

PUBLIC PRIVATE PARTNERSHIP IN EDUCATION IN PAKISTAN

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ABSTRACT

The intent of this research is to evaluate / analyze the contribution of public-private in education Sector including higher education in Pakistan. How the public-private sector system of education is playing its role in the higher education and is there a need for reform? If there is a need for reform, what is the nature and extent of reform that is required at this point in time? Higher education or tertiary education is, in fact, education after grade XII and it usually culminates in a degree. Higher education plays a leading role in development of society. The functions of a university are to develop its students in physical, mental and spiritual domains. It develops and stimulates the social, economic, political and cultural life of a country or a nation. The role of higher education in the personality development and employment of an individual and its linkage to industrial growth and economic development goes without saying. It is in fact Higher Education that makes him a better and a more productive individual of a society. Higher education institutions are a must for a knowledge based economy that is interested in growth and development.

With the growth of population in Pakistan, the requirement for more and more higher education institutions came to the fore. Now that the Public Private sector higher education institutions are here, and here to stay, we need to look into the fact that as to whether they are delivering or not? There appears to be a dire need to look into the fact that as to what is the standard of faculty in Public Private sector higher education institutions. How do they give admissions to the students and what is their fee structure? More so, the issue of standardization of syllabi and curriculum and the accreditation issues. Do they have adequate library and laboratory facilities? Is there any utility of the degrees that is being handed over to the students or is it just glazed paper? Education is considered as one of the important tools to achieve the target of growth and development. Developing countries try to adopt different measures for achievement of millennium development goals of primary education, reduce gender disparities in education and Education for All. To achieve these targets, Public Private and public-community partnerships are going to become popular as an approach to increase access and quality of education. Pakistan is among those countries, which are relying on Public Private Partnership (PPP) and Public Community Participation (PCP) projects and has many success stories in this regard.(Constitution of Pakistan, Article 25-A)

Key Word Education, Higher Education, Government, Public – Private Partnership

ANALYSIS ON PAKISTAN EDUCATIONAL SYSTEM: CHALLENGES AND PROBLEMSINTRODUCTION

At its inception, Pakistan had only two universities in the public sector, namely University of the Punjab and University of Karachi, and none in the private sector. Private sector stepped in to impart education at graduate and postgraduate levels in 1960's and many educational institutions catering to the same were established by civil and philanthropist organizations. This 'educational spring' was nipped in the bud by the nationalization policy of Z A Bhutto in 1972 and private sector remained reluctant to again venture into this field for another one-and-a-half decades. Latter part of 1980's and the 1990's saw a resurgence of confidence of private entrepreneurs in higher education sector(Pervez, 2009). With the inception of HEC, the number of private sector institutions has surged from 25 in 2001 to 56 in 2010(Pakistan Country Summary of Higher Education, 2014).

1.1 DEFINING PUBLIC PRIVATE PARTNERSHIP (PPP)

1.1.1 PPP combines the resources of the government with those of private agents in order to deliver societal goals, according to Skelcher.(Chris, S. 2005). According to Standard and Poor's definition, it is any medium to long term relationship between public and private sectors, involving the sharing of risks and rewards of multi sector skills, expertise and finance to deliver desired policy outcomes(Global Credit Survey, 2005).

1.1.2 The term 'Public Private Partnership' was introduced into the policy discourse in Pakistan in the early 1990s by Ministry of Education, Government of Pakistan. The 1992 Education Policy recommended the 'disinvestment of public institutions in which inefficiencies are high and which are not turning out quality

products, and increased investment by the private sector. The education policy of 1998 stipulated _accelerating the human resource development of the country through partnerships among NGO, private and government sector.

1.2 DEFINING PUBLIC COMMUNITY PARTICIPATION

1.2.3 Samuel Paul has written an interesting discussion paper on –Community Participation in development projects, in which he declares that the definition of –participation is an issue on which there is significant difference of opinion amongst development academics and practitioners (Samuel, 1987).

1.2.4 Community participation can be explained as a dynamic procedure by which recipient/consumer groups influence the course and performance of a development venture with a vision to augmenting their wellbeing in terms of revenue, personal progression, self-sufficiency or other standards they value.

