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The Quiet Crisis in Higher Education: National and Sub-National Perspectives

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Abstract:

This paper examines the emerging challenges facing the higher education sector in Odisha. Low overall access to higher education, glaring spatial and social disparities in enrollment, weak infrastructure, poor quality of education and research, chronic faculty shortage and downsizing of state funding have been identified as the major challenges. Policy changes concerning higher education and the practice of privatization have complicated the problems rather than solving them. Active state participation, effective implementation of positive discrimination policies and ensuring accountability at all levels have been suggested to undo the damages done to higher education in the state.

Keywords: Higher education, access, enrolment, inequality, discrimination, privatization, scheduled castes / tribes

JEL Classification: I22, I23, I24

1. Introduction

1.1. Backdrop

The contemporary society is knowledge-based. Knowledge, and for that matter higher education, is power. It creates and shapes human capital, enhances human skills and technical capabilities, and provides a strong foundation for the social, cultural, political and economic development of a nation. People with higher education are generally more productive because they do better innovation, use capital and resources more efficiently, adopt new technologies more effectively, learn better from their own mistakes and provide new directions to the society. Higher education is, therefore, considered as an important instrument of social engineering and socializing the individual learners and the learned to the broader social, cultural, ethical and political values which contribute immensely to the overall development of men and society at large.

1.2. Review of Literature

Until recently almost all research on education in India was centered on primary and elementary education because the emphasis all through in public policy was on literacy. Of late some studies have come up in the field of higher education. These studies have been broadly concerned with access, equity and quality in higher education. The findings are largely discouraging. The growth in higher education has been grossly supply-driven (Bordoloi, 2012) and numbers have disguised issues of access and inclusiveness (Nayak, 2003). The spread of higher education is limited as revealed by a very low GER indicating lack of accessibility for millions of eligible youth (Prakash, 2007; Thorat, 2008; Bordoloi, 2012; Joshi, 2013). Enrollment in higher education is abound with large social, regional and gender disparities (Prakash, 2007; Thorat, 2008; Bordoloi, 2012) suggesting that the higher education system flouts the norms of equal access and inclusion. Rural areas, females, SCs, STs and OBCs suffer from lower access. There are severe inter-college and inter-university variations in quality of education (Thorat, 2008) and the overall quality of higher education remains very low (Chitnis, 1997; Bordoloi, 2012). The higher education system is largely certificate oriented (Chitnis, 1997), suffers from large quality gaps (Thorat, 2008) and policies provide only superficial solutions to complex quality problems (Palshikar, 2010). The standard of infrastructure in higher education is very poor and weak (Thorat, 2008) and financial allocation to this vital sector in both central and state budgets are grossly inadequate (Prakash, 2007; Bordoloi, 2012). Besides, privatization has further undermined access, equity and quality in higher education (Bhoi, 2013; Joshi, 2013).

1.3. Research Gaps and Objectives

It is thus clear that the existing studies are not well focused and there is hardly any study on higher education in Odisha worth the name. This study is a modest attempt to fill the research gaps on the basis of an investigation of the status of higher education in Odisha. The broad objectives of the study are to (1) analyze the theoretical bases of privatization of higher education along with the arguments and counterarguments, (2) assess the accessibility, equity, quality and financing of higher education and (3) examine the challenges facing the higher education system and provide some workable policy suggestions.

1.4. Database, Methodology and Structure of the Study

The study is based on secondary data accessed from various government publications, namely the Census report, Annual Status of Higher Education of States and UTs-2013, All India Survey on Higher Education, 2011-12, and Odisha Budget 2013-14 at a Glance. Data were analyzed by applying the methods of descriptive statistics. The paper is organized in four sections including the introduction. In the following section the theoretical bases, arguments and counterarguments concerning privatization of higher education have been discussed. The status of higher education and the concomitant issues of access, equity, quality and state financing have been examined in section-3. The paper is concluded in section-4 with focus on some emerging challenges and policy suggestions.

2. Theory, Arguments and Counterarguments

In 1991 the government of India entered into a historic agreement with the IMF and World Bank authorities for implementing a structural adjustment programme (SAP) and neoliberal liberalization-privatization-globalization (LPG) economic policies under the plea of releasing the economy from the morass of a severe crisis. The eagerness, enthusiasm and pressure were so intense that the government signed on the dotted lines and hence succumbed to the IMF-World Bank dictates. With this policy shift, an otherwise socialistic mixed economy opened its doors to the private players in all spheres of economic activity and gradually transformed into a market-driven system.

Looking at the vast size of under-30 population, rising per capita income and people's growing concern for education, many private individuals and groups targeted education as an emerging and promising venture and with its private entrepreneurship in education from KG to PG grew by leaps and bounds. Odisha too, fell into this sway and the government promoted privatization of its education system. Even government institutions and public universities signed MoUs with private educational entrepreneurs and opened self financing courses. Increasing commodification of education against public interest has been the obvious outcome of such a policy strategy. Access and equity have been sacrificed on the altar of profit seeking behavior.

2.1. Theoretical Bases

"The Wealth of Nations" (Smith, 1776) and "Capitalism and Freedom" (Friedman, 1962) which have laissez faire individualism, rational and efficient market hypothesis, economic freedom and the utility maximizing consumer on one side of the market and the profit maximizing firm on the other as the core form the basic theoretical foundation of privatization. In this view, it is 'the theory of the firm with the theory of the property right' (Coase, 1937) rather than the theory of the state which reigns supreme in regulating production and other economic activities. The case for privatization was strengthened when states like the US, Canada, Japan, New Zealand and Australia, who were badly affected by petroleum shortages, failed to manage the oil crisis of 1973 through state action and resorted to privatization and market-driven provision of petroleum. The free market ideology got a further boost under the driving influences of globalization.

