



# Private Schools Between Financial Challenges and Academic Aspirations in Light of the Knowledge Economy

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## ABSTRACT

In our contemporary era, there is an increasing recognition of the pivotal role knowledge plays in driving societal progress. This awareness has catalyzed a paradigm shift towards a knowledge-based economy, necessitating a transformative approach in educational paradigms, particularly within private schools.

This research paper delves into how private schools are navigating the nexus of financial constraints and academic goals in the context of the knowledge economy. It underscores the necessity for integrating technology in education to cultivate a cadre of competent, responsible learners. The study highlights efforts towards enhancing educational programs to achieve excellence and inclusivity, embracing global cultural trends, and aligning educational outcomes with the broader economic and social developmental needs through diversified funding strategies.

**Keywords:** Private Schools, Financial Challenges, Academic Aspirations, Knowledge Economy.

## Introduction

The advent of the information age has ushered in an exponential expansion in human knowledge, predominantly driven by advancements in science and technology. This surge has transitioned the global economic framework to one predominantly reliant on knowledge creation and scientific inquiry, positioning knowledge assets as a critical measure of national prowess.

Central to the knowledge economy is the valorization of knowledge itself, which is inherently dependent on robust systems of education and scientific research. The transition from a traditional to a knowledge-based economy requires a profound and qualitative shift in knowledge dynamics, encompassing its acquisition, dissemination, production, utilization, transfer, and marketing via digital platforms. This foundational shift is not only pivotal for fostering a knowledge economy but also acts as a catalyst for sustainable development.

In contemporary society, social institutions earn or lose public trust based on their ability to enhance satisfaction through the quality and quantity of their services and products. A discrepancy between societal expectations and institutional performance can erode this trust. Consequently, these institutions increasingly focus on their operational effectiveness as a metric of success.

Educational progress, a cornerstone of societal advancement, is significantly influenced by the cultural, educational, and aspirational milieu of the population. In Algeria, the education sector, among others, has seen considerable openness, facilitated by the involvement of the private sector as legally sanctioned.

This openness commenced with the Algerian state's authorization of private schools, a domain that had been exclusively public post-independence. This marked a new epoch that aligned with a series of educational reforms initiated by the Algerian government, shifting away from the erstwhile model where educational institutions were solely managed by public entities.

A private school is neither a mere alternative nor a replacement for public schools. Defining such institutions reveals a spectrum of interpretations converging on a core notion: a private school, at its essence, provides pre-university education, be it general, technical, or vocational, with aims including but not limited to supporting basic or secondary education or enhancing foreign language studies within the official curriculum. Pioneers in educational thought, such as Johnson (2003), propose that modern schools transcend traditional roles of socialization and identity formation. Today, schools are envisioned as incubators for nurturing

generations that are not only cognizant of societal challenges but are also equipped to tackle these issues effectively and engage constructively in societal advancements for a better future.

Similarly, Lee (2006) emphasizes that private schools must evolve to keep pace with scientific advancements and societal needs, improve educational environments, and elevate the quality of education. This evolution fosters a competitive landscape that promotes innovation and adaptability, essential for schools to remain relevant in an ever-changing world.

### 1. Problematic:

In today's global economy, predicated fundamentally on knowledge, the field of information and communication technology (ICT) has catalyzed a revolutionary transformation in human thought and activities. The ability to develop informational programs and decipher complex knowledge structures has ascended to a critical priority in contemporary economies.

Traditionally, land, labor, and capital were regarded as the quintessential factors of production. However, in the novel landscape of the new economy, elements such as technical knowledge, creativity, intelligence, and information have emerged as the pivotal fourth dimension in the production process. This paradigm shift underscores the necessity for activities within the knowledge economy to transpire within the confines of an environment conducive to fostering intellectual growth, commonly referred to as the "knowledge city" (Taan, 2009, p. 8).

Education, a cornerstone of societal infrastructure, has consequently soared in importance. A survey of the global political landscape reveals that each country crafts its developmental strategies with tailored educational programs to align with its unique aspirations. For a developing nation like Algeria, which is eager to secure a notable stance on the global stage, it becomes crucial to synchronize its educational system with the demands of globalization.

