

How to Expand Student Places for Millions

India's 10 million students still represent only 12 per cent of their generation

BY SUDEEP BANERJEE

INDIA, WITH 28 STATES, SIX UNION TERRITORIES AND THE National Capital Territory of Delhi, has the largest federal government in the world. It is a democracy by constitutional design and has a population of 1.1 billion. Unlike the “coming together federalism” in the United States and Canada, India's is a “holding together federalism” where the federal government not only enjoys residual authority and considerable sovereign discretion over the states, but also has many obligations through mandated fiscal transfer payments to the states.

The system of higher education in India is the largest in the world in terms of the number of institutions, but not in student enrolments, despite its massive population.

In India there are some 18,000 institutions of post-secondary education: 17,625 public and private colleges, 217 state universities, 20 central universities, 102 “Deemed to be Universities” – mostly agricultural, veterinary and fisheries colleges, and special institutes – 10 private universities, five institutions established under the State Legislature Act, and 13 “Institutions of National Importance,” mostly medical, statistical and technological institutes. Slightly more than half of post-secondary students enrol in private institutions.

Centralization, Then Decentralization

While national institutions are created and governed by federal legislation, their state counterparts are founded and regulated by state legislation. The governance of higher education in India is highly decentralized so that individual institutions enjoy a fair degree of autonomy. Historically, development of higher education has remained the collective responsibility of both the federal and state governments.

Education debates during the initial two-and-a-half decades of planned development – from 1948 to 1975 – led to the realization that the limited role of the federal government (known as the Union, centre, or central government), coupled with the states' lack of resources and technical abilities, was widening

inter-state disparities. Central intervention on the grounds of equity led to adoption of the 42nd Constitutional Amendment in 1976, which shifted education to the concurrent (joint function) list with the aim of building meaningful centre-state partnerships.

Notwithstanding that education is now a joint function, the states continue to have the major responsibility of funding and administering 95 per cent of India's institutions of higher learning. The centre provides very little assistance to the state-established institutions and that only in the form of general development grants through the University Grants Commission (UGC), a statutory body established by the central government in 1956 for promoting higher education and maintaining its standards.

The total number of students enrolled grew from just under 5 million in 1990-91 to more than 10 million in 2004-05. Yet even after this expansion, in India the Gross Enrolment Ratio (GER) – the percentage of post-secondary age individuals who are students – remains quite low at only 12 per cent compared to the average for the world which is 27 per cent, developing countries at 13 per cent and industrialized nations at 58 per cent. The GER also varies widely across states, from less than five per cent in Jammu and Kashmir to more than 12 per cent in several provinces, mostly smaller ones (Himchal Pradesh, Maharashtra and Uttaranchal). Although the share of female participation in higher education has increased to 42 per cent in 2005-2006 from 24 per cent in 1970-1971, wide variations exist across the states. And the participation rates of socially disadvantaged groups are still far lower than their share of the total population.

States Fund 80 Per Cent of Budget

Both the centre and the states provide public financing for higher education through budgetary allocations, with the states contributing about 80 per cent of the total funding. Even with its superior command over resources, the centre's relative share of financing higher education has hardly improved since 1990. And the proportion of GNP allocated to higher education has declined from 0.46 per cent in 1990-1991 to 0.33 per cent in 2005-2006. As a result, per student expenditure in general higher education in 2003-2004 was 30 per cent lower than what it was in 1990-1991 in real terms. It is also evident from the low per student expenditure on higher education across states in India (see Figure 1) that the states are bearing the brunt of the fiscal crisis.

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SPECIAL SECTION

Post-Secondary Education



- programming the financing and services of universities within their systems;
- complementing the central government scholarship and grant system if they so choose;
- deciding whether to create or abolish universities within their territory; and
- exercising administrative jurisdiction over the universities in their territory.

Move Toward Democratization

The General Conference on University Policy was created for the coordination, agreement and cooperation of the different parties within the system with regard to general higher education policy.

The universities' internal administration is regulated by a legal framework that sets out basic minimum structures and that distinguishes between collegiate and individual bodies.

Starting with the law of 1983, attempts were made to modernize university administration, open it up to society and democratize it. The downside has been that the new model decreases the flexibility and agility of university decision-making.

