

EDUCATION: ITS CONTRIBUTION TO ECONOMIC GROWTH

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The role of education is vital in the growth of economy because it produces better individuals who will someday be part of the labor force and will serve their country. With this, the government should prioritize giving quality and equal access to education, in order to increase literacy rate and make them productive individuals. Likewise, from the study of Bowman (1963), it is conclusive to state that education is positively related to economic growth.

There are two major ways on how education contributes to economic growth:

First, education can contribute by improving the literacy of the labor force. Having better-educated manpower can likely produce better outputs than the less-educated one. The former is expected to be efficient and effective in doing their jobs because they are well-prepared, well-trained, and well-oriented of the outputs that are expected to them and the latter may tend to work less efficient as they need more guidance and supervision. They may also differ from their work ethics and orientation towards work. Also, better-educated employee is likely to accept changes and immediately adapt and respond to these changes unlike less-educated employee.

Second, education can contribute to economic growth by helping the labor force in the acquisition of relevant skills and expertise. Better-educated person largely contributes to the improvement of their workplace by sharing their expertise and skills on what will work and what will not, while less-educated person will likely to do only what is assigned to them. Moreover, employees who possess the right skills and knowledge will probably

do better jobs than employees who are not possessing right skills and knowledge and tend to produce inaccurate outputs and unrefined works.

Thus, if one nation strives for economic growth, then the government should first try to raise their literacy and numeracy rates.

References:

<https://www.dbsa.org/article/role-education-economic-development>