



Socio Economic Impact of Private and Government Educational Institutions on Development of District Nowshera Khyber Pakhtunkhwa Pakistan

Safia Begum^a, Nasiha Begum^b, Twaha Shah^c

^aAssociate Professor, Government Girls Degree College, Nowshera, Pakistan.

^bDirectorate of Education, KP Workers Welfare Board, Peshawar, Pakistan.

^cGovernment Girls Degree College, Nowshera, Pakistan

Abstract: The study was purposed to compare quality of educational institutions and their socio-economic impact on the development of District Nowshera by adopting descriptive method of research. The main objectives of the study were to conduct a comparative analysis of private and Govt educational institutions in District Nowshera and to find out the effectiveness of both types of educational institutions and their significant impact on employment, income and standard of living. As the study was conducted at the district level, population of the study constituted two hundred 200 respondents, hundred 100 each from private educational institutions and Government educational institutions. Survey method was used as a measuring instrument to collect data. The collected data were tabulated and then interpreted by using descriptive statistics. It was concluded that private educational institutions are providing better quality of education as related to those of government educational institutions. All the respondents were found for having a positive opinion regarding the availability of physical facilities, internet facilities, and teacher's ability for creating conducive learning environment. Furthermore, Government educational institutions found to have strong impact on employment, income level and standard of living of people in District Nowshera.

Keywords: Socio Economic; Educational Institutions; Pakistan

1. Introduction

Education being a significant agent for change leads to development and prosperity and its socioeconomic role cannot be ignored. The deterioration in the quality of education in Pakistan, especially low standard of the quality of secondary education was of great concern. Education a great weapon for the development of any society and is considered as one of the main pillars of the developed society. Keeping into account the signifying role of education in all types of developments in the world, only those nations have made progress and development which have a standardized and sound education system as per the modern trends and challenges. Education is a strategic

process of transforming the lives of individuals and that of the entire society; thus, creates awareness among the citizens about leading their lives and enabling them to face all kinds of challenges in the world. Leadership role in the world is played efficiently by the educationally sound nations. Pakistan could not grab worth mentioning position on the national development graph on account of non progressive education system. The primary education system being the foundation stone of a building remained ignored and neglected in the country; thus, leading to non-developmental perspectives in the field of education.

Education works as a strong catalyst of positive and constructive change while opening the gateways of opportunities for all diverse groups of society, thus killing the monster of inequality. Education, by providing an effective social ladder for development is rightly considered as a developer of human capital, as it directly enhances potentialities of people and mental faculties. The human capitals of thenationregulate the pace and nature of its economic development.The foundation of quality education is very weak in Pakistan in regard to drawing a line between private and Government secondary schools. Keeping in mind the motto of the day the quality of school system is lowering and deteriorating, it is important to compare the factual position pertaining to quality of education being provided by both types of schools. To keep pace with modern era, it is necessary to improve the quality of instruction in private educational institutions and that of Government educational institutions.The process of transmitting knowledge to an individual especially at a primary, secondary, higher secondary, graduate and postgraduate level while utilizing various leveled platforms is known as education. Education encompasses various studies that deal with the methods and problems of teaching in regard to society and the complex world. Education is a unified force of consolidating knowledge, skill and understanding that an individual gets while entering the formal learning institutions like a school, college or university. In broader sense, education may be defined as an action or experiences influencing individual's physical, intellectual and character-building capabilities. In economic literature, education is seen as an "Industry" in which investment is made, which produces human capital and it then affects the individuals, community and society in the overall economy. Education as a major tool plays a vigorous part in the entire development and growth of the economy.Education while keeping into account its significance has multiple roles to play in the society. In ancient Greece, when the state was considered as the main provider of education, Aristotle said:

"No one can doubt that it is the legislator's very special duty to regulate the education of youth; otherwise the constitution of the state will suffer harm. The citizen should be trained in accordance with the particular form of Government under which he is to live; for each type of constitution has a distinctive character which originally formed it and makes possible its continued existence again some preliminary training and habituation are required for the exercise of any faculty or art; and the same, therefore, obviously applies to the practice of virtue".

According to Hummel (1999:5)[1] *"Aristotle believed that education is the main responsibility of state, education should be provided to all citizens of state rather than upper class. In this case, education is not merely a family matter, thus it becomes a political matter"*. Education is considered as an industry in which investment leads to human capital development and it in turn paves the way for socioeconomic development in the society. Educated societies play a pivotal role in eradication of evil and spreading the message of peace in the society.Education is an important determinant of economic growth which has been emphasized by theories of Endogenous growth[2]and theories of Solow growth [3]. Education is the main source of income differences between nations because it is main factor of human assets, individual's income and economic growth. Sotiropoulos (1994)[4]reported that human capital learnt through information and skills is relatively higher in developed nations as compared to that of developing countries. Resultantly, rates of return to education are higher in developed countries as compared to those of developing countries.

Other than education, there are many factors which determine individuals earning such age, gender, occupation, computers knowledge, matriculation examination (SSC) institutions and household characteristics. Age and gender are the two important determinants of individual's income. In job markets in Pakistan, males are more

beneficial than females [5]. According to Hussain and Awan (2007)[6] qualification return to education is found more for males as compared to females in Pakistan. Khan and Irfan (1985) [7] reported that an individual's family background and his earning are significantly positive related to each other.

The correlation between workforce quality and economic growth is more important than impact of human capital and educational quality on individual's income and productivity. Economic growth determines how much quality of education improves standard of living, income and employment of the society. Moreover, educated society may translate into higher productivity of firms and faster introduction of technology. These externalities being provided extra reason concerned about quality of schooling. More educated society is able to translate into higher rates of economic growth and thus enhance ability of Government to reduce poverty. It is concluded by Mankiw, Romer and Weil (1992)[3], Barro (1991)[8], Hanushek (1995)[9], Temple (2001)[10], Krueger and Lindahl (2001)[11], Gemmel (1996)[12], Benhabib and Spiegel (1994) [13] that there is a positive relationship between quality of education and economic growth. For promoting socioeconomic development, education is one of the widely accepted instruments. Recent studies concluded that education is the main parameter of income and produces benefits both for community and society. Education is a factor which is helpful in generating saving and investment, taxes revenue for Government, more entrepreneurial and civic society. It also leads to better standard of living, employment, and nation's health, improvement in technology and reinforcement in governance. As per record of World bank (2000), [14] to enhance quality of the education, Governments should set standards, providing inputs, making proper strategies for best use of inputs, and monitoring the performance.