2.2. The Arguments and Counterarguments

The main justification for privatization of higher education is that it allows freedom to choose the right institution. Second, the private institution provides better infrastructure - well equipped laboratories, smart classrooms, Wi-Fi connected libraries with updated texts and journals, excellent faculties - and is expected to be more efficient and accountable in comparison to the public institution. Third, privatization enables people to harness cross-border opportunities. Fourth, it helps to lessen the burden on the public education system. Privatisation is not the panacea for all the ills of the higher education system. As noted above, privatization involves commodification of higher education and the sole motto is sales and profit. In the hands of the private educational entrepreneurs it reduces to a luxury goods. Increasing privatization of higher education creates growing discrimination against SCs, STs, OBCs, females, ruralites, the economically disadvantaged, marginalized and vulnerable sections of the population by restricting/denying them access. A highly privatized higher education system promotes inaccessibility, unaffordability and hence exclusion. Secondly, privatization has an inherent tendency towards running those courses which promise high private benefits and rich economic profits and undermines core courses, fundamental research and social interests. Public interest is smashed under privatization. In the process it bolsters structured inequalities and inegalitarian tendencies and accentuates poverty. The public-private partnership (PPP) model of privatization is flawed because it neither serves public interest nor fosters desired partnership but promotes pro-profit educational entrepreneurship which is largely exploitative.

The dangers of privatization, economic freedom and market-libertarian policies have already been realized and experienced at the international, national and sub-national levels many times. The great depression of the 1930s and the 2008 global financial crisis are but few testimonies and they knock at the very root and legitimacy of neoclassical market-friendly macroeconomic principles and practices. It is no wonder that few mainstream neoclassical economists anticipated neither the Great Depression nor the global crisis.

3. Status of Higher Education in Odisha

Higher education may be defined as the education that is pursued after completing 12 years of schooling. In Odisha it also includes higher secondary education and such other education obtained after completing 10 years of schooling. The structure of higher education is given in Fig-1.

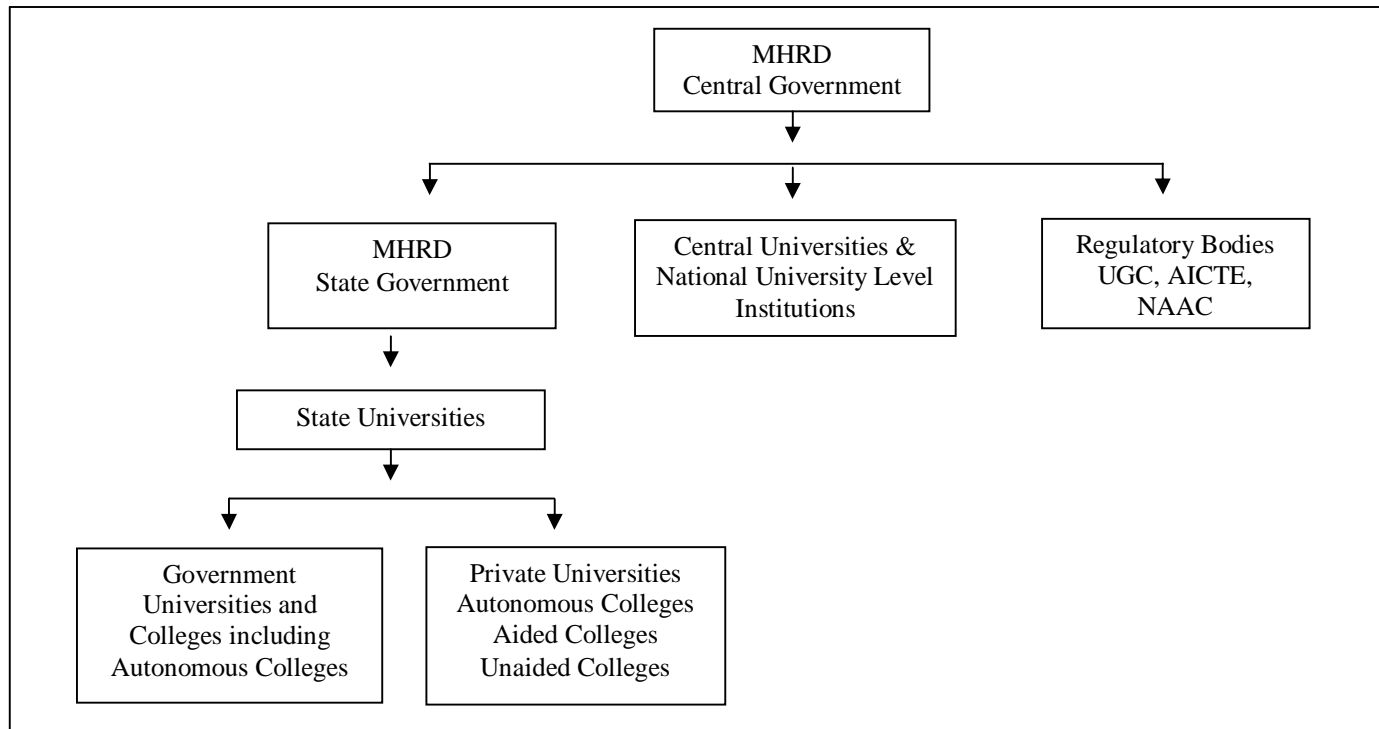


Figure 1: The Structure of Higher Education System

The higher education system in any state needs to be governed by four broad goals. They are: (1) increasing overall access for the population in the eligible age group (18-23 years) on completion of qualifying examination(s), (2) promoting access for the educationally backward sections of the population, (3) providing relevant and quality education and (4) expanding the public-funded higher education base through required allocation in government budgets. These are the fundamental pre-requisites of a sound higher education system that is vital for human capital formation. It is worth noting that quantitative information on different aspects of higher education lacks both the adequacy and accuracy largely because we do not have a sound database. Given these deficiencies of data we have analyzed the status of higher education in the state basing on available information.

