



Mini Review

Privatization of Education in India: A Critical View

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Abstract

Privatization is considered a process which is defined as the transfer of shares or assets, management, responsibilities from the public to private sector. Today it becomes a major issue in Education system. The present paper traces supportive decisions taken by India Government favouring privatization of Education. It also seeks to analyse the present condition of higher education with special reference to privatization of education in India. The paper follows analytical description as methodology through secondary data. It points out the emergence of private sector in higher education. Positive and negative impact of privatization on education & society are also identified.

Introduction

Privatization has covered a large area in education sector. Today the educational programmes and policies related to private sector are expanded very much in India. Generally, the term privatization refers the "transfer of assets, management, functions or responsibilities previously owned or carried out by the state to private sectors" (Coomans *et al.*, 2005). The role of private sector is increasing to control management and education institutions rather than government. So, it can be said

privatization is decentralization of education in each sector with its special effect in higher education (Choudhary, 2016). Privatization refers to the process of transfer of ownership which can be both permanent or a long-term basis in nature used intentionally by individuals or groups having an aim of increasing maximum profit (Paul, 2018). Peter F. Drucker used the word privatization first in his book 'the age of discontinuity' in the year 1969 (Kumar, 2017). Over the past three decades all the countries have

accepted the idea of privatization in education. Neo-liberals consider privatization as a deregulated freedom for economic activities whereas the antagonists use the term to make it understood as an institutional process to maximize the economic profit (Kumar, 2017). In India, the government strives to provide better and quality education fighting against growing population and inadequate resources. But the Indian higher education system always faces several challenges such as to provide equity, quality and access for all sections of society (Alam & Halder, 2016). To make the children as the pillar of nation's growth they should get proper education. Education is also considered as an important factor of economic achievement for the country. So, everyone should get quality education to reach the expected goal. The increased population, inadequate resources, untrained teachers, poor educational environment summon the policies of privatization of education in India (Das, 2017). In such a situation, privatization policies with supportive decisions appear to provide a solution.

Objectives of the Study

The objectives of the present paper are as follows:

- To discuss the background of privatization of higher education in India.
- To analyse the current scenario of privatization of higher education in India.
- To study about the impact of privatization on education.

Background of Privatization in India

After 1991 different commissions, reports and committees with new policies have been constituted by government in the higher education sector. 'National Education Policy', 1986 fully encouraged the public for non-government advantage taken. The policy comments that in the interest of maintaining and developing standards of education commercialization will become unimportant. Then in 'Eighth Five Years plan', (1992-1997) it was the very beginning of liberalization, privatization and globalization (LPG) in India. After that one committee was established on UGC funding of institutions of higher education under the chairmanship of Justice K. Punnayya (UGC, 1993) named 'Punnayya Committee' (Choudhary, 2016). Then another committee was set up by Dr. Swaminathan (the chairman of the committee) named 'Swaminathan Committee' (AICTE, 1994). The recommendations of both committees determined the goal of higher education with regard to mobilisation of resources for higher education, introducing self-financing courses, promote technical education, arrangement of students' loans. There introduced another bill in the Rajya Sabha in August 1995 (A private university established and regulation bill) to provide self-financing universities in country. Then on government subsidies in India, a discussion paper was issued by

Ministry of Finance, government of India in 1997. This paper highlighted a change in financing, social sector of higher education. This paper regarded elementary level education as merit goods and higher education as non-merit goods. As a result, there is the reduction in the public subsidies to higher education. It was revised in 2004 as the report of the ministry of finance on central Govt. subsidies. Another significant policy report for education, prime minister council on trade and industry in April 2000 constructed the framework for private investment in education, health and rural development. The convenor and member were Mukesh Ambani & Kumar Mangalam Birla respectively. Thereafter in 2005 Central Advisory Board of Education suggested to construct a body like Higher Education Finance Corporation (HEFC) with an aim of careful monitoring mechanism for the improvement in quality education (Shete, 2016). In 2008 Govt. of India constituted 'Yashpal Committee' and submitted report in 2010 (Ministry of Human Resource Development) where it was emphasized an urgent need to bring about changes in education system in regulatory bodies. The Higher Education Commission of India (UGC Act, 2018) presented a bill prepared by MHRD with an intention to step towards the Government's agenda of privatising education. Recently NPE, 2020 trusts over the private Institutions that they will 'do the right thing' and gives undue importance on autonomy of educational institutions.

Current Scenario of Higher Education

India possessing a large population suffers from sufficient resources to provide govt. opportunities to all in higher education. A huge investment was required then and, in this situation, the private investors come forward to cater the chance and support for higher education services (Lal & Kumar, 2019). So, in India higher education system includes both private and public universities. The annual report as on 01.02.2020 of University Grant Commission which was established in 1956 under Minister of Human Resource Development suggests there are 409 state universities and 349 private universities in India whereas almost all private universities (Table 1) were set up after the year 2000 except Sikkim Manipal University, Gangtok, (established 1995) and LNCT University, Madhya Pradesh (estd.1995) (UGC, 2020).

