[Dr Ayesha Razzaque](https://www.thenews.com.pk/writer/dr-ayesha-razzaque)

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**Buying academic Ferraris**

We have a planning problem. We are always in a (fool’s) rush to raise the next project, build the next megaproject, but once it is completed, the ribbon is cut, and the applause from the inauguration cutting ceremony dies, so does the interest. Building infrastructure and hiring people is (relatively) easy, but keeping it operational, retaining talent, and tracking outcomes and performance is hard and is a long-term responsibility that is often a thankless job.

In the context of the (higher) education sector, the end result is often a gradual decline, brought on by the absence of necessary resources for facilities maintenance. In some cases, in the past, this has resulted in expensive equipment becoming little more than museum pieces – to be shown off to visiting dignitaries, but not put to intended use for fear of it ‘breaking’ or simply because the funds needed for its operation are not available. As a simple example, up until a few years ago a major national university in Islamabad used to turn off its data center around 5pm every day, to conserve electricity – as if it were a washing machine.

Among the oft-repeated pitfalls in project proposals, or PC-1 forms, are wildly ambitious, overly optimistic projections in accompanying feasibility studies. Buying land, constructing buildings, even hiring good staff is easy. Ensuring that targets forecast in PC-1 forms are met is a different matter. This is a question that usually has to be revisited years after operations commence, when it turns out that promises of income generation through development of intellectual property were vastly off base and the project is not as sustainable as promised in its PC-1. Unfortunately, by that time the job of running the university has become someone else’s problem, while the architects of the project that made the projections have moved on.

In all the excitement for land acquisition and construction contracts, the intellectual weightlifting of developing academic programmes, the raisons d’etre of universities, take a backseat. The academic programmes that justify a new university in the first place are not even developed or half-baked, and no homework has been done on accreditation requirements.

PC-1 proposals are sometimes padded with unnecessary programmes or facilities that are duplicates of existing ones. In the context of higher education institutions, scholarship programmes, of which the HEC currently administers several, are a common example.

To realize just how big an issue these inflated project budgets are, let me demonstrate with an example that gives an appreciation of the scale of the problem. In recent years, the HEC has been using Rs4-5 billion as the average price tag (if there is such a thing) for establishing a new no-frills university. A recent PC-1 for a university for less than 1,100 students came with a cost estimate of more than Rs32 billion. That is equivalent to the cost of 6-8 ‘ordinary’ universities. To put it in different terms, according to a recent report, that is enough to add more than 30,000 classrooms to existing schools or hire 100,000 new teachers or establish 1,600 new primary schools. While there is a need for both schools and higher education institutions, ask yourself if it is justifiable to spend that much money on a single university when you can make a much bigger societal impact with those other buys? Also consider that there are almost 200 existing universities in the country, most of which are operating sub-optimally. Would it not be more cost efficient to fix the quality issues of any one of those universities?

An item that is now being slapped onto new projects are technology parks. Software technology parks, or STPs, were established in major cities around 20 years ago in a late effort to jump on the dot-com bandwagon of the late 90s. The idea was that these would provide reconfigurable office space for software and tech companies. As the tech ecosystem matured, these were augmented by incubators established from public and private funds that go beyond just providing office space (subsidized or rent-free), but also training, mentorship, networking and other opportunities as well. Incubatees trade equity for lower operating expenditures, which translates into a longer runway with the funds they have available.

Irrespective of whether it is an incubator or technology park, both require significant infrastructure investment which is again expensive and often justified by over-optimistic projections of incubatee successes. Although some experienced members of Pakistan’s tech startup ecosystem hold the firm belief that Pakistani-tech is indeed at a take-off stage, it is worth pausing and considering why there have been no truly indigenous break-out success stories in two decades. Is it a shortage of expensive investments in office space or is it the regulatory, banking, taxation, legal environment holding them back?

A few years ago, the HEC funded and deployed six ‘Centers of Excellence’ in emerging technologies, each funded by around Rs1 billion (equal to 50 new schools) over three years. These were in addition to 12 pre-existing centers in pure and applied sciences and humanities. To their credit, the planners behind this most recent batch of centers were wary of falling into the trap of brick-and-mortar spending and fought to make sure that would not become the case. Among the goals of these centers was to commercialize their research so that by the end of three years they generate at least 50 percent of the operational expenses through revenues, reaching 75 percent by the end of year four so they could become 100 percent self-sustaining without the need for further public funding.

That three-year period is up, and the centers are already in year four of operation. Before peppering the country with more such centers (many with the same or overlapping focus areas) under new PC-1s, it would be prudent to review to what extent the previous crop was able to attain its targets. Have they indeed become self-sustainable, or will they turn into white elephants that further strain their host institutes’ already limited resources?

The chain of arguments given in some PC-1s to justify spending on such centers sometimes require leaps of logic – or defy logic altogether. The feasibility study, that is a critical component of a PC-1, is often glossed over as a formality. Baselines and projected outcomes are (deliberately?) put in vague and unquantified terms that make it impossible to determine whether outcomes have been achieved. There is a clear lack of understanding of what a convincing feasibility study should look like.

We are a country where 22.8 million children between 5 and 16 years are out of schools, where the survival rate at grade-10 level (the percentage of students enrolled in grade-1 that will make it to grade-10) hovers around only 37 percent, and existing universities are sometimes unable to pay their employees’ salaries on time. I am not arguing that we should not be spending on higher-ed; we need schools, vocational training centers and universities and the per-student-cost of a university will always be higher than that of a school. Then, is it prudent to make large investments in the very last mile of academia, especially when they are padded with boondoggles with questionable success rates? We cannot afford to buy a new Ferrari when repairing our existing fleet of Corollas can do the job and should be the priority in the first place, particularly when we have so many other pressing needs.

The writer is an independent education researcher and consultant. She has a PhD in Education from Michigan State University.