

There is a widely held view that the high spending on education is no longer a panacea to social and economic development in developing countries. The view held by scholars and politicians in the 1970s that education was the impetus to social and economic growth has changed. The sky-rocketing trends in educational expenditures, uncertainties about the role of education in development processes in comparison to other sectors such as Agriculture, Health and Infrastructure, the rising competition between education and other sectors of national development for the scarce and inadequate public finance bring a complete change of heart.

The question is whether education is an investment or a consumption good or both. The justification for spending "more" on education has continued due to the traditionally held view that education is good or better as a means to an end in itself. The view has become questionable because most developing nations have moved from the requirements and scarcity of skilled manpower in the 1970s and 1980s to the current surplus of educated human resource resulting to unemployed graduates, under employment, flooded labor market and the brain drain from these countries to the developed rich countries.

This paper analyzes these factors trying to reach compromises and possible alternatives in the dilemma of spending "more" on education as opposed to spending "less" in the other sectors of national development. The question calls for plenary discussion is whether education has received more than its fair share in reference to the other sectors of national development.