

Chapter - Five

Conclusion and Suggestions

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An unprecedented and phenomenal expansion of higher education over the last four decades is the single most important event to have occurred in education in India. After independence, new areas were opened for developing human potential and expertise which could be harnessed for promoting economic growth. The Government in India, in coordination with the State Governments, was anxious to take immediate steps for a radical reform of the elitist character of the higher education system, a legacy of the British Government. The Government was keen on bringing within its fold the majority of youth who had long been deprived of their basic right to education. The twin objectives of -

- a) making available sufficient middle and upper level trained man power to aid economic development and
- b) meeting the rising expectations of the vast sections of the young people, added some new dimensions to the policy of higher education in the country.

Over the last four decades, higher education system in India has been forced to enlarge itself to serve a growing number of students. Quality has suffered as a consequence. Inadequate, financial resources has further aggravated the deteriorating quality. The Government has yet to evolve the strategy whereby the triangle of quality, quantity and equality can be squared as far as possible by working out a harmonious programme that will be the best in national interest. The simultaneous pursuit of these three perhaps not easily compatible objectives is proving to be a difficult task. The more the quantity, the less it favours quality

and vice-versa; the less the resources, the more difficult it becomes to equalise higher educational opportunities. The problem needs the deepest thought at planning and policy-making levels, and in academic circles. The preset state of despair in higher education is aptly put in a document by the University Grants Commission (U.G.C.) in the following words : "The system of higher education in India is now in a state of crisis, due to uncontrolled and unplanned expansion, inadequate inputs in terms of money, materials and talent, falling standards in a large proportion of institutions, weakening of student motivation, increase of educated unemployment, weakening of discipline and dysfunctionalities created by the adverse effect of socio-economic problems, a lack of relevance and significance and because of undue political interference by subjecting universities to political and partisan pressures and lack of national consensus in dealing with such situation." So we may say that higher education in India faces the crisis of identity. That is, it has failed to adapt itself and remained alienated from the main stream of socio-culture and techno-economic life of the nation.

The break-neck speed with which the higher education system has expanded over the past four decades has led to a last deterioration in quality. Academic standards have been watered down to accommodate more and more students, ignoring the fact that only to the 'quality' of the people supplied by the system ensured certain minimum standards of competence, they can help the process of modernisation. The open door admission irrespective of merit, has meant putting more on the race

track, reducing the value of those that got ahead; the better have become worseoff as more and more of the worse joined them. Quality is also being traded off against quantity by spreading scarce financial (and academic) resources, thinly over larger numbers and wider areas. In higher education, there is an inverse relation between quantity and quality, especially in a situation of financial scarcity. The establishment of more and more institutions has resulted in the gradual impoverishment of the existing ones. To meet the rapid increases in demand, facilities are stretched to breaking points. Most State Universities/Colleges are in dire financial straits and are forced to effect savage cuts in budgets especially on books/journals, laboratories, equipments, etc. With harmful effects on quality. The accent is on survival, not development. One wonders sometimes whether it would have been better to have a few but well-financed institutions than to have a large number of starving ones.

If quantitative explosion is seen as a mean of promoting equality of opportunity, or making easier the access to higher education for the lower income groups, one can safely say that it has failed. The so-called higher educational boom, instead of equalising opportunities, has in fact legitimatised or even aggravated inequality over the years. Most of the seats in the existing higher educational institutions have been appropriated by those belonging to middle and upper income strata of society (and this is ultimately transferred to key areas in the economic & administrative system), leaving the vast masses out of the ambit of benefit, over two thirds of India's University/Colleges entrants come from the top 30

percent of the society. Those that really come from 'poor' families, may not be more than 10 percent of the total student population. Under the existing system, every one is entitled to the same amount of the generous public subsidy regardless of his/her capacity to pay. For the majority of the students it has meant money that their parents or they could well have afforded, while for others, the minority, it (subsidy) is inadequate and they are not, therefore, in a position to take advantage of university/college education. The main reason for keeping fees low in higher educational institutions is to help the poor families and promote equity, but what has taken place over the years is the monopolising of seats available by the well to do classes in the society. Naturally two thirds of the portion of subsidies go to the 'haves'. And it is paradoxical to note that the more expensive the course one pursues medicine, engineering etc. - the greater is the subsidy and it reaches mostly those who need it the least. To cap it all, a good number of these who manage to obtain access to and get good grades from the heavily subsidised professional/technical institutions, more often than not, go abroad on the pretext of higher studies only to settle there, thus enabling these countries to reap the benefits of our investment. Here a question arises : Is India deriving benefits commensurate with the generous subsidy extended to these students ? Under the existing situation, to defend Government subsidies for higher education (on low fee rates) on the ground of social and economic justice is, therefore, a monstrous perversion of truth.