1.1. Objectives of the Study

Keeping in view the importance of education, following are the main objectives of the study:

- i. To conduct comparative analysis of the private educational institutions and Government educational institutions in District Nowshera.
- ii. To find out the impact of Private and Government educational institutions on the socioeconomic development of District Nowshera in terms of employment, income and standard of living.

2. Literature Review

Muhammad Afzal, Muhammad Ehsan, et.al. (2012)[15], in their study on "relationship amongst education, the poverty and the growth of economy in Pakistan" investigated that either there exists any short-run and the long-run connection amidst the education of schools and the economic growth in the Pakistan. They used the yearly time of series data on the GDP, the inflation and the wide-ranging registration for period of 1970-71 to 2008-2009. The research resulted in the coexisting between the education and growth of economy. There found to be the direct relationship amidst school education and the growth of economy in Pakistan both short-run and long-run. Inflation leads to the macroeconomic instability which slowdown the economic growth in the short-run and in the long-run while it also hindered the school education in the long-run. In the short-run there observed to be existing statistically significant and opposite relationship between school education and economic growth.

Muhammad Afzal (2011) [16] in his research on "Micro Econometric Analysis of Private Return to Education and Determinants of Earnings" estimated that education, age, occupation, gender, family background, and family status are the main factors that contribute to the individual's earnings. The study reported that those defendants who approved metric investigation from private institutions earn 8.7% more than respondents passed examination from government educational institutions. It was recommended in the study that such a program, plans and policies be started that narrow down the earning gap between people educated from private institutions and those of Government educational institutions.

Nasir and Nazli, (2000)[17] while conducting a study on “Education and Earnings in Pakistan” stated that individuals lifetime earning is directly related with education. Education is a factor which builds up human capital and there is direct positive connection between individual’s earnings and education level. Labor forces with low level of education lead towards unskillful and less educated workers in the labor market. In the job market, education moves the labor force towards high earnings. Stevens and Weale (2003)[18] in their study on “Education and Economic Growth” reported that there exists a correlation between the economic growth and the education. Both micro and macro level data have been utilized in the study. At micro level, a person who is highly educated found to be getting higher income and at macro level the study estimated same level of proportion of returns a country received ranged from 6-12% per year.

Lattimore (2000)[19] in his study on “Education and Economic Growth, Seed and Flower of Economic Development” exposed a high relationship between the economic growth and the education for the New Zealand during (1952-2002). Earlier than the overview of “knowledge Wave” in New Zealand, living standard and economic progress was low. After adopting education plans and policies, the real GDP was increased up to 6% due to making investment in education sector. Temple (2001) [10] while conducting research on “Generalizations that Aren’t, Evidences on Education and Growth” concluded that education as an important factor for economic growth. According to Temple, education has many advantages which are helpful in enhancing productivity and affecting economic growth positively. Moreover, Temple highlighted that education has a key role to play in the development of dissimilar sectors of budget. Nasir (1999)[20] in his study on “Do private schools produce more productive workforce” while using data from “Pakistan Integrated Household Survey” (PIHS) 1995-96 with 4916 sample of Government schools and 338 of Private schools concluded that the students being educated from Private schools earn higher returns (pay) in the labor market than those of the students being educated from Government schools. Nasir (2002) [21] in his study on “Returned to Human Capital in Pakistan” with a sample of 4828 regular wage and salaried employees stated that the Matric, F.A./F.Sc., B.A., B.Sc. degrees play a significant role in the salaries of male and female workers in the service sector who are educated from Government or Private educational institutions.

Zafar Mueen and Hina Nazli (2007)[17] in their study on “Education and Earnings in Pakistan” reported that there is a significant role of education in general, and literacy skills and quality of education in particular in the wages of the wage and the salaried personnel in Pakistan. The study found out that education has a positive relationship with individuals earnings. Literacy skills also show a significant role in earning, that’s why the people with high education earn 15% more income as compared to those of no or low education. It was recommended that recent education should bring modern market-oriented approaches in education sector of Pakistan and this requires the improvement of the Government educational institutions not only in terms of curriculum but also in teaching methodology. Brunello and Rocco (2004) [22] while conducting research on “Can Private Schools be of lower quality than Government Schools” reported that Private schools provide high quality of education and may charge high fees for that purpose. The study concluded that dissimilar equilibrium exist, as on one side U.S. better quality of education is provided by Private schools as compared to Government schools and on other hand, private schools are worse off in Italy.

3. Research Methodology

This research study was conducted in District Nowshera in year 2015 to know the effectiveness of both types of educational institutions by conducting a comparative analysis and to find out the socio-economic impact of both types of educational institutions in terms of employment, income and standard of living. This section deals in the materials and methods which are used for the determination of the research design, sample design, research population, sample size, collection of data and its required analysis facilitating the fulfillment of the stated objectives of the study. Survey method and descriptive statistics have been utilized in the study.

The study is designed to enhance the existing knowledge base and deepen the prevalent understanding about Private and Government educational institutions and its impact on socio-economic development to create awareness amongst all the stakeholders.

The population of this research study included students being educated from Private and those of Government educational institutions in District Nowshera. Elements of the population figured out for this research were mainly:

- a. The education department which included teachers, principals/ vice principals, clerical staff etc.
- b. The health department which included doctors, medical officers, nurses, head nurses etc.
- c. All personnel of Judiciary.
- d. General government of the community.

