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NEO-LIBERAL CAPITALISM IN INDIAN EDUCATION SYSTEM: A CRITICAL ANALYSIS

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Abstract:

Providing quality education is the main issue in today's' education system. Private investors for their profit maximization added international standard while provide education services. 1991 Indian economic reforms provide direct licence to the private investors for doing business in education field like other sector. Laissez-faire economic provides best educational facility to the students. There is a direct linked between growth of private educational institutions and country's economic growth. The main objectives of this article are to see the challenges and future prospects of Indian education system and also to examine the different government policies regarding Indian education system in the light of neo-liberal perspective. For this the researcher used qualitative research design with historical research method. In the conclusion it is noticed that, different government policies provide recommendation for developing Indian education system but still now government educational institutions not reached as much level of standard as the private bodies have provided.

Introduction:

As we know that "neo-liberalism" means a market oriented reform policies where private contributions in different sectors are continuously growing up and government intervention is slowing down. It become quite wider spread in some political and academic debates. The impact of "neo-liberalism" can be observed in educational sector also. We live in the age of neo-liberalism where private sectors are growing upwards with the impact of globalisation. Economic reform, launched in 1991, refers to the fundamental changes in the policy formation with regard to technology up gradation, Industrial licensing, removal of restrictions upon the private sectors, permission of foreign trade and investments. Neo-liberalism is more concerned about laissez-faire economic. So, economically it is very similar to classical

liberalism. Neo-liberal capitalism is like a modern take on classical liberalism but it focuses on the markets. This means it is a modern take on classical liberalism, but it focuses on market. This means it is about deregulation, ending protectionism and freeing up the markets. While classical liberalism is more of a political philosophy but neo-liberalism is based on the idea of neo-classical economics. So, it is really a set of ideas for how a free market, as advocated by classical liberalism, can be achieved and maintained. In addition, neo-liberalism is quite a modern phenomenon, being associated with economic ideas in the 19th/20th century proposing laissez-faire economics. During the period of neo-liberalism everything is being observed with liberty. Therefore the immense impact of neoliberalism is also felt in the field of education as being the most important part of the social system. During this period in every sphere of social system all is accepted from the perspective of liberty. As a result of which paradigm shift is observed in educational system too. On one hand, neoliberalism has made education easier to access. India signed the world Trade Organization (WTO) agreement including general Agreement on Trade in Service (GATS) in 1994 as part of a single undertaking, which came into force in 1995. The WTO has an important impact on the higher education system in India. The policy prescriptions of the WTO argued against the use of public funding for an expansion of higher education. The quality of higher education in public institutions has started deteriorating given the fiscal constraints upon state government. In India primary to higher education institutions are growing faster. After the 1991India's economical reforms, the impact of privatization is growing continuously.

Objective: To conduct the research the researcher's main objectives are-

- 1. Challenges and future prospects of Indian education system under the neo-liberal theory.
- 2. Indian government policies regarding neo-liberal capitalism for Indian education system

Methodology: It is a qualitative study and historical research design method with primary (Indian government report, commission and committee report) and secondary sources (news paper, books) had been used.

Privatization in Indian education system: Indian education system basically into two categories; one is school education and another is higher education. School education is divided into primary section and school education section and higher education means after completion of school education. In the Indian education system, apart from the government-aided institutes, there are large numbers of private institutes that have come into existence over a period of time. Privatisation has been made both at secondary and higher secondary level. The concept of privatisation in educational institutions means running the institute without taking financial subsidy from the government. However they are required to take recognition from the concerned authority of the government. These schools are run by private societies or trusts/ individuals. But they are affiliated to a board established by the government. Schools are either affiliated to the

Central Board of Secondary Education (CBSE) or to the Indian Certificate of Secondary Education (ICSE) or to the state boards. In the past few years the improvement in the field of technical and professional education has reached to a significant level by the birth of several private institutes in the country. These private institutions are not only providing value based education to the students but also getting the status of deemed university or autonomous organization for their academic excellence. Many private primary schools are growing continuously in this country. Play way method is very important for the little children physical and mental growth. Basically quality maintains is given more from the private institutions than that of government schools in India. In secondary and higher secondary school education students getting standard education from the private body. Private institutions maintain the quality in respect to the clean laboratory, well equipped libraries, disabled free toilets, maintain teacher- pupil ratio, career and guidance classes, maintain standard curriculum and examination reforms etc. After the 1991Indian economic reforms the globalization trend has came positively into our nation. As a result privatization of educational institutions also growing upward.