3.1. Access to Higher Education

Access to higher education is defined as the participation of population of 18-23 year age cohort in the higher education institutions (HEIs). It is measured in terms of gross enrollment ratio (GER) i.e., the ratio of number of persons enrolled in HEIs to total population in the 18-23 age group. GER and access are determined by the size of 18-23 age group of population, number of secondary education pass-outs, private returns to higher education, demand for skilled manpower, desire for obtaining degrees/certificates and level of per capita GDP on the demand side and number of public funded HEIs, privatization of higher education and policy efforts on the supply side. The positive correlation between GDP per capita and GER in higher education (Anandakrishnan, 2006) is an empirical fact. Over the years, access to higher education has considerably increased in India due to both expanding demand and enhancing capacity (supply). A similar expansion has also been witnessed at the sub-national levels as well. The status in respect of institution capacity is presented in Table-1.

SI No.	Type of Institutions	Number of University level Institutions	
		Odisha	India
1.	Central University	01	42
2.	Central Open University	00	01
3.	Institutions of National Importance	02	59
4.	State Public University	12	284
5.	State Open University	00	13
6.	State Private University	02	105
7.	Institutions Established Under State Legislature Act	00	05
8.	Government Deemed University	00	39
9.	Private Deemed University	02	91
10.	Others	00	03
Total University Level Institutions		19	642
11	Colleges	1089	34908

*Table 1: Institutional Capacity in Higher Education
Source: All India Survey on Higher Education, 2011-12*

It shows that India has a vast size of institutional capacity in the higher education system with 642 university level institutions (ULIs) and 34908 colleges. In terms of number of HEIs the country ranks first in the world. Odisha has 19 ULIs and 1089 colleges accounting for 2.96 per cent and 3.12 per cent of ULIs and colleges in India against a population share of 3.4 per cent in 18-23 years age cohort in all-India population in the relevant age group. It is evident from the table that private ULIs constitute 30.52 percent of the total ULIs in India but they have a relatively smaller share of 21.05 percent in Odisha. This shows that the private sector is a powerful force in the higher education system both at the national and state levels.

Over the last few decades the nation, the states and the union territories have also witnessed remarkable increases in enrollments. Relevant statistics relating to the enrollment status are given in Table-2.

Sl. No.	Category	GER-Odisha			GER-India		
		All Persons	SC	ST	All Persons	SC	ST
1	2	3	4	5	6	7	8
1	Male	18.1	10.7	6.8	20.8	14.6	12.9
2	Female	14.1	8.2	5.2	17.9	12.3	9.5
3	All	16.1	9.5	6.0	19.4	13.5	11.2
4	Gender Parity Index	0.78	0.77	0.76	0.86	0.84	0.74

Table 2: Enrollment in Higher Education – 2011

Source: Annual Status of Higher Education of States and Union Territories in India (ASHE2013).

Note: Gender Parity Index (GPI) measures the relative access of males and females to education. It is the ratio of the number of females by the number of males enrolled in a given stage of education

It can be read off the table that at the aggregate level, the GER works out at 19.4 percent for the country and at a substantially lower level of 16.1 per cent for Odisha. The GER looks abysmally low in comparison to the world average (23 per cent), developed countries (35 per cent) and more so relative to many emerging economies such as China (24 per cent) and Malaysia (40 per cent). The low level of enrollment indicates that a vast segment of the eligible population is left out of the higher education system. Lower actual enrollments in relation to enrollment capacities in institutions also indicate the existence of excess capacity at the institutional level.

3.2. Inclusiveness and Equity in Higher Education

Of late, the planners and policy makers in India have laid considerable emphasis on inclusive growth and hence on inclusive education for all. It requires that the (higher) education system should be accessible to and benefit all and in particular, the fair sex, SCs, STs, OBCs, minorities, rural areas, and economically and educationally backward sections, districts, regions and states. Inclusive education is a fundamental prerequisite for achieving an inclusive society and intergenerational equity.

3.2.1. Inequalities in Enrollment by Gender and Social Groups

The unprecedented expansion of HEIs and the enormous growth of GER at the national and sub-national levels are no reason for rejoicing. Because they hide the glaring disparities in access to higher education across space, gender and social groups and worse still, such inequalities have increased over the years. They are distinctly visible in wide variations in GER across states and union territories (UTs), urban and rural areas, gender, and scheduled and non-scheduled population. A summary picture of differentials in GER and access is presented in Table-2. It can be seen from the table that enrollment is severely skewed across space. The overall GER in Odisha (16.1) lags behind that at the national level (19.4) and far behind Chandigarh (41.4) which ranks first in terms of GER.

