

Privatisation of Primary, Secondary and Higher Education in India

Dr. Girish Kumar Vats

Principal, A. T. M. S. College of Education, Achheja, Hapur, Uttar Pradesh, India

Deepak Kumar Sharma

Assistant Professor, Govt. Raza P. G. College, Rampur, Uttar Pradesh, India

Abstracts

The impact of education is intense and pervasive on almost all human activities. In the knowledge economy, professional and personal development of people through education and training are critical for ensuring social progress and economic growth. In economic sense, investment in education is profitable. Parents of successive generations have, therefore, been concerned about the level and quality of schooling of their children. As education and training provide tangible benefits to stakeholders, mainly the society, individuals and institutions, they participate in the process of planning, management and financing of education. The extent of socio economic gains derived from education and the resource costs borne by stakeholders, namely the beneficiary students and service providers, widely differ for various levels and types of courses. The measurement of such benefits and costs are, however, fraught with many conceptual and measurement difficulties. The socio-economic benefits reaped by students over the entire span of working life are, therefore, accepted axiomatically. It is generally perceived that the costs of not acquiring new knowledge and skills are more than the costs of obtaining them. In fact, the costs of provision of educational services borne by the Government or private providers and students/parents, are, therefore, considered equal to or less than the expenditure incurred by the beneficiary students. The expected gains from education and training generate high demand for educational services, which when not provided by the government or other philanthropic organisations, encourage private investors and entrepreneurs to offer various courses on self-financing basis. When profit motives dominate and quality of education is sacrificed or fees and other charges levied in excess of expenditure on services provided, such educational ventures are generally termed as commercial.

Keywords : Socio Economic Gains, Educational Services

Introduction:

In general, privatisation of education is not accepted and approved by the society, particularly by the countries like India, which have a democratic polity. As educational demands of traditionally deprived groups remain largely un-met, the Governments are committed to provide free and compulsory education for all. There are two major reasons for this. First, it is believed that the long term benefits of education accrue more to the society than individuals, and therefore the Government should assure education for all. Primary education is a fundamental right in the Constitution of India. Second, inequality of opportunities and provisions for educational services contribute to inter-personal, inter-regional and inter generational disparities of all forms. These perpetuate socio economic disparities and hamper national development. Moreover, India's long history, tradition and culture of imparting knowledge and training have put pious obligations on the duty conscious society for providing worthwhile education.

IMPLICATIONS OF PRIVATISATION OF EDUCATION- In countries like India, which continue to have unequal distribution of income and wealth for different historical reasons, such as feudal character of the society, mixed economic systems, etc., redistributive measures like progressive taxation of goods and services and other

measures for transfer of income from rich to poor are not enough, especially for realising the Constitutional objective of establishing a socialistic pattern of society. The economic and administrative measures are not only inadequate but also prove to be counter productive due to democratic polity and influence of better off sections in the political process. It is, therefore, considered desirable to use the instruments of education and training to empower the socially, politically and economically weaker sections of the society. In India, about 40 per cent of the total population does not have worthwhile assets for generation of income to support their minimum requirements for maintaining a decent standard of living. They are largely wage earners in the un-organised sector. The levels of education, training and skills of the workforce determine the wages and salaries in the knowledge intensive economy. In view of this, privatisation of education has hardly offered any opportunity of learning to them, and this is the reason that they have lagged far behind in so far as their contribution to productivity growth and economic development is concerned. Such an approach of providing education impinges upon the national endeavours to equalise educational opportunities for all. The wide spread existence of such disparities across groups and regions give rise to discontent and disturb harmonious relations between different sections of the society. Further, some institutions operating on commercial basis exploit the motivated students without assuring quality of education and, in effect, have brought down quality of education. One of the important implications is on the fundamental right to education and also the Constitutional obligations of the state. These rights and obligations have been eclipsed under the growing influence of privatisation of education. Further, the nefarious and cut-throat competitions have also brought in new problems in education. Commercial shops, having freedom to close any time, have left the students half-way in the process of learning. And, the institutions that survive such competitions excessively exploit students by way of levying un-economic fees and charges for various services.

PRIVATISATION OF ELEMENTARY EDUCATION- The Constitution of India under Article 45 has stipulated for providing free education for all children up to 14 years of age by the state. The realisation of this target has, however, remained elusive, mainly because of deficiency in school infrastructure and paucity of resources to cater to educational needs of eligible population groups. For historical reasons, education in India has been provided by the government in partemership with private sector/NGOs with a view to supple menting Government efforts for augmenting opportunities for teaching and learning. It is this approach of educational enterprise that encourages private initiatives. And, the developments in this area present a picture of light and shade.

The contribution of private sector is commendable in expanding schooling facilities as well as in providing quality education. Quality of education provided by them is of high standard as evident from the fact that most technical and professional personnel in India are the products of private schools, which have set and maintained high educational standards. Private schools cater to wealthy and rich sections of the society and charge high fees, so much so that they generate enough surpluses and earn huge un-accounted profits, which is generally referred to as Privatisation of Education.

