

Educational Poverty by Design: A Case of Mismanagement of National Resources

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Abstract

The primary purpose of this paper is to review and evaluate the causes of educational poverty in less developed countries. The basic intent in carrying out such a study is to define and derive the role of governing agencies in deliberately creating educational poverty in the country, so that the private interest of the rich and powerful ruling class can be fully safeguarded. This study is of crucial interest to the common man because majority of the people living in less developed countries are poor in spite of the fact, that almost all these countries own ample human and material resources. However, the common man in these countries is continuously suffering, generation after generation, and has been denied access to basic amenities of life. The rich and powerful ruling class, in majority of the less developed countries, has intentionally denied basic education facilities to its people for keeping them ignorant and unaware of their fundamental rights to share national resources and to gain competence for comfortable living in the society. The paper advocates a complete reversal in economic growth policies of the less developed countries so that top priority is given to those projects and programs that directly benefit the common man in the society. In this respect, the author calls for awareness among the people to exercise their economic and social rights so that people of all the strata can share equally the fruits of growth and prosperity.

Keywords: *reversing priorities; competence; access; define and derive; consistent plan; prosperity*

1. Introduction

The quality of life in very many developing countries is becoming increasingly intolerable on account of mismanagement and misuse of national resources by their own ruling class. The historical record shows that most of the poor countries in the world remained poor in spite of possessing substantial amount of human and material resources, accumulating huge foreign debts and contribution from the donor countries of the world.

The Western economic growth theories propagated by economists to explain the ways and means to overcome poverty in developing countries have proven ineffective so far. The trickle down effect of “Big Push” (Rosenstein-Rodan -1943) argument and “Balanced Growth” (Ragner Nurske- 1961) theory rather promoted greater income inequalities, corruption and incompetence among the people living in developing countries. The international agencies in collaboration with the ruling class in developing countries picked up projects, which directly benefited the rich and affluent class of the society. Thus we see heavy investment gone into the construction of monumental projects such as most modern airports, motor ways, palatial houses for the government functionaries and so on which are not the immediate concern of the common man.

To set the things right, the decision makers in the developing countries, are to reverse the economic growth priorities (Ahmad 2012). The distribution of national resources is to be made more equitable to serve all the sections of the society without discrimination. We need to change the direction of our attention. Instead of giving all the attention to the most prestigious projects to maximize rate of return, it is more beneficial to pay attention to the immediate needs of the majority of people in the developing countries. For example employment for the entire workforce, quality primary education for all the school age children, basic health facilities for all the nationals and skill learning institutes to promote productivity and quality among the workforce to remain competitive in the job market. Due to inadequate education and skills, a major part of the work force in developing countries is dropped out from the

competitive job market, while those who are educated and skilled seem to be migrating to other countries to find better economic prospects for the family.

Population is the most valuable resource for developing countries to compete in the international market (Ahmad – 2013). However, the useful and competitive ability of the population depends on its quality and productivity content. By keeping a major proportion of the population uneducated, the ruling class intends to ensure availability of low paid workforce for all kinds of support services. This primarily leads to educational poverty by design. As a consequence, poor countries are getting poorer largely because the people in the poor countries are denied their right to have proper education and skills to compete in the market to earn respectable living in the society.

The main focus of this study is to highlight the extent and seriousness of the issues relating to educational poverty in developing countries. It is largely a data based analysis of the facts collected from the secondary sources in respect of highly populous countries of the world (top ten). In order to learn actual economic growth experience of developing countries, the study intends to draw useful guidelines for the elimination of poverty and promote economic growth prospects of under performing developing countries. This will help to turnaround the plight of the common man in less developed countries.

2. Extent of Educational Poverty

It is the man who has been the architect of economic and social development in the past and has been responsible for creating innovations and knowledge to bring about technological change for the economic welfare of the society. Thus more population means more creators and producers for earning better income and comfortable living.

King Rachael (2009) observed that in the global competition, many of the multinationals are trying to establish their links with these countries to get low cost advantage by out sourcing many of the components they need to make for their final product. But the surplus labor in most of the developing countries lack necessary education, skill and training to improve their wage bargaining strength.