According to this report it is also seen that the states Arunachal Pradesh, Meghalaya, Mizoram, Nagaland have no state universities and they only focus on establishing private universities. Here is another finding which reveals that the states Himachal Pradesh, Rajasthan, Uttarakhand, Madhya Pradesh, Punjab, Jharkhand, Gujarat, Haryana, Arunachal Pradesh and Meghalaya have a large support for privatization and glanced at higher education university section with major contribution towards privatization (Having more than fifty percent private universities).

Teacher education which is considered as professional education is also a part of higher education. Privatization has a strong footprint in this section also which generally goes towards commercialization (Pritam, 2018). Private initiatives in teacher education have been spread especially

2001-2002 onwards (Pritam, 2018). At one hand it secures job for educated man and on the other hand there is an unplanned growth of teacher education institutions in India with the support of private initiatives.

Table 1: States/Union territories wise number of state and private universities

Sl. No.	Name of the States/Union territories	No. of State Universities	No. of Private Universities
1.	Arunachal Pradesh	-	08
2.	Andhra Pradesh	22	06
3.	Assam	15	06
4.	Bihar	18	07
5.	Chattisgarh	14	12
6.	Goa	01	-
7.	Gujarat	30	38
8.	Haryana	19	23
9.	Himachal Pradesh	05	17
10.	Jammu & Kashmir	09	-
11.	Jharkhand	11	15
12.	Karnataka	31	19
13.	Kerala	13	-
14.	Meghalaya	-	08
15.	Mizoram	-	01
16.	Madhya Pradesh	23	35
17.	Maharashtra	24	15
18.	Manipur	03	02
19.	Nagaland	-	03
20.	Odisha	18	07
21.	Punjab	10	15
22.	Rajasthan	24	51
23.	Sikkim	01	04
24.	Tamilnadu	22	-
25.	Telengana	18	-
26.	Tripura	01	01
27.	Uttar Pradesh	31	29
28.	Uttarakhand	11	17
29.	West Bengal	26	10
30.	NCT of Delhi	08	-
31.	Chandigarh	01	-

Source: Computed by author based on the annual report of UGC dated on 01.02.2020

Table 2: List of Govt. and Private Teacher education institutions

Region name	State name	Govt. institutions	Private institutions
Northern region	Delhi	15	110
	Chandigarh	03	06
	Himachal Pradesh	14	112
	Punjab	31	550
	Uttarakhand	15	118
	Haryana	1617	
	Uttar Pradesh	7500	
Western region	Gujarat	36	241
	Chhattisgarh	36	235
	Goa	01	11
	Dadra Nagar Haveli	-	01
	Daman Diu	-	03
	Madhya Pradesh	68	1041
	Rajasthan	200	
	Maharashtra	1791	
Southern region	Andhra Pradesh	80	1954
	LakshaDweep	02	-
	Andaman & Nicobar	04	-
	Tamil nadu	282	1854
	Puducherry	05	83
	Telengana	61	729
	Karnataka	251	1275
	Kerala	215	270
Eastern region	Arunachal Pradesh	09	20
	Assam	83	73
	Bihar	107	598
	Jharkhand	53	217
	Manipur	16	13
	Meghalaya	13	05
	Mizoram	17	-
	Nagaland	07	08
	Odisha	135	04
	Sikkim	05	04
	Tripura	15	10
	West Bengal	76	625

Source: Calculated by author based on data collected from NCTE website

As per the information taken from National Council for Teacher Education established on 1995 under the NCTE Act, 1993 there are four regions for teacher education institutions: Northern, Western, Southern and Eastern region. From the Table 2 it has been observed that Andhra Pradesh, Tamil Nadu, Karnataka from Southern region and Madhya Pradesh from Western region have more private universities than others, almost above one thousand institutions are there. Besides, it is also revealed that the states Andhra Pradesh, Punjab, Puducherry, Madhya Pradesh, Telangana glanced in set up and development of private teacher education institutions rather than establishment of government institutions (Table 2). Through the above information the rapid growth of privatization in higher education especially in two decades is clear and evident. According to NCTE report, 2011 such growth of private sector in educational field led to regional inequality in the accessibility of teacher education (Pritam, 2018).

Impact of privatization

Privatization has both positive and negative effect on the growth and demand of education and society.