Further, the GER figures vary very widely across states and UTs, across districts and regions within states, and between urban and rural areas. Gender disparities in enrollment are quite large. In the case of India the GER for females (17.9) is lower than that for males (20.8) and the overall GER (19.4) resulting in a low GPI in 0.86. For Odisha the GER for females (14.1) are substantially lower than that for males (18.1) and the overall GER (16.1). The GPI score for the state (0.78) is very low. In addition, all these ratios are far lower in Odisha as compared to the respective national ratios and they stand no comparison to those for Chandigarh which has a GER of 41.4, male GER of 42.2, female GER of 40.4 and GPI of 0.96.

Across the social groups, GER shows considerable inequalities. At the all-India level, the GER of STs (11.2) are lower than that for SCs (13.5) which are less than the overall GER (19.4). For Odisha, the GER shows a similar pattern with the GER of STs (6.0) lower than the GER of SCs (9.5) and the overall GER (16.1). This also means that the GER of STs and SCs in Odisha, are lower than the GER of the respective groups at the national level. The females belonging to the STs and SCs have the lowest GER. The ST females have GERs of 9.5 (India) and 5.2 (Odisha) which are lower than the GER of all females (17.9 for India and 14.1 for Odisha) and the GER of ST males (12.9 for India and 6.8 for Odisha). Similarly, the GER of SC females which are estimated at 12.3 for India and 8.2 for Odisha are far lower than those for their male counter parts (14.6 for India and 10.7 for Odisha) and all females in the relevant age group (18-23 years). For males belonging to the scheduled population too, GER for STs (19.9) and SCs (14.6) are strikingly lower than the GER for all males (20.8) at the all-India level. In Odisha a similar pattern is discernible with GER for ST males (6.8) lower than those for SC males (10.7) and all males (18.1) which are still lower than the respective ratios for the country as a whole. Differences in access to higher education as measured in terms of GER are reflected on GPI. For the country as a whole, the GPI for STs (0.74) is the lowest, for the SCs (0.84) it is lower and for the overall population it is low (0.86). In Odisha, the GPIs for STs, SCs and the population in general are estimated at 0.76, 0.77 and 0.78 respectively indicating that they are remarkably lower as compared to the national indices. The marginal differences in GPI across social groups in Odisha is no proof of successful achievement because they are the outcomes of more or less similar differentials in access to higher education across gender within their respective social group *albeit* at an abysmally low level.

3.2.2. Gender and Social Group-wise Representation

Exclusion and inequality are also noticed in terms of representation of gender and various social groups in enrollment, teaching and non-teaching positions in HEIs relative to their respective population shares. Table-3 provides the relative comparison in respect of Odisha and India.

Categories	Percentage Share in Age-Group : 18-23 years							
	Odisha				India			
	Population	Enrollment	Teaching Staff	Non-Teaching Staff	Population	Enrollment	Teaching Staff	Non-Teaching Staff
1	2	3	4	5	6	7	8	9
Male	50.5	56.9	72.1	79.4	51.5	56.2	62.7	75.1
Female	49.5	43.1	27.9	20.6	48.5	43.8	37.3	24.9
Scheduled Castes (SC)	18.9	9.3	3.1	9.7	19.9	11.1	6.9	12.1
Scheduled Tribes (ST)	23.6	7.2	1.2	4.7	8.6	4.4	2.2	3.7
Other Backward Castes(OBC)	36.7	14.4	9.4	13.9	42.3	27.6	21.3	23.7
General Castes	20.8	69.1	86.3	71.7	29.4	56.9	69.6	60.5

Table 3: Social Inequality in Higher Education

Source: ASHE - 2013

The table reveals that in terms of gender, enrollment in India is severely skewed as 56.2 per cent constitute males while only 43.8 per cent comprise females against their respective population shares of 51.5 per cent and 48.5 per cent. It is even more skewed in Odisha with males and females accounting for respectively 56.9 per cent and 43.1 per cent of the enrollments relative to their population shares at 50.5 per cent and 49.5 per cent. There is greater inequality in gender representation in teaching and non-teaching positions in HEIs with males constituting 62.7 per cent of teaching positions and 75.1 per cent of non-teaching staff at the national level indicating only 37.3 per cent and 24.9 per cent representation for females. In the case of Odisha, males have a share of 72.1 per cent among faculty and 79.4 percent among non-teaching staff, implying that females have lower representations at 27.9 per cent and 20.6 per cent respectively. This means that there is a greater gender disparity in Odisha as compared to India.

Inequalities are galore across social groups. At the all-India level, OBCs have the highest share in the population (42.3 per cent) and STs have the lowest share (8.6 per cent). In terms of enrollment, general castes rank first with 56.9 per cent share followed by OBCs (27.6 percent), SCs (11.1 per cent) and STs are at the bottom (4.4 per cent). A similar pattern is visible in the case of faculty positions where the general castes are at the top (69.6 percent), OBCs at the second (21.3 per cent), SCs at the third (6.9 per cent) and STs are again at the bottom with a 2.2 per cent share. Looking at the issue from the standpoint of non-teaching staff, the general castes are at

the top with 60.5 per cent, OBCs come next with 23.7 per cent share, SCs have a 12.1 per cent share and STs have an abysmally low share of 3.7 per cent.

