Higher Education: an Economic Necessity with Reference to Employment in Pakistan

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Today most of the nations of the world are development-minded. The countries which have been poor are now in state of revolt against poverty, disease and ignorance.

The slogan of this world-wide revolution is development, and like other revolutionary slogans, it has various meanings to different groups. In many countries development means industrialization. In some it symbolizes the achievement of independence, politically and economically. In others it encompasses opportunity for education.[1] The rate at which new ideas and new techniques of production can be embodied in physical capital determines the rate at which the economy as a whole can advance. This then in one clear contribution which is made by education to economic development,[2] because it is from higher education and from research establishments that the new ideas and techniques flow. The contribution made by education to economic growth is something which has been attempted from time to time. The differences in earnings of different groups measure the different contributions made by them to the national economy. These differences in earnings reflect differences in skill and the differences in skill reflect in turn differences in formal and informal education attainment.[3] There is correlation between life time earning and educational background. The cost of education can be presented as a capital sum spent on or invested in human improvement—a sum logically parallel to what might be spent on production of capital goods. The difference in life time earnings between people

with education of a given level and people with minimum educational attainments can be expressed as a rate of return on the sum which has been invested. It would, therefore, subsequently be calculated whether or not investment in education had yielded a higher or lower rate of returns than that earned from a similar sum invested in physical capital. The contribution of education to increase in GNP in the United States has been made by Hector Correa. His calculations attribute, 31 percent of the increase of private nonfarm GNP between 1909 and 1949 to labour and capital inputs, 5.3 percent increments in education of labour force, 4.4 percent to improve working capacity due to health improvements, and 59.3 percent to other technological progress.[4] The role of education, particularly higher education, in the economic, social and political development of all countries is so important that no person can isolate educational developments from any given set of social, economic and political condition. At the same time political and economic aspects play a major role in international cooperation. The higher education, therefore, with its growing impact on national development around the world, appears increasingly to be an area in which international cooperation is considered not only desirable but also necessary.[5]

The developing countries are trying hard to reach to their self-sufficiency in food. Pakistan has put in hard efforts to reach the goal of its aim to achieve self sufficiency in food-grain. The need for higher education, therefore, appears at all levels of agricultural expansion. The need is not merely for agricultural scientists to introduce and adopt new technology, but farmers must be persuaded that there is a crisis and that they should adopt the new inputs and new methods. The highly educated manpower should educate them (farmers) through radio, television, the press and all publicity media available in the country. The knowledge and further discovery through research is necessary, as also the application of that knowledge and its adoption in a particular socio-cultural environment. We know the market is a cruel place as well as a benevolent one. Many a scientific discovery of great sophistication is rejected either because of cultural resistance or because of cost benefit analysis.[6] The higher education trains manpower which is required to develop knowledge and to adopt and apply it widely. The geneticist, the social scientist, the agronomist, the entomologist, the economist and

host of other scientists are needed in the realm of sources creation, land development, irrigation, prevention of erosion, promotion of savings, modernisation of banking and many other developments and research, specially in the developing countries like Pakistan.

Economists have long been aware of the importance of human resources development. Adam Smith stressed the importance of education at various points in the Wealth of Nations, and he specifically included the acquired and useful abilities of all the inhabitants or members of society in his concept of "fixed capital".[7]

> The acquisition of such talents, by the maintenance of the acquirer during his education, study, or apprenticeship, always costs a real expense which is a capital fixed and realized, as it were, in his person. These talents, as they make a part of his fortune, so do they likewise of that of the society to which he belongs.

Alfred Marshall has also emphasized the importance of education as a national investment and his view "the most valuable of all capital is that invested in human beings".[8]

The system of education in Pakistan is divided into three specific levels. First level is primary education, second is secondary and the third level is higher education. The higher education is provided in colleges, universities and research institutions. The curriculum at the higher level is mostly dependent on materials and sources emanating from other societies and, in applied sciences and technology, too much is based on sophisticated techniques that are not locally applicable. Teaching encourages rote learning rather than problems solving and deals with abstract and theoretical rather than human or physical phenomena observed here and now. There is, of course, a serious under supply of people trained and experienced in the design and execution of research projects. For this reason, research has become the lost haven for those who despite their research competence, normally cannot have the deep cultural sensitivity that is needed for the best result. Moreover, most researchers have been abroad and habituated to techniques and conditions not obtaining in the country. There is inevitable gap between the view-

point of the scholarly producer of applied research and the potential user and purchaser in the developing countries than elsewhere. As David Court remarked in an essay on East Africa, "academic training in major universities in the United States and Europe did not always fit the scholar for responding easily to the demand for policy oriented research", while conversely, "many of the policy makers..... .....were not sufficiently familiar with the nature of research activity to know what kind of requests they could justifiably make on the University." These shortcomings have contributed to a measure of disillusionment, which has inhabited the flow of fund and which David Court suggests, might be corrected in time by a "broad education in research appreciation."[9]

Despite all these, the obvious need for well proportioned, selective research programmes and the resulting benefits to government, society and University are so great that strengthening and expansion of this sector of University life will have high priority in the next several decades.

