

# **The reality of private investment in the education sector in Iraq and its future prospects**

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## **المستخلص:**

إن العراق يقف اليوم وهو بين يدي تركة ثقيلة من أكثر من أربعين عاماً من الإهمال والتراجع على المستويات كافة ، وما قطاع التربية والتعليم سوى أحد هذه المستويات ، وتشير التقارير الحكومية والدولية إلى أن مفتاح التحريك الشامل لملفات الاقتصاد والسياسة والمجتمع والثقافة هو التعليم ، فهو مال لا ينضب، وأساس لا مناص منه لتخريج جيل مبدع وخلاق، وواع بالأخلاق العامة، وفن التعامل، ومنتدق للجمال، ومنخرط بالتنمية المجتمعية الشاملة.

وتحت وطأة العجز المالي اتجهت الدولة لتبني سياسة عامة لترشيد الانفاق على التعليم الامر الذي ترك اثره على كفاءة المخرجات ومسايرتها للتوجه العالمي ومع شحة مصادر التمويل واعتماده على الموازنة العامة التي اصبحت مشكلة تواجه النظم التعليمية في العراق، فان عملية البحث عن مصادر أخرى لتمويل هذا القطاع الحيوي بات امراً لا بد منه والعمل على تنسيق الادوار بين القطاع العام والقطاع الخاص وضرورة فسخ المجال امام الاستثمار الخاص في البنية الاساسية التعليمية كأحد ابرز البدائل الممكنة في هذا المجال .

## **Summary of the research :**

Today, Iraq stands in the hands of a heavy legacy of more than forty years of neglect and decline at all levels, and the education sector is only one of these levels, and governmental and international reports indicate that the key to the comprehensive movement of the files of the economy, politics, society and culture is education. Depleted, and an inevitable basis for the graduation of a creative and creative generation, aware of public morals, the art of dealing, connoisseurs of beauty, and engaged in comprehensive community development.

Under the weight of the financial deficit, the state has tended to adopt a general policy to rationalize spending on education, which left its impact on the efficiency of outputs and their compatibility with the global trend and with the scarcity of funding sources and its reliance on the general budget, which has become a problem facing the educational systems in Iraq, so the process of searching for other sources to finance this vital sector It has become imperative, and work to coordinate roles between the public sector and the private sector, and the necessity of clearing the way for private investment in the educational infrastructure, as one of the most prominent possible alternatives in this field.

## **The research is estimated from thesis of MA**

## **Introduction :**

In all economies of the world there are uneven areas for the private sector, starting from different industries, through agriculture and trade, and ending with the service industry, and this is not new if we look at the reality of the educational services sector in public education, where the deterioration, volatility and lack of clarity of vision as a result of political instability and lack of a healthy and investment environment with a weak side Financing, at a time when the private sector has suffered from the impediments of progress, development and stability due to the inappropriateness of

the financial and economic policies adopted by the state, which has limited the role of this sector in light of the current circumstances as a basic pillar of economic reform, although the private sector has the potential to play a prominent role in restoring Building and pushing economic growth rates if it took its real opportunity on the ground.

### **Research problem :-**

The research starts from a real problem that the education sector suffers from difficulties and challenges resulting from poor organization and poor planning as a result of the inadequacy of financing and spending policies on education to meet the requirements of spending on educational institutions and not relying the budget on analyzing the reality and determining the needs of the educational sector. For previous years, in the manner that resulted in the deterioration of educational and educational services despite the financial abundance in the country, and thus the educational system in Iraq is no longer able to keep pace with scientific and intellectual developments.

### **Research Importance:-**

The importance of the research is evident from the reality of the changes and crises that Iraq has gone through due to wars and economic sanctions and the economic crises and wrong policies that have left their mark on the level of education in the country, which started with the increasing awareness among citizens and their increasing conviction that the educational services provided by the government were not at the required level. Therefore, there has become an urgent and inevitable need to enter the private sector and invest in education, and this approach must take place in a participatory and cooperative framework according to the mechanisms, foundations, curricula and contents of the partnership between the public and private sectors. The importance of research lies in the fact that it is not limited to assessing the quality of the educational and educational aspects of educational institutions in Iraq, but rather It seeks to propose an investment mechanism to provide high-quality educational institutions available to a large segment of society.

