**Abandoning higher education**

Dr Ayesha Razzaque

Saturday, May 28, 2022

On Wednesday, members of our much vaunted ‘youth bulge’ that counts itself as supporters of the party of justice were proudly abusing police and setting alight public property in Islamabad. At around the same time, another news quietly broke in the background: Pakistan and the IMF failed to reach a staff-level agreement for the resumption of the stalled External Funding Facility, for the most predictable reason in the world.

Like those trees set on fire in Islamabad, Pakistan is currently burning around Rs120 billion every month on a fuel subsidy put in place in the waning weeks of the PTI government. The IMF is demanding the government withdraw that subsidy which, according to some spitball estimates, could catapult the price of petrol to around Rs200 per liter and even further north if taxes and levies are re-introduced. Later, on Thursday we learned that the government has accorded high priority to the resumption of the IMF programme and has decided to reduce the fuel subsidy on petrol by Rs30 effective Friday.

What does any of this have to do with higher education? The HEC’s recurrent budget for the current fiscal year (2021-22) was Rs65 billion. That amount was not enough to cover the expenses of running around 150 public universities in the country for the entire year. Some universities were unable to pay their existing teaching staff their salaries for months. It also happens to be roughly equivalent to the amount we have been spending on fuel subsidies every fortnight since March. Looking at it another way, by the end of this fiscal year we will have spent four times the HEC’s annual recurrent budget on a fuel subsidy that has simultaneously scuttled the IMF’s External Funding Facility.

That is bad enough as it is but, unfortunately, it gets worse. For the next fiscal year, the HEC requested a recurrent budget of Rs104 billion. However, a few days ago an official letter (dated May 23, 2022) from the Finance Division regarding the 2022-23 budget emerged. It directs the HEC to prepare a new budget for next year that fits into Rs30 billion, – less than a third of what was requested and less than half of this year’s Rs65.25 billion. Here I would like to acknowledge that Federal Minister for Planning and Development Dr Ahsan Iqbal has voiced his opposition to this news.

For all of our talk of development, industrialization and the youth dividend, this then is the value we put on education: we are willing to burn a year’s higher-ed expenses in fuel subsidies every two weeks and, going forward, not only are we unwilling to adjust for inflation whatever little we spend on public higher-ed, but we will cut it by more than half. Message received!

If wishes were horses, a healthy portion of this fuel subsidy would have gone to cover the shortcoming in the HEC’s budget. The only way the youth bulge will ever pay out its dividend is if we develop both school and higher-education sectors. We cannot, will not, earn ourselves out of our economic woes by exporting unskilled labor to the Middle East and elsewhere.

After the PDM /PML-N government came to power it announced a stop to poorly conceived political projects like the PM House university which had stalled in the Senate. That was welcome news but was immediately followed by an announcement that the project would be replaced with a brand-new university named for Dr A Q Khan that is to be built from scratch. It is like exchanging a white elephant for a slightly smaller white elephant. How the PM House university was a political stunt, but the Dr A Q Khan university is not while next year’s HEC budget looks set to be cut by half is hard to justify. Whether it is school or higher education, talking education to governments has become a lot like shouting, nay screaming, at a wall.

Out of the 225 universities in Pakistan, 31 (around 14 per cent) are located in Islamabad-Rawalpindi-Taxila metropolitan area that is currently home to around four million residents which accounts for less than two per cent of the country’s population. In these circumstances, what problem will adding a 32nd university to the same area solve?

Consider the impact of such a project on the HEC’s development budget. In the current inflationary environment the typical price tag of a new university has gone up from Rs4-5 billion to around Rs8-10 billion. To put that in perspective, for the coming fiscal year the HEC requested Rs45 billion for its development budget but was only granted Rs35 billion. That means that the cost of establishing a new university can take out a bite equal to one-third of next year’s higher-ed development budget.

The financial support universities receive from the HEC will inevitably shrink, and whatever influence the HEC as a regulator has over them will further diminish. I have argued for universities to become more financially independent of public funds. However, this cannot be accomplished by drastically cutting funds from one year to the next without giving universities the time and opportunity to develop business plans for alternative streams of income.

The HEC has also taken on a number of very different roles – currently it is regulator, policymaker, financier and implementer, all rolled into one, and is arguably not able to do justice to all of them. This suggests its own role needs revisiting.

Instead of leaving decisions about whether and how to establish schools/ universities to professionals, all and sundry who ever went to school or college feel they are sufficiently qualified to comment about every aspect of education. That is why these decisions are often in the hands of politicians and anyone influential enough to reach them.

Of the 225 universities in the country, about 150 are publicly funded. Last year, it came to light that a public university raided its faculty pension funds to cover expenses and is about to default on its pension obligations. Next year promises to be worse. Since news broke of next year’s HEC budget, vice-chancellors of 120 public universities have voiced their shock and concern that they will not be able to cover their salary and pension obligations, let alone other expenses.

This is yet another reason why the government should quit the habit of announcing new universities. Establishing new universities is easy but it leaves the HEC and the government saddled with another institution to fund. With public funds scarcer than ever, new public universities should only be established if they have a viable business plan for long-term self-sustainability.

The writer (she/her) has a PhD in Education.