The prevalent learning crisis in today's world manifests in the challenges faced by educational systems to meet the dual demands of societal development and the individual's quest for knowledge, amidst burgeoning mechanisms of a knowledge explosion. In this context, elevating the role of private education becomes essential, positioning the global orientation of academic curricula at the forefront of necessary advancements.

Private schools, as autonomous educational entities, are financially and administratively managed by private sectors yet operate legally under the vigilant supervision of the Ministry of National Education. These institutions are primarily funded through tuition fees paid by the enrolling students.

The overarching goal of private education is to influence societal change in a directed manner, aspiring for an analytical examination of cultural forces to discern the similarities and differences across educational systems worldwide. This is imperative as schools must swiftly adapt to rapid cultural shifts while concurrently addressing the diverse needs, inclinations, and capabilities of their students.

Therefore, the educational framework within private schools is meticulously organized to maximize the development of each individual's personality, making these institutions quintessential in contemporary societies marked by globalization and market openness. They are established by natural or legal persons under private law and provide education in exchange for a financial fee (Iman Arayji, 2020, p. 170).

Our current educational policy, as overseen by the supervisory ministry, has not yet achieved success in modernizing and enriching the curriculum with the necessary knowledge and informational content. This policy should leverage educational technologies and advanced scientific theories, transitioning from traditional educational models to what are now referred to globally as "smart schools."

This model is exemplified by countries renowned for their high educational standards across all three stages of learning, such as Japan, Sweden, and the Hong Kong region of China. It is imperative that the supervising ministry facilitates the growth and integration of private schools to enhance educational attainment and development. Despite being relatively new and facing numerous challenges, these schools hold significant potential when compared to the progress seen in other Arab countries like the United Arab Emirates and Lebanon, which have long embraced such educational advancements.

Some private schools in Algeria showcase all the essential symbols and indicators that are critical for competitive advantage in this century, standing alongside unique and distinguished public schools. In this era, informatics plays a crucial role, as those who master it and utilize it effectively are poised to lead in educational endeavors.

Informatics is not just a tool but the language of the age, vital for the modernization and development of educational concepts and objectives, and crucial in enhancing the capacity for perception and innovation. It enables an awareness of the vast array of human achievements globally.

However, in the context of the aspirations for educational programs, curricular activities, and facilities that align with the spirit of the age and democratization of learning, some private schools still struggle to effectively meet these goals. This is often due to their limited capacity to acquire the necessary devices, equipment, and educational aids needed to manifest the new educational reality.

This limitation is frequently a result of the high costs involved or conflicts with the interests and desires of the founders, who may prioritize protecting invested capital. Consequently, these institutions must undertake a comprehensive review of their educational policies and consider owning rather than renting their facilities. Nevertheless, most private schools are pioneers in modernization and development, anticipating future

educational trends by attracting superior educational and administrative talents to address the knowledge explosion and keep pace with global changes and developments.

The development of education is a contemporary aspiration for every nation because it reflects a society's consciousness; an evolved human being is more concerned with thought and awareness than with mere material matters. An educational philosophy that underpins societal policy must be established, aiming to achieve a balance between quantity and quality, between educational objectives and the development of an individual's ethical, educational, and national values.

Such advancements can only be realized through substantive reforms in the national educational system.

From this perspective, we pose several critical questions:

- \_ What is the fate of private schools amid financial challenges?
- \_ What is the future of the educational system in fostering social development and meeting academic aspirations?
- \_ What are the planned reform and renewal projects to address the educational crisis within the context of the knowledge economy?

## **2. Study Goals:**

This research paper aims to delve into several critical areas concerning the landscape of private education in Algeria:

- Exploring the sustainability and future of private schools in Algeria amidst ongoing financial challenges.
- Examining the role of educational institutions in social development and their alignment with academic aspirations.
- Investigating the planned reform and renewal projects aimed at addressing the educational crisis within the framework of the knowledge economy in Algeria.

## **3. Study Importance:**

The significance of this research lies in its focus on private schools, which are pivotal in keeping pace with technological advancements by thoroughly revisiting the educational framework—financially, morally, and pedagogically. This paper underscores the need to enhance the laws and values governing education, integrate comprehensive knowledge and skills, and value the role of those in charge by enabling them with educational opportunities that enrich their experiences and elevate their proficiency.