### **Research hypothesis:**

The research stems from the premise that investing in the educational sector is the first step to prepare the private sector to play its role in correcting the educational process in Iraq to bridge the gap between educational institutions, secure the market needs of an educated and efficient workforce, and keep pace with recent developments in educational curricula, given that private education The complementary and supportive arm of formal education, with its own philosophy, goals and justifications, to be a key partner with the government in providing educational services.

### **research aim:**

1. Study the current reality of the problems that education suffers from in Iraq in relation to its steadily increasing costs in light of the increase in population and the increasing demand for education and the requirements for a qualitative construction of human capital.
2. To envision the proposed mechanisms to stimulate the private sector to invest in education in accordance with modern trends.
3. Defining the future features of the education sector in light of the educational reality by giving the private sector a greater opportunity and role to direct educational institutions to obtain standards of economic efficiency and quality in education in the

context of the growing deficit in the government budget and leaving supervision and control of the government sector.

### **Research Methodology:**

For the purpose of encompassing the subject of the study, the researcher tried in this to mix between inferential descriptive analysis, starting from the general theoretical analysis to the special analysis of the reality of spending and its role in influencing the education sector, and the analytical method of some financial and educational indicators relying on statistics and data issued by official institutions, international reports and the surrounding sources About this topic.

### **The first topic / the theoretical side**

#### **Evolution of government spending on education**

Expenditure on education and its financing are seen as a favorable entry point for politicians and economists when dealing with the whole issue of education, the process of spending on education and improving its quality is one of the issues that deserves analysis and understanding as it is a sub-system that affects and is affected by all the interactions and relationships of the larger system, as it is affected to the same degree by pressures and restrictions Practiced by other community organizations on education <sup>1</sup>.

Public spending plays a clear role in the redistribution of income, especially public spending on public services, which has a positive effect on redistribution. In particular, public health services and public education services have an effect similar to the social security system, and the largest form of equality in distribution Income among individuals This is evident in high-income countries, where public services constitute the largest proportion of government spending <sup>2</sup>.

#### **First: The concept of educational spending:**

The concept of spending on education can be broadly defined as "expenditures that are spent on the educational process in all its various aspects, and includes all material expenditures as well as everything related to human aspects and the educational effort they expend <sup>3</sup>

Numerous studies have been conducted in various countries of the world that show us how spending on education has evolved over extended periods of time. Perhaps examining how spending on education differs in different countries of the world, regardless of their systems, is useful in knowing the relative importance of education in each country, as the chronological analysis of spending on education in certain periods of time reflects the economic and social conditions behind the variation and difference of spending on education and future expectations in spending on education in each country. The future, and in sub-Saharan countries, at a time when economic growth rates stop with the increase in population numbers, looking at the development of spending on education is impossible, as with the increase in population, living

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(<sup>1</sup>) Riyad Badri Strack, Education Planning and Economics, 2008, Athraa for Publishing and Distribution, p. (228) 1st floor, Amman, Jordan.

(<sup>2</sup>)Hall, David, "WHY WE NEED PUBLIC SPENDING?" PSIRU University of Greenwich, London, October 2010, p 28

(<sup>3</sup>) Walid Abdel Hamid Ayeb, Macroeconomic Effects of Government Expenditure Policy, An Applied Standard Study of Economic Development Models, Hassan Modern Library, Beirut, 2010, pp. 101-100.

standards reduce and lead to a decrease in the quality of education, and the world's people thus enter the cycle of poverty and backwardness <sup>4</sup>.

For example, we find that Iraqi educational spending as a percentage of total government spending less than many comparable countries, as the following table shows:

Table (1) Shows government spending on education in the Middle East and North Africa 2019

area	percentage
Arab country	3.9 %
Eastern Europe and Central Asia	4.1 %
Latin America and the Caribbean	5.3 %
South of asia	3.2 %
Sub-Saharan (Africa)	5.2 %
Word	4.9 %

**Source:** World Bank calculations based on data from the Ministry of Finance for Iraq (Kurdistan Region) Other World Bank EdStats database.