The Government of Pakistan no doubt is increasing expenditure on education. In 1959-60 Rs. 163.8 million were spent on education and Rs. 583.7 million were spent in 1969-70 which constituted 2 percent of GNP. It has risen to Rs. 2931.8 million in 1977-78 and Rs. 3286.2 million in 1978-79 which comes to 1.7 percent of GNP. Total public expenditure was Rs. 3668.1 million which is 1.6 percent of GNP in 1979-80.[10] Government has been providing a large number of foreign scholarships for higher studies and internal scholarships to talented students. Allocations have been increasing every year as shown below:—

Amount of Scholarships (1971-72 to 1979-80)

Year	Amount Million Rupees
1971-72	19.310
1972-73	24.320
1973-74	29.700
1974-75	42.295
1975-76	51.399
1976-77	52.237

1977-78	58.660
1978-79	59.100
1979-80	60.501

Source : Finance Division.

Employment in Pakistan

The enquiry conducted by Board of Economic Enquiry, Peshawar[11] regarding persons entering in labour market after higher examination in the N.W.F.P. is as follows :—

Level of Education	Unemployment
Graduate (B.A., B.Sc.)	34 percent
Professional Graduates (Engineers, Doctors)	30 percent
Other Level	47 percent

Source : View Point, Nov: 1979.

About 1,24,401 educated persons in Pakistan were seeking jobs in the year 1978. The number of job seekers according to their level of education is as follows :—

Level	No. of persons
1. Below Matriculation	40,813
2. Matriculation and Diploma	72,919
3. Graduate and Post-graduate	9,348
4. Polytechnic Graduate	1,321

Source : View Point, Nov: 1979.

There are reasons to believe that the actual number of literate people who have no job is many times greater than the figure shown above.[12]

Our country has one of the lowest per capita income in the world, while population explosion is one of the highest. The army of the jobless is constantly swelling and the unemployment ratio is

almost the highest.[13] The highest institutions in Pakistan have continued to produce highly qualified personnel for which hardly any demand exists within the country. Most of the highly qualified manpower end up in jobs for which they are overqualified. A large number of highly qualified manpower migrates to Europe, North America, Middle East and Africa and thus contributes to the "Brain Drain".

According to data of United Nations Conference on Trade and Development (UNCTAD) between 1960 and 1975 more than 300,000 skilled specialists emigrated to the United States, Britain and Canada, 60 percent of them were medical doctors and 40 percent scientists, engineers and technicians.[14] From Pakistan highly qualified people have also left the country to seek jobs elsewhere. The following table shows the number of highly qualified Pakistanis appointed by foreign governments.

HIGHLY QUALIFIED PAKISTANIS APPOINTED BY FOREIGN GOVERNMENTS THROUGH BUREAU OF EMIGRATION DURING THE PERIOD 1ST JANUARY, 1971 TO 31ST JUNE, 1974 (3½ YEARS)

Year	Libya	Saudi Arabia	Nigeria	Iran	Abu Dhabi	Malaysia	Sudan	Iraq	Other countries	Total
1971	15	68	13	8	—	23	—	—	67	194
1972	993	53	43	3838	15	20	1	1	71	5035
1973	2507	135	330	167	182	248	126	23	256	3974
1974	649	150	—	—	—	119	—	—	210	1128
Total	4164	406	386	4013	197	410	127	24	604	10331

Source : Economics Journal, Government College, Lahore.

Can it be that the developing countries do not need specialists and Medical Doctors? On the contrary they need them badly. The lack of doctors is also felt in Pakistan, Thailand and Philippines and

other Asian countries. In Bangladesh there is less than one doctor per one hundred thousand people.

No doubt Oil Producing and Exporting Countries (OPEC) have solved to a great extent the employment problem of Pakistan, where the vast emigration took place. The table below shows labour emigration trend during the last few years.

LABOUR FORCE EMIGRATION FROM PAKISTAN

YEAR	NO. OF WORKERS
1971	3,734
1972	4,530
1973	12,300
1974	16,328
1975	23,077
1976	41,690
1977	80,271
1978	81,922
1979	118,259

Source : Bureau of Emigration and Overseas Employment, Govt: of Pakistan.

Emerging shortage of skilled and highly educated manpower has adversely affected the execution of development projects within the country.[15] A scheme was launched regarding the visits of Pakistani experts stationed abroad to Pakistan during 1978-79. The scheme envisages minimization of the impact of brain-drain by retransferring the experience and technology on a short-term basis to boost Pakistan economy. Six experts visited the country during 1978-79[16] and the target for 1979-80 was to invite 25 Pakistani experts for short duration to assist the country in various specialized fields.

CONCLUDING SUGGESTIONS:

(1) There is critical shortage of all categories of high level manpower in the country. Efforts should be made to integrate manpower planning in the national economic plan.

(2) The development and utilization of human capital should be the major objective of development planning. A radical change in the concept and structural design of the educational system is inevitable.

(3) Efforts should be made to minimize migration of educated manpower by reducing the gap in the salaries offered in developing countries as compared to those offered in economically advanced countries.

(4) There should be close cooperation and coordination between manpower division and educational institutions for solution of educated unemployment problem and minimization of brain-drain.

(5) Population growth is also one of the threats for successful implementation of development plan and it would put pressure on resources. Manpower planning policies, therefore, cannot be effective in isolation but well coordinated population planning policy should be woven in it, otherwise it would be difficult to claim full employment of human resources.

(6) Public and private sectors should create job opportunities for the educated class which is useful for the nation and economic development of Pakistan, by creating new projects every year. The research in this connection has been undertaken and encouraging results are expected to emerge.

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