Coming to Odisha, OBCs have the lion's share in population (36.7 percent). Next to OBCs come STs with a 23.6 per cent share, general castes have the third rank with a share of 20.8 per cent and SCs come at the last having a share of 18.9 per cent. Enrollment-wise, general castes dominate with 69.1 per cent share as against 14.4 per cent for OBCs, 9.3 per cent for SCs and 7.2 per cent for STs. The general castes have a far greater disproportionate share among faculty (86.3 percent) and non-teaching staff (71.7 per cent) while OBCs occupy the second position with their shares among faculty at 9.4 per cent and non-teaching staff at 13.9 per cent. The respective shares are higher for SCs (3.1 per cent among faculty and 9.7 percent among non-teaching staff) than for STs (1.2 per cent and 4.7 per cent). It is thus clear that the differential and inequalities across social groups in terms of enrollment, faculty and non-teaching positions are more acute in Odisha in comparison to the national situation.

3.2.3. Explanatory Factors

Regional inequalities are due mainly to imbalances in the distribution of HEIs across space or alternatively, their concentration in urban areas and other locations. Low income of parents, the apprehension of not getting a job and unwillingness of the educated to work in agriculture in the event of their non-absorption in preferred activities, the future uncertainty of income etc. can be the reasons of low enrollment of SC, ST and other underprivileged sections. These forces help the pre-existing deprivations in higher education and other fields to perpetuate. Lack of desired concern for girls' education, social taboos and barriers of distance are some of the factors which explain low enrollment of females relative to males. The existence of wide regional, social and gender inequalities in access to higher education also, signals that public policy, government efforts and reservations for providing and improving access to higher education for the underprivileged through positive discrimination and affirmative action have not worked well. Most of the private providers of higher education, who proliferated in the recent decades, operate outside the regulations relating to affirmative action.

3.3. Quality of Higher Education

The strength of a higher education system lies in its contribution to development through producing wealth creators, agents of social, economic, scientific, technical, political and cultural change and leaders in all walks of life. To serve this end, the system needs to be a role model of efficiency and governance, a symbol of excellence and a leader of high academic standards. The fact remains that an institution of higher education is not merely a simple bricks and mortar structure but an association of faculties, researchers and students where all learn from one another and contribute their creativity and might for nation building. Quantitative expansion is, no doubt, important but, quality rules supreme. Further, provision of quality higher education, particularly to the under privileged, is a key pre-requisite of inclusive development.

In the context of higher education, quality is two-dimensional and it pertains to functionality of the system and standards of outcomes. A vital aspect is that quality cannot be imposed from above. It is a function of input factors (extraction and absorption capacity of the students, institutional assets etc.), process factors (number and standards of faculties and researchers, teaching-learning practices, curricula, examination, academic leadership and governance etc.) and outcome factors (alumni recognition, social reputation, institutional appreciation etc.).

It is no gainsaying that the quality of higher education is very poor in our country. While admitting students we do not care for quality. The rot begins at the school level. A report on the status of education (Pratham, 2012) sheds some light on how much our children are learning. It shows that among the standard-3 students, 31.4 percent cannot read simple words in their own language while 70 per cent cannot do a simple two-digit subtraction and among standard-5 children, 51.8 per cent cannot read a standard-2 level text whereas 72.5 per cent cannot solve a simple division problem. Institutional assets as measured in physical infrastructure including class rooms, laboratories, library, equipment, hostels and even toilets are both inadequate and poor. In some cases, laboratories are non-existent.

The process factors reflect serious inadequacies and gross deficiencies in standards. Student-teacher ratio, number of teachers per college and number of colleges per lakh of eligible population are some of the crude measures of process factors. The situation obtaining in respect of these three factors are given in Table-4.

Sl. No.	Indicators		2009-10	2010-11	2011-12	2012-13
1	2		3	4	5	6
1.	Student-Teacher Ratio	Odisha				
		Government Colleges	47	54	65	61
		Non-Government Aided Colleges	18	19	20	58
		India			15.1	
		Benchmark			20	
2.	No. of Teachers per College	Odisha				
		Government Colleges	22	19.59	16.06	17.2
		Non-Government Aided Colleges	14.37	12.83	12.91	13.58
		India			47	
		Benchmark			78	
3.	No. of Colleges per Lakh of Population(18-23)	Odisha			23	
		India			25	

Table 4: Quality of Higher Education at College Level

Source: For Odisha at Sl. Nos. 2 and 3 –Odisha Budget 2013-14 at a Glance

For all other indicators – All India Survey on Higher Education 2011-1

It can be seen from the table that teacher strength is far from adequate and is a critical bottleneck in providing quality education. Odisha has a much higher student – teacher ratio at 65 for government colleges and 20 for non-government aided colleges compared to the national average of 15.1. Similarly, the state has 23 colleges per lakh of population against 25 at the all- India level. The number of teachers per college is significantly lower in the state (16.06 for government colleges and 12.91 for non-government aided colleges) than in the country as a whole (47). The depressing scenario of large vacancies in faculty positions has a damaging effect on quality of teaching. Authorities have resorted to engaging part-time, ad-hoc, contractual and guest faculties and para- teachers to solve the problem of faculty shortage. Their effect on quality does not have to be proved.

Faculty standards add vitality to the higher education system. The quality of teachers tells a sad tale. Poor quality is inherent in the very process of faculty selection. Linking NET/SET and Ph.D. to selection of faculty and through it to quality teaching is not a foolproof system. Doing well in NET/SET, having mastery over a subject and holding a Ph.D. degree are no proof of having competence in and aptitude for teaching. An important point is that there are no quality checks in examinations, research publications and Ph.D. degrees. There is hardly any examiner or university which sends back a dissertation for revision, let alone rejecting it. There is a serious lack of commitment and accountability in faculties. In colleges and universities faculties do not teach, they act as teaching directors rather than mentors and in most cases they are de-motivated. There is lack of competent and dynamic institutional academic leadership. Government intervention is predominant in decision making and state funded universities and colleges suffer from a high degree of bureaucratization even in managing routine affairs.