### **Second: The concept of production efficiency in education:**

The concept of productive efficiency in education means "the ability to produce educational service or achieve goals with the least cost and effort and in a faster time" <sup>5</sup>.

Productive efficiency can also be defined as the relationship between the available resources and the results obtained from an economic point of view, by maximizing outputs on the basis of a certain amount of inputs or by reducing the amount used from inputs in order to obtain a certain volume of output. The role of productive efficiency is the lack of wasting the material and human resources in the economic enterprise, the more productive efficiency increases, with it the efficiency of the enterprise, and it is in its optimal form when it is equal to one, that is, when the marginal product of production factors is equal to the cost of production factors <sup>6</sup>.

### **Third: the economic return from education:**

One of the basic justifications for spending on education is the perception of governments and individuals of the material returns that will be obtained from education, regardless of the intangible returns that outweigh the material returns in terms of value for money, whether for graduates and society at the same time, and to what extent education will contribute to Economic and social development, so we find trends by those in charge of educational systems to rationalize dealing with human and material resources for education, improving it, raising the efficiency of its performance, and using efficiency and productivity standards to correct the imbalances that may arise during the spending process on educational institutions.

Measuring the rate of return on education has become one of the important applied areas in the studies of labor markets and education systems, and for the purpose of estimating the return on education, methods and reports have been developed to study

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<sup>(4)</sup> Jacques Delors et al. (1997). Learning that hidden treasure, Arabization Jaber Abdul Hamid Jaber, Cairo: Arab Renaissance House.

<sup>(5)</sup> Abdullah Salim Al-Bayati, Quantitative educational wastage in the academic departments of the College of Education at Al-Mustansiriya University, Journal of the College of Education, 1996, Issue 10, Volume 1, P.25

<sup>(6)</sup> Shawqi Abu Raqba, The Operational Efficiency of Islamic Banks, a Comparative Applied Study, PhD thesis, Farhat Abbas University, 2011, p. 46.

and estimate this return at the individual level, where the special return on education is estimated by considering the decision to invest in education by Individuals <sup>7</sup>.

Therefore, investment in education is considered a long-term investment, as both the individual and society benefit from this return. In other words, there are two types of return on investment in education: a special return and a social return. As the rate of private return from investment in education is greater at all levels of education, however, the rate of social return from investment in the first levels of education is lower than the rate of return from investment in higher levels of it. This is evidenced by the results of studies conducted by both Sacropoulos and Patrino, as in the table below:

Table (2) Average private and social return from investment in the education sector by location and stage of education (in percentages%)

Region	Private yield			The social return		
	University education	High school	Primary stage	University education	High school	Primary stage
Asian countries *	18.2	15.8	20	11	11.1	16.2
Europe, the Middle East and North Africa	18.8	13.6	13.8	9.9	9.7	15.6
Latin America and the Caribbean	19.5	17	26.6	12.3	12.9	17.4
Countries of the Organization for Economic Cooperation and Development OECD	11.6	11.3	13.4	8.5	9.4	8.5
Sub-Saharan African countries	27.8	24.6	37.6	11.3	18.4	5.4
the world	19	17	26.6	10.8	13.1	18.9

**Source:** The Arab Center for Educational Research for the Gulf States, Education Economics, 2012 Kuwait: The Center, 1st Edition, pg.18.

\* Not from OECD countries.

As the above table shows that the rates of return and private investment in education vary in different countries of the world according to the extent of their progress, and accordingly, the rates of social and private return in developed regions in the world are lower than in developing regions. As we note in the table, the rates of return in the countries of the Organization for Economic Cooperation and Development are lower than the rates of return in the sub-Saharan region at all levels of education. It also shows the effects of redistributing public spending on education. In some developing countries, we find that expanding primary education does not only represent a beneficial investment, but also increases equality and equal opportunities, because primary education generally leads to a redistribution of resources in favor of the poor <sup>8</sup>.

