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# Impact Of Private Education Spending On Economic Growth In Lebanon

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#### Abstract

This report aims to identify the volume of official, community and international spending on private education in Lebanon. It also aims to assess the effectiveness of current educational policies and programs and the extent to which the quality of their outputs matches their costs. Based on this objective, this study seeks to investigate the gap between what the state and donors spend on this sector and what the Ministry of Education provides in terms of spending and its actual impact on education outcomes. We shed light on transfers of the treasury's financial resources to private institutions and the treasury's financing of part of the revenues of schools and private institutions. Legislative distortions, decrees, weak accountability, and the absence of a vision for the role and function of education played a role in promoting private education at the expense of the public treasury, as the treasury under various names contributes to financing a large part of the private sector. Education, most notably school donations and mutual funds, which prompts us to think about the equitable distribution of these donations and who benefits from them in light of weak oversight and accountability and distortions in the educational system.

This study adopted the methodology of desk research, analyzing data from available sources, and comparing them with each other

Therefore, a mechanism was adopted based on surveying information from approved sources and international reports and linking them to each other, studying and analyzing the budget of the Ministry of Education and Higher Education, searching for the destination of spending in the ministry, what was spent and what was not spent.

Therefore, we conducted a comprehensive review of all items of the general budget, and the financing of education and the programs allocated to it, which overlapped with school contributions from the public treasury, as well as grants, aid, and loans from international bodies, were examined, in addition to community spending on private education. A mechanism based on surveying information from approved sources and international reports was adopted. And linking them together, studying and analyzing the budget of the Ministry of Education and Higher Education, searching for the destination of spending in the ministry, what was spent and what was not spent.

One of the main difficulties that this study faced was Lebanon's lack of an official or international website that shows data and numbers in a transparent way, something that was previously noted by international institutions that have

always indicated this deficiency in their reports. In addition, the severity of the ramifications of the sources of financial revenues for education, the randomness of administration and spending, the multiplicity of figures of the Ministry of Education and the Ministry of Finance on the issue of spending, and the absence of transparency made it difficult to count the financial revenues and determine the exact spending numbers.

The study showed that government spending on private education exceeds the numbers assumed in the official and UN reports, which are much higher, since appropriations exceed the Ministry of Education and Higher Education to other ministries, mutual funds, donations, loans, and in-kind contributions from donor countries, and there are differences between what is observed in the budget and what is actually spent.

The sum of the inflated spending on private education in Lebanon, along with debts, arrears, the ministry's obligations to the public and private sectors, and low education outcomes will inevitably prevent the development of this sector and negatively affect its resurrection in light of the continuation of the adopted policies. The motivation to learn, especially among vulnerable groups, has become almost non-existent. The low enrollment rates for the year 2022-2023 have shown the impact of the ongoing economic crisis on the formal education sector, particularly the poor. The motivation and incentives of teachers to continue in this profession have also been affected, in addition to the escalating migration of higher cadres and competencies and the disruption of the desire to choose education as a profession. Young people have meager salaries, fragile social protection, and an uncertain future.

Keywords : Private Education , Spending on Education , Public Treasury, School Aids.

( JEL Classification : A2 Economic Education and Teaching of Economics )

#### **1. Introduction**

Many distortions have entered the existing educational system. More than six decades after it was established with a social and constituent vision for education in Lebanon, it was at the time a promising settlement to transform it into a fair and equitable system. Special interests and politicians succeeded in infiltrating it and exploiting it for private interests. In this article, we explain the transfer of the treasury's financial resources to private institutions and the treasury's financing of part of the revenues of schools and private institutions. Legislative distortions, decrees, weak accountability, and the absence of a vision for the role and function of education played a role in promoting private education at the expense of the public treasury, as the treasury contributes under different names to financing a large part of private education, most notably school donations and mutual funds, which leads us to think about the equitable distribution of these donations and who benefits. In light of the weak oversight and accountability and distortions in the educational system (Kuzents, 2006).

In this study, we link the state's spending on private education from multiple and different sources, and the effectiveness and impact of this spending, with a different approach to other international and local studies, through which we seek to investigate the gaps and what the government and the Ministry of Education provide in terms of actual spending on education.

