

## Do not Let Education Degenerate into a Trigger for Falling into Poverty

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*“Education is not a way to escape poverty, it is a way of fighting it.” –Julius Nyerere*

**S**OLVING the problem of poverty has always been a topic of concern to all countries in the world. On October 14, 2019, the Nobel Prize official website announced that Abhijit Banerjee, Esther Duflo, and Michael Kremer became the laureates of the annual Nobel Prize in Economics in recognition of their unique contribution to “experimental practices in reducing global poverty.” This result was a commendation to development economists and an encouragement to the global efforts to reduce poverty.

Education is considered to be an irreplaceable way to promote economic development and help people out of poverty. As early as the 1780s, some scholars were aware of education’s economic value (Smith, 1776). In the 1840s, German economist Friedrich Liszt also put forward the concepts of “material capital” and “spiritual capital” (Daastøl, 2013). He emphasized the role of education and science in promoting economic development. In the middle of the 20th century, more scholars began to pay attention to studying education in economic development. The American economist Schultz used calculating the benefits of an education at all levels and concluded that education’s contribution to the United States’ economic growth between 1929 and 1957 was about 33% of the newly increased national income.

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Psacharopoulos (1981) calculated the rate of reward on education investment at all levels in dozens of countries and concluded that it was much higher than the material Capital investment income. In developing countries, the reward on material capital investment was about 10%; the reward on investment for elementary education was 27%, the reward on investment for secondary education was about 16%, and the reward on investment for higher education was 13%.

From a personal perspective, education also has been regarded as an essential means of family human capital investment. Scholars have found that education level as an intermediary factor significantly impacted professional status gains, especially for disadvantaged groups through research. Therefore, education provides a critical way to promote social class mobility (Sun, 2004).

For the above reasons, governments in various countries generally attach importance to education development and strive to promote social progress through education (Zhang, 2020). Individuals and families also attach importance to education, change the status quo through education, and achieve personal development.

However, the production of education-related economic benefits is conditional. Suppose education development exceeds the national financial resources, or the scale, structure, and quality of education itself are not needed by society. In that case, education will be challenged to promote economic development, waste resources, and increase the difficulty of solving certain economic problems. Brain drain, structural unemployment, and the “diploma disaster” are good examples (Park et al., 2018). Similar risks also occur for individuals. When the investment in family education exceeds education’s benefits, then education for the family is no longer about eliminating poverty and getting rich, but causing or returning to poverty.

In this issue of the journal, Jincheng Wang (2021) focused on explaining the social phenomenon of “poverty caused by education” and analyzed the mechanism of its formation from the three levels of society, family, and school. They believe that education is undoubtedly the best choice for eradicating poverty and increasing financial prosperity because the education system and job market achieve equal opportunities. However, it does not mean that education can significantly surpass economic development, or that an increase in personal education investment can automatically achieve personal and family economic growth and social prosperity.

According to American scholar Mark Bray’s research, after-school tutoring is receiving increased usage in countries worldwide. For example, one-third of parents in Canada asked for tutoring for their children; 14.8% of students in Germany regularly participate in education counseling; in 2008, 68.4% of middle school students and 37.9% of elementary school students in Bangladesh participated in shadow education, i.e., the informal hidden extracurricular tutoring; 64.3% of students in China had participated in “shadow education” (Bray & Yang, 2006). These trends have significantly increased family education expenditures. Some families’ extracurricular tutoring ex-

penses have exceeded what their incomes allow them to pay, leading to new poverty. However, shadow education opportunities and income were not positively correlated (Xue, 2018).

This discovery merits attention by scholars, policy makers, and the general public. How educational resources are offered and used efficiently and economically? Today, when we vigorously promote poverty alleviation by education, we must also avoid new poverty caused by education. As Wang (2021) said at the end of the article, rationally treat education investment and rationally choose education methods. Do not let education degenerate into a competitive cultural comparison and fall into the trap of poverty caused by education itself.

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