We have an utilitarian model of education with a unidirectional perspective the main aim of which is to secure stellar grades in the examination by carefully presenting memorized answers to questions set in three preceding years excluding the immediate previous year and obtain a job with lucrative salary. Redundant curriculum, excessive focus on marks, certificate orientation in education, limited motivation for learning, mismatch between degrees based on courses which have lost relevance and employability of certificate holders etc. are some of the important deficits in the teaching- learning- examination process. Additionally, there is inadequate focus on core subjects and fundamental research for which there is an undergraduate boom and a research gloom in our education system.

We have the UGC, AICTE and NAAC facilitate, assess and promote quality in higher education. The UGC endeavours to promote quality through providing grants to colleges and universities which satisfy minimum standards, funding seminars and conferences, and assessment and accreditation by NAAC. The mechanism of sanctioning grants and the organization of seminars have inherent problems and quality deficits which need not be argued. Again, given the vastness of our higher education system, it is not easy for the NAAC to have at least one assessment of an HEI even in 10 years and what happens during NAAC visits and how grades are awarded are well known to us.

Inter-regional and inter-institutional variations in quality need not have to be argued, too. We have tiny islands of excellence (IITs, IIMs, NITs, IISERs, ISI, IISc) amidst vast oceans of mediocrity. Wide differences in number and quality of teachers and students, infrastructural facilities, government funding, etc. are the factors in this regard.

3.4. Financing of Higher Education

Higher education is universally accepted as a quasi-public good with significant positive externalities. Since finance is the life blood of any activity and higher education has a high degree of publicness in it, it is imperative that government should play a dominant role in funding this vital sector. Government funding is justified on grounds of promoting access, equity, relevance, quality and regulation. In fact, the higher education system in the country grew up to the sixth Five Year Plan under state patronage and increasing government financing. But since then and particularly since the 1990s, government funding of higher education has received a setback because of tightening of budgets, increasing focus on technical education and promotion of privatization.

As per the provisions in the constitution of India, higher education is in the concurrent list and is funded by both central and state governments. Most part of the central government expenditure on higher education is routed through the UGC and a very large chunk goes to the central universities and deemed universities. IITs, IIMs, IISc, NITs etc. gets a very high share of public expenditure on higher education. Hence, government financing mostly remains the responsibility of the state. The details of government expenditure on higher education in Odisha are shown in Table-5. It can be seen from the table that government spending on higher education has increased from Rs.513.92 crore in 2007-08 to Rs.1388.21 crore in 2013-14 by 2.7 times or 170 percent. But at constant prices and in terms of expenditure per student the expenditure has declined because of whopping inflation and growing enrollment. It is not only that financing trends have not been favourable to higher education but also that almost whole of it, about 97 per cent, constitutes revenue expenditure because it is impossible to reduce the salaries of existing faculties and staff. The axe, therefore, has fallen on new recruitment, library, laboratory and other infrastructure. Allocating meager amount and then complaining that all allocations to higher education are eaten away by salaries sounds ridiculous.

Sl. No.	Indicators	Years						
		2007-08	2008-09	2009-10	2010-11	2011-12	2012-13 *	2013-14 [#]
1	2	3	4	5	6	7	8	9
1.	Gross State Domestic Product (GSDP)	129274	148491	162946	194465	215899	258744	292381
2.	Total Expenditure (TE)	20999.36	25430.25	29051.95	33967.73	39777.34	48641.17	57484.40
3.	Revenue Expenditure (RE)	177223.27	21190.12	25291.59	29367.95	34660.24	42651.32	49394.37
4.	TE on Education	3177.02	4389.61	5426.29	6467.46	6747.59	7932.40	8733.77
5.	RE on Education.	3171.02	4386.26	5413.18	6279.84	6647.48	7686.11	8475.38
6.	TE on Higher Education (HE)	513.92	874.66	907.87	1305.38	1159.91	1282.50	1426.21
7.	RE on HE	513.87	874.66	905.29	1305.38	1143.71	1215.50	1388.21
8.	TE on Education. as % of GSDP	2.46	2.96	3.33	3.33	3.13	3.07	2.99
9.	TE on Education as % of TE	15.13	17.26	18.68	19.04	16.96	16.31	15.19
10.	RE on Education as % of RE	17.89	20.70	21.40	21.38	19.18	18.02	17.16
11.	Expenditure on HE as % of GSDP	0.40	0.56	0.56	0.67	0.54	0.50	0.49
12.	Expenditure on HE as % of TE	2.45	3.12	3.12	3.84	2.92	2.64	2.48
13.	RE on HE as % RE	2.90	3.58	3.58	4.44	3.30	2.85	2.81
14.	Expenditure on HE as % of TE on Education	16.18	16.73	16.73	20.18	17.19	16.33	16.33

Table 5: Government Expenditure on Higher Education in Odisha

Source: Odisha Budget 2013-14 at a Glance

Note: * Revised Estimate, # Budget Estimate, Figures at Rows 1-8 indicate amounts excluding technical and medical education in Rs. Crore

Government expenditure on higher education as proportions of GSDP, total state expenditure and expenditure on education as a whole have remained largely dismal at 0.40-0.67 per cent, 2.45-3.84 per cent and 16.13-20.18 per cent respectively. It seems that the brunt of fiscal management has fallen on higher education. But it is not the lack of resources *per se* that is responsible for the state distancing itself from higher education. The real villain is lack of willingness, the neoliberal attitude and the strong conviction in the myth that higher education is a non-merit good and is at the cost of non-negotiable elementary education. A stunted growth of higher education is the obvious outcome.