#### 2. Methodology

This article aims to identify the volume of official, community and international spending on private education in Lebanon. It also aims to assess the effectiveness of current educational policies and programs and the extent to which the quality of their outputs matches their costs. Based on this objective, this study seeks to investigate the gap between what the state and donors spend on this sector and what the Ministry of Education provides in terms of spending and its actual impact on education outcomes.

It is a study that we prepared to help decision-makers, legislators, citizens, educational bodies, and researchers to identify the deficiencies in our educational system, which are reflected in the trends of inflated spending, ineffectiveness, lack of transparency, and mismanagement. We also seek, through this report, to contribute to identifying the gaps that prevent the effective utilization of resources and their use in building a good, just and equitable education system and in achieving learning goals in light of serious economic, political, social and cultural challenges.

This article adopted the methodology of desk research, analyzing data from available sources, and comparing them with the figures that reached us earlier. Therefore, we have conducted a comprehensive review of all items of the general budget, and examined the financing of education and the programs allocated for it, which are intertwined with school grants from the public treasury, as well as grants, aid, and loans from international agencies, in addition to community spending on private education. One of the most prominent difficulties that faced our research was Lebanon's lack of an official or international website that shows data and numbers in a transparent way, something previously noted by international institutions that have always referred to this deficiency in their reports. In addition, the severity of the ramifications of the sources of financial revenues for education and the ministry of finance on the issue of spending, and the absence of transparency made it difficult to count the financial revenues and determine the exact spending numbers. Therefore, we resorted to adopting a mechanism based on surveying information from approved sources and international reports and linking them together, studying and analyzing the budget of the ministry of education and higher education, searching for the direction of spending in the ministry, what was spent and what was not spent.

### **3.**Theoretical Foundation

### 3.1 Items from the ministry of education appropriations for the private sector

The education system in Lebanon relies on mechanisms and legislation that secure different channels for spending on private education, directly and indirectly. According to the appropriations of the Ministry of Education and Higher Education, which are mainly spent on public education, it became clear to us during the research that the state spends on private education the equivalent of its spending on public pre-university education. We see that there are items from the Ministry of Education's appropriations that go mostly to the private sector, especially the rents of school buildings and support for free private schools that were supposed to be replaced by government buildings and public schools, the largest of which are school donations, mutual funds, and other items detailed in Table 1.

The appropriations of the Ministry of Education and Higher Education include several items earmarked for spending on activities for the benefit of the private sector, which are from the appropriations of the various directorates in the ministry (Hamid, 2020).

| Table 1. Sponding from | the enneonmentions of the ministry | y of advantion on the private contan |
|------------------------|------------------------------------|--------------------------------------|
| Table 1: Spending from | the addrod fations of the ministry | y of education on the private sector |
|                        |                                    |                                      |

| The Ministry of Education and Higher |          | From the 2018 Budget (in Thousands of Pound ) |  |                    |  |  |  |
|--------------------------------------|----------|---|--|--------------------|--|--|--|
| Education                            |          |   |  |                    |  |  |  |
| Part One                             | Function |   | Transfers: Contributions to and from the | Estimated Expenses |  |  |  |
|                                      |          |   | Public Sector                            |                    |  |  |  |