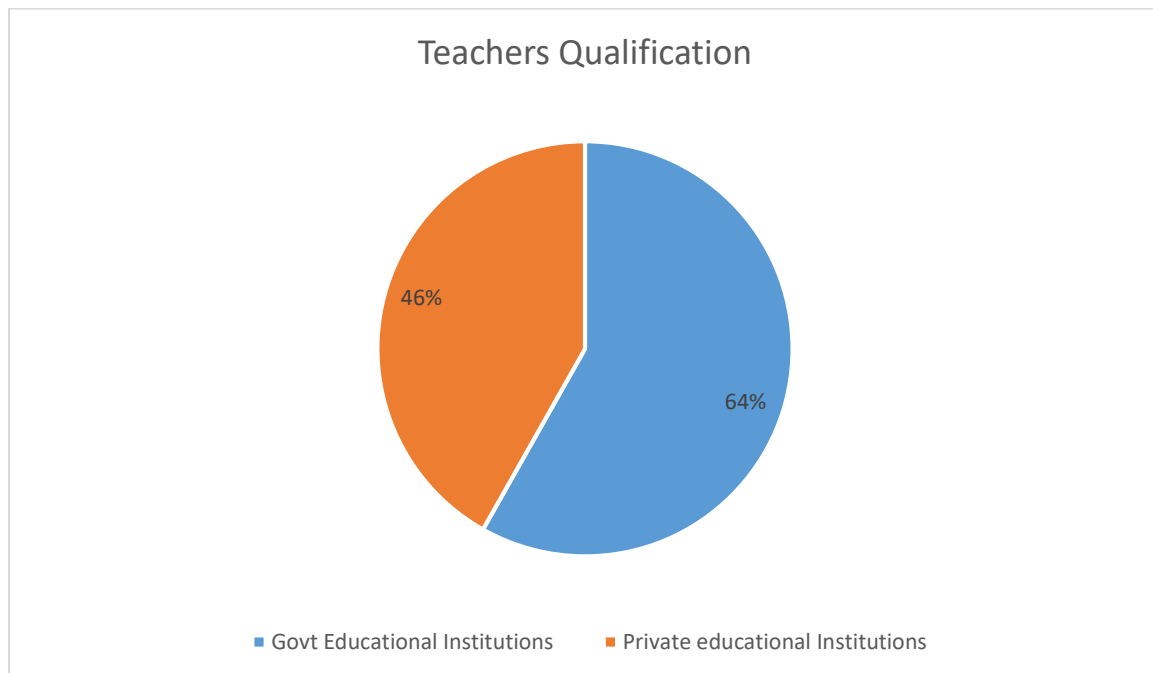
District Nowshera consists of one (1) Tehsil and forty-eight (48) Union Councils. For this study Private and Government educational institutions were selected. The population of the study consisted of the students of both categories of educational institutions in Nowshera region. Total population of District Nowshera is approximately 5, 05,660, where there are many private and Government educational institutions exist. In order to conduct this study, a sample of 1% was randomly selected, which was n=200. Two hundred (200) questionnaires were distributed among the targeted respondents, in which one hundred and ten 110 (n=110) were returned and hundred (n=100) found to be valid. Out of two hundred 200 questionnaires, 70 questionnaires were distributed in education department, 30 among the personnel of judiciary, 20 in health department and 80 among the general government of the community.

4. Results and Discussion

The data obtained from the components of quality of educational institutions in terms of teaching methodology, Examination system and physical facilities and socio-economic impact in terms of income, employment and standard of living are presented in the following tables.

Teaching Methodology					
	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree
Q 7: Teachers of your school were well qualified.					
Government	32(64%)	13(26%)	5(10%)	-	-
Private	23(46%)	23(46%)	4(8%)	-	-

Source: Field Survey (2015)

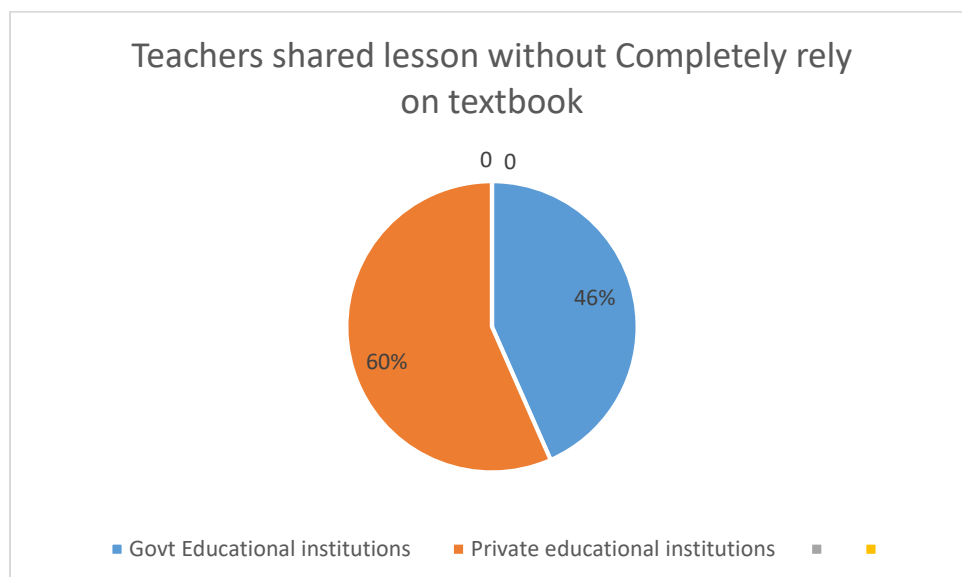


Source: Field Survey (2015)

Q12: Teachers of your school shared lesson without completely relying on the textbook.

Government	10(20%)	23(46%)	-	17(34%)	-
Private	16(32%)	30(60%)	-	-	4(8%)

Source: Field Survey (2015)

