

# PRIVATIZATION AND COMMERCIALIZATION HIGHER EDUCATION IN INDIA AND FUTURE ASPECTS

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## Abstract

Higher education in India has grown exponentially in recent years. India ranked third with largest system of higher education in the world after USA and China, that has been witnessing healthy growth in terms of number of institutions and enrolment of the students. It represents vital means for any country to nurture its economic development and social cohesion. It is aimed at many sided development of the personality of the student. Ideals of education should be correlated with the ideals of life. After 1992 when the University affiliation systems was opened to private investors with less bureaucracy there has been an steady increase in number of higher education institutions. India has witnessed tremendous increase in the number colleges and Universities across the nation. In 1950 there were 695 colleges in India which witnessed a steady growth of 39050 up to 2018. Due to rapid expansion of privatized institutions the access to higher education has become possible but has become a matter of concern on quality and significance of it. Higher education can play a crucial role in sustainable development of any nation but there is need to strengthen the higher education system not in terms of expansion but in achieving excellence to face the world of work. The need for quality assurance in higher education has become more pressing in the context of the massification of tertiary education. In the 21st century internationalization constitutes both a necessary and a critical element for all higher education systems. The overall scenario of higher education in India does not match with the global quality standards except its privatization and commercialization.

**Key Words : Higher Education, Quality assurance, Privatization, commercialization**

## Introduction

Education is the major aspect in development of any modern society. It brings economic wealth, social prosperity and political stability in the society. In today's competitive world, mostly people are not satisfied with their basic education and enter for higher education. Higher education is acquired by students after the completion of their secondary education and become organized for building upon their knowledge and skills which can be applied to solve different problems in their life. Higher educational institutions help to develop the capacity to give quick responses to different problems in the society (Wynn Calder, 2003). After graduation the students get dispersed from the world of higher education into their specific career of their liking and choice (Will Toor, 2003). India is the third country with largest system of higher education in the world after USA and China, that has shown growth in terms of number of institutions and enrolment of the students. Due to rapid expansion of privatized institutions the access to higher education has become possible but has become a matter of concern on quality and significance of it. Higher education can play a crucial role in sustainable development of any nation but there is need to strengthen the higher education system not in terms of expansion but in achieving excellence to face the world of work.

## Objectives of the study -

The objective of research paper is to study the impact privatization and commercialization on Higher Education in India and study its future aspects.

**Research Methodology** – Analysis of the data collected from sources AISHE Reports 2010-2018 (MHRD).

## Privatization and Commercialization

Privatization and Commercialization India has the highest number of students in the world, about 315 million (Varma, 2014). It is not an easy task to accommodate all students. In the current changing social and economic situation of the country, the recent shift in the Indian economy and political influence has led to the demand for private institutions to provide education to all. In India both public and private institutions operate simultaneously. Since grant-in-aid to private colleges has become difficult due to which many universities have granted recognition to unaided colleges and many universities have permitted new 'self-financing' courses. In India more than 50 percent of the higher education is imparted through private institutions only (Aktar and Aktar 2016). The government has to be vigilant so that privatization does not lead to commercialization. Also the privatization of institutions should not adversely affect interests of the efficient but economically backward sections of the society. Privatization is one of the main global trends in higher education. It is generally understood as the intensive development and expansion of private institutions, increased reliance of public institutions on private funding, and operation of the institutions in a businesslike manner. Privatization implies applying market principles to the functioning of public institutions of higher education. As the ownership and management of the institutions remain with the public authorities, the services provided by the institutions are priced (Varghese, 2004). The price that is student fees levied may be equivalent to the full cost or full cost-plus-profit in some instances.

## Higher Education and its privatization in India

Higher Education and its privatization in India In a society of diversity as in India, higher education is interpreted differently by different people. Higher education system includes colleges and universities. However, there are very few institutions in India who are giving quality inputs so as to inculcate the learning skills amongst student community. Learning of students and their progress to attain higher education makes students competent, broadens their intellectual level in order to sustain in the world around (Ronald Barnette 1992). Countries scientific, economic and technological development depends on output of higher education system. It provides opportunities for lifelong learning and it is a sustained, long-term effort to revolutionize education at all levels (McIntosh et al. 2001).