| General           | Unfair education       | 981   | Transfers: contributions to and from the        | 3352000   |
|-------------------|------------------------|-------|---|-----------|
| directorate of    | (refugees)             |       | public sector                                   |           |
| education         |                        |       |   |           |
| General           | Primary education      | 912   | Consumer services - renting and maintaining     | 22500000  |
| Directorate of    |                        |       | schools   |           |
| Education         |                        |       |   |           |
|                   |                        | 912   | Non-Public sector contributions - Free          | 10000000  |
|                   |                        |       | Schools   |           |
|                   | Secondary              | 922   | Consumer services - renting and maintaining     | 50000     |
|                   | education              |       | Schools   |           |
| General           | University             | 941   | Non-public sector contributions                 | 115000    |
| directorate of    | education              |       |   |           |
| higher            |                        |       |   |           |
| education         |                        |       |   |           |
|                   |                        |       | Non-Public sector contributions - Student       | 115000    |
|                   | D 1 1                  | 071   | grants  | 215000    |
| Ministry          | Research and           | 971   | Non-public sector contributions                 | 315000    |
|                   | development in the     |       |   |           |
| <u> </u>          | field of education     | 0.00  |   | 5224000   |
| General           | Vocational and         | 923   | Contributions in the public and private sectors | 7234000   |
| directorate of    | technical secondary    |       |   |           |
| vocational and    | education              |       |   |           |
| technical         |                        |       |   |           |
| education         |                        |       |   |           |
| Total appropriat  | tions (in Thousands of | Poud) |   | 145566000 |
| in US \$ ( 1500 ] |                        |       |   | 79044000  |

Source: General Budget 2018/ www.finance.gov.lb

About 97 million \$ from the appropriations of the Ministry of Education for the year 2018 go mostly to the private sector, such as free schools and school buildings owned by individuals or religious institutions and various contributions, some of which were not spent due to the government's failure to secure the necessary money, but it is noticeable in the budget and previous governments used to pay some and leave another to accumulate debts on the state for the benefit of private institutions and agencies, including support for free schools, as stated in the budget, which is 50 billion Pound less than what is owed. As for the volume of school grants in the Ministry of Education's budget, it accounts for 21% of the total ministry's appropriations, the majority of which benefits private education and are not included in the table 1 (Toufic, 2010).

3.2 Government spending on private education through school grants and mutual funds

The general budget includes an item for school grants within the appropriations of the various ministries, with the absolute majority going to non-free private education, in addition to 21% of the appropriations of the Ministry of Education as education grants for the employees of the Ministry of Education and educational bodies in the Mac, equivalent to 290 million \$ annually and 7% for building rents Schools and support for free schools, in addition to a percentage of the support of mutual funds for representatives,

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employees of the House of Representatives, Sharia judges, judicial assistants, civil judges and their assistants, university professors, state employees' cooperative and public security funds, amounting to approximately 80 million \$ . And about 100 million \$ in educational support for the beneficiaries of the Ministry of Social Affairs' donations noted in the appropriations of the Ministry of Social Affairs also goes to sectarian care homes and its affiliated private educational institutions (Husseini, 2014).

In addition to that, public institutions and independent interests such as Social Security, Electricity of Lebanon, Tobacco and Tobacco Inventory Administration, Water and Transportation Services, Litani Water Authority, Kadisha Electricity and Ogero (Hajj, 2017)

And the airport and the Banque du Liban, where their employees benefit from high school benefits that those entering the public interest owners receive from their management, which collects them from the fees or subscriptions of citizens in exchange for services and from the state's contributions to mutual funds, and despite the value of some low fees for citizens, these interests cover high percentages of School tuition fees in private schools reach 90%, and their value is estimated at more than 80 million \$ (Rives, 2003).

For example: Half a percent of the subscription of those enrolled in the Social Security Fund is deducted from the participation of citizens in the end-of-service compensation from the salary of the member of the social security. It goes to cover management and operation costs in the social security, part of it goes to finance education grants for social security employees.

| Item                            | Value (\$) | Reference              | Source      |
|---------------------------------|------------|------------------------|-------------|
| Social benefits - School        | 245000000  | Schedule 4 – Chapter 1 | Budget 2018 |
| benefits for workers in         |            |                        |             |
| various ministries, except for  |            |                        |             |
| the Ministry of affairs and     |            |                        |             |
| Education                       |            |                        |             |
| 30% for education from state    | 8000000    | Schedule 5 – Chapter 1 | Budget 2018 |
| Support for mutual funds        |            |                        |             |
| School subsidies for workers    | 8000000    | Estimated              | Writer      |
| in public interests (without    |            |                        |             |
| guarantee)                      |            |                        |             |
| School benefits for social      | 5000000    | Estimated              |             |
| security employees              |            |                        |             |
| School allowances for           | 10000000   | Schedule 4 – Chapter 1 | Budget 2018 |
| Beneficiaries of the ministry   |            |                        |             |
| of social affairs - support for |            |                        |             |
| poor families                   |            |                        |             |
| School offers for educational   | 29000000   | Schedule 4 – Chapter 1 | Budget 2018 |
| bodies in the staff of the      |            |                        |             |
| ministry of education           |            |                        |             |
| Total                           | 80600000   |                        |             |