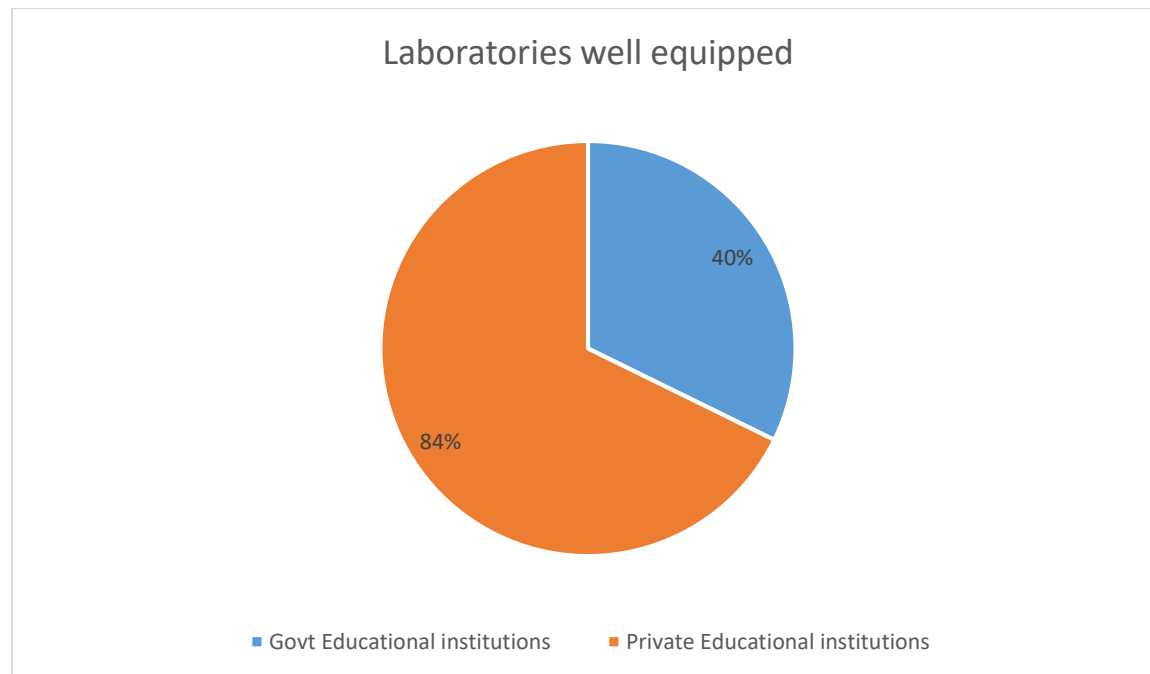


Source: Field Survey (2015)

Q28: Science laboratories were well equipped.

Government	-	10(20%)	5(10%)	15(30%)	20(40%)
Private	42(84%)	4(8%)	3(6%)	-	-

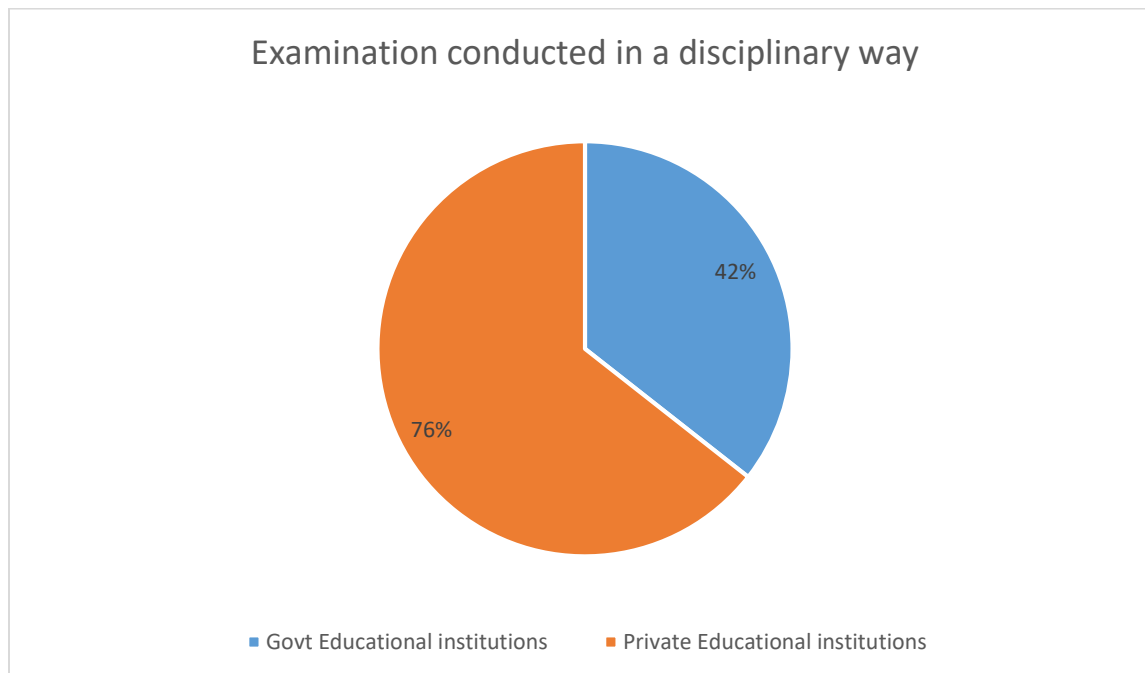
Source: Field Survey (2015)



Source: Field Survey (2015)

Examination System:					
	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree
Government	16(32%)	21(42%)	13(26%)	-	-
Private	7(14%)	38(76%)	-	5(10%)	-

Source: Field Survey (2015)

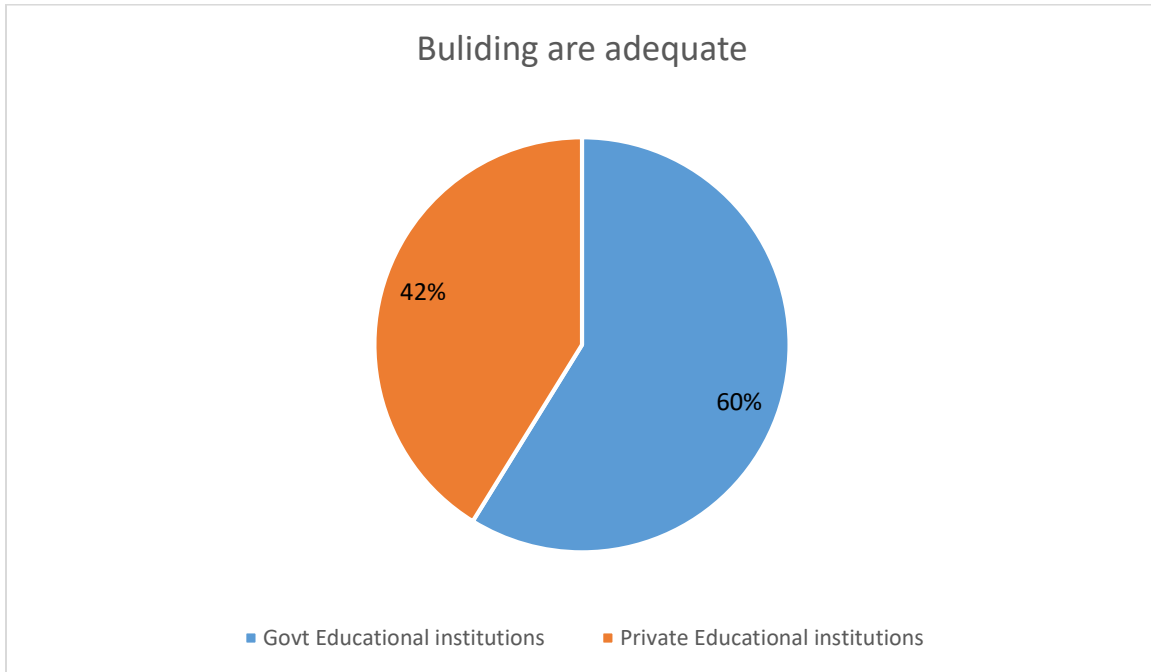


Source: Field Survey (2015)