1.3 CHALLENGES AND PROBLEMS IN PAKISTAN EDUCATIONAL SYSTEM

1.3.1 INCREASE IN OUT OF SCHOOL YOUTH, UNEDUCATED ADULTS AND SUB-STANDARD OF EDUCATION

With over eight million out-of-school youngsters with more share of females (primary level), high dropouts especially in public sector and alarmingly a very low literacy rate, the country has an enormous challenge in present day as well as in future.“

132 FINANCIAL LIMITATIONS& RESOURCE NECESSITY

Financial constraints are to the level of raising alarms. Our spending in education system is extremely insufficient which is visible from average allocation in national budget (2% of GDP) and rate of actual expenditure (1.5% of GDP). This major limitation is a major hurdle in improving quality as well as quantity of education.’

133 DEVOLUTION OF THE MINISTRY OF EDUCATION AFTER INTRODUCTION OF EIGHTEENTH AMENDMENT

Our education system in the past was structured in a manner that despite being dealt under provincial arrangement Federal Ministry of Education existed to play its part in policy formulation including policy on syllabi, mode of teaching and curriculum besides having a pivotal role in inter province coordination. Recently introduced 18th Amendment of the Constitution has dissolved fifteen federal ministries including the ministry of education and the subjects have been handed over to the provinces.

134 PARTNERSHIP WITH INTERNATIONAL DEVELOPMENT DONOR AGENCIES

It is felt that generally our education system suffers due to poor donor management. Another constraint is that mostly donor agencies are focused towards primary education system though in accordance with the priorities of the national government.

135 PROVINCIAL EDUCATION DEPARTMENTS – CAPACITY ISSUES

Since, our provincial education system was never structured to plan, develop programme, implement policies, undertake projects and incorporate future trends, therefore, sudden introduction of 18th amendment has rendered provincial education departments incapable of handling such issues.

136 ADMINISTRATION/ MONITORING ISSUES

Supervision, administration and monitoring requires intense employment of human resource / experts requiring sufficient fund to manage the affairs.‘ =

137 PUBLIC-PRIVATE PARTNERSHIP

In any modern community, it is very difficult for the government alone to ensure provision of quality education. The difficulty is more pronounced in case of Pakistan due to its present financial position and related challenges. Universally accepted model to address the issue is encouragement to private sector in the field of education.‘

138 IGNORANT COMMUNITY

Realization and participation in the community is very important and a must to progress and enhance quality of education, retaining students in school and maintaining environment conducive to education.

139 POOR RESPONSE IN EMERGENCIES

Any natural or manmade calamity has adverse / damaging effects on educational infrastructure. Our experience of 2005 earthquake and floods in 2010 and 2011 reflects that re-construction of damaged schools, re-furnishing and in few cases, re-establishment was extremely slow and time taking which had adverse and far reaching impact on education process in the damaged areas.

1.4 PERFORMANCE OF PUBLIC-PRIVATE PARTNERSHIP IN PAKISTAN

141 NATIONAL COMMISSION FOR HUMAN DEVELOPMENT (NCHD)

Founded in July 2002, the NCHD is a partnership between the Government of Pakistan, the private sector and international donor community. NCHD has several programs:

- Universal Primary Education program (UPE)
- Adult literacy program
- Primary Health Care Extension (PHCE) Program
- National Oral Rehydration Solution (ORS) Campaign (2005-2008)
- School Health Program
- Strengthening Basic Health Care System

142 FEDERAL GOVERNMENT'S PPP IN EDUCATION SECTOR

Ministry of Education, Government of Pakistan has elaborated its approach to PPP in the document PPP in the

Education Sector: Education Sector Reforms Action Plan 2001-2005 (Government of Pakistan, March 2004).(Naeem,2012).

143 PUNJAB EDUCATION FOUNDATION (PEF)

The Punjab Education Foundation was established in 1991 by the Act of Punjab Assembly, with the goal to promote quality education through PPP, encourage and support the efforts of private sector.

PUBLIC AND PRIVATE EDUCATION IN PAKISTAN: A COMPARATIVE ANALYSIS

2.1 CHOICE AND CONTRACTING MECHANISMS IN THE EDUCATION SECTOR

Governments of developing countries try to develop their social sector with the help of private sector partnership. The use and choice of education sector development with private sector partners seem feasible in the challenges of globalization(Lewis& Harry, 2012). According to the World Bank Report, 2004, the successful provision of services to poor people is only possible when service provider, community and government are accountable to each other.. The common mode of contract between government and the private provider is the management of existing service by using government infrastructure.