Table 2 : Total school contributions and mutual fund allocations for education

Source: General Budget 2018/ www.finance.gov.lb

About 800 million \$ are paid by the treasury, including the share of public interests paid by citizens most of it is in the form of taxes and fees on services or state contributions to mutual funds Private tuition fees for private schools and universities. We resorted to a lower estimate of the value of submissions school in public interests and social security because the data is not available (Nahas, 2009).

In total, about 800 million \$, an estimated value at least, is the contributions of the state, public interests, and funds to the private educational sector. We pay them as citizens from the state treasury or from direct and indirect fees that reach the absolute majority of private educational institutions through school contributions for individuals enrolled in private schools and universities. However, it is interesting that the destination of spending these funds in the private sector is not fair and as the employee's grade and income higher, the higher the school benefits with it, resulting in a defect in the concept of fairness and widening the gap between the well-to-do beneficiaries and those in need. Which opens the discussion about the social groups that benefit most from these submissions and the size of the benefit (Gaspard, 2010).

#### 3.3 Beneficiaries of school grands and aids

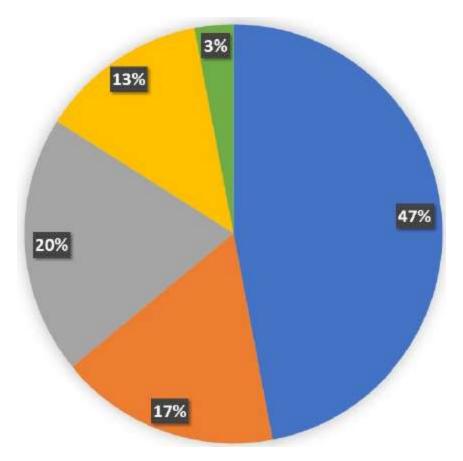
According to the World Bank report (2017), the distribution of school aid and donations reflects neither justice nor fairness in the educational system in Lebanon. As shown by the numbers and tables, the highest incomers benefit from 47% of the value of school aid (as figure 1 below shows) and they are definitely not from the category of junior employees/s and soldiers with the lowest income among the category of employees and the most numerous compared to general managers, senior officers, inspectors and judges..and mostly from the category of employees, women with high-income to middle-income enroll their children in non-free private schools, while the poor and the poorest, including soldiers and employees of the fifth category, attend private, free and official schools (Yassine, 2017).

Based on the World Bank study 2016, the graphic shows the distribution of contributions according to social groups divided into 5 categories, each category representing 20% of the total beneficiaries according to income levels.

The amount of 800 million \$, the value of school donations, is distributed according to the proportions of the social groups in the figure below (Flayhan, 2021).

Figure 1: School benefits are distributed according to social groups

the poor the poorest Second Highest Income Highest Income Average Income



Source : Ministry of Finance - General Budget - 2018.

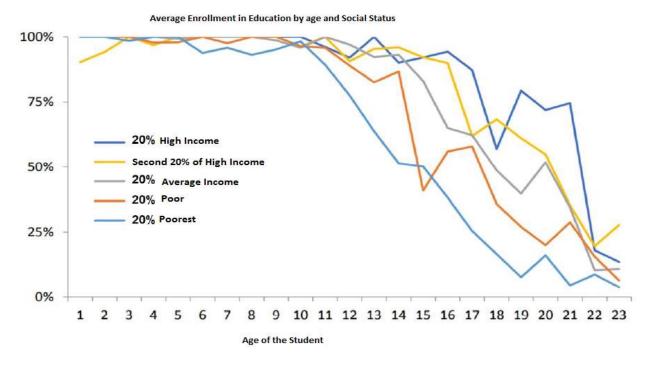
47% (240 million \$) of school benefits benefit the highest income, 17% (136 million \$ for the second highest income, while the poor and the poorest benefit from 13% and 3% (128 million \$) of school benefits and middle-income from 20% (160 million \$) of school aid, as shown in Figure 1.