Positive Impact:

- **Decentralization of education:** As a result of privatization the responsibility of education is transferred to the local level by which the decision-making power is not only in the hands of government but also to the private initiatives made by public.
- **Reduce distance of educational institutions:** Privatization increases the number of institutions in both rural and urban areas which decreases the distance between schools and residence where the students live (Alam & Halder, 2016).
- **Increasing demand of higher education:** Private institutions provide easily access of education. Growing number of schools naturally gives basic education and push every child towards higher education (Ravi, 2015).
- **Regional development:** Establishment of private institutions bring a chance to society to get education much, even it spreads in rural areas also which expanded the facilities of transport and economic market of those areas.
- **Reduce financial burden of government:** India being a third world populated country under goes through financial crisis in case of higher education. Current spending in India for education is within 4.6% of its total GDP according to IMD (Business Today, February, 2020). In such a situation privatization comes forward to provide support in finance and help in development of education.

- **Provide quality education and training:** Financially India is a backward country and is unable to provide government support as per the need of the public in education section. In such a situation private sectors completely maintain good qualitative infrastructure and equipment like furniture, classroom, building, laboratories, libraries, computer aids, qualified teachers which attract people so much and help in enhancing quality education (Chakma, 2019). Technologies like microphones, genetics, robots, lasers, growth of satellite TV and computer are there as teaching learning aids forever. They also apply modern evaluation technique. All these help in producing quality education in private institutions.
- **Utilize human resources properly:** Private institutions are really a beneficiary to providing employment opportunities to the students in different fields. Income opportunity is no doubt a positive effect of privatization and people are treated as human resource.
- **Remove political interference:** According to the rules given by the honorable Supreme Court private institutions are free to take their decisions and autonomous in regulating administration. So, there is almost no political intervention to discard their autonomy. Though they must follow necessary guidelines, instructions given by regulatory bodies, agencies of education regarding every step like admission, examination, recruitment of staff, building infrastructure etc.
- **Fulfilling the need of the country in utter crisis:** Private sector is so flexible that it changes its features to be suit to prevailing situations. So, we can say when society changes and there is an utter crisis in reducing gap in education then private sectors become fully equipped to fulfill the demand of the society.
- **Downsizing of corruption:** If we want to control the corruption of government sector, we must bring private sector there with some discipline (Chakma, 2019). As a result, in curtailment of corruption a capacity utilization of resources exists in every situation.

Negative Impact:

- **High cost of education:** Private sector always maintains high cost for the public in giving education. The authority collects different fees in different issue to increase their income.
- **Drives education towards commercialization:** Institutions are being established not only for providing education but also with an intention like business purpose which seriously have negative effect on our society. As a result, there is corruption in

education system, quality of education decreases and discrimination of people in society exists.

- **Misuse of autonomy:** The authority uses autonomy power as a result the freedom of students and teachers in teaching learning does not exist. They sometimes exploit teachers paying less than the amount specified by regulating agencies (Rathod, 2018). The same case is also there for starting and ending any course.
- **Capitation fees:** Capitation fee is referred as illegal transaction made by private institutions which is not specified by regulating agency (Gaikwad, 2014). The main purpose of private institutions is collecting money (Rathod, 2018). There is lack of transparency in the system of private sector.
- **Accountability problem:** When education is there for business purpose due to privatization the accountability in education becomes a question mark. The future of the student faces uncertainty in life.
- **Undermine equity, diversity and openness:** Due to high cost of fees and unavoidable capitation fee charge the poor cannot get a chance in such institutions. Besides when government institutions spread helping hands giving economical benefits like scholarships then private institutions do not care for them. Generally there does not exist equity, diversity and openness for all in educational institutions.

Conclusion

The spread of privatization follows a supportive background created by the number of commissions and committee reports. As a result, in higher education section privatization reigns and takes an impressive position when government is failure to provide financial support. In Indian higher education sector private institutes played a significant role over the last decades. There is a need to implement innovative approach by government which will be globally accepted and relevant. There must be planning and developing policy framework which will help in quality of education. The government should also think and control those private institutions which look into education as a business and gradually go towards commercialization of education because there is a need of skill-based quality of education, and not simply the quantity of education. When the thought of commercialization will be abolished then the gap between rich and poor will decrease and equity will be established in educational institutions. For the development of education in the nation all negative sides of privatization must be controlled. So, it can be concluded that privatization is not a subject which can be opposed totally but state should control the system of privatization whenever they violate any constitutional rights. There should be also a limitation in establishment of private institutions and these institutions should have adequate infrastructure. If any institution is engaged in corruption and is unable to provide quality education it must be

immediately closed. Transparency in regard to fixation of student fees, staff service conditions, admission of students, and accountability of all expenditure are required in private institutions. To ensure the access of higher education by the weaker and deprived section of society, government must increase public expenditure on higher education. In this way there will be an improvement in the standards of education which could ultimately be achieved through a balanced relationship between the public and the private sector.

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