

Privatization of Higher Education in India: Concept, Contour's Relevance and Limitations

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ABSTRACT

India has world's third largest higher educational system, next to China and United States. Higher education is a global phenomenon. Higher education system plays pivotal role for the country's overall development including industrial, social, economic, political, etc. Indian higher education system is the second largest in the world after USA. The mission of higher education is to achieve equality, justice, quality, employability, inclusiveness and create a knowledge society. Education is one of the very important indicators of human development that is required for the advancement and promotion of a society. The main function of higher education is to add real value to human resources and produce wealth creators and leaders in all fields like business, professions, politics, administration etc. To tackle with the problem of unavailability of funds, instead of setting up new institutions, which require huge investments, priority of the government is to expand the capacity of existing institutions and to open the new educational institutions in higher education in private sector only. There are three forms of privatization of higher education institutes- Government self financing institutes, Government aided private self-financing institutes and completely private higher education institutes. The need to privatize higher education is explained in this paper. The impact of privatization in higher education is positive as well as negative. It has brought about a rapid change in the educational scenario of India. Privatization encourages the individual and society to establish schools, colleges and private universities to meet the growing demand for education. As a result, private educational institutions are growing day by day throughout the country. Hence, the prime objective of this paper is to present the concept, contour's, relevance and limitations e of privatization in present higher education system in India.

1. Introduction

The most important task in present scenario is to impart better and quality education. Children are the nation builder of future and to carve them as good citizen we need to provide them with proper education so that they can become pillar of the nation's growth. In this aspect, we had wonderful discussion on the above topic. Here are some important points, which should be taken into consideration while framing the policy. Privatization in education has increased the opportunities by increasing the scope of admissions in all levels of education. Due to ownership, level of quality increased in few set-ups to great extent however, this is not true with all private organizations. Most Private institutions are meant for financially strong strata of the society and the poor children are bound to go to government schools. This has widened the gap between the poor and the rich. Due to policies of various states such as, Shikshan Sewak, Shiksha Mitra, Samvida, Guruji, etc, young talent is not at all interested in government system except NVS/KVS and Excellence schools. Most of the parents of children enrolled in government schools are poor and illiterate. Therefore, there is no one to assist them at home. Government mechanism is utterly failing in this aspect. Lot of facilities have been provided nowadays to public system but no proper strategies to utilize and maintain it. Due to this, it is turning to be great failure. Privatization has no doubt increased the quantity of schools but quality is yet to be enhanced.

The Indian higher education system is one of the oldest and largest education systems in the world. With growth in economy and population, it is estimated a large number of additional students will be knocking at the doors of higher education institutions in the country. There are also new challenges of management and regulation being faced by the institutions, which require serious attention, both at the institutions in the public sector and also those in the private sector now growing at a fast pace. As a result, the old structures of management established in PR independent India and working during most of the twentieth century are now required to undergo drastic changes. (UGC, 2003:9). With the adoption of New Economic Policy in 1991, there is a shift in trends towards privatization and liberalization creating a need for workforce with diverse skills. Higher education is seen as critical to provide this skilled workforce. Thus, there is a greater emphasis on higher education in the region. Within the new milieu, higher education is itself witnessing a wave of privatization and internationalization in the region.

Though the job opportunities have increased but salary has decreased. Job security and satisfaction have lost. There seems no freedom for innovations in teaching as the private schools have their own set rules, methods, which teachers have to follow. Very less chances of upward mobility. Many times, one has to obey the management where most of the members who are not qualified to fit into that position. In this system, butting has become important.

In recent 10 years, the quality of education in government schools has degraded drastically as a result people are opting for private schools. These schools are making education their business which people generally call Commercialization of Education. However, in field of higher education situation has not become so worse. Still various Government Colleges and institutions are first choice for students.