3.5. The Evils of Privatization

Under the impact of the changing paradigms of development and the consequential distancing of the state and downsizing of government financing, higher education is being increasingly privatized in India in the recent decades. In terms of numbers, spread and enrollment private higher education has reached enormous proportions. In Odisha too, the poor infrastructure, grossly inadequate and de-motivated faculties and callous administration have led to a kind of breakdown of the public funded system and exit of the elites from government institutions. These deficits and the growing demand for higher education were visualized as highly profitable investment opportunities to exploit which a large number of private entrepreneurs/groups with their efficient managerial ability and innovative marketing skills have established educational institutions at all levels – from play schools to universities. The mushroom growth of English medium and mixed medium schools, the residential colleges, technical colleges (diploma, engineering, medical, nursing, management) and universities in different parts of the state points to the emergence of a new class of excellent and successful educational entrepreneurs.

Even though there are enough government and legal provisions to regulate their operations, hardly any authoritative attempt has been made to ensure the observance of rules pertaining to fee structure, access and quality standards. Needless to say, these institutions are being run on norms to suit individual entrepreneurial interest as against public interest and that too with patronage of the government. In the realm of higher education, privatization has three forms viz. recognized profit making private institutions, and privatization of public institutions through charging development and user fees, introduction of autonomy (autonomous colleges) and opening up of self-financing courses.

The central and state governments in India have the mandate of establishing a socialistic pattern of society and this objective has been rechristened as inclusive growth in the 11th and 12th Five Year Plans. In the context of higher education it postulates achieving equity by increasing enrollment and access for the socio-economically underprivileged sections of the population through affirmative state action and positive discrimination policies in terms of reservations, course fee exemptions, stipends and scholarships. Here we intend to examine the effectiveness of inclusive policies in the privatization era with inputs from students, faculties and offices of HEIs having provisions for MBA courses and functioning in the twin cities of Cuttack and Bhubaneswar. Although detailed data based analysis concerning privatization of his/her education is beyond the scope of this paper, our analysis is based on descriptive responses

which throws enough light on certain burning issues. Relevant information on management, enrollment and course fees are given in Table-6.

The primary data presented in the table relate to 2013-14 admission batch. As can be seen from the table, the course fee is prohibitively high at XIMB, IMI and KIIT University; high at Ravenshaw and Centurion Universities; relatively low at IPSAR and DRIEMS and quite affordable at the IMIT. Entrance test for admission is very tough, it is toughest at the XIMB and tougher at IMI. High course fees, unofficial fees and on course fees along with tough entrance examinations are the hurdles on the way of access of the scheduled populations into the private funded MBA

Category of Students and Course Fees		Name of the Institution							
		Ravenshaw University	Centurion University	IMIT	IPSAR	XIMB	IMI	DRIEMS	KIIT University
1		2	3	4	5	6	7	8	9
SCs	Male	2 (50.00)	2	4 (66.67)	0	0	0	2 (66.67)	0
	Female	2 (50.00)	0	2 (33.33)	0	0	0	1 (33.33)	0
	Persons	4 (06.07)	2 (02.22)	6 (6.98)	0	0	0	3 (15.79)	0
STs	Male	0	0	1 (33.33)	0	0	0	0	5 (71.43)
	Female	0	0	2 (66.67)	0	0	0	0	2 (28.57)
	Persons	0	0	3 (03.49)	0	0	0	0	7 (17.95)
General & Others	Male	28 (50.00)	68 (77.27)	39 (50.65)	8 (34.78)	179 (74.90)	30 (76.92)	11 (68.75)	25 (78.13)
	Female	28 (50.00)	20 (22.73)	38 (49.35)	15 (65.22)	60 (25.10)	9 (23.08)	5 (31.25)	7 (21.87)
	Persons	56 (93.33)	88 (97.78)	77 (89.53)	23 (100.00)	239 (100.00)	39 (100.00)	16 (84.21)	32 (82.05)
Total	Male	30 (50.00)	70 (77.78)	44 (51.16)	8 (34.78)	179 (74.90)	30 (76.92)	13 (68.42)	30 (76.92)
	Female	30 (50.00)	20 (22.22)	42 (48.84)	15 (65.22)	60 (25.10)	9 (23.08)	6 (31.58)	9 (23.08)
	Persons	60 (100.00)	90 (100.00)	86 (100.00)	23 (100.00)	239 (100.00)	39 (100.00)	19 (100.00)	39 (100.00)
Course Fees (in Rs.)		3,00,000	2,50,000	35,500	1,80,000	10,45,000	8,99,000	1,70,000	6,45,000

Table 6: Privatisation and Access to Higher Education

Source: Primary Survey

Note: Figures in parenthesis indicate percentages to total

institutions as revealed by their insignificant share (2.52 per cent for SCs and 1.68 per cent for STs) in enrollment. Females have a disproportionately low share of about 33 per cent in total enrollment because of un-affordability and further because parents are usually hesitant to invest huge amounts on daughters' education. XIMB and IMI which charge exorbitant course fees do not have any SC and ST student on their rolls. The access by SCs and STs is relatively better and by females it is quite praiseworthy in the case of IMIT, the lone state funded MBA Institutions surveyed by us simply because the course fee is affordable. STs have little better access into the MBA programme of KIIT University because it allows course fee exemptions and other benefits to them. In some cases SC and ST students reported to have discontinued the course in private institutions after some months or halfway due to their inability to pay for it. This suggests that the underprivileged drop out because they are pushed out. Unsurprisingly, the dropouts are relatively less in the case of public funded institutions. Because stipends are used as students' loan analogous to a kind of futures transactions and reservation stipulations are followed in these institutions. Additionally, SC and ST students lack the required social confidence and peer support, are discouraged by faculties and suffer non-recognition, humiliation and harassment.