#### **Fourth: The concept of the cost of education:**

Through the studies carried out by researchers, we find that there are those who confuse the concept of cost and spending, and in order to simplify the two concepts, we find that spending means for us "giving money in a way of goodness."

As for the cost, it is "what is spent on the thing in order to collect it in terms of money and effort," and thus it adds the effort dimension in dealing with the cost in addition to money. That is, in the sense that the cost can be defined in monetary and non-monetary terms

Or, cost: cost is a measure of the amount of cash expenditure that is being used to achieve a specific benefit. Or the unit cost in economic activities is expressed as: equal to the ratio between total spending on goods and the number of units produced or sold <sup>9</sup>

(<sup>7</sup>) Alyan Abdullah Al-Hawali, Education Economics Lecture, 2010-2011, Islamic University, Gaza, p. 2.

(<sup>8</sup>) The Arab Center for Educational Research in the Gulf States, Education Economics, 2012 Kuwait: The Center, 1st Edition, pg.19.

(<sup>9</sup>) Riad Badri Strack, previous source, p. 67.

### **Fifth: the concept of financing:**

The sources of funding for education differ from one country to another, but the sources of financing differed according to the nature of the governments and their economic activities, as well as the prevailing economic pattern in the country, in addition to the size of organizations and the number of bodies that supervise education in them, and the extent of the contribution to financing education, and there is a difference in the sources of financing at different stages. Education within the same country, as well as differing rates of spending between different sources from year to year. We can distinguish the concept of educational financing and financing and university financing as follows:

Finance is defined as the set of financial resources allocated to educational institutions to achieve specific goals and manage them with high efficiency <sup>10</sup>

### **The second topic**

#### **The reality and development of the public education sector in Iraq**

**First** - educational policy and the composition of the educational system in Iraq:

The educational policy means the general principles of education, which refer to the general foundations upon which it is based, and planning to establish its institutions through which the objectives of the educational process are determined, and its objectives are defined, whether these materials are announced by decisions and decrees or not announced, but it is a mind note to the supervisors. The education institutions, their founders, and their directors <sup>11</sup> and the government is responsible for determining and supervising education policies, as well as financing education, developing and implementing educational programs, and the Iraqi constitution of 2005 guarantees the right of all Iraqis to obtain free education, as Article (34) of the constitution stipulates The New Iraqi states:

1- Education is a fundamental factor for the advancement of society and it is a right guaranteed by the state. It is compulsory in the primary stages, and the state guarantees literacy eradication.

2-Free education is a right for all Iraqi citizens, at all levels.

3-The state encourages scientific research for purposes that aim to serve humanity and develop distinction, excellence, creativity and various aspects of innovation.

4- Private and national education is guaranteed and regulated by law<sup>12</sup>.

#### **Second: Net enrollment rates and literacy rates:**

Education indicators measure the relative performance of each country in terms of the adult literacy rate and the net enrollment rate, and the literacy rate refers to the percentage of the population of males and females who can read from among adults (15 years and over) as a percentage of the total population (literacy) <sup>13</sup>.

Table (3) Literacy rates for the age group (15-24)% literacy rates and net enrollment rates

years	Literacy rates for the age group (15-24)%	The net enrollment rate in percent for the stage		
		primary	secondary	University education
2005	74.1	86.1	35.3	13.4
2006	77	87.4	37.4	12.1
2007	83.9	89.3	39.4	12.3

(<sup>10</sup>) United Nations, United Nations Development Program, Human Development Report, 1990, p. 19.

(<sup>11</sup>) Abdul Rahman Hassan Hanbaka Al-Midani, Invasion in the Heart, Dar Al-Qalam, Damascus, first edition, 1982, p. 13

(<sup>12</sup>) Republic of Iraq, the Iraqi Constitution of 2005.

(<sup>13</sup>) United Nations Development Program, Human Development Report 2007-2008, Human Development Evidence Calculation, p. 346.