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This model reflects the state of inequity in the distribution of school aid, where the most needy gets very low percentages of assistance, which reinforces the social and cognitive differences between social groups, so the result is low equal learning opportunities for the weak groups compared to the wealthy groups, as the following figure 2 shows the vast differences between the enrollment of the groups Weak and luxury groups according to age.

Figure 2: Average enrollment in education by social group and its development according to years of education

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Source : Ministry of Finance - General Budget - 2018/ www.finance.gov.lb

Figures 1 and 2 show the state of inequity in the distribution of school benefits and its approved mechanism in policies and legislation, and the impact and results of the inequitable distribution of school benefits (Figure 1) on educational performance and enrollment in education (Figure 2), where we clearly see the link between the distribution of school benefits and the proportions of those enrolled in education and its development (Al-Amin, 2023).

Figure 2 shows an imbalance in enrollment in education among the poorest, starting at the age of 7 years, and it declines strongly at the age of 11 years, i.e. the fifth grade. The strong decline continues until it reaches less than 4% in the baccalaureate and university levels. We also conclude from the drawing that a very low percentage of the families of the poor and the poorest pass the secondary stage (Abdul-Hamid, 2015).

After summing up the sum of tables 1 and 2, the contributions of the state, public interests, funds, and appropriations of the Ministry of Education to the private sector increase to at least 900 million \$ annually, which we pay as citizens from the state treasury or from direct and indirect fees that reach the absolute majority of private educational institutions through school contributions for enrolled individuals attending private schools and universities, school rents or free private school entitlements, etc. Note that this value does not actually represent the sums owed by the state, the treasury, and the Ministry to the private sector and public interests, as they are not paid in full, and some of them notice less percentages than the treasury owes dues, such as education grants to free schools, and thus it is the accumulation of debts and arrears on the treasury and the Ministry to pay them to their owners (Nehme, 2017).

3.4 The accumulated debts of the ministry of education to the private sector and payment from the ministry's appropriations

The government policy has been reducing spending for years, and of course it included the Ministry of Education. The ministry did not change the spending policy, but rather adopted the same previous policy and built its annual budget on the budget of previous years, which means that the items that it was previously committed to were notable, but the difference is that it is not committed to spending or paying it. Or reduce spending on it under different names such as advances, redistribute employees to different departments and charge donors with part of the salaries.<sup>1</sup>

Certainly, there are some noticeable items in the budget that are not fully or partially spent, or are not paid to those who are entitled to them.

In the end, it constitutes a debt for the ministry and the government. As it is known, the Lebanese state stopped paying its contributions to the Social Security Fund more than 10 years ago, and the state's debts owed to social security by all its ministries exceeded about 5,000 billion pounds (before the crisis). The Ministry of Education also refrained from paying its arrears to free schools since 2012, except in the form of advances to begin with. From 2018, the procedural materials within the curriculum were suspended due to the lack of teachers, and the principals and principals of public schools were left with the option of teaching them and spending on them from the school fund or the parents (Nasnas, 2005).

