outcomes

Literacy enabled workers to adopt new technology efficiently

in less time. As Nelson Mandela said, "Education is the most

Powerful weapon which you can use to change the

World". So, through education or literacy it is easy to adopt any technology or modern tools. Now illiterate workers have very less contribution in economy because unawareness to use modern technology slows down their productivity and efficiency that roll back them in economic prosperity. Like South Korea technology adoption from 1960 - 1990 which help them in economic prosperity. Developing countries must seek learn from this that people adopt new technology only when they have education.

Furthermore, Literacy level decide employments in any country. Developing countries have low literacy rate and they have low job opportunities and unstable economy. Education or literacy enable people to think differently. They use their creative mind to start

their own business with low investment. An educated person creates opportunities for itself. He does not wait for any person who help them for development.

Literacy rate increase employment by entrepreneurship and start-up cultures. as Adam Smith said, "

"Education is not the preparation for life; education is life itself." So, above mention quote

emphasize on importance of literacy for life. An educated man creates opportunities and employment and economy of a nation stabilize by these people who work hard to get education and use it in a better way to create money

According IMF report in 21st century knowledge economy is needed.

Developing countries boost their economy by increasing their literacy rate and use their labor to boost economy.

By learning from IMF report developing countries must invest on literacy if they want sustainable economy.

One more major literacy high level outcome is that technical or skilled literacy rate increase the productivity of the workforce. Labors who have proper training about their work must have more productivity level. Any illiterate person have less production level because of having no professional or skilled training. As Adam Smith said, "The Wealth of Nation lies in the Skill of its people".

He keenly observe the situation of workforce and emphasize that only skill people are true changer for any nation. Any skill can helps to increase productivity at minor to major level. Economy directly related to productivity and productivity directly linked

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to skill labor force. Any industry have new and modern technology and machinery but if all labor are untrained they used traditional and slower method for production that take more time and less products. Hence, it is proved that, only having technology is not sufficient rather having skilled labor is necessary which increase productivity and helps to foster economic prosperity of a nation.

Literacy not only increase productivity by skilled workers but it also important for the efficient industrialization. Goods productivity depends on industrialization and developing countries like Pakistan which only depend on agriculture majorly is not enough for economic prosperity. Because industrialization promotion decrease exports and

increase exports which generate more income. Literacy level decide the Industrialization efficiency of a nation because education is the inevitable part to work and manage industries. uneducated people may run factories and industries but efficiency is very low. Pakistan heavily dependent on <sup>imports</sup> exports for daily goods and food items. That's why economy is fragile so Pakistan and other developing countries must invest on literacy. As per UNESCO report 231 millions children remain out of schools. These numbers are alarming for both developed and developing countries that illiteracy creates social inequality because literacy enable anyone to earn livelihood and get opportunities to work in industries so this situation may lead to decrease in industrialization due to lack of skilled labor force.

So like China develop their industrialization other countries must learn that how economic prosperity get through investment on education.

Similarly, women literacy rate also directly link to the economic prosperity of a nation. As word bank reported, "By educating women is the most quick and sustainable path to get economic prosperity."

women education is important not for women but for a whole nation. Like Pakistan, women are 49% in total population so if they remain in homes and illiterate then how can Pakistan get prosperity. According to Economic Survey of Pakistan, 62% men are educated and 52% women are educated in Pakistan but only 25% participate in labor work other than agriculture works. So literacy rate decide the women

Participation in work force. Education can enable any women to help in participation of economic prosperity.

If women works they can give a quick way for any nation in economic prosperity. Like Bangladesh garment industry prove that women participation boost economy.

69% women work in garment industry of Bangladesh. This step lead Bangladesh to sustainable economic development.

Additionally, Literacy rate increase the per capita income.

Per capita income decide the overall economy of the country.

Education helps people to work and get employment and different opportunities to grow and prosper.

when any nation have high per capita income then poverty is reduced. People live a

good standard life. Poverty is

negligible. Social disparities reduced and it leads to prosperity of a nation. As Muhammad Ali Jinnah said, "Education is the matter of life and death for Pakistan because no nation can rise above the level of its education."

As our founder father emphasize on the importance of education we must invest on the education to increase literacy rate.