Table 3.1: **Choice and Contracting Mechanisms in the Education Sector**

Delivery Arrangement	Who chooses service	Who Manages Service	Who Provide Infrastructure	Who Hired Human Resource
Government	Government	Government	Government	Governme

Provision				nt
Management Models				
Pure management	Government	Private Sector	Government	Government
Contract				
Operational contract	Government	Private Sector	Government	Private Sector
Service Delivery Model				
Core Services	Government	Private Sector	Private Sector	Private Sector
Non-Core Services	Government	Private Sector	Private Sector	Private Sector
Voucher Model	Consumer	Private or Public Sector	Private or Public Sector	Private or Public Sector
Private Sector Provision	Consumer	Private Sector	Private Sector	Private Sector

(Source: "Education Notes," World Bank, April 2007,

<http://siteresources.worldbank.org/INTINDIA/4371432-1194542415868/21542115/EnhancingAccountabilityinSchools.pdf>.)

2.2 In Pakistan most common mode of PPP has been used, i.e. public financing-private provisions. Another mode of PPP was practiced, but was not successful due to many reasons. Contract between Pakistan Railway and Beaconhouse School System to manage nineteen schools of Pakistan Railway was an example of failure of PPP in education and was terminated within three years of the contract. Around 97 donors funded projects in the education sector of Pakistan being implemented. The majority of projects gives priority to teachers training and governance issues, while 40% of the projects target capacity building and primary education, according to UNESCO(Mukhtar).

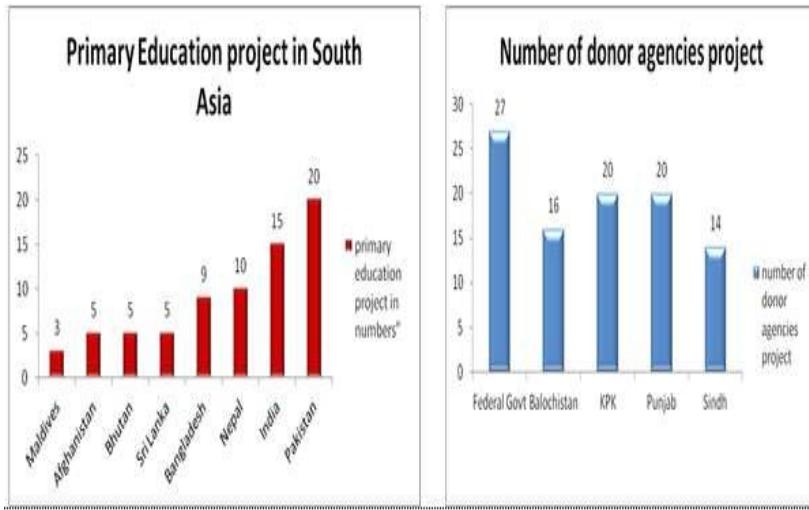
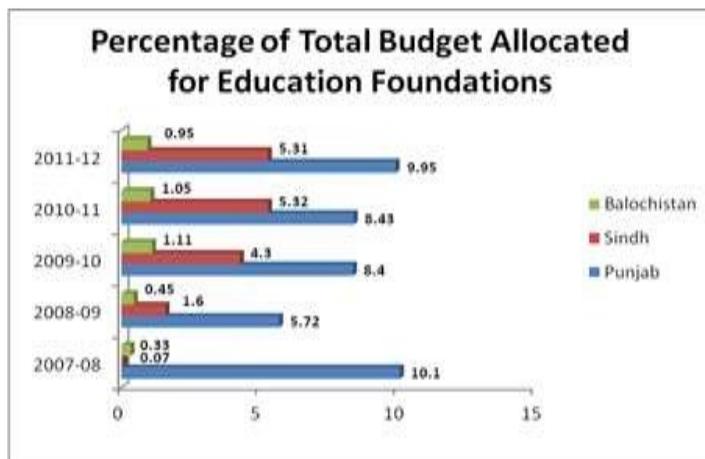


Figure 1:

(Source: World Bank Official Website, 2013)

2.3 The allocation of budget by state and province for the promotions of public-private partnership through this educational foundation has been increased significantly.

Figure 2:



(Source: Public Financing of Education in Pakistan, I-SAP, 2012)

2.4 PUBLIC PRIVATE PARTNERSHIP AND EDUCATIONAL OUTCOMES

The changing competitive environment among countries makes education one of the important factors of socioeconomic growth. To grow education sector, least develop countries face real challenges as public sector can't solely provide quality education to those children who are out of school and illiterate adults.