| Ministry of Education and Higher |                   | Ministry of Education and Higher Education |  |           |            |  |  |
|----------------------------------|-------------------|--|--|-----------|------------|--|--|
| Education                        |                   |  |  |           |            |  |  |
| Part 1                           | Part 1 Function   |  | Item                                     | Estimated | Note       |  |  |
|                                  |                   |  |  | Expenses  |            |  |  |
| Joint general                    | unfair Education  | 1041                                       | Social benefits - state contributions to |           |            |  |  |
| directorate                      |                   |  | the national social security fund        | 10000     | unpaid     |  |  |
| General                          | unfair Education  | 1041                                       | Social benefits - state contributions to |           |            |  |  |
| directorate of                   |                   |  | the national social security fund        | 45000     | unpaid     |  |  |
| education                        |                   |  |  |           |            |  |  |
| General                          | Primary Education | 912  | Consumer services - School rentals and   |           | unpaid in  |  |  |
| directorate of                   |                   |  | maintenance                              | 22500000  | full       |  |  |
| education                        |                   |  |  |           |            |  |  |
|                                  |                   | 912  | Non-public sector contributions - Free   | 10000000  | unpaid in  |  |  |
|                                  |                   |  | schools                                  |           | full       |  |  |
|                                  |                   |  |  |           |            |  |  |
|                                  |                   | 961  | Transfer allowance for students          | 75000     | unpaid     |  |  |
|                                  |                   | 981  | Contributions within the Public sector - | 900000    | No         |  |  |
|                                  |                   |  | supporting the teaching of procedural    |           | references |  |  |
|                                  |                   |  | subjects                                 |           | for        |  |  |
|                                  |                   |  |  |           | spending   |  |  |

| Table 3: Unpaid appropriations in whole or in part from the appropriations of the Ministr | y of |
|---|------|
| Education in 2018   |      |

<sup>&</sup>lt;sup>1</sup> Source : School in Lebanon, figures and indicators 2018, Educational Center for Research and Development.

|   | Secondary<br>education                                   | 922       | Consumer services - School rentals and maintenance                                  | 12000000  | unpaid in<br>full                   |
|---|--|-----------|---|-----------|-------------------------------------|
| Directorate<br>general of<br>Higher<br>Education                      | University<br>Education                                  | 941       | Non-Public sector contributions   | 50000     | No<br>references<br>for<br>spending |
|   |  |           | Non-Public Sector Contributions -<br>Student Grants                                 | 115000    | unpaid                              |
| Ministry  | Research and<br>development in the<br>Field of Education | 971       | Non-public sector contributions   | 315000    | No<br>references<br>for<br>Spending |
|   |  |           | State contributions to the national<br>social security fund- family<br>compensation | 18000     | unpaid                              |
| General<br>directorate of<br>vocational and<br>technical<br>education | technical vocational secondary education                 | 923       | contributions in the private and public sectors                                     | 7234000   | No<br>references<br>for<br>spending |
| Ministry  |  | 4212      | Student grants  | 1350000   | unpaid                              |
|   |  |           | State contributions to the national social security fund                            | 70000     | unpaid                              |
| Total appropriat<br>Pound )   | tions for the first part th                              | at are no | t fully or partially spent (in Thousands of   | 152782000 |                                     |
| Total Appropria<br>Dollars)   | tions for the First part t                               | hat are n | ot Fully or Partially Spent (in US  | 10190000  |                                     |

Source: Budget of 2018 (Budget of 2018 in Appendix 1) and Social Protection Expenditure Data (2017-2020)

This table identifies items from the Ministry of Education's appropriations from which the private sector mainly benefits and guarantees, and which are either unpaid in full, such as insurance contributions, or partially paid, such as granting free private schools, or completely, or there are no references to spending the allocations. In all, they constitute internal debts that the ministry must pay to the beneficiaries (Janusz, 2022).

This table identifies items from the Ministry of Education's appropriations from which the private sector mainly benefits and guarantees, and which are either unpaid in full, such as insurance contributions, or partially paid, such as granting free private schools, or completely, or there are no references to spending the allocations. In all, they constitute internal debts that the ministry must pay to the beneficiaries. (Yassine M., 2020)

Added to this table is the Law issued by Legislative Council No. 247 on 11/12/2021, allocating an amount of 500 billion Pound (350 Pound billion for non-free private education and 150 billion for formal education) as a contribution to part of the tuition of Lebanese students in non-free private schools for the year 2019 - 2020 and support public school funds. The implementing decree of the law disburses the state's contribution allocations in the tuition fees directly to non-free private schools. Until the preparation of this study, the government did not commit to paying the dues, which today are treasury debts owed to private schools, amounting to 230 million \$ (1\$ = 1,500 Pound ), as well as debts to public school funds. We also note a debt to the Banque du Liban of 12.5 billion Pound from the year 2014/2015.