2008	80	89.2	39.7	12.4
2009	80	89.2	39.4	13.2
2010	85.6	92.7	41.1	14.6
2011	80	96.3	45.3	14.5
2012	80	94.3	48.6	15.9
2013	85	95	50.6	17.5
2014	88.8	96	54.3	17.6
2015	89.6	94.7	58.3	19.4
2016	90.9	93	57	17.6
2017	93.8	91.6	57.4	19.8
2018	93.9	96.3	73.3	18.4

Source: From the researcher's work based on the following sources: -

- United Nations, Economic and Social Commission for Western ESCWA, Statistical Abstract for the ESCWA Region, No. 31.
- United Nations Development Program, Human Development Report 2014, p 192.
- Republic of Iraq, Ministry of Planning, Central Bureau of Statistics, Directorate of Educational and Social Statistics, statistical reports for multiple years.

With regard to the net enrollment rates for school and university students, and for the purpose of clarifying these rates through the data of Table (7) and Figure (2), it is clear to us that the net enrollment rate in primary schools reached (86.1%) in 2005, and in secondary education it reached (35.3%). As for the university education stage, the net enrollment rate reached (13.4%), and it is noticed that there is a gradual improvement during the year 2015 through citing the table data, as the net enrollment rate for primary students reached (89.6%), and the enrollment rate of students in secondary schools ( 58.3%), and in university education, it reached (19.4%), and until 2018, net enrollment rates remained high and low in varying proportions, reaching (96.3%) in primary and secondary schools (73.3%), and university education (73.3%). The increase in this rate, but this rate is considered low because students tend to work at the expense of university education because of the economic conditions that the country is going through in general and Iraqi families in particular <sup>14</sup>

### **Third: - The evolution of spending on education and its indicators in Iraq:**

The state in Iraq is responsible for spending on education, and government funding constitutes 90% of the total financial allocations needed for the educational process, as the Iraqi family's contribution to it is limited to the limits of simple requirements, so studying this type of spending and following up its relative importance to the total government spending from On the one hand, and to the gross national product on the other hand, in addition to uncovering the financial allocation mechanisms and how to dispose of them, and monitoring them from a third party, it is a necessary necessity, imposed by knowing the degree of rationality of disposing of the available and possible economic resources placed at the disposal of the state. Countries that depend on the rentier resource, including Iraq, are dominated by a sense of financial abundance that comes from the revenue of the rentier source, which weakens the relationship between public spending, its efficiency and its performance, but from the point of view of human development it becomes necessary to recognize its effectiveness in building foundations and components and providing the necessary

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(<sup>14</sup>) Hammam Moayad Al-Alusi, Analysis of the Impact of Public Expenditure on Some Indicators of Economic Development in Iraq for the Period (2004-2018), Unpublished Master Thesis submitted to the College of Administration and Economics / University of Fallujah, 2020, p.85.

conditions for education Society and its education, and this is what the Iraqi constitution approved and guarantees its freedom in all stages <sup>15</sup>.

### 1- Total spending on the education sector as a percentage of general government spending:

The relationship between the proportion of public spending allocated to the education sector and the state's general budget indicates the state's interest in this sector to allocate financial resources in exchange for allocations from other economic and social sectors for the budget <sup>16</sup>

To find out the amount of government spending on the education sector in Iraq, the table data must be analyzed.

Table (4): Percentage of expenditures allocated to education out of the total expenditures of the Iraqi government

For the period (2010-2018) (million dinars)				
Years	Total government expenditures	Total expenditures on education	Annual growth rate of total education expenditures %	Total education expenditures (%) of total public spending
2010	30,660,743.7	6,617,860.1	25.6	21.5
2011	42,754,848.3	9,300,539.0	40.5	21.7
2012	42,158,634.3	8,530,552.7	-8.27	20.2
2013	47,755,742.7	9,597,575.1	12.5	20.0
2014	47,946,900.1	9,683,126.8	0.89	20.1
2015	36,339,342.1	8,988,200.6	-7.17	24.7
2016	36,212,829.9	9,677,943.0	7.67	26.7
2017	36,143,151.8	10,128,545.8	4.65	28.0
2018	42,702,945.3	11,856,906.3	17.0	27.7

The table was prepared by the researcher based on the following sources:

- Republic of Iraq, Ministry of Planning, Central Bureau of Statistics, Department of National Accounts, for various years.