Higher education is generally organized into highly specialized areas of knowledge, skill and disciplines. The responsibility of Higher education institutions to increase the awareness, knowledge, skills, and values needed to create a sustainable future among the students. It prepares most of the professionals to develop, lead, manage, work in, and influence society's institutions, including education (Cortse 2013).

In India, over the years, there have been private initiatives in education eventually in professional and even in general higher education not only to meet the growing demands but also to realize the huge and quick profits potential. Higher education was largely funded by the central and state governments till the early nineties. After 1991 the policies of the government have dramatically changed. Because of financial restraint, the government is unable to maintain the present level of public subsidies to higher education (Tilak 1991). The government decided removal of public support to higher education and make it self-financing one (Rani, 2011). This was situational because government had shortage of funds so for the benefit of the students private institutions came into existence. Privatization of higher education has emerged in several forms and types in the recent decade in India. For example, privatization within government higher education institutions were changed to self-financing courses within government institutions, converting government-aided private institutions into private self financing institutions, expansion of self-financing private institutions with and without recognition, which may be further termed as commercial private higher education, which emerges from market forces and is linked to economic and global forces. It is developed on the principles of commercialism, which basically focused on vocational courses. The commercial outlook is training for jobs, wherein part of the curriculum is industrial training. This could develop

the strong industry – institution linkages. After 1992 University affiliation systems was opened to private investors as a result there was increase in number of higher education institutions. In 1950 there were 695 colleges in India. The data presented in Table 1 indicated that colleges of HE in terms of numbers has witnessed a steady growth from 32974 to 39050 ( Fig. 1) in the year 2018. The type of institutions are categorized as - University/University Level Institutions (2) Colleges/Institutions - affiliated/recognized with University (3) Stand alone Institutions - not affiliated/recognized with University

Table 1 Data on Number of institutions in India

year	No of Universities	No of Colleges	No of Stand Alone Institutions
2010-11	621	32974	11095
2011-12	642	34852	11126
2012-13	667	35525	11565
2013-14	723	36634	11664
2014-15	760	38498	12276
2015-16	799	39071	11923
2016-17	864	40026	11669
2017-18	903	39050	10011

Source AISHE 2011-2018 ( MHRD)

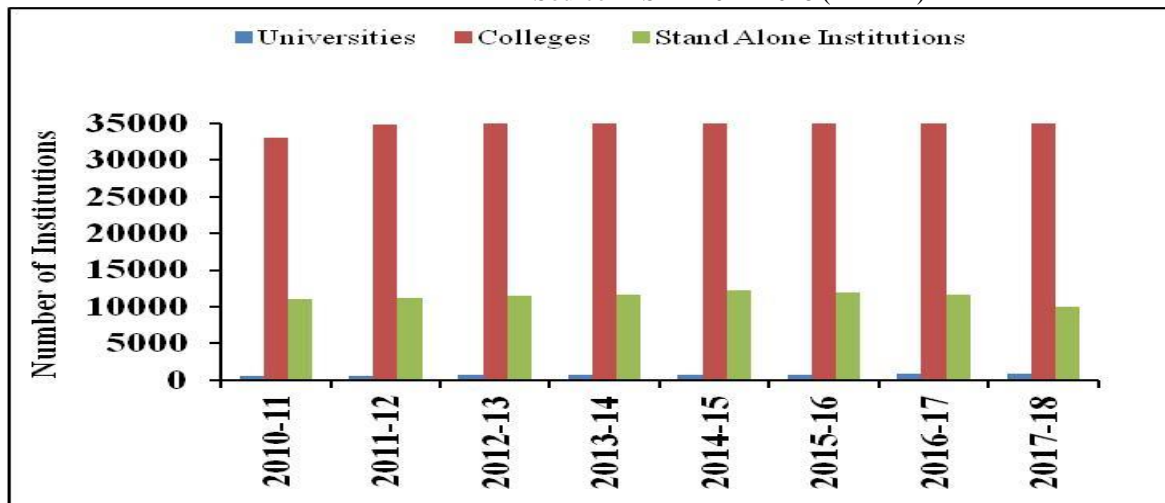


Figure 1 Graph showing number of institutions in India.