The Neo-classical population growth model advocate positive effects of population increase and believes that population is beneficial to an economy. While counting beneficial effects of population increase, it is stated that with the increase of population, economies are blessed with a large labor force, making cheaper to produce goods and services. This very much contradicts the pattern of living of the developing nations in the world today. Currently, less than 15 percent of the world population can be classified as rich, while rest of the population is in confusion (World Development Indicators-2010). In fact, 72 percent of the world population falls in low-income category. To be more specific, at least 38 percent of the world population can be described as poorest of the poor. Since long, these income differentials are being kept by the rich and powerful ruling class of the society, to have a complete hold on the poor people to ensure availability of essential services at a cheaper rate (Ahmad -2012).

Population is one of the resources available in abundance in developing countries. In majority of cases, this particular resource seems to have been grossly underutilized and often engaged in places where they are made to live only on subsistence wages. A close look at the resource position of developing countries indicates that many of them have ample material and human resources of their own. For example, Nigeria has oil in abundance, Sudan has exportable cotton, Zambia has precious copper in plenty and so on and still these countries are poor and the common man in these countries is unable to afford very basic amenities of life. Apparently it is a case of mismanagement of national resources by the decision makers. It also reflects that the rulers of these countries have not set the priorities of using the national resources in the best national interest.

Countries like Japan, Singapore, are the proven examples to show that population has more flexible and superior capacity to learn, retain, and deliver than any other physical resource available in the universe. The poor countries can change their plight by empowering the common man with the knowledge and skill required to compete in the global market. In majority of cases it is seen that the national resources are diverted towards such development programs and projects, which are not beneficial for the common man. In the end result it is seen that a small segment of the society, largely powerful ruling class, gets most of the economic benefits in return while the common man is left unattended. Thus majority of the people living in these countries are made to live a life of neglect, illiteracy and malnourishment.

The top ten highly populous countries in the world contain some 4 billion people (Year 2011 Population Statistics), which represent nearly 58 percent of the total world population of approximately 7 billion people. But all these countries are not economically well off. Interesting enough some of them are very poor and others are among the richest countries of the world. This indicates that population by itself is not necessarily the cause or consequence of

poverty. In fact, income poverty is somehow positively linked with the level of education attained. To initiate further discussion in this regard a brief account of the top ten countries describing their income and educational differentials is given in Table-1.

Table 1: Extent of Educational Poverty and Income Poverty among Top Ten Highly Populous Countries

Country	Literacy Rate (Latest Year)	Per Capita Income (PPP) (Year 2011)	Population (Million) (Latest Year 2011/13)
Bangladesh	56.8%	\$1, 777	153
Nigeria	61.3%	\$2, 533	174
Pakistan	54.9%	\$2, 745	184
India,	74.0%	\$3, 650	1,211
Brazil	88.6%	\$11,640	194
China	92.2%	\$8, 400	1,354
Indonesia	90.4%	\$4, 636	238
Russia	99.6%	\$ 21, 921	143
Japan	99.0%	\$ 33,668	127
USA	99.0%	\$ 48,112	316

Source: World Bank. and IMF.

[http://en.wikipedia.org/wiki/List_of_countries_by_GDP_\(PPP\)_per_capita](http://en.wikipedia.org/wiki/List_of_countries_by_GDP_(PPP)_per_capita)

http://en.wikipedia.org/wiki/List_of_countries_by_literacy_rate

Taking USA, Russia and Japan as highly advanced countries, the remaining seven highly populous countries are still representing almost 50% of the world population. The performance of these seven highly populace countries are conveniently divided into two groups on the basis of literacy and income levels achieved:

Low Performing Developing Countries:

Bangladesh, Nigeria, Pakistan and India

High Performing Developing Countries:

Brazil, China and Indonesia

The above two identified income groups reflect actual amount of effort of the Countries to attain the income status they have achieved. Considering these countries as role models we can draw useful guidelines for the elimination of poverty among the less developed countries. However, to make an in depth study of the important features of these two groups of countries, it is desirable to compare the economic performance of China, as the most progressive country among the top seven highly populous countries of the world with that of Pakistan and Nigeria, where human and material resources are equally available in abundance but these countries are counted poorest among the poor nations of the world. These comparisons are likely to provide useful guidelines for the elimination of poverty and for improving the wellbeing of the common man in developing countries.