2. Privatization

Privatization connotes a wide range of ideas. Privatization implies induction of private ownership, management and control of organizations. Privatization can imply deregulation meaning thereby lesser control of the government. It refers to expansion of private sector and reduction of public sector. It also means that areas reserved for the public sector will be opened to the private sector. The shift towards privatization reduces the role of the government and increases the role of the private, cooperative and local government. The areas of shift are mainly decision making and responsibility of money and administration. Privatization means initiation of private ownership, management and control of organizations. The control is in terms of decision making and responsibility of money and administration. In education privatization can be seen as expansion of private sector's control. Providing education to one and all has been one of the primary duties of the government. But there is a wave of privatization of education in our country. Actually government has diverted its focus from higher education to primary education and urged private sector to enter this sector which is termed as privatization of higher education's economic reforms were introduced in India in 1991. Privatization of higher education has emerged in several forms in the recent decade. Privatization within government higher education institutions takes place in the form of introducing self-financing courses within government institutions. Second form is converting government aided private institution into private self financing institution. Third form of privatization is allowing self financing private institution with recognition and also without recognition. This may be termed as commercial private higher education institutions. Private Institutes are mainly allowed to set up state private universities, deemed university and academic institution with foreign collaboration. Kapur and Mehta (2006) described the evolution of privatization in Indian higher education using a phrase, "from half-baked socialism to half bake capitalism." They argued that much of the massive privatization has not resulted from ideological commitments of key actors but is instead a result of collapse of the state system resulting in weak ideological and institutional foundations. A brief look at the public higher education landscape reveals the privatization exists in one form or another on almost every college campus. Broadly defined, privatization is the act of reducing the role of government or increasing the role of the private sector in an activity or in the ownership of assets (Savas in Gilmer, 1997). It is thought that privatization will lead to better higher education product at a reduced cost to the exchequer.

3. Privatization of Education

The term Privatization of Education refers to many different educational programs and policies. It is a process which can be defined as the transfer of activities, assets and responsibility from Government, Public Institutions and

organizations to private individual and agencies. Privatization encourages the individual and society to establish schools, colleges and private universities to meet the growing demand for education. Privatization of higher education in India has positive and negative impacts on education and society. Education is the most important and powerful tool invented by mankind to mould himself for his life. It is the important source of employment, income and standard of living. So everyone gives importance to higher education. Consequently demand for higher education has been increased. To meet the demand for higher education in India, there is establishment of private colleges, autonomous colleges, deemed universities and private Universities. Even the number of self financed colleges of engineering and medical stream has been increased. It also increased the gap between demand and supply of Higher Education. As a result of this, privatization of education has been growing day by day

There are number of positive aspects of privatisation of higher education. There is growing demand for better quality higher education. At present this is being fulfilled only by private institutions / universities. Privatisation at present appears to be the only way to absorb the increasing number of students into higher education. There is constitutional obligation to provide free and compulsory primary education. The government has accordingly increased the investment in primary education. However the investment in higher education has suffered. In order to meet the growing needs of the students for higher education, it is a crucial that private sector plays a major role. There is little government intervention in private institutions. According to Supreme Court, unaided professional institutes are autonomous in their administration and decisions (Bajaj, 2012). However private institutions have to follow necessary guidelines notified by regulating admission, examinations, recruitment of staff etc. Private sector in higher education has started many new private institutions in higher education. This rapid growth of institutions helped to provide employment to teaching and non-teaching staff.

In view of the expanding role of World Trade Organization (WTO), higher education has become an item under it. Foreign universities are being encouraged to come to India to set up independent operations or collaborate with existing Indian Institutions, colleges/institutes. There is no need for government approvals in FDI in education. While a regulatory set up is required to ensure that there is no cheating or hoax, the fixation of fees should not be in state control. On the issue of admissions, private 194 player may be given the discretion for admission, but will have to justify merit. Perhaps a Tribunal on Admission Disputes can be set up for those aggrieved by the admission policy of an institution.

4. Contours and Relevance

Quality of education and training will also improve through establishment of different types of higher education institutions at different places. Shaping of the curriculum. According to global, national and local needs Privatization plays an important role in:

- Need for competitive efficiency: Main justification for privatization rests heavily on the grounds of efficiency to promote a more competitive economic

environment. Operation of public sector enterprises is considered inefficient. It is believed that private ownership and control are more efficient in terms of resource allocation and work.