The relationship between private service providers and the rich of the society, including decision makers, facilitate the creation of a separate schooling system for privilege groups, which in turn, perpetuates education induced socio economic disparities in the society. The fee structure of private schools is not only prohibitive since the seats are limited; they are rationed and allocated among the highest bidders of donations. The poor cannot dream of schooling in such schools because of high private costs of education. The supply constraints for good schooling are the main reasons for commercialising of education, which leads to further marginalisation of the poor.

School facilities are largely provided by the government - the centre, states and local bodies. A majority of students attend such schools; about 50 per cent of the enrolled children drop out before completing primary education. This proportion rises to about 70 per cent at the secondary level, as evident from Educational Statistics published by the Department of Education of the MHRD. A major factor responsible for high dropout/failure rate is that the school environment is not conducive to teaching and learning due to such factors as teacher

absenteeism, un-trained teachers, lack of classrooms and other teaching aids. As a result of these deficiencies, a large number of privately managed teaching shops' or tutorial schools have come into existence everywhere. These schools are run on commercial lines. A number of them assure high academic performance of students and adopt aggressive methods of publicity, which enable them to attract students from rich families who can pay high tuition fees and other school charges. There is, thus, rampant increase in commercial activities in education even at the level of education which the government is constitutionally obliged to provide.

PRIVATISATION OF SECONDARY EDUCATION- The extent to which such schools commercialise education or earn profits is hard to determine. The data on sources and methods of funding and unit costs of education in such schools are not compiled by any agency. The establishment of a chain of schools that have proliferated overtime under the umbrella of parent organisations, i.e., Trusts/NGOs reflects that these institutions generate resources, mainly through fees and donations. The establishment of over hundreds of Delhi Public Schools, in India and abroad, is merely an example of such a chain of schools.

Most students, especially those who attend government schools terminate their education on completion of +2 stage. A majority of them, therefore, need vocational preparedness to enter the world of work. The National Policy on Education (1986) has stipulated that at least 50 per cent students at secondary stage should be diverted to vocational stream. Against this, less than 5 per cent students at present enrolled in vocational stream. A large proportion of students, therefore, seek support of private institutions, which provide on commercial basis vocational training and offer job-oriented courses. Institutions like Aptech Ltd., NIIT, etc., which provide computer education, function in a corporate mode with profit motives. Institutions that offer quality programmes are likely to attract more students than they can accommodate. They thus, exploit the excess demand situation by offering places at higher charges. As such, there is no mechanism either to check malpractices, if any, or to suitably match the demand for a supply of training needs so that exploitation of students can be minimised. Private teaching and training institutions exist almost in every city and in almost all the vocational streams. They have assured demand for vocational courses. The economic value of such courses, as perceived by service providers and beneficiary students, determine the extent of privatisation in vocational education offered by private sector.

A large number of students, who do not join colleges/ universities as regular students, are allowed to appear as external/non-collegiate (private) students, degree level examinations. Many of them attend private coaching centres, which charge high fees. Such centers are large in number, particularly in states like U.P., Bihar, Punjab, etc., which have not banned the private appearance of students for degree examinations. However, wherever it has been banned, correspondence course institutions have taken almost similar advantage. Institutions too generate surpluses that are utilised for the purposes other than education and training of students who contribute to the generation of surplus funds for these institutions.

PRIVATISATION HIGHER EDUCATION- At post-secondary level, educational activities are diverse. And because of the partnership between the centre and the states, on the one hand, and government and the private sector, on the other, the management of post-secondary level stitutions, mainly university level institutions, considerably differs. It is observed that privatisation in education is associated with the institutions, which are under private management. Because most such institutions claim to operate on no-profit and no-loss basis, the extent of revenue generation for profit motives is difficult to determine due to financial and accounting gimmicks, as practised by them.

In the wake of liberalisation policies, a large number of technical and professional institutions have been allowed to be established by apex bodies like UGC, AICTE and other professional statutory bodies, on self-financing basis. The activities of most of these institutions are not necessarily philanthropic. The self-financing institutions are sponsored by the trusts, which are often supported by industrial houses and commercial organisations.

Tax laws are favourable to educational institutions since donors enjoy tax concessions to the extent of 50-125 per cent for donations to different educational and research activities. As per the directive of the Supreme Court of India, they adopt wide ranging high fee policies for free and payment seats and management quota and foreign students. The institutions hardly provide any information on fees that they charge, nor do they keep proper records so as to evade and avoid legal actions. Such an act of fund raising is not only un-ethical but also tantamount to privatisation of education. And the wide-spread increase in such activities is attributable mainly to inadequate government support for creation of facilities to meet the growing demand for quality education. Lack of effective control and regulation by apex bodies aggravate the problems of privatisation in education.