At this stage, we may pose certain questions. Are the problems such as, 'uncontrolled and unplanned expansion' of higher education, 'inadequate inputs in terms of money, materials and talent', 'falling standards', 'weakening of students motivation', 'increase of educated unemployment', 'weakening of discipline', 'adverse effects of socio-economic problems', 'undue political interference' and 'lack of national consensus' in dealing with issues in higher education etc. not the consequence of an ill-advised effort to convert the elite education system into a mass system and use that system as an instrument for national development? Can we choose linear expansion of elite education and still expect society to keep on footing the bill for it ? Can we manage university finance without looking into what universities are doing ? Can we expect national consensus on educational issues so long as the educational system has no relevance to the society ? Can the higher education develop its roots and derive its own strength without seeking identity with the main stream of national life ? Can we go on turning out graduates at an increasing rate and still expect to keep the number of educated unemployed in check ? Can the higher education system in India discover its own identity by copying west and importing educational hardware and software from there ? Has the U.G.C. played a genuine developmental role ? or it has nothing but multiplied and perpetuated elite system of education ? Is it not for the Indian universities, individually and sometimes collectively to find their own place or role in the society ? Is the existing organisation of the universities suitable for playing an innovative role ? Is it not possible to restructure the existing university education to make it

respond to societal needs without additional funds which the nation would find extremely difficult to manage ? Can the financial grants channalised through the U.G.C. not become effective instrument for forging desired change ? How should the beginning be made ? These are some of the relevant questions which are also related to Shivaji University deserves serious investigation we have directed our study to attempt to answer some these questions in case of Shivaji University.

Challenges of the Future :

When the change in the State Governments policy towards higher education and more and more possibility of privatization or marketization of the University education. It is now high time to think about ways and means by which University finances both for maintenance and development can be supported internally.

There are a variety of fees to be paid by the students e.g. examination fees, fees for certificates and degrees and revaluation and rechecking. Though, there have been some upward revisions in the fees, the revisions have been only symbolic in the sense that they do not cancel out even 20% increase in the cost of services and goods provided by the universities because of the phenomenal size in the prices of inputs required by the University to provide the same, even at the current levels of quality, which are themselves not very high and satisfactory. Moreover, the educational technology is becoming more and more advanced involving high teaching applications requiring high value equipments. Cost of books, stationery, construction costs, public utility rates, printing, transport etc.

have increased many fold. This has naturally led to a serious imbalance in the financial position of the Universities. Moreover any attempt at a reasonable increase in the fees, has always encountered a shift opposition from the student organizations, political parties and parents. In fact, in so far as fees of the E.B.C. and other students getting other scholarships are paid by the Government, there should no such reaction from the people because almost 90% of the University students belong to E.B.C. category. In such conditions there shouldinfact be very little opposition to fee likes by the people. The opposition should come from the Government or is it the Government which does it.

In other words, what the Government will have to do is that unjustified subsidization of higher education is directly stopped forth with. This can be done by -

- a) admission to higher education, irrespective of faculty, on merit basis only. All those getting less than 60% of marks at S.E.C. to be excluded from entrance to higher education.
- b) making higher education cost-based for those who want admissions without reference to their merit, irrespective of their economic background.
- c) scholarship to be made only to outstanding and freeships only to extremely needy if there are meritorious.
- d) no permission to new colleges at any cost where points of saturation are already reached. In this connection academic criteria of an objective nature need to be evolved for sanctioning new colleges.

e) In respect of suggestion made under (b) above, it is necessary to evolve a method of index-linking of educational fees. This may perhaps solve the politically inconvenient problem of fees hikes. Similarly, the prices for other services sold by the University, i.e. hostel, health, library, laboratory, etc. should also be index-linked.