2.1 Educational Poverty Design- China

China has shown tremendous awareness and competence to build economic strength of its people. It represents an excellent growth model where education seems to have played a defining role for boosting its economy (CIA World Fact Books). China, highest populous country of the world (1.354 billion people-Year 2011) has used its population as a powerful resource for building its competitive strength in the global market. The most outstanding feature of China's success in using its population as a resource is based on the fact that China, a state-run system of public education has made it mandatory under the law for all school age children to attend school education for at least nine years. The idea is to educate and train its people and provide them opportunities to attain saleable skills. In fact, China fully supported participation of people in the production process to earn income for living comfortably in the society. Just to quote only one example in which, China allowed rapid expansion of vendor industry, so that smaller business units are encouraged to specialize in making components for bigger assembly plants, is good enough to demonstrate common man's participation in production process.

According to International Poverty Line estimates, the comparative picture of population living under 2 dollar (PPP)

a day is as follows:

Nigeria	84.49% (2010)
Bangladesh	76.54% (2010)
India	68.72% (2010)
Pakistan	60.19% (2008)
Indonesia	43.30% (2010)
China	29.79% (2006)

(Source: The World Bank Data. retrieved from <http://maps.worldbank.org/afr/nigeria>)

Highly skilled and trained Chinese workforce is the key parameter in creating highly conducive environment for the promotion of direct foreign investment in China. The inflow of foreign capital in the form of DFI increased from US\$188 billion in 1990/99 to US\$ 483 billion in 2000/07. In fact, the availability of highly skilled manpower at comparatively low rates (cheaper than India) in China has boosted its exports. Presently its total export earnings has reached US\$190 billion (Year 2012) and is ranked second highest in the world. Actually many of the multinational business firms have moved to China to avail opportunities to employ highly skilled workforce to cut costs. Now almost 80 percent of its export earnings belong to foreign investors in China.

2.2 Educational Poverty Design-Pakistan

Pakistan is the 6th largest populous (180 million- Year 2011) country in the world. It has ample human and material resources, including extensive agriculture land for cultivation of exportable crops, such as cotton and fruits of excellent quality. Due to widespread corruption and mismanagement the country is unable to make best use of its available national resources. All this is reflected in poverty of the people. The salient features of Pakistan's economy are recoded in Table-2.

Table 2: Pakistan/China – Poverty Differentials

	Pakistan	China
Per Capita Income	US\$ 2,745 (Year 2011)	US\$ 8,400 (Year 2011)
HDI (Human Dev. Index)	0.527	0.755
Population Living Below \$2 a Day (PPP)	60.19% (Year 2008)	29.79% (Year 2008)
Literacy Rate	54.9%	92.2%
Primary School (Duration)	5 Years	9 Years (Compulsory)
Primary School Enrollment	56%	100%
Primary School Completion	67%	103%
Public Spending on Education	2.0 % of GDP	12.97% of Govt. Expenditure

Sources: UNESCO Institute of Statistics, Education (all levels) profile- Pakistan", "China".

Retrieved: <http://stats.uis.unesco.org/unesco/Tableviewer/document.6/7/2013>

The literacy rate in Pakistan is far less than the rate achieved by progressive countries, such as China (92.2%), Indonesia (90.4%) and Brazil (88.6). In fact, even the literacy rate by its very definition is not sufficient base to call people educated. Hence the actual level of educational poverty is much deeper than the data presented in various reports. To be called educated, every person need to have completed primary education of an acceptable quality. The primary education enrolment data in this respect shows low enrollment as well as very high dropout rate of students from primary schools.

In Pakistan the primary school completion rate in the year 2010 was about 67% , indicating that the dropout rate and failure rate was close to 33%. Thus if we add children who did not enroll plus those who dropped out/failed, the educational poverty at primary school level is critically very high and this evidence fully support the fact that primary education has been deliberately neglected by the government at primary school level which ultimately affected ability to get gainful employment and hence income to live gracefully in the society. So far the public

expenditure on education is extremely low (see Table-3):

Table 3: Public Expenditure as a % of GDP-Pakistan

Year	Public Expenditure As a % of GDP
2009/10	2.05%
2008/09	2.10%
2007/08	2.47%
2006/07	2.50%
2005/06	2.24%

Source: Pakistan Economic Survey 2011-12, Government of Pakistan, Finance Division, Economic Advisor's Wing, Islamabad, pp. 138-40. www.finance.gov.pk

In Pakistan, the public expenditure on education (covering all levels of education) over the years has not changed very much, rather there is a declining trend noticeable in the information given in Table-3. In fact, a major proportion of the education budget is spent on higher education, while the funds released for running primary school system is far less than the amount needed to run a good quality primary school. The precise share in the public expenditure for running primary school system in Pakistan is far less than the amount needed to run a good quality primary education for a reasonably longer duration, say for seven years and so.