| Entity  | Partially Unpaid                                    | Not Fully Paid<br>(Thousands of<br>Pound ) | Number of Years<br>to Stop Until<br>2022 | Accumulated<br>Total<br>(Thousands of<br>Pound ) |  |  |  |
|---|---|--|--|--|--|--|--|
| National social security fund   |   | 143000                                     | 10                                       | 1430000  |  |  |  |
| School building<br>rent and<br>vocationals<br>support                                 | 41734000  |  | 4  | 83468000   |  |  |  |
| Contribution to   |   | 6000000                                    | 6  | 36000000   |  |  |  |
| free schools  |   |  |  |  |  |  |  |
| Different   | 5000000   |  | 5  | 25000000   |  |  |  |
| Law 247/2021 for<br>the Year 2019-<br>2020  |   | 35000000                                   | 1  | 35000000   |  |  |  |
| Debt to the<br>Banque du Liban,<br>an advance on the<br>donation account<br>2014-2015 |   | 125000000                                  | 1  | 125000000  |  |  |  |
| Accumulated total   | Accumulated total of dues ( in thousands of Pound ) |  |  |  |  |  |  |
| Accumulated total 1   | receivables (in US Do                               | ollars)                                    |  | 704500000  |  |  |  |

| Table 4: Estimated   | debts a | accumulated | by | the | Ministry | of | Education | for | the | private | sector | and |
|----------------------|---------|-------------|----|-----|----------|----|-----------|-----|-----|---------|--------|-----|
| insurance up to 2018 | \$      |             |    |     |          |    |           |     |     |         |        |     |

Source: Budget of 2018 (Budget of 2018 in Appendix 1) and Social Protection Expenditure Data (2017-2020)/ https://www.crdp.org/

We cannot accurately determine the amount accumulated by the Ministry of Education in terms of debts and unpaid dues because we have failed to access the data and cut off the account, but at least what is certain is that the Ministry of Education has debts of about 500 million \$ accumulated until 2018 for the Social Security Fund and free schools only, in addition to 230 One million dollars for non-free private schools mentioned in Law 247/2021.<sup>2</sup>

The accumulated debts of the Ministry of Education since 2012, in addition to the items noted in the budget and not implemented or unpaid, are part of the random financial policies that are unique to the Lebanese state's finances. However, it is legally included in the due debts that the state must pay sooner or later, so it turns into an internal or external public debt by borrowing again to pay it to those who deserve it (Al-Raouf, 2006).

## 4. Results and Discussion

The educational system in Lebanon is characterized by a strong presence of private education, which outperforms formal education in the number of enrollments in the private sector.

The other characteristic of our educational system is that it is characterized by a kind of social stratification, as it is attributed to private, non-free education, in general, to well-to-do social groups according to the categories of these schools, which include schools.

The first category offers good quality and modern education, schools of lower quality, and others are like "shops" for education. Of course, each category requires the appropriate premium for the service.

Total inflated spending on private education in Lebanon, along with debts, arrears, and the ministry's obligations towards the public and private sectors, and low education outputs, will inevitably prevent the development of the education sector and negatively affect its mission again in light of the difficult circumstances. The motivation and incentives of teachers to continue in this profession were also affected, in addition to the escalating migration of higher cadres and competencies, and the disruption of the desire to choose teaching as a profession among young people in exchange for meager salaries, fragile social protection and an unclear future. All of this would have a negative impact on economic growth, given that this growth is closely related to human capital (Ghamron, 2016).

About 900 million \$ annually from the public treasury for the year 2018 goes directly or indirectly to support the private sector, private schools, school rents, school subsidies, and support for education in mutual funds (Tables No.1 and 2) and is funded by the public treasury, and this number is equivalent to what it spends The Ministry of Education provides for pre-university education, but its distribution is unfair and contributes to widening the educational and social gap between social groups .