So far as controlling University expenditures is concerned, it is possible only by regulating or avoiding conspicuous consumption of the Universities. It would be a futile exercise to control University expenditure to the extent they are there due to rise in input prices even though there is only a marginal increase in physical units of inputs.

A note of caution needs to be recorded here. In emphasising a cut in University expenditure and a rise in primary education by comparing per capita expenditures will be very fallacious. At higher levels of education, per unit cost of educational service is bound to be considerably higher than in the case of lower levels of education, mainly resulting from qualitative and infra-structural changes required in per unit provision of human and physical inputs.

Moreover, University education and college education seem to be wrongly mixed up. University education means (ought to mean) post-graduate teaching and more importantly research connected with a small proportion of intellectual elites in whose case the rate of return, not only individual, but also social, will be significantly high.



It is on this background, that an appeal could be made to the State Government to make available some additional finance (a part from salaries) for R & D and also for infra-structural facilities. For which a University Finance Corporation and Development could be established.

Conclusions and Suggestions :

We can sum-up the major issues regarding University finances in the following way :

i) In deciding upon a major shift in policy regarding higher education, it is necessary to distinguish between public expenditure on privately run, aided, affiliated colleges and the public expenditure on the University as an affiliating center conducting various departments where greater emphasis is (supposedly) on research and teaching mainly post-graduate classes incidently.

ii) It is now high time that further increase in the number of colleges, their divisions, specializations etc. is totally restricted, making expectations only in severely retarded or backward areas.

iii) It follows that a policy of merit based and limited admissions to colleges and more restrictive admissions to post-graduate classes needs to be adopted as soon as possible.

iv) Similarly, it is necessary to see that higher education facilities are made available only at cost of service principle. In the case of meritorious students, who belong to weaker sections freeships should be made available from the Government. The concessions given to E.B.C., B.C. and categories need greater, more frequent scrutiny and

rationalization. The fees for higher education need a stiff upward revision to cancel out impact of input prices which have risen greatly.

v) So far as universities are concerned, it is, not only now, but also in future, imperative that State Governments accept U.G.C. plans without delay and help the universities to ask for greater researches from out of plan funds of the U.G.C. For this purpose the plan proposals are prepared by the University should be discussed and examined carefully by the Education Department and once approved and forwarded to U.G.C. the proposals sanctioned by the U.G.C. must be deemed to be approved by the State Government. Sometimes delay in giving concurrence causes delay in utilization of U.G.C. funds causing the University a substantial losses of opportunities.

vi) Each State Government should, as early as possible, establish a University Finance and Development Corporation which should provide emergency assistance as well as developmental finance to the universities. A certain % (say 2%) of major revenue collections like sales tax, state excises etc. be credited to this fund. Similarly, all institutions of higher education must contribute a certain amount every year. Say 1% of their approved expenditure or a pro-rata on the basis of student population, to this fund.

vii) All professional colleges must be on no grant basis but subject to strict quality control.

viii) It is also necessary to introduce drastic changes in the University Acts, mainly with a view to minimising the size and role of elected authorities, which will certainly reduce the expenditure of universities significantly.

ix) It is also necessary to re-examine the effects of Section 77 B on the flexibility of local decision making by the Universities authorities. If necessary it would be advisable to go in for a more carefully devised system of block-grants.

x) The relative contribution of fees to the University income has been declining continuously. On the contrary the dependence of the Universities on the external sources of finance i.e. Government grants has increased considerably.

xi) Bulk of University expenditure is on salaries and conducting examinations. One of the trend discovered on the expenditure side was that relative expenditure on the salaries of the administrative staff is increasing in comparison with expenditure on the salaries of teaching and researchers.

xii) Expenditure on student welfare is very low it accounts for nearly 2% for each year under study of the total operating expenditure.

xiii) U.G.C. as well as State Government must have to follow strict rules while assigning any grants.

xiv) University should start research and consultancy to generate the income.

xv) The higher education should have a broad-base allowing for a necessary integration of various branches of study.

xvi) The education system should be made flexible so that it could adopt to the changing needs and conditions of the society and stand up to the challenge.