## **4. Definition of Terms:**

This research paper defines several key terms:

### **4.1 Private Education:**

Defined as "Education whose schools do not receive public assistance and are not allocated funds in the state budget. These schools are typically managed by individuals, private sector institutions, companies within the community, or religious bodies." (Al-Masad et al, 1999, p. 194).

Private education represents an educational system that operates independently of the public sector, especially in capitalist societies. The degree of this independence varies by country, contingent on each nation's educational policies, with general state oversight ensuring these institutions meet legal requirements and conditions set forth by the Ministry of National Education.

All private educational institutions characterized by administrative and financial independence enjoy a relatively high degree of autonomy in their educational policies and programs. These schools are affiliated with civil bodies, local or foreign charitable organizations, or private individuals who fund them through personal finances, school fees, or donations and contributions associated with their administration and supervision. (Antoine Nashef, 2000, p. 102).

Consequently, the private school in Algeria is an institution that operates with financial independence and is managed by private entities. It is characterized by a dedicated educational and scientific effort, functioning legally under the supervision of the Ministry of National Education and primarily funded through student fees.

The principal objective of private education is to effect directed societal change and conduct an analytical examination of cultural forces to discern similarities and differences between educational systems across various countries. This analysis is crucial as schools must swiftly adapt to rapid cultural shifts while simultaneously focusing on fulfilling the diverse needs, inclinations, and capabilities of students.

Therefore, the educational process within these institutions is meticulously organized to ensure the maximum development of each individual's personality, aligning with the demands of contemporary societies amidst globalization and market openness. The private school, thus, stands as a testament to an educational system necessitated by the modern conditions, established by either a natural or legal person under private law, and providing education in exchange for a financial fee. (Ahmad Maher, no publication year, p.133).

#### **4.2 Private Educational Institution:**

Any non-governmental licensed institution that implements the curricula and textbooks prescribed in public educational institutions. (Ministry of Education, 1994)

#### **4.3 Concept of the Knowledge Economy:**

The knowledge economy is one in which knowledge is actualized and forms a fundamental component of the production process. In turn, this knowledge is transformed into goods and services, and its consumers are willing to purchase it in exchange for its benefits. This type of economy is based on information and communication technologies, serving as the primary platform from which knowledge initiatives are launched. (Al-Azhari and Al-Da'ami, 2010, p. 46)

The knowledge economy revolves around acquiring, sharing, utilizing, employing, innovating, and producing knowledge with the aim of improving the quality of life across various fields. Through the utilization of rich informational services and advanced technological applications, the human mind is employed as valuable knowledge capital.

Scientific research is leveraged to enact a series of strategic changes in the nature and organization of the economic environment, making it more responsive and harmonious with the challenges of globalization, information and communication technology, global knowledge, and integrated sustainable development. (Amal Ibrahim Abdel Khalik, 2021, p. 80)

From this perspective, the position of each country in the global economy is determined by the quantity and quality of knowledge it possesses, through the evolution of educational curricula and the intensification of practical training programs.

We can conclude from the above that the knowledge economy is an advanced economic model based on the use of information technology and internet networks in various economic activities, especially in the fields of e-commerce, e-governance, and other areas that strongly rely on knowledge, creativity, and technological advancement.

### **5. Fundamental Pillars of the Knowledge Economy:**

The knowledge economy fundamentally relies on four pillars:

#### **5.1 Innovation (Research and Development):**

An effective system of commercial links with academic institutions and other organizations that can keep up with the growing knowledge revolution, understand it, and adapt it to local needs.

#### **5.2 Education:**

Essential for productivity and economic competitiveness. Governments are required to provide skilled and creative human capital or labor capable of integrating modern technologies into their work. There is an increasing need to incorporate information and communication technology skills along with creative skills in educational curricula and lifelong learning programs.

#### **5.3 Infrastructure based on Information and Communication Technology:**

Facilitates the dissemination, preparation, and adaptation of information and knowledge to local needs to support economic activity and encourage enterprises to produce high added value.

#### **5.4 Sound Governance:**

Based on strong economic foundations that can provide all the legal and political frameworks aimed at increasing productivity and growth. These policies aim to make information and communication technology more accessible and straightforward, reduce tariffs on technological products, and enhance the competitiveness of small and medium enterprises. (Al-Wadi, 2010, p. 11)

### **6. Motives for Establishing Private Schools:**

Private schools are neither the antithesis of public schools nor are they a replacement at the same time. If we seek real and substantial reform, we must make education our civilization, our destiny, and our future, and spend the largest financial budget and more effort on it.