The Government is not in a position to take up the responsibility to provide higher education for the increasing demand of institutes imparting higher education, owing to which the private sectors were allowed to finance and manage the institutions. The data of privately managed universities is given in Table 2. There has been a steady growth of privately managed universities from the year 2010 to 2018 (Fig. 2)

Table 2 Data on Number of universities and privately managed universities in India

year	No of Universities	No of Privately Managed Universities
2010-11	621	178
2011-12	642	195
2012-13	667	209
2013-14	723	219
2014-15	760	261
2015-16	799	277
2016-17	864	313
2017-18	903	343

Source AISHE 2011-2018 (MHRD)

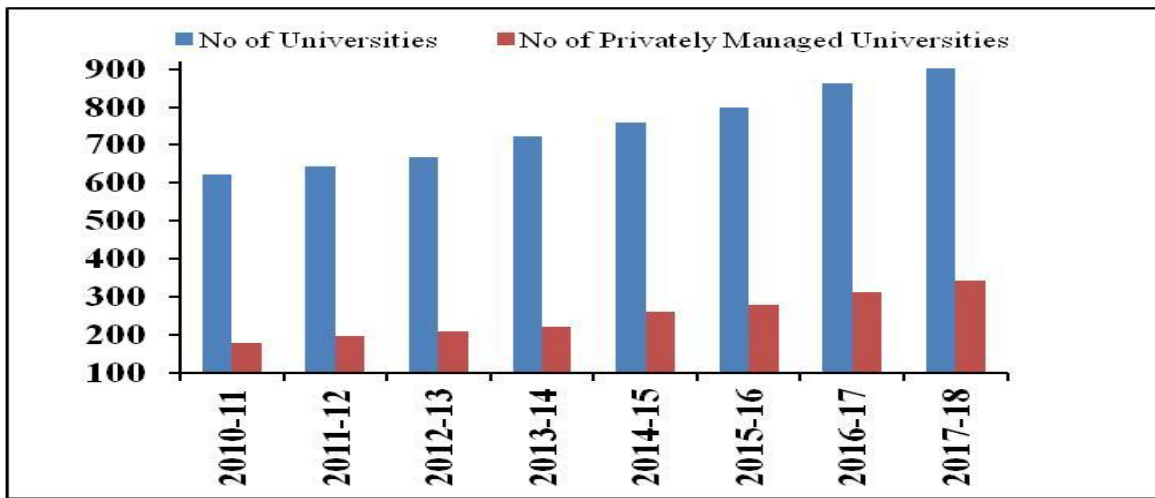


Fig. 2 Graph showing number of universities and privately managed universities in India.

The data on different types of courses offered at the HE is presented in Table 3. Though institutes offering general courses in Arts, Science have been always in higher numbers, for last eight years from 2010-2018 there has been steady increase in the institutes in private sector in streams such as engineering, agriculture, IT and communication technology, law and others (Fig. 3). Kaur and Kaur 2018 have also made a reference of the same.

Table 3 Data on Types of courses and the institutes imparting Higher Education in India.

year	General	Agriculture	Medical	Law	Technical	others
2010-11	300	34	25	17	89	80
2011-12	344	50	29	18	88	77
2012-13	375	61	38	18	90	59
2013-14	398	61	43	20	90	72
2014-15	430	61	45	20	90	76
2015-16	459	64	50	20	101	62
2016-17	488	67	52	19	114	63
2017-18	500	70	58	22	126	73

Source AISHE 2011-2018 (MHRD)