Latest information released by Sustainable Development Policy Institute in their report "Clustered Deprivation: District Profile of Poverty in Pakistan" shows that Pakistan has some 58.7 million people (Year 2012) living below poverty line. This further supports the concern that in Pakistan people have been denied education, employment and hence income and are left to survive on their own. This phenomenon has promoted crime in Pakistan. Apart from unreported crimes of minor nature, such as snatching of mobile phones, vaults and purses, a large number of crimes of very serious nature are increasing and security problems in big cities have made life of the people miserable in Pakistan. In fact, crimes, such as target killing, bank robberies, house breaking, rarely heard before, are becoming common feature in almost all the big cities.

2.3 Educational Poverty Design- Nigeria

So far the petroleum industry is a major resource for economic growth of Nigeria. It is counted as the 12th largest producer of petroleum products in the world. Nigeria receives the largest amount of Foreign Direct Investment (FDI) in Africa. According to UNCTAD Nigeria's inflow of FDI increased from US\$1.4 billion (Year) to US\$7.3.0 billion in the year 2013. In fact, the major sources of FDI in Nigeria are from international oil companies, such as Chevron, Exxon and Texaco. China is also holding a major share in FDI in Nigeria. Nigeria owes nearly USD 10.5 billion (Year 2013) as an external debt.

Nigeria is the 7th largest populous (158 million -Year 2011) country in the world.

In Nigeria the number of people living below poverty line (less than \$2 per day-PPP) in the year 2010 was 84.49 %. It is the highest level among the top ten highly populous countries of the world. Its people are poor, rather poorest among the poor. Its valuable oil resources and inflow of FDI, and borrowing from abroad, is not benefiting the common man in Nigeria. The population literacy rate (age 15 and over can read and write- Year 2010) is 61.3%, which is far less than the world average of 84.1%.(Year 2011). The education system in Nigeria consists of six years of primary education, six years of secondary school. Nigeria provides free, government-supported education, but attendance is not compulsory. As a result the rate of primary and secondary schools attendance is very low, less than 50%. The Nigerian National Planning Commission has declared Nigerian education system as "dysfunctional", responsible for educational institutions decay. The salient features reflecting Nigeria's economic strength vis-à-vis China is given in Table-4.

Table 4: Nigeria/China – Poverty Differentials

	Nigeria	China
Per Capita Income	US\$ 2,533 (Year 2011)	US\$ 8,400 (Year 2011)
HDI (Human Dev. Index)	0.453	0.755
Population Living Below \$2 a Day (PPP)	84.49% (Year 2010)	29.79% (Year 2008)
Literacy Rate	54.9%	92.2%
Primary School (Duration)	6 Years (Compulsory)	9 Years (Compulsory)
Primary School Enrollment	100%	100%
Primary School Completion	80%	103%
Public Spending on Education	0.89 % of GDP	12.97% of Govt. Expenditure

Sources: UNESCO Institute of Statistics, Education (all levels) profile- “Nigeria”, “China”.

Retrieved: <http://stats.uis.unesco.org/unesco/Tableviewer/document.6/7/2013>

2.4 Unending Downward Trend of Poverty

There has been very little change in the economic welfare status of developing countries over the decades. In fact, there is a consistent trend showing more and more people falling below affordable living standards in the world. The children born in poor families are bound to be poor and continue to live a life of deprivation and unending poverty. Joann Wilkie (2007) in his research study pointed out that “If jobs are inherited rather than allocated according to merit, then a child’s earning capacity will be solely determined by the parents’ socio-economic position and it will remain unchanged from generation to generation.” Among several factors which impact on an individual’s earning capacity, such as education, health, and social status, quality education at grass root level is considered most effective in the long run.

Variably education is one of the key mechanisms through which income is transmitted across generations. According to Corak (2006) high-income earning parents may also transfer more subtle advantages to their children in the form of social skills, attitudes, and motivations, which may expand child’s earning capacity as an adult. In fact, high-income earning parents may be able to purchase or produce better ‘inputs’ for their children’s development. Low-income earning parents cannot offer their children the same quantity or quality of inputs. Studies have shown that children from low-income backgrounds are more likely to have lower education attainment (Duncan et al 1998) and earnings in adulthood (Sigel-Rushton 2004) than those from high-income households.