The quality assurance system has a national agency at its core in charge of evaluation, certification and accreditation, the National Agency for Quality Evaluation and Accreditation (ANECA). There are eight regional agencies that work alongside ANECA, each of which has some activities in common, including assessment.

Creation of the European Higher Education Area and the subsequent reform of the Spanish university system have delayed implementation of accreditation models because reform of the current degree system, and that of the traditional credit system, was considered more urgent. Further work is necessary to tighten coordination among agencies and to establish shared basic criteria.

Most Financing is Local

The major sources of income of public universities are public funds (74%) plus tuition fees or course fees, (13%), with the rest coming from such sources as services rendered and wealth produced by its property and assets.

As universities increasingly have come under the jurisdiction of Autonomous Communities, so has their financing. The Communities are the ones who decide on amounts assigned to each institution. The exception to this model is the constitutional mandate given exclusively to Madrid to safeguard equity in all of Spain through a system of scholarships and grants.

There are as many models of financing as there are Autonomous Communities. They are as diverse as the possibilities for combining different criteria for the allocation of resources and mechanisms for their distribution.

The second major source of income – tuition fees and course fees – is set by the administration, making it illegal for universities to go over the upper limits that have been set. Today, they are far below the real costs of educating students, which makes them similar to those of the surrounding European area.


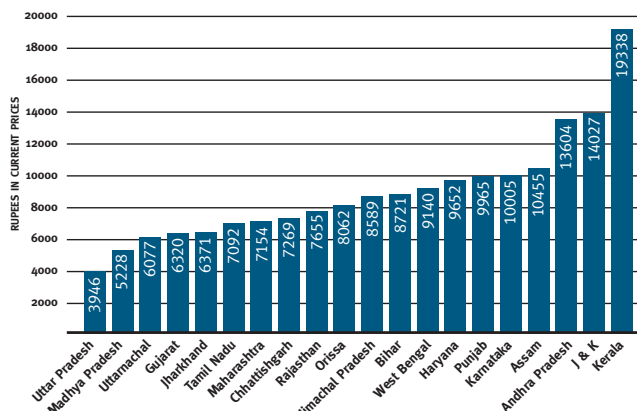
Since the adoption of the 1978 constitution, Spain has been quite successful in the democratization and decentralization of its post-secondary education system. One of its biggest challenges now is to improve co-ordination, co-operation and quality control. This will help ensure a greater diversity of institutions. 

Figure 1: Per student expenditure on higher education in major states (Rupees in current prices), 2003-04.



Source: Estimated using data from Selected Educational Statistics and Analysis of Budgeted Expenditure on Education, MHRD, GOI, 2003-04.

In fact, most state universities have had to resort to alternative methods of resource mobilization, mostly through private recoveries such as charging higher fees to students.

Enforcing Standards

Quality assurance assumes a heightened importance in India because of the increasing visibility of the private post-secondary sector, which is apt to take advantage of institutional ambiguities and concurrent jurisdictions.

In addition, two independent national agencies have been established for accreditation of institutions and programs: the National Assessment and Accreditation Council (NAAC) and the National Board of Accreditation (NBA) – which led to problems of coordination and overlapping jurisdiction.

Proliferation of foreign and private institutions of higher learning, coupled with the limitations of existing regulatory mechanisms, has not only contributed to the unbalanced growth of higher education, but has also adversely affected access, equity, and quality. This critical concern warrants establishment of a National Council for Higher Education that would revamp existing regulatory agencies and remove overlapping jurisdiction.

India may be unique among the countries examined in this publication as the responsibility for higher education has continually changed between the central government and the states. While the centre was responsible for the maintenance of standards, the states were responsible for the establishment and running of institutions of general higher education. This was changed through a constitutional amendment in 1976 and the entire education system, including higher education, was placed under the joint responsibility of the central government and the states. Despite this, the role of the centre in higher education, especially with respect to financing, remained marginal, though several agencies were established to carry out the functions of co-ordination, maintenance of standards, and so on. Yet to meet the needs of higher education, the federal government needs to provide enhanced resources to both the central and the state universities. But funding alone will not guarantee quality. Therefore, because of chronic financial and other disparities among the 28 states, it is up to the central government to promote quality by coordinating quality-assurance activities with the necessary backup of finances. 