Physical Facilities

	Strongly Agree	Agree	Uncertain	Disagree	Strongly Disagree
Q22: Building facility was adequate.					
Government	-	9(18%)	11(22%)	-	30(60%)
Private	7(14%)	21(42%)	-	12(24%)	10(20%)

Source: Field Survey (2015)

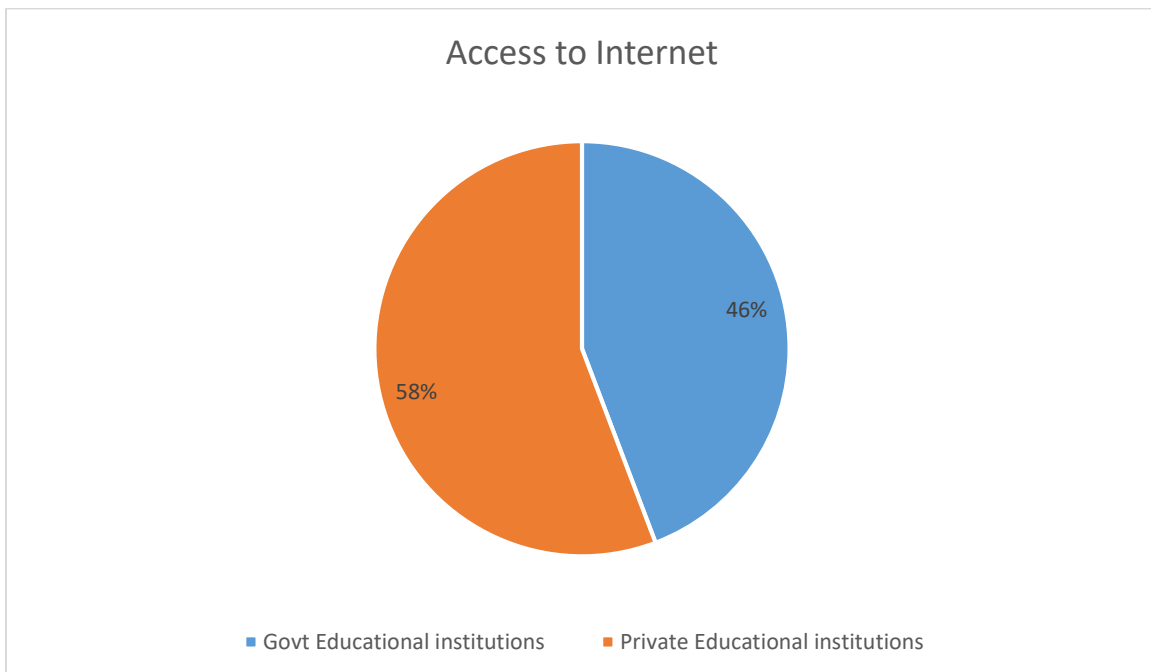


Source: Field Survey (2015)

Q29: The school had access to internet for instructional/educational purposes.

Government	-	5(10%)	-	22(44%)	23(46%)
Private	29(58%)	18(36%)	-	3(6%)	-

Source: Field Survey (2015)

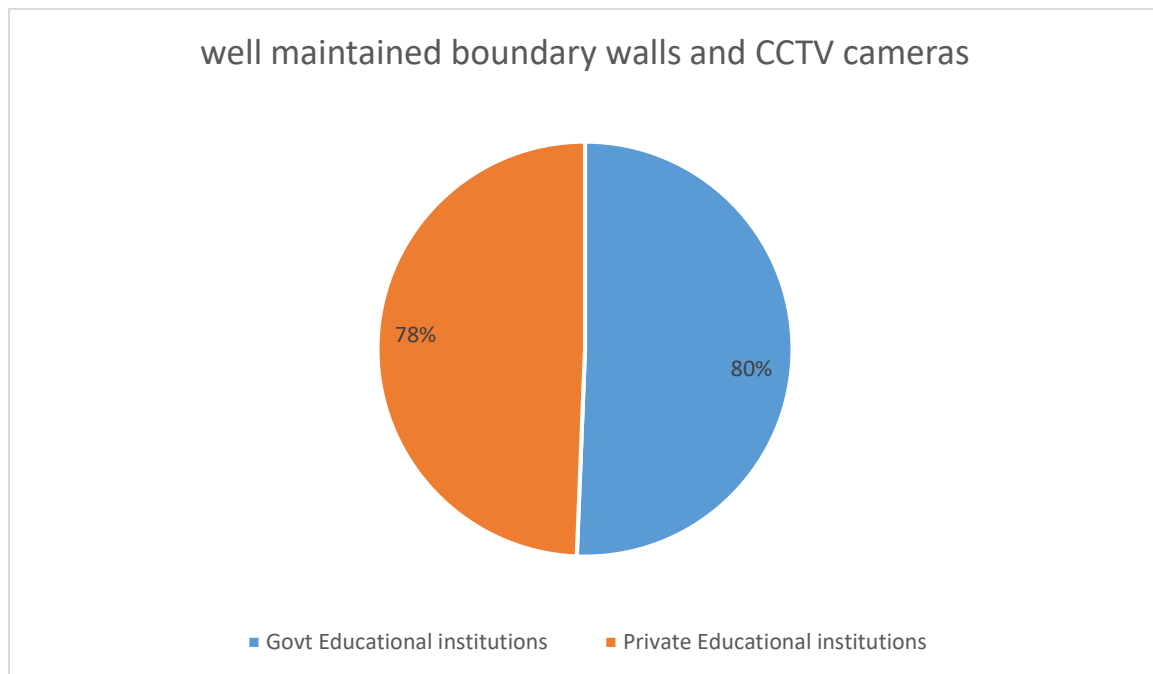


Source: Field Survey (2015)

Q25: The school was well maintained through boundary wall and CCTV cameras.