- Growth in population: India has a population of nearly one hundred and seven cores. In order to provide to a large number of people, more private institutions are needed. To fulfill the demand for higher education of young people in the country privatization of higher education is needed.
- Financial burden on government: Higher education in India is in financial stress. The government can no longer bear the financial burden of public enterprises. Current spending on education in India is not more than 3.5% of GDP. The center itself concedes that the minimum should be 6%. Very little is being spent on higher education. This compares unfavorably with the international levels. Therefore there is a need to evolve policy through which private resources are mobilized.
- Education is an economic good: Education is no more being as a social service but as a necessary economic input. Investment in education is treated as a factor contributing to the development of human resources. In this effort private initiative can help since the private sector is the beneficiary of the knowledge industry.
- Quest for quality: Private institutions do not require long procedures for procurement of human as well as material resources. In order to purchase and maintain good qualitative infrastructure and equipment like furniture, buildings, different types of laboratories and qualified and competent academic staff, who can be paid as per the demand, there is a need for privatization.
- Rapid growth of school education: Growing number of schools naturally pushes the demand higher education which the government is not able to provide.
- Fulfilling the need for skilled manpower: There is very little initiative from the public sector due to limited freedom. Private institutions are free to initiate modern and advanced courses in order to fulfil the demand for subjects which facilitate economic development of the market and the nation.
- Curtailment of corruption: In order to control the corruption in the government sector, private sector is much needed. Privatization stops the corruption to some extent and brings about some discipline. As a result there will be capacity utilization.
- Desire for more autonomy: Privatization of higher education will provide autonomy to institutions and there will be less dependency on the government. This will remove political interference in areas of administration, management and finance.
- Synergy for information based economy: In the present times there is a need for interaction between UGC, academic institutions of higher learning, industry, R&D institutions and funding agencies. This could be achieved by a synergy process wherein they

will be partners in various activities, complementing each other in reaching their visions, objectives and goals.

- Technological developments: Information revolution has been brought about and strengthened due to technological developments such as microchips, genetics, communications, robots, lasers, growth of satellite TV and computer technologies. Due to limited resources public sector cannot meet the demands of the industry and other sectors of economy. Thus private sector can undertake to train manpower in technology and respond to market demands.
- Greater responsibility with the recipients of education: Over the years education has been considered as a free public good thereby devaluing education. Privatization of education where the recipient will bear the full cost will help bring greater responsibility in them. As a consequence, students are likely to demand greater efficiency and quality in teaching.

Higher education in India has expanded rapidly over the past two decades. This growth has been mainly driven by private sector initiatives. There are genuine concerns about many of them being substandard and exploitative. Due to the government's ambivalence on the role of private sector in higher education, the growth has been chaotic and unplanned. The regulatory system has failed to maintain standards or check exploitation. The private institutions of present are motivated by profit. The large growths of these institutions (which make huge profits) represent commercialization of education. These institutions do not hesitate to admit students with poor academic credentials. The contributions of private sector to research and advanced level education are also found to be limited. (Tilak, 2005). It is rightly observed, "higher education is far too expensive to be made privately profitable unless it is reserved for the rich or is of very poor quality" (Patel, 2003). Trends show that of the various forms of institutes of higher education that exists, the number supported by public funding have stagnated by growth (like the central and state universities, aided colleges, etc.) and rather the numbers with private funding have witnessed a speedily rising growth (like the private universities, deemed universities, unaided colleges, etc.) (Agarwal, 2006). Within a small duration of five years from 2001–2006 the unaided private higher education accounted for 63 per cent (from 43 per cent in 2001) of the total higher education institutes and 52 per cent (from 33% in 2001) of the total higher education enrolments (FICCI, 2011). Since 2005–2011, the State Private Universities have witnessed a fifteen-fold rise in the number of institutes from 6 to 94. Of the 130 Deemed Universities, 73 are in the private sector. About 1 per cent of colleges have been granted an autonomous status (FICCI, 2011). Quiet obviously most of this growth of private higher education has happened in the more marketable professional courses like engineering, medicine, management, computer applications, etc. ranging between 50 per cent to 95 per cent of the private institutions. (Joshi & Ahir, 2013) There is a number of private training institutions in our country in which students get enrolled after graduation or post-graduation. After passing out B. Ed / M. Ed, they are eligible for getting jobs. In this way, these private training colleges of nursing, pharmacy, education, engineering, management,

medical and law give students a way to go ahead in their lives and get better life. To the number of students in the private technical colleges, a number of students get the diploma or degrees in their respective stream like Diploma Electrical/Mechanical/ Computer Science and Engineering. It is regulated by AICTE. India with 1200 approximate engineering Institution, 2 Lac teachers has a tremendous potential to

5. The need to privatize higher education is because of following reasons:

- To increase competitive efficiency of public sector.
- To meet the growing demand of higher education with rapid growth in population.
- To reduce financial burden on government and for decentralization of educational institutions.
- For imparting quality education and training and shaping of the curriculum according to global, national and local needs.
- To fulfill the need for skilled manpower and to fulfill the need of the country in liberalization, privatization, and globalization.
- To facilitate technological developments and information based economic development (Jonaki & Prasenjit, 2016).