Table 3.2: Total Financial Assistance in Education Sector of Pakistan

AGENCY	COVERAGE	YEAR	MODALITY
Asian Development Bank	National	2002-11	Loan
The World Bank	Sindh, Punjab and NWFP	2005-09	Loan
USAID	Sindh and Balochistan	2002-06	Grants
Canadian International Development Agency	National	2005-11	Grants
EC	Sindh and Northern Areas	2004-12	Grants
World Food Program	34 poor districts/All Provinces	2004-08	Grants
Islamic Development Bank	National and Karachi	2002-06	Loan
Aus Aid	4 Provinces	2003-09	Grant
Norway (NORAD)	6 Districts	2002-08	Grant
DFID	National	2001-04	Grant
JICA	National	1997-06	Grant
UNICEF	23 Districts/All Provinces	2004-08	Grant
GTZ	NWFP and Punjab	2004-08	Grant
ILO	National	1999-06	Grant
SCF-UK	3 Districts	2002-06	Grant
UNDP	42 Districts	2004-08	Grant
UNFPA	8 Districts and Azad Jammu Kashmir	2004-08	Grant
UNESCO	National	2004-07	Grant

(Source: RECOUP, 2007)

241 Financial constraints are big challenges for public-private partnerships in Pakistan. To overcome such constraint, national and provincial governments heavily rely on donor assistance in education sector development. In Punjab the current literacy rate is 60%, however, in Sindh, the literacy rate is 50%. Some donor assisted program was successful and achieved the prescribed target, however, some failed to achieve the goals.

Table 3.3: Descriptive Analysis of Impact of Public-Private Partnership on Educational Outcomes

	EDUCATION BUDGET		ANNUAL BUDGET ALLOCATED TO PPP		FOREIGN ASSISTANCE (IN MILLIONS)		LITERACY RATE	
	Average	S.D	Average	S.D	Average	S.D	Average	S.D
National	44175.53	4991.249	107.6975	58.61100601	408.75	224.5624	60.025	6.029027
Punjab	35464.33	6551.779	3957.083	670.2598639			61.475	5.692905
Sindh	18491.03	4061.84	585.1475	500.569488			194.95	265.7109
Baluchistan	4548.11	1722.445	3.666667	1.154700538			52.25	5.780715
KPK	8997.43	3159.667	3.75	1.258305739			54.475	9.05

(Source: **Mumtaz Anwar and SughraAman**, “Air Effectiveness in Education Sector of Pakistan,” *Pakistan Journal of Social Science (PJSS)* 30, no. 2 (December 2010): 355-371, http://www.bzu.edu.pk/PJSS/Vol30No22010/Final_PJSS-30-2-13.pdf.)

242 The study takes into account two measures of public-private partnership, i.e. annual budget allocated for PPP in

education and second is the foreign assistance in PPP projects at a national and provincial level. The analysis shows that among provinces, Punjab's has more allocation in the final budget for education development.

Table 3.4: Correlation Analysis of PPP in Education with Literacy Rate

	TOTAL BUDGET ALLOCATION TO EDUCATION	ALLOCATED BUDGET TO PPP	FOREIGN ASSISTANCE IN EDUCATION
National	0.828216	0.684324	-0.69909
Punjab	0.678536	0.591946	0.490777
Sindh	-0.54742	0.518388	0.563855
Baluchistan	-0.7026	0.91223	0.5
KPK	0.999015	-	-0.92278

(Source: Anwar and Aman, "Air Effectiveness in Education Sector of Pakistan," 355-371)

243 The analysis shows that the impact of PPP is positive and significant. National level policies of foreign assistance in education show a negative impact, however the impact of budget for PPP projects and foreign assistance on literacy rate is positive. In KPK, there is no allocation of budget in PPP, but the impact of foreign assistance on literacy rate is negative.

2.5 PUBLIC COMMUNITY PARTNERSHIP AND EDUCATIONAL OUTCOMES

251 The second important initiative, which government took to develop education sector is the public community partnership as

community participation remains the familiar concept in the growth of the education sector and increasingly become a part of program design in almost all of the countries. The provision of public services with limited resources is a great challenge and that challenge is often faced with the help of non-state actors to make sure permanency of learning.

Table 3.5: Descriptive and Correlation Analysis of Impact of Community Partnership on Educational Outcomes in Baluchistan

	COMMUNITY SCHOOLS	GIRLS ENROLLMENT	DROPOUT RATE	GRADE COMPLETION RATE	TEACHER ATTENDANCE
Average	632.3	43.4	3.6	76.5	91.6
S.D	1.251666	0.966092	3.687818	2.677063	6.345602152
Correlation with community schools	1	-0.38592	-0.38592	-0.9099	0.315017145

(Source: Anwar and Amman, "Air Effectiveness in Education Sector of Pakistan," 355-371)

252 The impact of community partnership in the education sector is evaluated with the help of a number of the community school per period and the educational outcomes are identified with girl's enrolment, dropout rate, and grade completion and teacher attendance.