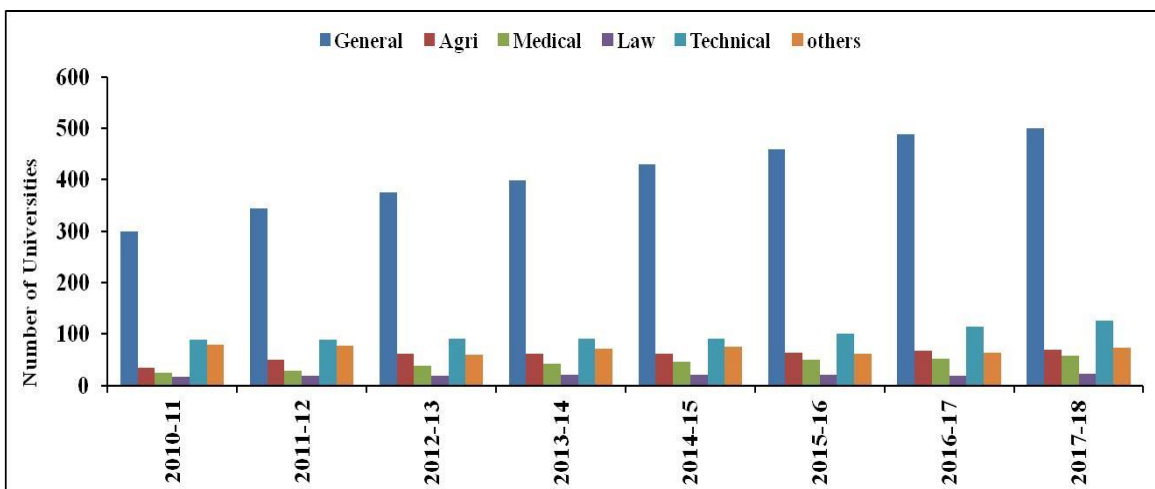


Fig.3 Graph showing number of universities with different courses in India.

## Advantages and disadvantages of privatization

Private schools and colleges are proliferating like mushrooms in India which has significantly spoiled the dignity of education as well as teachers. Education and higher education both are viewed upon as an object of business. The more one can afford to pay higher the education he can get. Every year, the number of students taking higher professional education is increasing in India and therefore, there exists a good opportunity for all these colleges to make money by offering new courses (Dutta, S. 2018). The students feel that they are being cheated when they do not get the facilities that they should have been given during the course of their study. The best example is BBA, MBA or B. Tech colleges i.e., where the education is self-financed across India. However, the facilities provided by these types of schools and colleges are much below

(the required levels. It is known fact that the government has limited funds for education and as a result it is difficult to open new public colleges and universities. To cover its inability, the government has allowed the private companies to intervene in the education sector.

There is a strong misconception that the quality of private higher education is very high, compared to public education. But many private higher education institutions have no libraries, laboratories, or research programmes. They concentrate on saleable courses of study, prefer short term to long term programmes and have under qualified and under paid teachers. The teaching staff required to impart meaningful teaching is also inadequate. Research has taken back seat in many of the institutions where faculty recruitment has not happened for many years. This has greatly affected the quality of the students coming out of these institutions. The idea that quality may improve due to private participation has proved that to be untrue in such circumstances. Privatization in education has clearly become a license for money making and exploitation of our youth. Important development due to entry of private sector in education is foreign collaborations with academic institutions which tend to provide employment to qualified and skilled youth (Tiwari 2013).

## Steps to be taken to prevent commercialization while privatizing

The increasing demand to impart higher education for the growing population in the country can be met by Private Institutions complementing the Universities established by the State. Commercialization of education has been a challenge before the right to education in India. Demands for the quality education, opportunities in foreign countries and governmental inability to cope up with the increasing demands has resulted into widespread of education and thereby educational institutions in the hands of private sectors. Increasing demands for higher education in India have led to the Industrialization of education. But Education today is an object of business which has led to serious and negative effects on our society. In the transformation of education from ancient times till today, commercialization could be viewed as the worst possible thing that could have ever happened. The main aim of imparting education is to harness the potential of a child, direct and channelize this potential in the right way so as to make him successful in life. Education has to have an inherently moralistic module in order to achieve its real goals and not just commercial ones (Rathee and Thakran 2015).