By reading figures 1 and 2, we understand that the policy of the Lebanese governments excludes vulnerable groups from aid schools and deprives the poor and the poorest of fairness in the distribution of school aid, which widens gaps and violates the right to education for these groups by not contributing to the facilitation of conditions that help learning. Of course, the government policy of social protection overlaps with the educational policy, so that most of the school subsidy programs shift to private education, since 84% of the school aid reaches the middle and affluent groups, the vast majority of whom are affiliated with private education, who today represent 70% of those affiliated with education, while the poor (30% of those affiliated to education) they only benefit from 16% of the value of school aid. We also notice a link between the proportions of the poor, before the economic crisis, that simulate the proportions of those enrolled in public schools. Thus, the state's policy will indirectly promote private schools that benefit from obstructing

<sup>&</sup>lt;sup>2</sup> Source : www.finance.org.lb/ Ministry of Finance - General Budget - 2018.

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the quality of education in the formal sector in favor of the private sector, knowing that spending half a billion dollars annually (half of the state's spending on private education) to modernize and develop public education and enhance its efficiency and quality will have a much higher return on society as a whole. In addition to facilitating the access of vulnerable groups to quality education in practice, achieving financial savings, and improving the quality of life for average families, in accordance with the recommendations of the 2030 Sustainable Development Plan and the executive framework of the Incheon Declaration, if this ineffective spending were directed towards strengthening formal education, it would be a mainstay in its advancement and achieving equity and inclusiveness, and achieved Welfare for the majority of citizens: Private education, according to UNESCO's description, "can have a positive impact for some social groups, given that it increases the availability of learning opportunities, expands the range of choice for parents, and enhances the diversity of curricula, However, it can have negative effects on the consideration of insufficient and adequate monitoring and regulation on the part of the public authorities with the attendant risks to social cohesion and solidarity. And what is particular concern is the fact that marginalized groups cannot enjoy the positive effects of privatization, but they bear the burden of its negative effects disproportionately to their capabilities. In addition, the uncontrolled fees demanded by private educational institutions can undermine the foundations of public access to education. More generally, this may negatively affect the enjoyment of the right to quality education and the possibility of equal educational opportunities.<sup>3</sup>

This raises questions about the identity of educational policy makers and those responsible for distorting the basic educational system and intersection of interests between individuals and political and religious groups, public policy makers and legislators, which only view education as a context for reaping more profits and teaching obedience in private schools that carry religious, ideological or profit-making dimensions in most of them. An example of the state's dealing with public education is where the state practices a kind of negative behavioral actions in public schools, requiring them to pay value-added tax on all their purchases, while private and public schools are exempted from it by law (Shel, 2022).

### 5. Conclusions and References

The current educational system is in need of reform, and therefore solutions must be considered, because the current path will inevitably lead to a dark future, poverty for educated cadres, developmental deficits, a lost future for future generations, and systematic ignorance. The motivation to learn, especially among vulnerable groups, has become almost non-existent, and the low enrollment rates for the year 2022-2023 showed the impact of the ongoing economic crisis on the formal education sector, especially the poor. It is beneficial to strengthen public education and raise its quality so that parents have an equal choice in quality with private education. This education, in which, unfortunately, the names of political figures and their parties that own and benefit from private schools are noted in both the government, the parliament and the economy, and balanced quotas take place between them, where the interests harmonize between the executive and legislative authorities and the authority of religious institutions to ensure profitable revenues from public funds and citizens' funds. Executive, judicial and oversight, and they actually benefit from the weakness of the official sector and from the financing of the public treasury for private education and poor management of the educational file.

<sup>&</sup>lt;sup>3</sup> https://unesdoc.unesco.org/ark:/48223/pf0000232555\_ara

It is noteworthy that the largest part of these schools (free and non-free) has partisan religious references that influence educational policies, such as Catholic schools, schools affiliated with Shiite political and religious references such as Al-Mabrat and Amal educational institutions, Sunni references, the most important of which are the Makassed and Hariri Foundation, the Evangelical-Synodos, Orthodox schools, metropolitans, and educational institutions of gratitude, all of which form the active core of the Union of Educational Institutions and have an influence on public and financial educational policy. The educational system in Lebanon.

From here, religion and politics must be kept as far as possible from the educational sector in general and private education in particular because of its negative impact on it.

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