There are, however, instances of effective control exercised by apex statutory bodies on excessive privatisation of education. For instance, the National Council for Teacher Education, a statutory authority for regulation of teacher education in the country, strictly monitored implementation of guidelines evolved for offer of B.Ed./M.Ed. programmes through distance mode. A number of distance education centres, established by conventional universities, were able to enroll several thousand students without any regard to quality assurance. Such institutes were not only able to collect more money than what they were spending on development and delivery of quality materials and infrastructure, but also diluted the procedure for admission and assessment of performance. The sole objective of such institutions was to earn profits by the universities, most of which fall under the states' sector. The growth of their activities and the elements of commercialism have been checked to a certain extent by the NCTE. The other technical and professional statutory bodies have also been curbing this menace.

Of late, the University Grants Commission, an apex body for promotion and financing of university education, has allowed some universities to establish 'off-campus' to offer degree/diploma programmes. The states' universities themselves do generally not manage such 'off-campus'. Rather, universities have delegated the authority to private institutions, which operate on revenue/fee sharing basis and that without ensuring minimum infrastructure-staff and teaching-learning support systems-as stipulated by the UGC. As funding support by the UGC to the universities, which are on its grant list, is restricted due to general paucity of funds, commercial approach of such universities is tolerated by the UGC. This is evident from the fact that effective controls have hardly been exercised to minimise the operation of such activities. A number of universities are thus franchising degree/diploma programmes for earning money. This is a recent phenomenon, which is spreading the menace of franchising education.

A majority of open and distance learning institutions are similarly generating surplus money, which is utilised for subsidisation of education in conventional system. The manner in which they run many programmes are commercial and/or self-financing in nature as they recover more money from students by way of fees than the expenditure incurred by them in providing relevant services. The data base prepared by the Distance Education Council proves the point.

As a result, quality of education is sacrificed on the pretext of either promoting collaboration between public and private sector institutions for expediting educational progress of reaching the un-reached, particularly in the context of distance education institutions.

Likewise, a large number of foreign universities, mainly from advanced countries, are franchising university degrees in partnership with private institutions, which are operating in company mode to earn profits. Commercial activities in education, thus, remain un-checked. Even though degrees/ diplomas awarded by such institutions are not recognised in India, there are many takers of their programmes even by paying high fees, as the perceived gain of obtaining education from such institutions is very high. Students of such institutes expect to migrate to advanced countries for higher education and employment. This is facilitated by effective placement services offered by these institutions and/or international accreditation status of foreign universities. Such expectations, as above, induce private demand for education from better off sections which, in effect, encourages institutes to commercialise their activities.

Of late, educational loans are being provided at lenient terms to students who opt for various courses offered by self financing institutions. The anticipated crisis in payment of high fees is thus averted which in turn, induce privatisation in education by foreign universities in association with local partners and other self-supporting educational institutions. There are umpteen number of such institutions in the country, and their number is rising with the professional support of foreign Embassies in India. The extent of commercialism in their activities is hard to determine, because an effective mechanism and will to check are lacking. Statutory bodies responsible for promotion, co-ordination and maintenance of standards of education at different levels and types of programmes have paid scant attention to the growing menace of privatisation of education.

CONCLUSION- The Government's failure to fulfill its mandatory obligations of making adequate provisions for education, commensurate with the requirements for quality teaching and learning, is chiefly responsible for encouraging commercial activities in education. Lack of effective regulations by apex bodies has also contributed to the phenomenon of commercialism at all levels of education. As education is profitable, socially and economically, parents and their wards have little options. They are, therefore, easily exploited either by paying high un-economic costs of education or by foregoing quality education, which in any case create all forms of disparities.

The functioning of public and private sector partnership requires to be reviewed for effective management of education systems. To ensure even distribution of economic benefit of development, it is critical to equalise educational opportunities through effective control on privatisation of education. The Government, particularly educational councils, which have been established to provide academic leadership and guidance on issues like determination and maintenance of standards should evolve acceptable norms for effective functioning and monitoring of institutions, especially under these private management. Not only the prescribed standards should be insisted upon, but the compliance from institutions should also be regularly sought. The fees and other charges should be levied in relation to the costs of education. The institutes, moreover, should regularly file their Income Tax Returns to ensure transparency in financial management. Government bodies responsible for accreditation and recognition of institutions should give due weightage to the aspects of privatisation in offer of various courses. The approach to the development of education of all types and levels should duly focus on augmenting opportunities for learning for all as well as assuring quality of education without unduly burdening the deprived groups, who ought to be empowered through worthwhile education and training. In the knowledge society, knowledge seekers are the key agents of social transformation and for ensuring competitiveness of economy. The costs and finance aspects of education should, therefore, receive due attention of decision makers and service providers for strengthening the education systems which, in turn, is critical for national development.

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