CONCLUSIONS AND RECOMMENDATIONS

3.1 CONCLUSIONS

➤ Developing countries like Pakistan, due to resource constraint, cannot spare additional funds for investment in such

areas as higher education. Resultantly, the private sector has to be inducted to provide higher the education.

➤ In our case, international NGOs and private sector donor agencies have played a significant role in providing much needed resources to the education sector either through supporting in formulation of and influencing policy design or through financial support besides supporting in the implementation stage.

➤ Foreign support in terms of finances has a limitation that the assistance merges with public spending with difficulty to differentiate between them. This limitation poses a problem while assessing the impact of financial aid. However, influence of the foreign supporting agencies can be noticed from the policy documents.

➤ The assessment of public-private partnerships needs a comprehensive data set. Unfortunately in Pakistan, no effective data management system exists which contains the detail of public private partnerships in education and their outcomes. The data on foreign assistance, a number of education institution working under public-private partnerships and their impact on the demand side and supply side outcomes of education sector development.

➤ Higher Education has always been on the backburner since the nationalization process took place in 1970. To encapsulate the progress of the private sector in education, it is important to understand the whole existence of the private sector in education sector.

➤ The pros and cons of PPP have likely impacts on the socioeconomic infrastructure of any society. Literacy rate in past

several years in Pakistan represent a significant rise due to the existence of public private partnership in higher education.

➤ The mushroom growth of the public private partnership projects has its likely impacts on the quality of education. On the whole, the impacts are positive in nature, however, these just simply temporary impacts, since, the aim of building a knowledge based society in the changing political and economic world.

➤ The analysis during the research shows that quality of education in Balochistan, Sindh, and Punjab is positive, whereas, the in KPK, the lack of budget in PPP along with foreign assistance on literacy rate is negative. However, the PCP has shown significant result produced on trial base.

3.2 RECOMMENDATIONS

➤ There is clearly a need to improve implementation mechanisms for the already laid down standards for the private sector Higher Education Institutions. In this regard, a high powered independent Committee comprising of the experts from HEC, Provincial Governments and prominent citizens of high repute from civil society is proposed to be constituted to ensure implementation of the existing laid down standards; the failure has basically been of implementation in terms of ensuring standards.

➤ Affiliation of the private sector higher Education Institutions with the recognized universities has become a business and a lot of money is changing hands, some in a dubious manner.

➤ Regular ‘_Parent Alerts‘ need to be given by the HEC and the Provincial Governments in the newspapers regarding such

private sector Higher Education setups which are not up to the mark and are there just for the sake of making money.

➤ As a pre-requisite, syllabi or the curriculum for any successful model of education especially the higher education should be the one which should be based on present day requirement and future trends based on the expert estimates. Our system of education is far from the reality and needs immediate up-gradation, revision and modernization.

➤ An incentive package needs to be worked out by the Ministry of Finance, Federal Board of Revenue, Ministries of Education and Commerce, HEC and concerned provincial departments to encourage private sector in Higher Education, being a resource constraint at this point in time, can hardly allocate more funds for Higher Education.

➤ Research is prominently missing in our private sector Higher Education Institutions despite the fact that it is that vital part of education that needs to be accorded a very high / top priority. It can be achieved by ensuring that sufficient funds are allocated, endowments are created required / matching environment is provided to the researchers.

➤ Libraries of private universities need a major attention. At present, the libraries do not meet international standards. Common observations include non-availability of modern / latest books, absence of multimedia systems, modern networking and computer management system, non-availability of audio visual aids.

➤ The institution of a teacher is the centre piece of any education model or a system. Therefore, recruitment / selection

procedure of teachers also needs reforms with more focus on the quality of teacher and merit based selection.

➤ There is a need to evolve a mechanism to ensure accountability for the performance of our educational institutions. It is suggested that all universities including the private universities must have a sovereign, strong and authoritative governing body which should be formulated under the authority of Chancellor and may be nominated.

➤ Needs-based scholarship plan, fee concessions and student loans for deserving scholars enrolled in private higher education institutes are augmented to reduce inequity. A mechanism to monitor this by HEC and Provincial Government through an independent high powered Committee is the need of the hour.

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