xvii) It should be relevant i.e. the higher education should be linked with industry and profession.

xviii) Financing agencies should follow a tight short-term financial policy. The objective of this policy should be to compel the Universities to discover internal economies by developing, gradually, more efficient system of resource allocation. The Universities have to learn to discard the obsolete and make the best of the resources on hand.

xix) Universities should be called upon to augment their internal resources in a phased manner. They have to revise their fee-schedule upwards step by step suitable modifications in the programmes of study and improvements in the management of academic affairs will have to be the preconditions for any step towards raising fees for higher education. Unless the institutions of higher education in India have a promise to offer distinctly 'better' products than what they have been dumping in the market, any attempt at raising fees will not only fail, but add, beyond imagination, further to the indiscipline and violence on the campuses which have already assumed disasterous proportions.

xx) Developmental grants of the U.G.C. should be based on a well defined priority system. The criterion for the fixation of the priority should be guided by the initiative and effort that an institution has clearly shown towards creating basic conditions for development.

Over Coming Financial Crisis :

It is common fault that financial position of the universities is woefully bad and the financial crises in the universities has become acute and severe. In the last two years the educational budget has been sliced down in this is a recent crisis. But lack of finance has always been a perpetual problem for universities since the advent of planning. Although the minimum educational expenditure should never round percent of the Gross National Product (GNP). We have been spending only 1.2 percent to 3.9 percent between 1950 and 1987. Lack of resources has been the major factor responsible for not developing universities in proper direction. Unless we overcome the resource crunch haunting the universities today, it would be well high impossible to implement any university reform. Therefore, universities should take the budgets and augment both internal and external resources. Measures of improving the financial conditions of the universities should include the following :

Firstly there should be upward revision in the fees collected from the students in accordance with the inflationary situation. We may adopt actual pricing policy in the case of the poor and backward students are likely to be affected by this revision of fees. We should remember that although the per capita Government expenditure incurred on a student

has increased several fold in the last 30 years or so, the University fee structure has remained invariant. Therefore, enhancement of University fees and rate is inevitable and opposition to it is untenable and unwarranted. Those who clamour for qualitative education should receive it only at a price. It is quite ironical and surprising that in private institution, oppose marginal increase in the same in Government run Colleges and Universities.

Secondly, University should endeavour to establish endowments from philanthropists. Income from such endowments can help to improve University finances. The universities can also save apart of its funds and invest in the same in income yielding assets and income generated thereby can supplant the scanty resources of the University.

Another measure of equal importance is the product and productive spending of the meagre resources of the University. Unproductive extra agent and doubtful expenditure should be avoided at all costs. The expenditure of University should be based on its objectives. This can help to reduce such expenditure as are not directly related to the achievement of the objectives of the University. If the administrative reforms suggested above can be adopted we can effect considerable economy in our expenditure. For instance, the expenditure on examination wing can be considerably reduced when the complete internal assessment system is introduced in the University. Similarly, under the choice is based credit system, the students have the benefit of expertise from all the departments of the University and hence the expenditure on invited faculty from outside or guest lectures can be reduced to the minimum.

Thus, the improvement in financial position of the University calls for two prolonged measures, namely, augmentation of the internal and external revenue and economy in expenditure.

Finally, encouragement of private initiative in the sphere of higher education deserves objective consideration. We should recall rather with a sense of appreciation the invaluable services rendered by private institutions in the cause of higher education in the past. They can contribute to quality improvement of higher education, reduce the need for starting more colleges by the Government and thereby reduce financial commitment and expenditure and help to achieve the goal of "education for all". It is surprising that much hue and cry has been raised whenever efforts at privatisation of higher education are initiated especially, when we have accepted private sector initiated in almost all sectors of economic activity such as, agriculture, industry, business, export, import, health, transport and so on. Therefore, apposition to privatisation of higher education is unjustified. It would be prudent and in the best tradition and interest of higher education to encourage private initiatives as long as it does not harm the interest of any section of the society.

The measures of higher educational reforms suggested above are not complete and exhaustive one can think of alternative palliatives also. But all measures, like different routes, should lead to the same destination, namely achievement of excellence in higher education so that the future system becomes really meaningful and relevant to the emerging challenges of the society which is poised for a big leap in the 21st century.