Government	-	10(20%)	-	-	40(80%)
Private	39(78%)	8(16%)	-	3(6%)	-

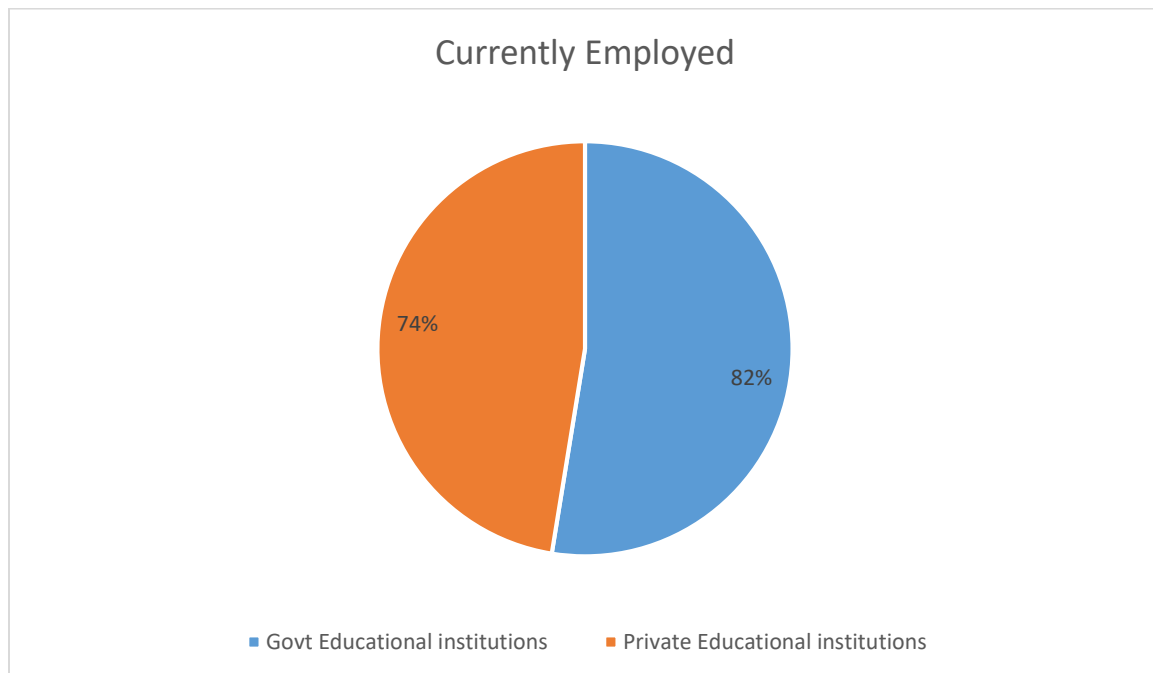
Source: Field Survey (2015)



Source: Field Survey (2015)

Q 31: Are you currently employed?

Government School				Private School			
Scale	Frequency	Total	Percentage	Scale	Frequency	Total	Percentage
Yes	41	50	82%	Yes	37	50	74%
No	9	50	18%	No	13	50	26%

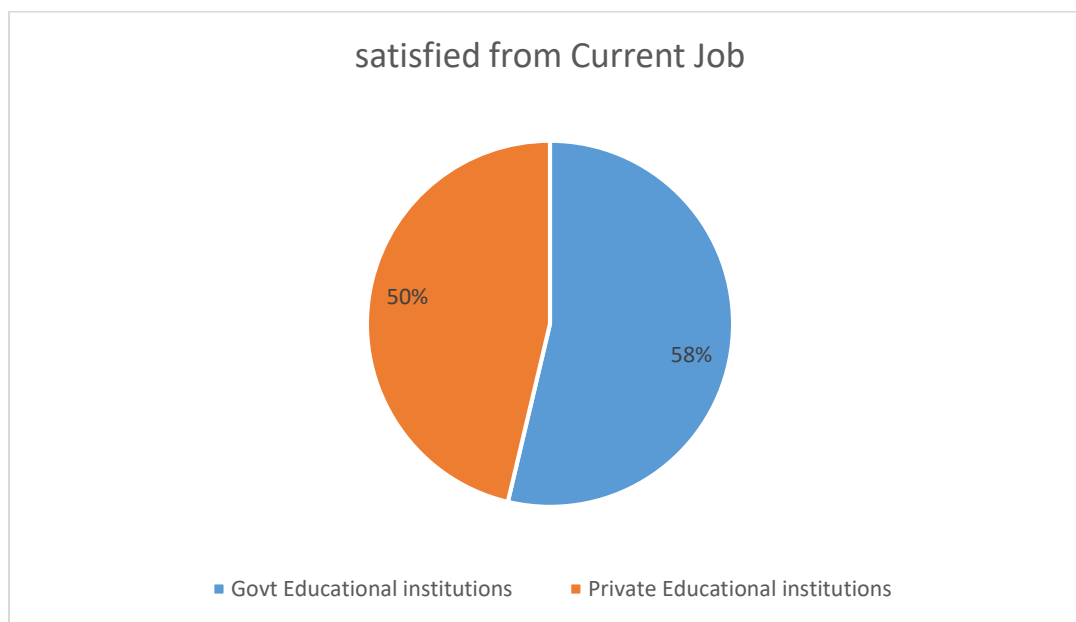


Source: Field Survey (2015)

Q32: Are you satisfied from your current status of the job?

Government School				Private School			
Scale	Frequency	Total	Percentage	Scale	Frequency	Total	Percentage
Yes	29	50	58%	Yes	25	50	50%
No	21	50	42%	No	25	50	50%

Source: Field Survey (2015)