The extent of educational poverty discussed so far gives sufficient evidence to prove that a strong linkage between education and economic growth of the society is prerequisite for economic wellbeing of its people. It is a well-established fact that educational poverty is the cause and consequence of poverty. Countries denying sufficient funds to run a quality primary education of reasonable duration are deliberately keeping their people poor for their own private selfish interest.

3. Methodology

The study presents an analytical framework to discuss educational poverty in the context of low performing countries where majority of the population has been exploited by the rich to deny them their rightful share in the distribution of national resources of the country. In this study the entire emphasis is laid down on the data relating to economic performance of top ten highly populous countries of the world to see how far education has contributed in improving the welfare of the society. This is essential to find a workable solution for eliminating educational poverty and to identify the main causes of denying access to quality education to the people as a deliberate policy of the ruling class in developing countries.

To discuss and analyze the subject of the study identified three model developing countries from among top ten highly populous countries of the world. These countries are such that they have very similar resource positions for making meaningful comparisons but their performance to empower common man has distinctly different success. The similarity features of these three countries include such indicators as population, income level, basic educational attainment and poverty elimination strategy as indicator of economic performance.

The study made specific recommendations of valuable significance for the developing countries where access to

quality education has been limited to those who can afford it while leaving education of the majority of people in the hands of public sector management. Due to poorly funded public sector agencies such schools have poor infrastructure and largely untrained teachers.

4. Discussions and Analysis

The international agencies like World Bank and Asian Development Bank have made special efforts to assist less developed countries in their planning, formulation and execution of projects and programs. The primary aim in all such assistances was to increase the momentum of economic growth so that the average man in these countries can be made better off through trickle down effect. However, majority of these developing countries have remained poor since long and the common man has received very little in terms of basic amenities of life for a respectable living in the society. In fact, the outcome of all these efforts by the international bodies has been disappointing and failure. The proportion of people living below poverty line is on the increase, while the ruling and elite class in the developing countries are enjoying a standard of luxurious living, which very few rich societies in the world can afford. The World Bank and IMF are introducing a new framework to address poverty. The idea is to align social sector development with macro economic policies and strategies. In this context these international agencies want to reduce the debt burdens of world's poor nations by linking debt-relief to country-owned poverty reduction strategies. Such efforts seem to have successfully applied in case of Bolivia and Mozambique where debt relief resources were channeled to education.

Almost half the world's population lives on less than \$2 per day. In their struggle to survive they have no time to consider education as their priority to let their children to go to school. The state in these countries has assigned very low priority to provide education for all. Due to poor response and lack of interest, majority of population in developing countries are living a life of miserable poverty. In fact, education is a major key to releasing people from poverty, rather it is the most effective social institution, which provides a strong basis to strengthen the capability of the population to get skills and employment to earn income for their comfortable living. Education is thus an absolute necessity to alleviate poverty in the society. Many countries in the world are poor simply because the ruling class and their cronies, some 15 to 20 percent of the total population, share 70 to 80 percent of the national resources for their own economic welfare. The rest of the population in these countries is left to struggle on their own to earn there living. Thus the problem faced by most of the developing countries is not the lack of resources, rather mismanagement of national resources and exploitation of the poor masses.

The importance of education in poverty eradication is undeniable crucial and need to be fully appreciated, especially in close alignment with other social sectors. In this regard the HDI (Human Development Index- United Nations Development Program), is a very useful multidimensional measure for indicating economic wellbeing of the society. The HDI combines indicators of life expectancy, educational attainment and income into a composite human development index. HDI serves as a frame of reference for both economic and social development. The HDI ranking of the top ten highly populous countries of the world (Total countries being 186) is given in Table -5 to display the economic and social differentials among the selected countries.

Table 5: Economic and Social Differentials in Terms of HDI Ranking

Country Ranking	HDI	Multidimensional		Inequality-Adjusted HDI Value
		Poverty	Index (%)	
Bangladesh		146/186	0.292	0.374
Brazil		85/186	0.011	0.531
China		101/186	0.056	0.543
India		136/186	0.283	0.392
Indonesia		121/186	0.095	0.514
Japan		10/186	NA	NA
Nigeria		153/186	0.310	0.276
Pakistan		146/186	0.264	0.356
Russia		55/186	0.005	NA
USA		3/186	NA	0.821

Source: Human Development Report 2013, UNDP.

