

# Sri Lanka: Merging of education and business

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Public education has been at the centre of many struggles in Sri Lanka. While images of the brutal attacks on the HNDA student protests are still fresh in our minds, another budget has been presented to us by the government. Increase in the allocations for education was announced as a highlight of the 2016 Budget. As a sector that has a widespread interest among the people, this government's policy direction for education proposed in the budget has generated much debate.

The expenditure increases for education have to be situated within the broader economic policy direction set by this budget, which is an intensification of neoliberalism in Sri Lanka characterized by the power of business interests. Indeed, there are concerns as to whether the government is investing in the education sector to develop it as a revenue making business in the future, instead of investing in education with the purpose of raising the social wellbeing of the people.

## Education budget for 2016

There is considerable confusion regarding the education budget figures. Although it was widely reported in the media that the allocation for education is 5.4% of GDP, the total government spending on education as stated in the budget is Rs 461 billion, which is 3.7% of GDP.

However, a significant portion of this education budget amounting to Rs 121 billion is for 'capital carrying costs' of the government, a new budget item included for the first time in this year's budget. No explanations have been provided as to how such a major allocated line item will be utilized. It is perhaps merely a fictional figure based on creative financial engineering that has been added to education and health totalling Rs139 billion, which is counter-balanced in the revenue side by a new budget item called the 'national rent income from land and building.'

The proposed education budget for 2016 makes up 2.72% of GDP when the controversial capital carrying costs are removed from the calculations. Regardless of such confusion, there is a significant increase of 31% in allocations for education compared to the 2.07% of GDP in 2015.

A larger portion of the education budget is allocated for physical infrastructure investment, for construction of school buildings, universities and vocational training institutes. Indeed, addressing the need for basic facilities, such as toilets, drinking water and electricity for all schools and upgrading of plantation and rural schools are much needed investment the government has committed to undertaking in this year's budget. However, investment in teaching capacity, including

in teacher training initiatives, salary increases and for uplifting the quality of education is lacking. Although Sri Lanka boasts of having a free education system, parents bear additional costs for the education of their children. According to the Household Income and Expenditure Survey 2012- 2013, the average cost borne by a household in Sri Lanka for education is Rs 1,448. It is also noteworthy that this amount ranges between Rs 2,762 in urban sector and Rs 532 in the estate sector. Apart from miscellaneous expenditure related to education spent on stationery, transport and tuition fees, parents pay additionally for the cost of school maintenance. There are no clear provisions in the education budget to lessen the burden placed on parents by these additional costs.

Educational investment has to be contextualized within the broader economy, and the particular problems facing education, for example, of rural schools and students. Indeed, the crisis in education is worse in the rural areas with higher drop-out rates. In this context, it is a positive development to see allocations for Education (Rs 339 billion) surpassing Defence (Rs 307 billion) and Highways (Rs 150 billion) this year. However, Agriculture (Rs 62 billion) and Fisheries (Rs 5.85 billion) continue on the dismal trend of lower spending when compared to the large population of people who are dependent on these sectors for their livelihoods. Disparities in education levels at rural schools are interlinked with the crisis facing the rural economy. Therefore, a programme for improving standards of rural schools should be accompanied by investments to uplift the rural economy.

### **Struggle for increasing education allocations**

The decreasing trend in government spending for education over the years was brought into public focus by the Federation of University Teachers' Association (FUTA) during the launch of the trade union action and campaign to safeguard public education. Government spending dropped to a low of 1.63% of GDP in 2012. In this context, the demand for the allocation of 6% of GDP was popularized, which was the recommended State expenditure in education by UNESCO.

Recognizing the demand, the present government promised to achieve the 6% allocation target in five years. Thus, the increase in the education allocations is in line with the FUTA budget proposal for an increase of at least 30% in the education budget each year, assuming a linear increase education expenditure over 5 years, in order to achieve the target of 6% by 2020.

Given the increase in the education budget this year, how does one understand the outcome? Is it an outcome of students' and teachers' struggles over the years against reductions in public expenditure on education? Or is it a sign that the government has understood the vitality in increasing public expenditure in order to enhance human capital which is linked to economic development? Has there been a change in the mind-set of the government's thinking on privatizing education which led to the brutal repression of protesting students just a few weeks back?

The government has articulated its position on education in the budget speech and the economic vision statement, with proposals that can eventually lead to commodification of education. Excessive emphasis placed on enabling the capacity of education to meet labour market demands (Articles 98, 214 and 343), reforming university education to suit the needs of the labour market as well as the private sector (Articles 325 and 328) and recognition of education as an industry (Article 214) treats education as a commodity with an exchange value in the market. Further, the emphasis being made on market oriented learning raises the question whether education is dictated by business interests (Mahapola University). While discarding functions of education as means to intellectual enrichment of students and enhancing of capacities such as critical thinking, problem solving, creativity, team work and personality development, the government is catering to the limited perception of education

as merely serving the demands of the labour market.

### **Provision of school uniforms**

On the side-lines of the discourse on commodification, the government is proposing to replace the provision of school uniforms with a system of vouchers (Article 321). More alarmingly, it suggests to generate revenue with collaboration of the private sector, by cultivating unused land available to schools (Article 317). Instead of putting forward a plan to utilize available school properties for enhancing education, such an agenda points to the commercialization of public school land and buildings. The shift in thinking on education as a public investment, to viewing schools as cost centres (Article 320) is in the government's proposals. The education sector being transformed into a money making business for either the government or the private sector is a contradiction as well as a threat to the idea of free education that is a hard won right by our society.

The commercializing logic of education reflected in the tone of the budget proposals, clearly shows a move towards the merging education and business. Inter-linking education with market terms and values suggests that for this government, investments in education are also investments in business. Thus, there are fears that the increased budget allocations for education are linked to commercializing education and preparations for take-over by the private sector in the future.

The struggle to safeguard free education, we believe, has shifted centrally to school education. As the backbone of the education system, any attack on school education can cripple the entire education sector. It is often quoted that our country is well ahead of the regional giants in terms of education indicators for literacy and the education of girls. Our public school system has played an important role in raising the living standards of the most vulnerable sections of society, through cultivating the values of education and equality.

Reforming the schools in line with those values instead of transforming them into institutions to enhance business indicators should be the way forward. How can we resist the process of merging education with business? The increase in the 2016 Budget allocation for the education sector reflects the crucial importance of collective struggle, and those involved in the education struggle - students, teachers, lecturers and parents - must now rejuvenate their strategy and struggle for safeguarding public education.

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\*<https://www.ceylontoday.lk/51-112293-news-detail-merging-of-education-and-business-increasing-the-education-budget.html>

The authors draw from several discussions organized by the Collective for Economic Democratization ([www.economicdemocratisation.org](http://www.economicdemocratisation.org)) of which they are also members.