Privatization of Education in India

Poulomi mukherjee

Ph.D Research scholar, Jadavpur University, Department of education

Abstract

Education means to know the knowledge. Without this, life of human being does not operate. Education teaches the lesson of humanity. Education is very necessary for every human being. Education does not mean to get specific skill and get employment. But we say that anybody got education, if he/she has developed from every angle. It is the education which carries human being in the way of success. Privatization of education in India introduced new policies and programs to increase employment, outcome and income opportunities and achieve economic development at National and International level. It has brought about a rapid change in the educational scenario of India. Privatization encourages the individual and society to establish school, 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. The present paper reveals an attempt to analyze the tendencies of privatization in education sector and also proposes to monitor and govern these institutions for quality education at different levels.

Keywords: *education, privatization*

Introduction

Education is the most important and powerful tool invented by mankind to shape and mould himself for personal as well as social life (Sergio, 2009). In short, it prepares the man for life. Moreover, it is the important source of employment, income and standard of living. So, everyone gives important to higher education. As a result, it has become one of the basic necessities of human life in the materialistic and knowledge society. Hence, the demand for higher education has increased especially after the independence of India. But the central and the state governments are unable to meet the increasing the demand for higher education due to financial constraints, non- availability of appropriate places and cost of higher education. Therefore, it encourages the individuals and organisation to establish colleges and deemed universities. As a result, the number of self- financed arts and science, engineering and medical colleges has increased on the one hand and increased the gap between the demand and supply of higher education. This is also because the afflicted colleges have applied for additional seats to meet the demand for certain courses. Thus, the increase in the number of colleges and demand for additional seats create a gap between the demand and supply of higher education in many higher educational institutions in India. Further, privatization has positive and negative impact on higher education and society (Mishra, B.K. & A.K. Mishra, 2004).

Concept of Privatization

The term "privatization" is an umbrella term referring to many different educational programmes and policies. As an overall definition, privatization is the transfer of activities, assets, and responsibilities from government/public institutions and organizations to private individuals and agencies. Also, privatization is often thought of as "liberalization" – where agents are freed from government regulations; or as "marketization" – where new markets are created as alternatives to government services or state allocation systems (Levin, 2001).

In view of the tremendous pressure on total educational knowledge enterprise for higher and professional in education, in particular, privatization is not an option but a natural evolution. The earlier system, where the state and charitable institutions come forward to open new professional colleges, is obviously unable to cope with the rising demands of a high-profile professional education. The infrastructure, managerial, and financial requirements coupled with a high yielding entrepreneurship has made the private sector to take a direct plunge into the educational enterprise (Lunavath, 2005).

In some countries, the origin of privatization can be traced back a few centuries. But privatization has assured greater

significance as a policy strategy of the development of education in recent times, essentially but not wholly, due to stagnating and, in some countries, declining public budgets for education; on the one hand and on the other, increasing social demand for higher education, manifested in slogans like "higher education for all".

The wave of privatization in sweeping across the world. Within an economy, it is aimed at breaking the monopoly of the public sector in a number of areas, more especially areas connected with infrastructure. The essence of privatization lies in the induction of private ownership into publicly owned enterprises. This can range from total denationalization (zero public ownership) to various degrees of private ownership in the form of joint ventures. This is the narrow sense in which the concept is used, but in broader sense, it connotes, besides private ownership, introduction of private management and control into public enterprises.

Barbara Lee and John Nellis define privatization in this manner: "privatization is the general process of involving the private sector in the ownership or operation of a state owned enterprise" since the impact of privatization is penetrating all sectors of the economy; it is bound to affect the education sector as well (cited in Gupta, Kumar & Panda, 2005). Privatization of education is a part of the process of privatization of the economy at large. The motive, which activates private sector, is to gain maximum profits. Therefore, it will invest only in those courses and institutions which will be profitable. As a result, the professional courses will be hot list. But the general education, social sciences, and humanities will be sidelined.

Education and Privatization:

Applied to the education sector, privatization can be seen as part of the wider reform of the public sector. Education is both a private and social investment. It is therefore the responsibility of both the individual including the student, his family and even his employers and the society which includes the community and the state (Levin, 2001). The areas of shift in the education sector are mainly decision and responsibility of money, administration and a relevant curriculum of high quality. Privatization is management by private sector with total absence of government intervention. Such institutions generate their own funds through higher fees, user charges and full use of resources. They survive on the philosophy that they do not have to pay for those who can pay.

Privatization of higher education has emerged in several forms and types in the recent decade in India.

1. Privatization within government higher education institutions takes place in the form of introducing self-financing courses within government institutions.
2. Converting government aided private institution into private self-financing institution.
3. Allowing to expand self-financing private institution with recognition and also without recognition, which may be termed as commercial private higher education institutions.

Factors which are responsible for Privatization

(i) **Need for competitive efficiency:** A more competitive economic environment, Operation of public sector enterprises is considered inefficient is the main justification for privatization. It is believed that private ownership and control are more efficient in terms of resource allocation and work.

(ii) **Growth in population:** India has a population of nearly one hundred and twenty five crores. 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.

(iii) **Financial problem:** Higher education in India is in financial stress. The government of center and state 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 level, especially when compared with countries such as South Africa, which invests eight percent of GNP on education. Therefore there is a need to evolve policy through which private resources are mobilized.

(iv) **For quality education:** 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 buildings, furniture, different types of laboratories and qualified and competent academic staff, who can be paid as per the demand, there is a need for privatization for quality education.

(v) **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 fulfill the demand for subjects which facilitate economic development of the nation. The demands of the market and the times can be fulfilled. For this privatization is needed.

(vi) 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 management, finance and administration.

(vii)Need for 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 should undertake to train manpower in technology and respond to market demands.

Advantages of Privatization:

Privatization will enhance:

- Decentralization and de bureaucratization of educational institutions.
- Initiatives in educational reforms.
- Innovativeness in teaching and evaluation.
- Tailor made services and provision of wide choice of courses and subjects to students.
- Competition.
- Quality education and training.
- Shaping of the curriculum according to global, national and local needs.
- Availability and better maintenance of resources transparency in all procedures.
- Fulfill the need of the country in liberalization, privatization, and globalization.
- Utility of human and physical resources in proper way.

Fears in Privatization:

Privatizing education

- Will badly 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 un proven

Conclusion:

The role of privatization is important to expand education qualitatively as well as quantitatively. Here state and central government encourage the privatization of education to achieve economic development. But the lack of quality education affects the educated masses. In fact, privatization increases of number of degrees holders on one hand and unemployment on the other hand. For this more and more opportunities should be provided to them which can prepare them for employment in organizations or engage in self-employment. Therefore, the suggestions given in the study may be implemented to improve the quality of education provided through privatization and remove its negative impact on education and society.

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