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ROLE OF EDUCATION IN INDIAN ECONOMIC DEVELOPMENT

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Abstract:

In India the enrolment rate in elementary education is higher but dropout rate is increased from 1st standard to higher education. So the government should take more steps and techniques to reduce the Dropout rate and compared the V standard strength an V1 standard enrolment than another comparison also done by the government that is higher secondary strength is compared to arts and science and engineering colleges enrolment rate through this way slowly improved the enrolment rate of higher education in India. Finally Indian government beat USA and China. India gets the first place in higher education

KEY WORDS:

Education, Economic.

INTRODUCTION

Education in India is provided by the public sector as well as the private sector, with control and fund coming, from three levels federal, state and local, child education is compulsory. The Nalanda University which has the oldest university system of education became ingrained into Indian society with the establishment of British Raj.

Education in India falls under the control of both the union government and the states, with same responsibilities lying with the union and the states having autonomy for others. The various articles of the Indian constitution provide education as a fundamental right. Most universities in India are union or state government controlled.

According to our Prime Minister Monmohan Singh in 2007'Our University system is in many parts in a state of disrepair.....In almost half the districts in the country. Higher education, and enrolments are abysmally low, almost two thirds of our Universities and 90 per cent of our colleges are rated as below average on quantity parameters.....I am concerned that in many states University appointments including that of Vice chancellors, have been politicized and have become subject to caste and communal considerations of favouritism and corruption."

OBJECTIVES

- To know the enrolment rate of higher education
- To find out the dropout rates in schools

There has been a remarkable rise in the number of institutions of higher education in India since independence and today their total number is 14,169, which includes engineering, medical, teacher training, agriculture, law, management institutes, besides arts, science and commerce colleges. There are 306 university-level institutions, including 18 central universities, 186 state universities, five institutions

established under State Legislature Act, 84 Deemed Universities and 13 institutes of national importance, and more than 9000 colleges for about 4,00,000 teachers and around 10 million students. This is indeed a huge network with enormous dimensions. The university grants commission was established in 1956 not takes, in consultation with universities or other bodies concerned, all such steps for are promotion and co-ordination of higher education in the field of teaching, Examination and research.

Total plan expenditure / outlay on education has increased from Rs. 151 core in the first year plan (1951-56] to Rs. 43,825 core in the tenth five years/ plan, 2002-07 (Table 1) the expenditure on education as percentage of GDP also increased from 0.64 percent in 1951-52 to 3.98 percent in 2004-05 (India, 2004) Keeping in view the aforesaid fact, an attempt is made in this paper to review the issues and challenges of higher education in India.

Table - 1: Plan wise Expenditure on Higher Education in India

(in million Rs)

PLAN	TOTAL EXPENDITURE	HIGHER EDUCATION
1	2	3
I	1510 (100)	120 (8)
II	2730 (100)	480 (18)
III	5890 (100)	870 (15)
IV	7474 (100)	1883 25
V	11435 (100)	1883 (28)
VI	26187 (100)	5604 (21)
VII	76329 (100)	12011 (16)
VIII	218001 (100)	20944 (10)
IX	220960 (100)	22709 (10.3)
X	438250 (100)	41765 (9.5)

EDUCATION AND ECONOMIC DEVELOPMENT

A number of studies and researches have been undertaken to assess the role of education in economic development. The studies of T.W Schultz and E.F.Dension which have been undertaken in the case of the U.S.A highlight the role of education as a source of economic growth. With different approaches and under different framework, economists like M.Becker, Weis-broad and Henson have also analyzed the role of education in promoting the economic development of a country. Becker's work was more concerned with the social rate of return on education but it was confined to direct rates of return only. Weis-broad made an attempt to measure the indirect social benefits of education and the income redistribution effects of public expenditure on education along with the cost and benefit.

In India a number of economists made various studies on economics of education and investment in Human resources H.C. Harberger 12, A.M . Nallagounden 13 Mark blaug 14 and V.M.Kothari 15 have done exhaustive work on the role of education in the economic development of India. The main findings of

all these studies is that education plays a vital role in the process of economic development and the public expenditure incurred there on should be regarded both as consumption and investment.