Column (3) was calculated by the researcher.

Column 4: Column 2 / Column 1.

Table (4) shows that government educational sector spending is increasing by a small amount, as the percentage of spending on the education sector out of the total government spending of the state in 2010 amounted to (21.5%), then this percentage decreased to (20.0/20.2/21.7) for the subsequent years. successively until 2014 reached (20.1%) due to the instability of the security and military situation in the country and the government's preoccupation with these conditions. As for the subsequent years, we note the increase in the share of what is allocated to education, as the percentage of allocation reached (24.7%) in 2015, then a slight increase and variation (28.0/26.7%) in 2017/2016, due to the drop in oil prices and the concentration of public spending on military spending, then it decreased to form (27.7%) in 2018.

As for the annual growth rate of expenditure allocations on education, it varied up and down during the research years, as it recorded its highest rate during 2011 with a growth rate of (40.5%), while it recorded its lowest level in 2015 with a negative

(<sup>15</sup>) Ministry of Planning and Development Cooperation, "The National Report on the Status of Human Development in Iraq 2008", Central Press in Jordan, 2008, p. 87.

(<sup>16</sup>) Dawood Abdul-Jabbar Ahmad, Study and Analysis of the Impact of the Level of Government Expenditure and the Gross Domestic Product on the Volume of Expenditure on Higher Education in Iraq for the Period (1995-2009), University of Baghdad, Volume 18, Issue 67, p. 248.



growth rate of (-7.17). They are thus unstable growth rates for the reasons mentioned above.

### **The third topic: The problem of private educational investment in Iraq**

Most countries of the world are no longer able to provide free education, especially if the goal is to provide the highest level of university education, then it became necessary for civil society institutions and its non-governmental organizations to assume some of the responsibilities of establishing private university education institutions because they are the main beneficiaries of the outputs of the educational system.

According to the theory of human capital, education is a form of capital through its ability to increase the productive capacity of individuals in the economic production process, and accordingly, spending on education is an investment for both costs and benefits according to the cost / benefit analysis <sup>17</sup>.

Among the most important problems facing private investment with a number of problems that we will explain as follows: -

First: The Problem of Funding:

Second: The Problem of Independence and Its Limits:

Third: the problematic of market mechanisms:

Fourth: The problem of cultural responsibility:

Fifth: Weak legislative and legal environment conducive to investment:

### **First: An analytical view on the reality and development of private education in Iraq**

#### **1. The concept of private (private) education:**

Education is the best investment that a country can make in order to build a prosperous society that enjoys health and equity, and it releases the energies of the individual and society in order to solve today's problems and tomorrow's challenges for a world free of poverty <sup>18</sup>.

Many economists define private education as "the type of education that takes place in non-governmental educational institutions established by individuals, bodies, or associations in order to carry out the educational process at all stages in exchange for collecting pupils' expenses to cover the costs of education and running these schools according to the same plans and curricula of government schools." <sup>19</sup>.

#### **2. Development of the preparation of students and teachers in private colleges:**

That private university education is of great importance in the educational process, through its contribution to the absorption of the increasing number of students who cannot be absorbed by public universities, and that the extent of the development of this type of education depends on the interest of the body responsible for it, which sets legal legislation and scientific controls that determine its size and its path. . In Iraq, this interest and the quantitative and qualitative development of university education

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(<sup>17</sup>) Hassan Mohamed Hassan, and others, Private university education (development and future), New University House, Egypt, 2008, pp. 105-37.

(<sup>18</sup>) United Nations, Education First: The United Nations Secretary-General's initiative to ensure universal access to high-quality, appropriate education that changes their lives for the better, New York, September 2012, p. 11.

(<sup>19</sup>) Adel Abdul Amir, Hayam Khazaal Nashour, The Reality of Private Education and its Future Prospects in Basra Governorate, Journal of Economic Sciences, Volume (15), Issue (57), 2020, p.72.

can be clarified, as shown in Table (5), which has been divided into several paragraphs, namely the number of students present and graduates.