Women are ill-treated. All these lead to heavy academic pressure and poor performance. The private institutions do not have any functional cell to deal with these problems and there is no mechanism to ensure that reservations and positive discrimination policies are effectively implemented. On these scores, government institutions are better accessible.

4. Conclusion

Higher education shapes and strengthens a person's mind, character, values, critical thinking, creativity, personality and competence. It is an instrument for the socio-economic upliftment of the underprivileged and welfare of the people. Hence, the wealth of a nation depends more on the knowledge and skill of her people than on industries and machines and her destiny is designed in the classrooms. The central objective of this paper is focused on the status of higher education in Odisha pertaining to access, inclusiveness, quality, public funding and privatization. The study is based on an examination of official data. The key results are summarized here which also point to the emerging issues in the higher education system in Odisha and their implications for policy.

Broadly speaking, five issues emerge from our analysis. First of all, enrollment is low indicating limited access to higher education. A high student-teacher ratio (65) and high population coverage per college (4348) successfully invalidate the government's long talk of mushrooming growth of colleges in the state. Second, rural areas, females, SCs and STs are severely under-represented in enrollment and among faculties and non-teaching staff suggesting wide regional, gender and social disparities in higher education. Thirdly, syllabi which are neither job oriented nor value-centered, gaps between overt and hidden curriculum, indifferent administrative and grievance redressal mechanisms, inadequate and de-motivated faculties, lack of focus on fundamental research, dismal libraries and laboratories' and scandalously poor infrastructure and environment symbolize academic backwardness and rock-bottom quality of higher education. Fourth, state funding of higher education is grossly inadequate and abysmally low and compared to central and deemed universities, the state universities and colleges are starved of funds. Finally, privatization and market penetration, by making higher education the privilege of the privileged and nullifying affirmative and positive discrimination policies, accentuates the existing inequalities in access and robs the government's objective of achieving inclusive education because the market for higher education is hierarchical and inherently unequal. It is disheartening to note that across the states in the country, Odisha lags behind the national average in all the five indicators and there are huge inter-institutional differences within the state as well.

Our higher education system is in a quiet crisis that runs nose deep and is not amenable to routine solution. And more so when we all see the crisis and its dangerous implications but is silently observing the holocaust leaving too much to others to have a free riding. It characterizes a situation where everybody complains and puts the blame on others- teachers point to injustice in salary and promotion and lack of research opportunities, authorities point their fingers at non-committed and de-motivated staff, students allege absenteeism, partiality, poor teaching and weak infrastructure and media reports of leakages in the examination system and mismanagement in result publication. The government provides half-hearted and superficial solutions that are limited to issuing orders without any follow up.

Higher education is a positional good. Hence, we need to have a relook at school education, rethink our performance at NET/JRF/SRF and all-India level competitive examinations, shun the grade and certificate oriented models of education, teach skill development courses, promote our indigenous knowledge system, attract proficient faculties and researchers and fill up the thousands of vacancy positions in HEIs. There should be structured interaction between HEIs on the one hand and feeder institutions, centers of academic excellence and other stakeholders on the other with focus on coordinated development and higher education-industry interlinkage.

We are in a vicious situation characterized by half-hearted socialism and half-backed capitalism with demerits of both but advantages of neither. Higher education has strong positive externalities and cannot be treated as a marketable commodity. Therefore, unlike in other cases, the rationale for privatization of higher education is tenuous and more so because of the existence of information asymmetries and glaring socio-economic inequalities. In fact, privatization further exacerbates the complexities in higher education. But in spheres of higher education and all levels of educational administration, there is a desperate bid to promote privatization and an incessant craze for autonomous college status.

Privatization and autonomy can do wonders only when they are in the hands of enlightened peers. However, the kind of privatization and autonomy we have in our state are a means of withdrawal of the state through the backdoor. It appears that there is a competition among autonomous HEIs for awarding highly inflated marks and spreading the so called education rather than promoting learning but we demonstrate enormous hunger for quality higher education. Public expenditure on higher education is barely sufficient to meet the wage bills of teaching and non-teaching staff. Inadequate allocation and marginal earmarking of education cess for higher education following changing priorities within the education sector favouring elementary education, Sarva Sikshya Aviyan and Mid-day Meals Programme and inefficiencies in resource utilization complicate the resource problem further. We fail to perceive that privatization is not the solution to problems in higher education and the state cannot wash its hands off on any ground. A proactive state, effective corporate social responsibility in higher education and cross-subsidization of course fees may go a long way in solving some of the problems. Ensuring accountability at all levels is a priority.

Our experience with privatization indicates that neoclassical economics is a shambles. Infact, when it comes to providing higher education privatization and marketisation need to be viewed critically and they must be kept at their place. Rather than letting the market work, the state should be increasingly involved in providing higher education. Privatisation of higher education is not unmitigated success. We should learn from our experiences and mistakes and be Keynesians, not neoclassicals.

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