The educational system in India is today neither relevant nor effective India's educational ethics need reforms in the context of changes that are sweeping our country. Restructuring of our educational institutions and the contents of the curricula is needed to produce the desired outcome. Unemployed institutional proliferation and unabated expansion of students' enrolment should be resolutely and effectively curbed. It is however, more important and pertinent also to safeguard against mistakes than to unnecessarily expand since independence, though many commissions and committees have submitted their reports and many eminent experts have pronounced their plans for reforming the system.

Education is a vital instrument for shaping the overall development strategy of a country. India's current global role which is increasingly tilting towards knowledge- based processes necessitates the choice of an opposite paradigm. To that extent, financial crunch, vis- a-vis funding for higher education, is a relatively unimportant challenge. Content of both undergraduate and postgraduate courses, teaching method, research programmes, examination system, management structure, access, affordability and their appropriate designs are of far greater importance. Foreign Direct Investment (FDI) is increasingly being looked upon as a panacea for all our problems. This has become an obsession. So much so that areas, which were hitherto the exclusive responsibility of the state are also now being sought to be thrown open to Foreign Direct Investment (FDI) in higher education. That, in itself, is quite strange. During the run up to the Doha development round discussions of the WTO, this was extensively deliberated upon across the political spectrum. There was a near consensus that the Indian government should not make any offer for opening up the higher education system.

Entry of Foreign Direct Investment (FDI) as a solution tends to treat the problem of higher education merely as a financial question. It also completely throws the existing system into complete confusion. It will undermine the exercise of regulatory control to ensure that foreign direct Investment (FDI) – driven institutions remain true to the national objectives that the present higher education system pursues.

India is at a critical state of its national development. It is absolutely imperative to ensure that higher education stays on course compatible with the goals of the national objective, which our planning process and representative legislatures set out. The entry of Foreign Direct Investment (FDI) will essentially undermine such a direction. Global charts with 17,973 institutions. This means the average number of students per educational institution is also lower than that in the USA and china. It is a long process and will take time to evolve a consensus on the discussion paper on liberalizing higher education and changing our regulations to attract Foreign Direct Investment in higher education. But this sector needs huge funds right now to achieve its extension target and to modernize higher education.

The extension of education, in fact, formed the core of the government's common minimum programme and a huge investment was planned to achieve it. The government projected to spend 6 per cent of the gross domestic product on education, half of this on primary and secondary education alone. And for raising the fund for this ambitious project the government has imposed education cess on all central taxes, which increases the heavy burden of taxation on the masses.

The collection from education cess has met part of the additional funds requirements of the union government. But this avenue was not available to states to meet their incremental requirements and therein lays the crux of the debate whether education should be treated as an industry and be opened to foreign direct investment. As such, the fund-starved states have been actively encouraging private participation in technical education of late, as they were unable to increase allocation under this head to meet the growing needs.

Higher education being very expensive, a large number of developing countries including India cannot offer it to all who want it. It will be much worse to provide higher education without proper and reasonable facilities. In fact, this is what is being actually done in many of the universities and colleges with the regrettable result that unemployed graduates are being produced in large numbers. It is true that higher education in India is heavily dependent on government support and as such it can hardly generate private funds to maintain its independent status and expansion. Government funding on such a large scale also has resulted in lowering of the quality, getting easy higher degrees and diplomas compromising the academic merit and competence. A change in this pattern is indeed needed.

The question of encouraging private initiative in higher education needs to be taken more seriously. The time has come to make serious efforts to harness fully the human and material resources of the society. The main purpose of this is to bridge the increasing gap between good opportunities available for higher Studies and those required to meet the growing demand. Self-financing universities of excellence should be encouraged.

Growth in the number of new higher education institutes has touched 57 per cent between 2000-05

against 92 per cent between 1999-2009 and 22 per cent between 1980-90. In absolute terms, India has the third largest number of higher education enrolments after China and the U.S.A. In terms of the number of higher education institutions, India tops the list.

CONCLUSION

In India the enrolment rate in elementary education is higher but dropout rate is increased from 1st standard to higher education. So the government should take more steps and techniques to reduce the Dropout rate and compared the V standard strength an V1 standard enrolment than another comparison also done by the government that is higher secondary strength is compared to arts and science and engineering colleges enrolment rate through this way slowly improved the enrolment rate of higher education in India. Finally Indian government beat USA and China. India gets the first place in higher education

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