<http://hdrstats.undp.org/en/countries/profiles/RUS.html>

<http://hdr.undp.org/en/countries/>

According to HDI ranking Norway and Australia are placed first and second highly developed countries of the world, while Niger and Mozambique are considered the least developed countries of the world. Among the top seven highly populous countries of the world (Table-5) Nigeria and Pakistan are relatively poorest in terms of HDI ranking, while Brazil and China hold top two positions as high performers among developing countries. But majority of developing countries are counted as poor nations. The ranking of the top ten highly populous countries are placed in the following HD Groups:

Very High HD Group:	United States & Japan
Population:	(10.82% of Ten High Populous Countries)
High HD Group:	Russia & Brazil
Population	(8.23% of Ten High Populous Countries)
Medium HD Group:	China, Indonesia & India
Population	(68.47% of Ten High Populous Countries)
Low HD Group	Bangladesh, Pakistan & Nigeria
Population	(12.48% of Ten High Populous Countries)

80.95% of the total population living in the top ten highly populous countries of the world is part of Medium and Low Human Development Group as compared to less than 20 % of High and very High Development Groups. The differentials between their levels of Human Development are described below (Table-6):

Table 6: Differentials among Human Development Groups

Human Development Group	Income Range ¹	Education Schooling ²	Health Years ³	Inequality HDI Value ⁴	Poverty MPI (%) ⁵
High/Very High HDG	US\$8,103-	6.5 Years-	74.7-	Not Available-	NA -
Medium/Low HDG	US\$46,688	12.6 Years	81.3	0.894	0.010
Medium/Low HDG	US\$ 701-	1.4 Years-	55.1-	0.200-	0.00
Medium/Low HDG	US\$13,385	11.5 Years	70.6	0.727	0.642

¹ GNI per capita in PPP terms (constant 2005 international \$). ² Mean years of schooling (of adults) (years)

³ Life expectancy at birth (years). ⁴ Inequality-adjusted HDI value. ⁵ MPI: Population living below \$1.25 PPP per day (%)

Source: HDI Report 2013. <http://hdrstats.undp.org/en/countries/profiles/TUN.html>

Looking at Human Development Report 2013 (United Nations) the message is clear that China has already overtaken Japan. Now China is recognized as the world's second biggest economy and it has transformed hundreds of millions of its people out of poverty. The Human Development Report also identified Turkey, Mexico, Thailand, India, Brazil and Indonesia becoming leading actors on the world stage. The World Education Forum (April 2000) adopted The Dakar Framework for Action-Education for All (EFA) declaration in which it was pledged that to promote EFA policies it is necessary to link the poverty elimination and development strategies together. The role of education in this process is necessarily one of achieving universal primary education. The Secretary-General of the United Nations within the context of the Decade for the Eradication of Poverty confirms that universal primary education is central to the fight against poverty. It is a proven fact, that education is the social institution, which affects the largest segment of the society. Former President of the United Republic of Tanzania once said, "Education is not a way to escape poverty- it is a way of fighting it". In order to fight poverty we have to adopt all those measures, which seem to have caused poverty. In this respect the most common features seen in many of the developing countries include

mismanagement of national resources, Low Income, and income inequalities. In fact, all these symptoms are the consequences of mismanagement of national resources by the powerful ruling class of these countries.

Majority of people living in poor countries are considered unwanted rather burden on the society and their economic welfare is never in view when national priority programs are formulated. As a result a small proportion of rich and powerful people, including landlords, and businessmen, for which they pay no taxes in connivance with the rulers, assume sole authority to make national decisions. Thus the problem faced by developing countries is not lack of resources, rather misuse; misallocation and mismanagement of available national resources by its own privileged elite class. Nigeria with its ample oil wealth is unable to feed its people. Very similar conditions are prevailed in Pakistan. An exemplary evidence of misallocation of national resources can be witnessed from the way prestigious projects are being financed from the meager national resources in Pakistan. As an economic proposition, it is difficult to justify construction of a motorway facility when the country has a parallel transport network consisting of Grand Truck Road, Railway network, and an air transport service, already in place.