Table 1: Government and Private schools in India

Year	Private schools (%)		Government schools (%)	
	Urban	Rural	Urban	Rural
2015-2016	48.54	14.12	35.67	79.08
2016-2017	48.66	14.47	34.90	78.31
2017-2018	49.38	15.27	33.90	77.04
2018-2019	49.54	15.65	33.82	76.68

(source- http://dashboard.seshagun.gov.in/#!/reports)

From the above data it is clearly shown that private schools are growing continuously and the increasing rate of private schools is higher in urban areas in India. In respect of government schools rural areas have more government and government aided schools. This is the clear picture that private schools are growing with faster rate. The quality of education is very important to maintain the standardized Indian education system. Private educational institution maintains the quality including clean laboratory facilities, toilets, and active teaching materials, regular parentsguardian meeting, career-

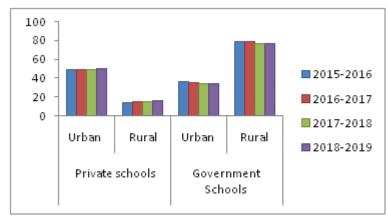


Figure 1: Private and Government schools in India

Guidance consultation classes, extra curriculum activities and so on. In many cases government schools are providing quality education but relatively slower than private institutions. In many cases parents have sending their children for maintaining social status (Kumar, 2014). Due to lot of facilities and financial strength private schools are growing faster than the rural schools. In spite of curriculum and examination reforms are continuously maintained by the private schools. There are two types of privatization; one is "endogenous" and another is "exogenous". Endogenous privatization means importing of ideas, techniques and practices from the private sector in order to make the public sector more businesslike and Exogenous mean to opening up of public education services to private sector participation on a for profit basis and using the private sector to design, manage or deliver aspects of public education. In case of higher education many private higher educational institutions are growing. They provide proper quality in term of job oriented professional as well as general course. In spite of all things UGC provide lots of facilities and provide financial assistance for boosting up the government higher education but still private higher educational institutions provide lots of job opportunities in our challenging society. After 1991's Indian economic reforms and due to the direct effect of globalization private agencies or educational institutions are continuously developed in India. The 1990s helped in the rapid growth of private higher education and emergence of large scale markets in higher education (Tilak, 2014). A private universities bill (Birla- Ambani report) was introduced in the upper house of the Parliament in August 1995, with a view to providing for the establishment of self-financing universities. The bill is still pending in Parliament; it is widely felt, not because the government was not keen on the privatization of higher education in India, but because the private sector was not happy with several clauses in the bill. For an example, provision of full scholarships to 30 percent of the students and for government monitoring and regulation of the system (Tilak, 2002).

Indian education and economic growth: Education is a very important factor in the economic development of any country. India since the early days of independence has always focused on improving the literacy rate in our country. Even today the government runs many programs to promote Primary and Higher Education in India. Education in India means the process of teaching, learning, and training of human capital in schools and

colleges. This improves and increases knowledge and results in skill development hence enhancing the quality of the human capital. Our government has always valued the importance of education in India and this is reflected in our economic policies. The percentage of expenditure on education out of total government expenditure is the indicator of the importance of education in the scheme of expenses before the government. The commitment level towards the development of education in our country can be shown by the percentage of expenditure done on education out of during 1952-2010, the percentage of total education expenditure out of total government expenditure increased from 7.92% to 11.10%. At the same time, the percentage of GDP of the country increased from 0.64% to 3.25%. As the expenditure on education was not constant during that time, the growth of country was irregular in that era.

Expenditure on Elementary Education in India-

In comparison to expenditure done on elementary education and higher education, the major share was grabbed by elementary education. On the contrary, expenditure per student on higher education was higher than that of elementary education. As the expansion of school education is going on, we need more trained teachers who have studied at educational institutes.

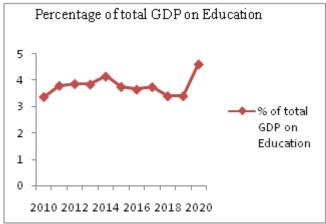


Figure 2: Percentage of total government expenditure in education

Rs. 2005 as per capita education expenditures compared to Bihar which spends Rs. 515. This results in differences of educational opportunities between states. The education commission (1964-66) recommended that at least 6% of GDP should be spent on education. From 2010-2019 Indian government expenditure on education was very certain but in 2020 the Indian Government expenditure was 4.60 % of it's total GDP. The Tapas Majumdar Committee was appointed by the government of India in the year 1998. The committee estimated an expenditure of Rs. 1.37 Lakh crore (approx) for 1998-99 to 2006-07, to cater all Indian children of 6-14 years age group, under the umbrella of school education. Currently, the expenditure is around 4%, which has to be increased to 6% to reach desired results in years to come. Government levies education cess at the rate of 2% on all union taxes. Private schools are growing across the country on the basis of per capita income of the people/ states. Because of profit maximization private schools are stand maximum in the urban areas where

per capita income are well (fig, 1). Extremely hiking of private schools' fees also based indirectly upon economic condition of an area. Professional courses are also depending on higher economic condition. For providing quality education finance is very much needed. Private universities with the help of financial assistance maintain lots of assets which boosting its quality.