Table (5) shows the number of students in private universities during the period (2000-2020)

years	The number of present students (in the thousand)	Number of graduated students (in the thousand)	Number of teachers (in the thousand)	Percentage of graduate students out of the number of attendees (%)
	(1)	(2)	(3)	(4)
2011-2010	71859	9641	1177	13.4
2012-2011	85888	13673	1425	15.9
2013-2012	106389	16276	1823	15.2
2014-2013	130798	23880	2121	18.2
2015-2014	142581	21513	2439	15.0
2016-2015	138152	26951	2626	19.5
2017-2016	136955	27578	3506	20.1
2018-2017	156361	31633	5161	20.2
2019-2018	182610	24056	6331	13.1
2020-2019	168572	24175	6325	14.3

Source: From the researcher's work based on the following sources: -

- Republic of Iraq - Ministry of Higher Education and Scientific Research / Department of Private University Education / Department of Planning and Follow-up.

- Column (4): is the work of the researcher and according to the following law:  $\text{Column 2} / \text{Column 1} \times 100$ .

## The fourth topic

### Private investment in education in Iraq

#### **First: Educational services and the principle of partnership between the public and private sectors in Iraq:**

This relationship represents a positive cooperation process between the private sector and the public sector in providing services to citizens, so that each of them bears a specific part of the responsibilities and takes a specific amount of benefits, and the form of this relationship is through that the public sector owns the assets and sites in addition to the rights of licenses, regulation, etc., or the private sector will be The role of investment, management and development, through the use of methods used in the partnership process between the two sectors, such as (BOT, BOOT) contracts and others <sup>20</sup>.

As private education provides financial income to the state budget, through the wages that are collected for granting a license for the establishment of kindergartens or private schools and institutes, as well as fees for renewing this leave, and these wages provide a financial resource for the Ministry of Education, as is the case for Iraqi private universities The ministry also collects a fee for granting a foundation license specified by the Council of Ministers and devolves to the state treasury in accordance with Article (7 of the Private Higher Education Law <sup>21</sup>.

#### **Second: Privatizing education and achieving effective decentralization in the management of educational institutions:**

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<sup>(20)</sup> Bilal Hammouri, The Arab Institute for Planning in Kuwait, Public-Private Partnership as a Development Requirement, Kuwait, Issue 117, Twelfth Year, 2014, p.5.

<sup>(21)</sup> Ministry of Education Law, Article 30, issued in 2011, p. 12.

There is an important fact, which is that the choice between centralization and decentralization is usually linked to specific circumstances and restrictions, and the difference between the two approaches is that decentralization is a process by which authorities are distributed at local government levels, while others refer to it as a process of distribution of tasks and responsibilities rather than powers and resources<sup>22</sup>. From the point of view of researchers, decentralization was represented as "an alternative organizational structure through which organizational communications are better achieved between the constituent units of the organization"<sup>23</sup>.

The privatization of education does not mean the same meaning as for the economic system, as it should not be understood that the privatization of university education is the sale of public universities to the private sector. Rather, it is intended to allow the establishment of institutions for university education owned, financed and managed by individuals, companies or non-governmental organizations whose primary goal is not profit. And that it will not prevent it from having its economic return for those in charge of its establishment and investors in it, in accordance with the laws and regulations governing this, and that it targets the same goals of public universities with its submission to the Ministry of Higher Education in assessing the type of service, its extent and how it is performed<sup>24</sup>.

Based on the foregoing, the idea of investing in the private educational sector in general and privatizing government university education in particular is the first step to preparing the private sector to play its role in correcting the educational process in Iraq and adopting privatization in education to bridge the gap between university education institutions and secure the market needs of the educated workforce. And efficiency, and as it is known that public education institutions in the country cannot and alone achieve this goal on their own. Therefore, the search for a partner who has the ability to bear the responsibility in directing the set goals means that the partner is either the owner of the money or a financial institution or company, ready to provide a service Educational can read the current educational reality, and keep abreast of recent developments in educational curricula<sup>25</sup>.