Indeed, this is what the parents of students have aimed for, considering that the absence of private schools has impacted the level of public schools, which have had to fill the gap at the expense of their level. What are the motives for establishing these schools?

#### **6.1 Social Motives:**

The democratization of education has become one of the most critical goals pursued by countries through achieving equal opportunities and eliminating social disparities. At the same time, achieving quantitative and qualitative education of a good standard.

Perhaps the state's focus in past years on emphasizing the quantitative aspect over the qualitative has led to overcrowded schools and classrooms, giving parents the right to exercise their freedom in choosing private schools for their children based on the educational services offered.

### **6.2 Economic Motives:**

The democratization of education is a key objective pursued globally, focusing on creating equal opportunities and eliminating social disparities while maintaining high standards of quantitative and qualitative education. Historically, the state's emphasis on expanding the number of educational institutions has sometimes led to overcrowded classrooms and schools, diminishing the quality of education provided.

This scenario empowers parents to opt for private schools, which promise a more tailored educational experience and potentially superior services based on their specific educational philosophies and capabilities.

### **6.3 Political Motives:**

Economic considerations play a significant role in the establishment of private schools. These include providing private entities the freedom to invest in the education sector, thereby alleviating the financial burden on the state caused by the provision of free public education.

As public educational institutions face increasing enrollment, they often struggle with inadequate funding, which can result in compromised educational resources and outcomes, including low success rates and declining educational standards. Private schools, by contrast, are seen as more efficient due to their reliance on private funding and management, which often enforces stricter operational regulations and standards.

## **7. Goals of Private Schools:**

- \_ Enhance educational outcomes through the improvement of educational processes.
- \_ Look towards the future and deal with its variables while preserving the nation's constants and values.
- \_ Holistically build the individual's cognitive, emotional, skill-based, and behavioral aspects, preparing learners to face tough challenges and continuous changes.
- \_ Utilize modern technology to serve educational work.
- \_ Equip learners with self-learning skills, research capabilities, and the ability to acquire, handle, and utilize knowledge.
- \_ Foster individual thinking patterns, particularly critical thinking, scientific creative thinking, and objective thinking.
- \_ Achieve participation and social responsibility.
- \_ Shift from curriculum-centered learning to student-centered learning.
- \_ Focus on the practical, applied aspects, professional specializations, and the future vision for developmental requirements, adopting a decentralized approach in curriculum development to accommodate environmental differences and societal diversity.
- \_ Ensure that curricula pay significant attention to extracurricular activities.
- \_ Emphasize a system of values and ethics to counteract the risks arising from scientific and technological development.
- \_ Implement modern educational technologies as a foundation in teaching, not just as a medium, and provide various forms to access information most easily and cost-effectively.

Private schools have become a safe environment that aids learners in discovering their talents and intellectual and creative abilities, guiding them to reach their full potential. The focus on the learner through the educational process involves providing each individual with the opportunity to progress according to their intellectual and comprehension capabilities.

This enhances the development of self-confidence and fosters independence and character building in a healthy manner. The presence of teachers with educational and psychological specialization supports the construction and strengthening of the learner's self, especially during the early educational years. Everyone is committed to instilling values of social belonging in a scientific and objective manner.

## **Conclusion:**

Knowledge management, an essential component of educational advancement, does not function in isolation but within a complex organizational environment replete with numerous elements and variables. There are four critical interacting variables that significantly influence the knowledge management process: organizational culture, organizational structure, administrative leadership, and information technology. These factors are interdependent and collectively contribute to the development of individual capabilities and personalities within society.

Currently, the education sector is confronting challenging conditions that demand immediate and collaborative solutions. The frequent shifts in educational policies often reinforce outdated educational paradigms, thereby hindering the national educational system's ability to align with international



advancements in the field. This stagnation necessitates a unified effort to support and enhance private schools as pivotal elements within the broader educational framework.

It is crucial to ensure that private schools complement rather than replace state educational institutions. The role of private education has been increasingly recognized as a significant enhancer of community-wide educational standards.

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