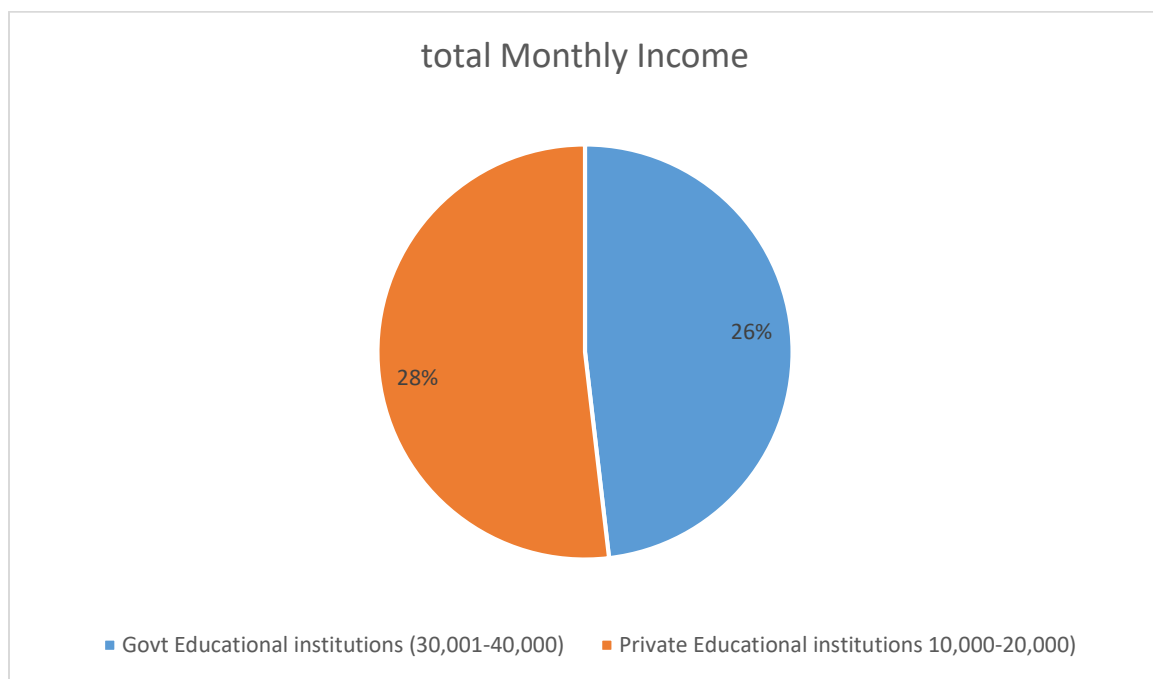
Source: Field Survey (2015)

Q34: What is your total monthly income?

Government School				Private		
Ranks	Frequency	Total	Percentage	Frequency	Total	Percentage
10,000-20,000	1	50	2%	14	50	28%
20,001-30,000	1	50	2%	11	50	22%
30,001-40,000	13	50	26%	6	50	12%
40,001-50,000	7	50	14%	9	50	18%
50,001-60,000	8	50	16%	1	50	2%
60,001-70,000	5	50	10%	0	50	0
Greater than 70,000	4	50	8%	0	50	0
No Income	11	50	22%	9	0	18%

Total	50	50	100%	50	50	100%
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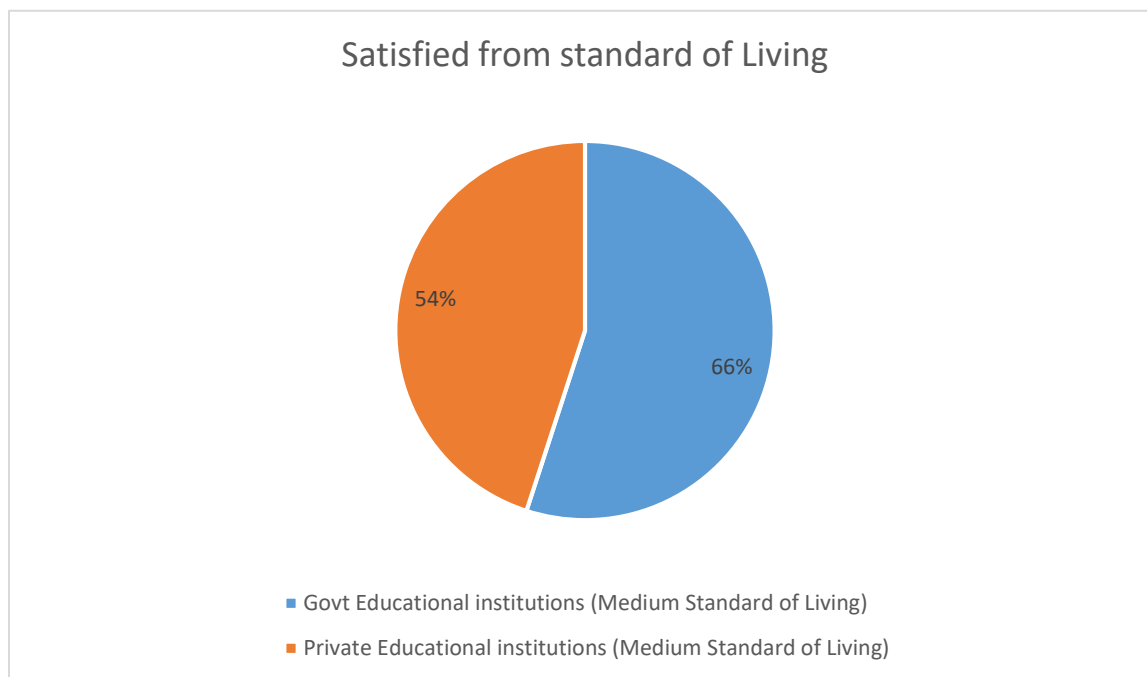
Source: Field Survey (2015)



Source: Field Survey (2015)

Q 33: Are you satisfied with your current standard of living?

Government School				Private School			
Ranks	Frequency	Total	Percentage	Scale	Frequency	Total	Percentage
Low Standard of Living	10	50	20%	Low Standard of Living	19	50	38%
Medium Standard of Living	33	50	66%	Medium Standard of Living	27	50	54%
High Standard of Living	7	50	14%	High Standard of Living	4	50	8%