Recent trends in Indian education system: Privatization means initiation of private ownership, management and control of organizations. In education privatization can be seen as development of private sector's control. Privatization of higher education has emerged in several forms and types in the recent decade in India. Privatization within government higher education and school education institutions takes place in the form of introducing self-financing courses. Allowing self financing private institution with recognition and also without recognition. This may be termed as commercial private higher education institutions. Shift from public education to private education. Private players are mainly engaged themselves in setting up of state private universities, deemed university and academic institution with foreign collaboration.

Need to privatize higher education:

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

In India, the thrust on privatization in higher education and school education started in the early 90s under the LPG (Liberalization, privatization and globalization) policy. The last two decades has witnessed an exponential growth in Indian higher education system. But there remain lots of challenges to privatization. Privatization of higher education has badly affected the poor, undermined equity, diversity and openness and could not ensure the knowledge about the providers and price and quality of the product.

Globalization: The term globalization and internationalization is used interchangeably. There exist narrow difference between globalization and internationalization. Globalization refers to involvements of large number of countries and internationalization refers to involvement of two or more countries. With the developments of information and communication technology the barriers of national boundary has been broken. As a result there has been considerable development in the social, economical and educational fields at international and global level. This is termed as

internationalization and globalization. The development in education has resulted in the following events-

- I. Increased practice of international comparison of educational development.
- II. Mobility of students from one country to another.
- III. Mobility of scholars from one country to another.
- IV. Setting up of educational institution from one country to another.
- V. Marketing of education worldwide.
- VI. Development of framework for globalization of education through GATT (general agreement on tariff and trade), GATS (general agreement on trade in services) under WTO (world trade organisation).

After 1991 Indian economic reform and with the effect of LPG Indian education system enters directly to the privatization. In this time many private educational institutions in terms of school and higher educational institutions are continuously growing.

Government policies regarding Indian education system: In neoliberalism model or system effect of privatization is very large and here government interventions are very slow. We know that private institutions provide lot of facilities for fulfil the students' demand and maintain the quality but in terms of government institutions they cannot afford the international facilities. Government policies states a declaration of a government's activity, plan. Government policies help to recommend the solutions which will help to the perspective problems. Government policies are applied for the both government and private body. In neo-liberal capitalism government decisions are very little. Dealing with neo-liberal capitalism in Indian education system some supportive government policies are examined and analyses for how much government policies are implemented regarding neo-liberalism in Indian education system. These are given below-

- 1. **National Knowledge Commission-** An emphasis on expansion and reform of school system is necessary to ensure that every child has equal opportunities to enter the world of higher education. Government expansion to the higher education is 1.5% of the total GDP which is 6% of GDP used for total education. Fees should be 20% of the total expenditure of the university. Increase public spending- alumni contribution, licensing fees. Private investment for extending educational opportunities. This report also said about upgrading infrastructure, continuous assessment of syllabi and examination reforms. It is essential to stimulate private investment in higher education for extending educational opportunities.
- 2. Yashpal committee report- Rapid expansion of the higher education mainly through private investments due to government reducing their investments in higher education. Large number of colleges and deemed to be universities were established through state legislation. Large number of colleges affiliated by the single university. As a result many universities have the burden with management, examination conduction and quality of

the colleges. Many good quality colleges face the problems due to university bureaucracy.

- **3. Kothari Commission-** This report had suggested about an appointment of personnel advisory committee who recruits young and energetic stuffs in the university. This commission had always support to the genius students for join them in the teaching profession in the colleges and universities. For maintain the quality it had recommended about the 'autonomous' colleges which are excellent.
- 4. National Education policy (1986) The new education policy had suggested about all round development, playing acculturating role, promote socio-cultural identity and enhance economic and technical development. This policy also had supported for the international understanding, equal opportunities (Ravi, 2016). The education should be lifelong. For school education the policy had recommended for pace-setting schools for the outstanding children with full scope for innovation and experimentation, Navodaya Vidyalaya for the SC and ST. It had also recommended for the vocational education which help to the students for earn money. For higher education the policy had suggested for quality maintenance like; de-linking degrees from the jobs, quality maintain in research and development, promoting efficiency and effectiveness all the levels of education. POA-1992 also had recommended about removal of disparities in education, common school system, autonomous colleges, vocationalisation.
- 5. National Education Policy (2020) Equal education system and providing high quality_of education. Insist skills and develop global citizen. Use of ICT in teaching-learning process. Emphasis on constructive learning instead of rote learning. Alternative learning and peer tutoring. Regular assessment by the expert. It had also recommended for Early Childhood Care and Education (ECCE), regular health cheek up facilities, curriculum and examination reforms and shifts towards competency based learning and education. Curriculum content should be more holistic, discovery based, discussion based and analysis based learning. It also recommended about setting up The National Assessment Centre for School Education (NaCSE) shall be a standard setting body under Minister of Education (MoE).