As per world bank report Every "one" child among 10 children do not have access to education in developing countries." So when children do not have access to equal education then per capita income cannot be increased which generate economic inequality and increase social disparity. So if any nation want progress then they must increase their per capita income by increasing education.

Besides increase in per capita income, digital literacy is most important in 21st century to get progress in the economic Prosperity. Developing countries have less FDI investment so they must seek other ways to get income. So Digital platforms offers many job opportunities by work from home or online.

Online earning is the new modern way to get sustainable path to economic progress. Online platform need skilled or trained workers which is only get by digital literacy. People must get digital knowledge then traditional knowledge. E-learning is beyond the geographical barrier anyone have equal access to education then to work in foreign companies and complete their projects which generate a handsome amount.

to the workers. This is easiest method to generate dollars which boost economy of developing nations. As per UNESCO reported digital learning and increase per capita income of the developing countries through digital platforms. So, there is catalyst for economy through digital earning. People participate in the economic progress by earning through online platforms.

Economic prosperity can only be achieved by increasing literacy rate in such manner that helps a nation to get progress in less time. There are following suggestions to increase literacy. Firstly, skill, technical education is necessary rather than just holding a degree of having no meaningful purpose. Universities and other education institutes must build a capacity that helps students

to train and polish their skill so they may generate income to earn their livelihood. They must train students for practical life. Purposeful education is the need of the time. Like Estonia e-learning model helps its student to generate income by using digital platform. They do not just focus on giving degree but they focus on technical or skilled education that help them to cope with real life situation. So now all countries must promote skilled literacy to get real purpose of education that help a nation to achieve progress in economy.

Secondly, developing nations have universities but poor linkage to industries. This situation is very adverse for the future of the graduates. All universities must

industry academic linkage so students get practical education. They must going through real and practical life experiences which help them to get jobs. Industries must provide internships and such environment to the students that help them to do experiments and lead to innovation and when they pass out from university they must have alternative job opportunities for income generation. This helps to decrease unemployment in developing countries like Pakistan. As per Pakistan economic Survey, "Thousands of graduates are unemployed every year because of having no job opportunities". This survey highlight the grievance of the graduates that have degrees but no opportunity to earn ultimately causing burden to economy of Pakistan. So if any nation want

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Progress then their universities infrastructure must be changed from only giving degree to giving them opportunities to learn that helps a country to get economic progress and development.

Thirdly, Curricula must align to modern trends that drive national economy. Curriculum is old dated. In 21st century there are new technologies and tools but developing countries like Pakistani universities teach old method and procedure of product formation that have no application in practical life. Students are taught on old syllabus when they come in practical life they face difficulties to align with that situation. This situation reduce their confidence and creativity and major impediment to the

path of progress. If any country like Pakistan want to progress in economic sector they must update their syllabus to the modern education or industrial needs. Students if studied modern education they can help in a better way for the development and per capita income generation.

Fourthly, along with the updating syllabus, there is need to increase education budget for capacity building of the institutions. Education budget must be according to UNESCO standards.

As per UNESCO, Education budget must 4-6% of its GDP. UNESCO set the standard limit because every nation must invest on its literacy rate to uplift its economy. Literacy budget allocation decide the growth of any

nation As Benjamin Franklin  
said, "An investment in  
Knowledge Pays the best  
interest". By following Benjamin  
Franklin suggestion, any nation  
can get sustainable economy,  
because any other investment  
without having high literacy  
rate in country has no  
use. If any country have various  
new technologies and tools  
but its people are illiterate  
they do not know the  
best use of technology that  
how can be they effective  
to increase productivity. So, it  
is necessary first to build  
capacity of institution by proper  
budget allocation.

To sum up, literacy  
level drives economic prosperity  
through new discoveries and  
innovation. It generate high

per capita income by employment creation. Literate people are capable to adopt technology in a better way to promote efficient industrialization. This can increase the productivity and decrease imports and boost the economic condition of a country. But according to Henry wadsworth it can achieved by following.

"The heights by great men reached and kept were not attained by sudden flight, but they, while their companions slept, were toiling upward in the night"

Developing countries like Pakistan need reform in education sector like alignment of curricula, research and development culture. They must develop linkage between industry and academia.

So by following these steps they can get progress in sustainable economy.