Privatization will enhance decentralization and debureaucratisation of educational institutions, initiatives in educational reforms, innovativeness in teaching, learning and evaluation and made services and provision of wide choice of courses and subjects to the students. Through privatization competition arises among the students, teachers as well as administration and management in order to improve the efficiency, excellence and productivity in education system.

6. Limitations

With the initiating role of private sector in higher education, there has been huge growth in the number of private professional colleges. This rapid growth has no doubt led to a quantitative increase in the number of colleges providing higher education but affected the quality of education on one side and government may not keep sufficient control over these unaided colleges on the other side. Due to privatisation, there is the high risk of commercialization of education. Although a competitive atmosphere would be created, some colleges would concentrate on profit making rather than on improving the standard of education. The victims of commercialization are teachers, students and parents. Teachers working in these private institutions are found as being underpaid. Some are terminated at the end of the session. There is always an uncertainty in their career. Many private colleges appoint part time and poorly qualified teachers so that they do not have to pay 87 much. These teachers are hardly exposed to any in-service training, orientation courses and research activities. If the private institutions are given too much independence due to privatisation, they would create monopolistic situation in higher education. This would lead to many problems such as high fee structure, capitation fee, exploitation of teachers, etc. Recently there was hike in fees in privatised colleges which was a major uproar and the Government had to give in to the pressure. With privatisation foreign Institutions have been allowed to

enter into the form of franchise in our country. These Foreign Universities / Institutions may or may not be recognized in their own countries due to which there is no control or restriction on the standard of their higher education. Most Private colleges although adhering to standard admission procedures like conducting entrance tests, interviews, etc. tend to admit students by charging excessive fees. Merit invariably takes a backseat and those are able to spend more money often tend to get admitted, without satisfying the admission requirements. Devices to safeguard quality and improve relevance. There are important institutional mechanisms for monitoring and regulation of the quality of collegiate education. There are the National Assessment and Accreditation Council (NAAC) and International Organization for Standardization (ISO) 9000 (Narayana, 2006). If NAAC's accreditation is made compulsory for all colleges, it shall go a long way in professional improvement of quality of higher education, along with mandatory affiliation requirements. An important determinant of relevance of collegiate education is its curricula for various courses. At present, the universities fix the curriculum for their 88 colleges. Thus, colleges do not have autonomy in designing their own curricula according to the particular needs of students. To bring in innovations, dynamism, and improve relevance, colleges should seek and universities must offer academic autonomy. Academic autonomy may go along with financial autonomy for fixing college-specific student fee structure and other sources of resource mobilization.

7. Privatization of higher education;

- will adversely affect the poor,
- undermine equity, diversity and openness,
- does not address issues of equality, fairness and responsibility,
- exorbitant fees will deprive many of availing education,
- accountability problem will arise,
- courses in humanities and social sciences will be sidelined due to no economic gain,
- civic and democratic values may not get passed down,
- apprehensions about job security and retrenchment of staff,
- cost saving will lead cost cutting,
- collected funds may be misused by the owners,
- favoritism towards family members and friends,
- benefits remain unproven.

8. Conclusion

The entry of private sector in education, especially higher education is not new to India. Since economic reforms the trend towards privatisation has been on a large scale. The entry of private enterprise would reduce the burden of state in providing higher education to its aspiring youth entrants into higher education. Regulatory management should be put in place by government to control the private sector in education. The state can not absolve itself from the obligation of providing education to its citizens especially when the majority of whom can not afford education in private professional institutions. To ensure access to higher education by weaker sections of society, government has to increase public expenditure on

higher education. Although there are many drawbacks of privatisation of higher education, it is necessary to expand the present educational system. On the whole, an improvement in

the standards of education could be achieved through a balanced relationship between public and private sector.

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