The Low Performing HDI countries, such as Pakistan, Nigeria and Bangladesh present a case of educational poverty by design and the intent of the ruling class in these countries is such that the poor people are forced to live on subsistence wages at the best. Keeping a major proportion of the population uneducated serves the elite class of the society very well. People are hired at low wages for all kinds of jobs, which is the main advantage for the high-income earners in these countries. The growing extreme income inequalities, denying the right to have basic education and health facilities for the common man has been carefully designed by the ruling class to safeguard their own private interests in poor countries. Obviously the huge amount of foreign loans and half of the annual national budget spent on civil and military security by the ruling class is not the key interest of the common man. To set the things right, the ruling class in the developing countries, is to reverse the investment priorities to give greater attention to projects, which are directly beneficial to the common man.

5. Conclusions and Recommendations

The economic performance of majority of developing countries is miserably low on several counts, including the failure of the ruling authorities to set the national priorities in line with the basic needs of the majority of its population. Poverty is on the increase and more and more people in these countries are driven below income poverty line. The common man is continuously fighting for its survival whereas a small segment of the society in these countries is living a life of affluence and most modern comforts. Poverty in these countries is unending because majority of the children born in poor families remain poor, generation after generation, and therefore they are caught up in unending vicious circle of poverty.

By keeping majority of the population uneducated and under economic suppression, the ruling class in connivance with the country's landlords, businessmen and external political forces want to have a complete control on the use and abuse of country's national resources. The supporting evidence can be seen in the way these countries have set their priorities in the distribution of national resources. As a result the common man's access to basic education, health and employment is denied and he is forced to go on fighting for his survival without any end in view.

The economic policies and strategies developed by the international agencies such as the World Bank and Asian Development Bank, seems to have failed to bring any significant change in the plight of the poor population living in the developing countries. The statistical record of economic performance of many of the less developed countries do suggest that poor countries remained poor largely on account of mismanagement of human and material resources by the powerful ruling class of these countries. Nigeria, the 12th largest oil producing country in the world is unable to provide basic needs to majority of its people such as education, health and employment with the result that there are 84.49% of its people living below income poverty line. On the other hand China, the highest populous developing country in the world (1.354 billion people) succeeded in providing education, health and employment to the majority of its people, where 30% of its people are living below poverty line.

The role of education in poverty eradication is very crucial. The Secretary-General of the United Nations while addressing the Decade for the Eradication of Poverty (1997-2006) confirmed that universal primary education is central to the fight against poverty. He really meant that most poor children pass through primary level of education and their achievements are highly beneficial to break the cycle of poverty.

Several developing countries, including China, South Korea, Malaysia and Singapore have adopted this strategy and are successful in lifting millions of their people out of poverty. Many countries like Nigeria and Pakistan are poor because of their own mismanagement and misuse of available human and material resources. All this is reflected in

luxurious lifestyles of the ruling class and in their selection of projects and programs for their own comforts. The ruling class in these countries have intentionally denied majority of the population its rightful access to education, employment, income and hence very basic amenities of life, such as clean drinking water, two meals a day and some kind of shelter for the family.

China is an excellent example to serve as a role model for less developed countries. In fact, China very carefully invested in the welfare programs of its people. All this has been done to improve the quality of its workforce to stand highly competitive in cost and productivity. China's system of education looks exactly like a pyramid, larger share to basic education smaller share to higher education. China also directed its local governments not to pursue middle-school education while primary school education was still developing.

China provides sufficient evidence to show that primary education of longer duration (9 to 10 years) is to be made compulsory so that a competent workforce is developed as a national asset. In fact, countries like Pakistan, Nigeria and Bangladesh, can transform their economies from low income to highly efficient progressive nations of the world by following the track record of China. Spending on things other than people is less productive in the long run. The national investment priorities have to be reversed. All projects and programs directly benefiting the common man must be on the top of the list. In the list of common man's economic welfare program the priority ranking must be of the following order:

First Task: Employment for the entire workforce. This is to ensure a minimum level of income for every family to make them live respectfully and to minimize the crime rate in the society. This is likely to have immediate effect on the people's morale and it will reduce income disparities.

Second Task: Very strong drive to enroll all school age children for 8 to 9 years quality primary education where students are given academic as well as technical/professional training to enable them to do highly skilled jobs.

Third Task: Developing highly competitive vendor industry to share production process with the help of skilled workforce coming out from the primary schools. The best examples are auto industry, where several components are produced by the vendors and gained competitive ability in the international markets.

All other priority programs can follow to take care the rest of the responsibilities of governing the economy.

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