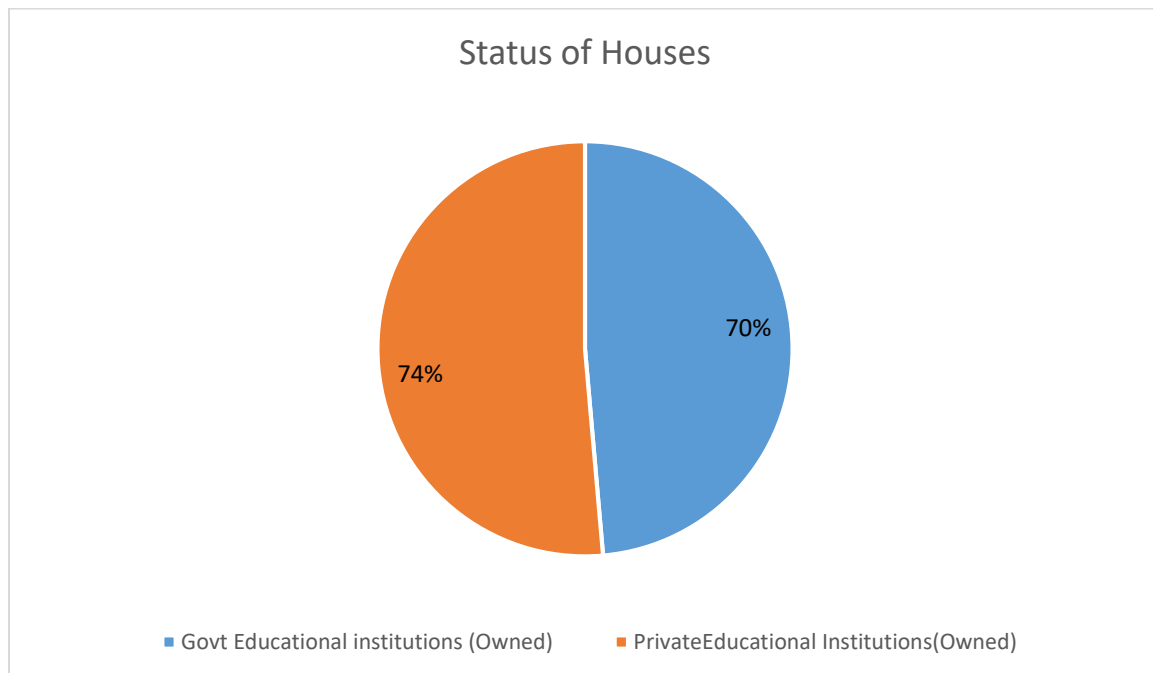


Source: Field Survey (2015)

Q36: What is the status of your house?

Government School				Private School			
Scale	Frequency	Total	Percentage	Scale	Frequency	Total	Percentage
Owned	35	50	70%	Owned	37	50	74%
Rented	15	50	30%	Rented	13	50	26%

Source: Field Survey (2015)

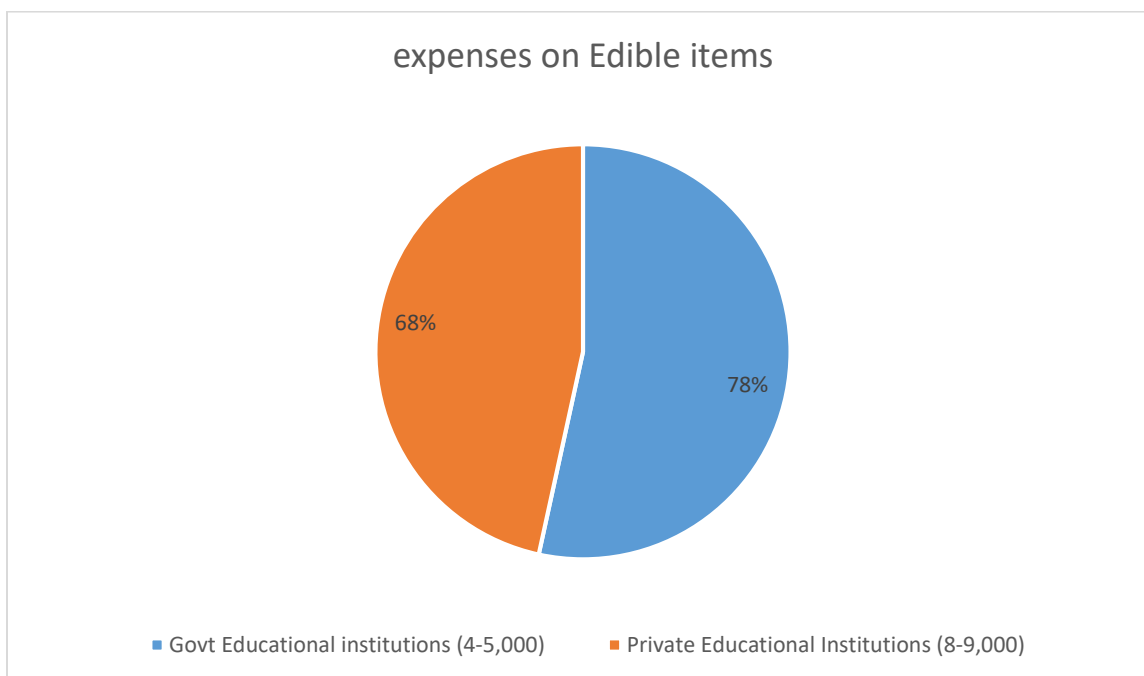


Source: Field Survey (2015)

Q42: How much do you spend on the edible items per month?

Expenses

Government Schools				Private Schools		
Rank	Frequency	Total	Percentage	Frequency	Total	Percentage
3-4,000	0	50	0	0	50	0
4-5,000	13	50	26%	34	50	68%
5-6,000	7	50	14%	16	50	32%
6-7,000	30	50	60%	0	50	0
7-8,000	0	50	0	0	0	0
8-9,000	39	50	78%	0	0	0



Source: Field Survey (2015)

5. Conclusion and Recommendations

It may be concluded from this research study that in regard to the quality of education, there found to be significant differences between Private educational institutions and those of Government educational institutions. Private educational institutions provide relatively higher quality of education than those of Government educational institutions. In this study, parameters of quality of education are teaching methodology, examination system and physical facilities being provided. Furthermore, it is concluded that Government educational institutions have positive impact on the socio-economic development in District Nowshera regarding standard of living, income level and employment status. Henceforth, it is recommended that regular in-service training program may be arranged for both types of educational institutions in order to improve the teaching methodology and fulfil other education related needs. There should be proper science laboratories, computer laboratory and well-furnished libraries in Government educational institutions so as to improve the overall performance of Governmentschools. Government of Khyber Pakhtunkhwa Province should adopt proper check and balance mechanism in educational institutions. In Pakistan and specifically in Khyber Pakhtunkhwa Province, educational policies are not properly planned out but also devoid of their effective implementation. So, transformative measures are required to be adopted in this regard. To ensure further enhancement in the due courses, “Education for All” strategies should be effectively implemented.

District Nowshera is getting urbanized day by day, so more Government educational institutions may be established in this area. Teacher’s transfers and politically motivated appointments should be stopped, and all personnel should be selected on meritbasis. Specialteams of educational experts should be constituted to pay surprise visits to both Private and Government educational institutions.

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