It is clear that government policies have governed for quality up gradation in the Indian educational system. According to the neo-liberalism theory the effect of privatization is large for profit maximization. For earning more profit private educational institutions provide quality education but in our country lower economy based family cannot afford to take admission in the private institutions due to of high academic fees. The government policies with providing lots of facilities want to provide quality education for students' all round development.

Challenges and future prospects of Indian education system: Since independence providing quality education has been a burning issue in our Indian education system. Many government policies had recommended to solving the certain problems for students' future development. After 1991 Indian economic reforms private institutions spreading in a large sphere and directly affect to the education system not only to the school education but also higher education sectors. From nursery to higher education institutions private bodies provide lot of facilities in terms of quality education to

prepare for the future. Some challenges and future prospects of Indian education system are discussed below-

- I. More than 70-80 % are government schools and private schools are very expensive which cannot affordable for the poor people.
- II. The biggest challenge that lies within the education system in India is the quality of education that is been delivered to the students, as most of the education that is delivered to students in India is generally theoretical in nature, its lacks the practical aspect.
- III. Lack of funds, the colleges in India lack funds; they don't have enough funds to enhance the quality of education and hence lacks in the infrastructure facility, teaching environment and quality teachers. Infrastructure facilities at schools and colleges across rural areas dispense very poor quality of education. The teachers are not paid adequately, as they are not much qualified so they are not willing to work hard.
- IV. It is the mentality of the Indian families that more and more people of the family should earn, little kids are send out to earn the daily bread and butter of the family instead of going to school and attain their basic education.
- V. For the disabled person very few government schools have the facility of disabled free toilets. Every school have ramp facility but are not equipped properly.
- VI. In terms of curriculum and examination reforms private educational institutions always are upgraded rather than government schools. Well equipped library facilities, clean laboratory facilities, well equipped teaching- learning materials are provided from the private educational institutions.

Irrespective of many challenges future prospects of Indian education system are given below-

Indian government considers education as a key area where drastic growth and development is required. So various future prospects have been considered and policies are drafted. The vision is to ensure that education in India is of the highest quality and available to the whole population without discrimination. Let us look at some projects the government wishes to implement successfully.

1. Education for all – A Dream

Though the education level has increased for both youth as well as adults, still the number of illiterates is as much as the population was at the time of independence. The constituent assembly passed the Constitution of India in the year 1950. Free and compulsory education for the children till 14 years of age within 10 years from the commencement of constitution was noted as Directive Principal of the constitution. Following are the factors which make education for all a dream:

- Gender bias
- Low rural access
- Increasing number of illiterates

- Privatization
- Low expenditure on education by government

2. Improving Gender Equity

The differences between male and female are reducing and the same can be seen in literacy rate, showcasing a development in gender equity. Still, hard work left to promote the education of women. There are various reasons, such as:

- The social status of women
- Healthcare of women and children
- Improving economic independence

Therefore, we cannot feel satisfied with the upward movement in literacy rate as long miles to go for gender equity. Kerala, Mizoram, Goa and New Delhi are having high literacy rate, whereas, Bihar, Uttar Pradesh, Arunachal Pradesh and Rajasthan are educationally backward states. Social and Economic Poverty are main reasons for educational backwardness.

3. Higher Education

People in India face great difficulty to reach the higher levels in the current education system. As per National Sample Survey Organization data, in the FY 2007-08, the unemployment rate was 18.10% for youth with education up to secondary level. Whereas unemployment rate for youth with education up to primary level was only 11.60%. The government should take emphasis on allocation of higher education and improve the students.

Conclusion: Neoliberal model encourage privatization. In the era of globalization providing quality is most important. Private institutions maintain its maximum quality for their profit maximization. It is proved that continuous growth of privatization and nation's economic growth are interlinked. Private institutions do not follow the government rules as these will be the main obstacles on their profitable path. It is also noticeable very clearly that government regulated school and higher education also try their best to provide quality education. As the government policies recommended from traditional teaching method to practical and discussion based teaching methods; the government institutions now produce their best educational service to their students and prepare them for the future. But in a larger view point maximum government—aided schools are not capable to provide internationally standard qualitative education as like as private schools.

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