Many companies in India are stepping into the field of education and gradually taking over the control from government due to their financial influence over the government. It is true that the education system should change with time and must include some advance technological features, methods, and variations with changing times. Commercialization provides job opportunity and job guarantees to the students. Many private institutions offer various jobs, degrees, diplomas course and many more, which help the students to offer jobs, due to the commercialization of education and also gets the opportunity of doing professional course at the local branch Campuses of foreign institutions. It helps in increasing the rate of literacy, to face the global challenges of the world. The drawback of commercialization of education is that it is unable to maintain the principle of equality which is an important aspect in our society. The impact of commercialization in education makes education very costlier, it develops the materialistic outlook among the students. To meet the needs of the growing student's population, it was necessary for the Government to privatize higher education system. Private Colleges are independent as far as their administration is concerned that are affiliated to the Universities. Private Colleges which are affiliated to Universities have a risk of cancellation of their affiliation if they are found to be engaged in unethical practices. There are disadvantages of privatization are that there can be monopoly of private institutes if



they are given too much of freedom, It may amount to exploitation of the staff, may amount to hike in fees etc if there is no sufficient control over 'unaided colleges' while privatizing.

While in the process of privatization, there is the risk of commercialization. Private colleges follow the standard admission procedures but the students capable of paying higher fees are given priority at the time of admission. of education as the stress is on money making rather than on improving the quality of Higher Education. Foreign Institutions which may not be recognized in their own country if allowed to enter into India may offer degrees which may not be valid in the course of money making business. The main goal of education is to tap and identify the potential of the student, direct and channelize them in the right way.

### **Role of different agencies**

India is a developing country which aims in transforming the youth. We are heading towards achieving the status of developed nation. There has been rapid growth in enrolment in higher educational institutions as compared to the growth in number of higher educational institutions in India. Which needs to be monitored by the different agencies to provide standard education for all. University Grants Commission was set up under UGC Act 1956 which is responsible for co-ordination, determination and maintenance of standards and also release of grants to Universities and research organizations in the states of India. Professional councils are responsible for recognition of courses introduced, promotion of professional institutions and provision of grants to undergraduate programmes and Research Councils. The institutes have been setup under the Central government and All India Council for Technical Education 1987, these are basically two agencies regulating Higher Education. There is a need to redesign the entire higher education system in order to meet the economic, social and personal needs of the youth in the ever-changing technological world (Pradhan 2014). Government should have a control to monitor that privatization does not lead to commercialization. Also the privatization should not adversely affect interests of the economically backward sections of the society.

### **Conclusion**

India ranked third in terms of higher education system in the world, it had traditional and typical education with Arts, Medical and Engineering. Rapid expansion of privatized institutions led to access higher education but it alarms at quality and significance in higher education. It was observed that the growth in the total enrolment in higher education was slow but steady from 1950 to 1980, but thereafter from year 1990 the growth was very impressive. The overall scenario of higher education in India does not match with the global quality standards except its privatization and commercialization. After 1992 University affiliation systems was opened to private investors as a result there was increase in number of higher education institutions. Due to paradigm shift in the Indian economy and political philosophy there was demand for private institutions to provide education to all. Due to shortfall of Educational institutes run by the government and the Increasing number of students heading towards Higher Education have led to the Industrialization of education. Private schools and colleges are proliferating like mushrooms in India which has significantly spoiled the dignity of education as well as teachers to some extent and have built up pressure on the students. The education system is treated at a market place which has opened the route for foreign institution which in turn will be harmful for Indian education system. And despite of interventions from all the sources the governing agencies could not have the control over the fee structure which ultimately will lead to total commercialization of education. An improvement in the standards of education could be achieved through a balanced relationship between public and private sector. There is a need for careful planning, enhanced financing and evolving an enabling policy framework to make higher education accessible, equitable and qualitative.

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