### **Third: Comparing quantitative indicators in public university education with private education:**

Private universities have witnessed a remarkable expansion in the number of enrolled students in the departments in their colleges, and by examining the schedule, the number of students graduating from public universities reached (58405) male and female students for the 2015-2016 academic year, bringing the number to (91,093) students in the academic year 2018-2019. While the number of students enrolled in private universities increased (24056) for the same period compared to the 2015-2016 academic year in which the number of students reached (21513), as a result of the increase in the capacity of private colleges and the students' turnout for private universities.

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(<sup>22</sup>) Daa Saleh Al-Attar, Administrative Decentralization and its Role in the Development of Public Education in Iraq (A Comparative Analysis Study), Journal of the College of Basic Education for Educational and Human Sciences / University of Babylon, Issue (40), 2018, p. 497.

(<sup>23</sup>) Haider Al-Faraiji, Applying a decentralized system in the administration of local governments - Iraq as a model, Al-Multaqa magazine, Issue (11), Al-Afaq Foundation for Iraqi Research, Najaf, 2011, p. 98.

(<sup>24</sup>) Muhammad Saif al-Din Fahmy, Privatization of university education - Justifications and caveats, The Second Educational Conference, Privatization of Higher and University Education, Volume One, pg. 58.

(<sup>25</sup>) Esraa Hussein Nasser, Private Investment in Higher Education (Iraq case study), Master Thesis submitted to the College of Administration and Economics, Qadisiyah University, 2016, p. 124.

Table (6) Number of students in public and private universities for the period (2014-2019)

Years	Governorate universities			Private		
	Male	Female	Total	Male	Female	Total
2015-2014	26512	31893	58405	14787	6726	21513
2016-2015	37419	43007	80426	18476	8475	26951
2017-2016	42918	47090	90008	18633	8945	27578
2018-2017	41299	46729	88028	21255	10378	31633
2019-2018	42847	48246	91093	15341	8715	24056
The percentage change increase or decrease for the period (2019/2018-2018/2017)	3.7	3.2	3.5	-27.8	-16.0	-24.0
The percentage change increase or decrease for the period (2019/2018-2015/2014)	61.6	51.3	56.0	3.7	29.6	11.8

The source is prepared by the researcher based on the following sources:

- Republic of Iraq, Ministry of Planning, Central Agency for Statistics and Information Technology, Directorate of Social and Educational Statistics, Statistical Abstract 2018/2019.

However, despite these increases in enrollment numbers in private education, they represent very modest percentages compared to public education for many reasons, including that investment in education is considered a slow investment in the speed of capital turnover, in addition to its need for large capital.

The foregoing shows the importance of private university education and its active role in contributing to the educational and educational process to establish a diverse scientific base capable of building capabilities and skills to contribute to meeting the needs of the growing labor market.

### **Conclusions and recommendations**

#### **Conclusions:**

1. The need for private education has become urgent and inevitable, and this approach must be in a participatory and cooperative framework in accordance with the mechanisms, foundations, programs and contents of the partnership between the public and private sectors..
2. The current rate of spending on education is not considered an indication of the state's interest in education as a system and philosophy that places reform as much as it is concerned with salaries and formal and temporary reform of the school environment without a conscious depth to the essence of the desired reform.
3. Private education will respond in a faster and better manner to market demands, to provide appropriate and distinct education that meets the aspirations of the needs of the individual and society.
4. The quality of private education will lead to a spirit of competition between learning institutions, using advanced educational methods and the adoption of modern educational models.

#### **Recommendations:**

1. In light of the deterioration of government services, a support mechanism must be directed to it, supporting its role and benefiting from this intervention within a systematic legal investment framework that can achieve a kind of equal educational

opportunities between rich and poor students. This system improves the quality of school performance in general and supports the principles of fair competition. Especially among students.

2. Not to grant a license to open a school or university except after completing all the requirements of the educational process, including buildings, equipment and teachers, so as not to affect the quality of education in these institutions.

3. Remedy the imbalance in the demographic distribution of private schools and colleges, so that they are not concentrated in a governorate or region without the other, to ensure the principle of equal educational opportunities.

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