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## UNIT 6 EDUCATION SECTOR\*

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### 6.0 OBJECTIVES

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After reading this unit, you will be able to:

- distinguish between the terms ‘human capital’ and ‘human development’;
- describe the growth in the Education Sector (ES) in India;
- analyse the adequacy of expansion in the ES in terms of its quantitative and qualitative dimensions;
- critique the performance of ES with the educational attainment in terms of its gender and quality dimensions;
- discuss the trend in Public Expenditure on ES in India with a comparative profile of the same in other countries; and
- explain the role of ‘state’ versus ‘market’ in financing education with an outline of alternative sources of financing the ES.

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### 6.1 INTRODUCTION

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Education contributes to building up what has come to be known as ‘human capital’. Human capital is distinct from ‘physical capital’ but is complementary to the latter. Physical capital facilitates economic growth which, in turn, creates conditions which demand better education facilities.

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This results in human capital formation in the economy. Human capital formation, in turn, spurs economic growth. Thus, these social aspects of development invariably attract the attention of both policy-planners and political leaders albeit with differing motivations for each. In this context, the present unit discusses the issues relating to one of the two specific sub-sectors of social sector development viz. education sector in the Indian economy (the other one being health).

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## 6.2 HUMAN CAPITAL AND HUMAN DEVELOPMENT: DISTINCTION

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Human capital can be defined as the body of knowledge possessed by the population and the capacity of the population to use the knowledge effectively. Human capital **therefore** includes all the knowledge, talents, skills, abilities, experience, intelligence, training, judgement, and wisdom possessed individually and collectively, the cumulative total of which represents a form of wealth available to nations and organisations to accomplish their goals. Till the late 1950s, economists and other social scientists did not pay much attention to the role of investment in human capital as an important determinant of economic development. The birth of this idea can be traced to the presidential address of Prof. Theodore W. Schultz to the American Economic Association in December, 1960. The human capital theory propounded by Schultz (1961) laid a strong foundation for treating education as an investment in human beings and for treating it as an important source of economic growth. According to the human capital theory, education transforms raw human beings into productive ‘human capital’ by imparting knowledge and inculcating skills required by both the traditional sector and the modern sector of the economy. It thus makes individuals more productive members of the society, not only in the market place but also in the households and also in the whole society. Available evidence in almost all the countries, including India, establish significant positive association between proportion of people below the poverty line and the proportion of illiterate persons.

Human development, on the other hand, is defined as the process of enlarging people’s freedoms and opportunities thereby improving their overall well-being. Human development is about the real freedom of ordinary people with which they have to decide who they want to be, what they want to do and how they should live. The concept of human development was developed by the economist Mahbub ul Haq and is based on the idea that education and health are integral part of human well-being because only when people have the required ability and a healthy body, they will be able to lead a good and meaningful life. Human development is thus a broader concept which considers human beings as ends in themselves. Human development occurs when majority of people in the economy are educated and healthy.

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## 6.3 EDUCATION SECTOR IN INDIA

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The role of education in facilitating social and economic progress is well recognised. It opens up opportunities leading to enhancement of both

individual and group potentials. Education, in its broadest sense, is the most crucial input for empowering people with skills and knowledge, giving them access to productive employment opportunities. Improvements in education are not only expected to enhance efficiency but also augment the overall quality of life. The current growth strategy being pursued in India places the highest priority on education as a central instrument for achieving rapid and inclusive growth. It encompasses programmes designed to strengthen the education sector covering all segments of the education pyramid viz. (i) elementary education, (ii) secondary education, and (iii) higher education.

### **6.3.1 Elementary Education**

Elementary Education i.e. class I-VIII consisting of primary (I-V) and upper primary (VI-VIII) levels, is the foundation of the educational system pyramid and has been emphasised in all our programmes of development. The goal of universalisation of elementary education (UEE) got a big push with the adoption of the *Sarva Shiksha Abhiyan* (SSA) programme in 1999. The scheme has been guided by five principles viz. (i) universal access, (ii) universal enrolment, (iii) universal retention, (iv) universal achievement and (v) equity. Besides these, the SSA recognises it as imperative to ensure good quality elementary education to ‘all children in the age group of 6 to 14 years’. To ensure this, the 86<sup>th</sup> Constitutional Amendment (2002) included a new Article (21-A) providing for ‘free and compulsory education to all children of 6 to 14 years of age as a Fundamental Right’. The growth of ‘primary and upper primary’ schools in India has been 6 times (from 0.2 million to 1.3 million) over the period 1951-2015. The enrolment in these schools has increased 9 times (from 22 million in 1951 to 198 million in 2015).

### **6.3.2 Secondary Education**

Secondary education serves as a bridge between elementary and higher education. Like the elementary education, secondary education also has two parts viz. secondary (covering classes 9<sup>th</sup> and 10<sup>th</sup>) and senior secondary (classes 11<sup>th</sup> and 12<sup>th</sup>). Since universalisation of elementary education has become an accepted goal, it has become essential to push this vision forward towards universalisation of secondary education, something which has already been achieved in a large number of developed countries and the newly industrialised East Asian economies. Till now, the thrust of secondary education has been on improving access and reducing disparities by emphasising on the Common School System in which it is mandatory for schools in a particular area to take students from low-income families in the neighbourhood. The thrust has also been on revision of curricula with an emphasis on vocationalisation of education. In essence, vocationalisation means focusing on providing employment-oriented courses. Other areas of thrust are: (i) expansion and diversification of the open learning system, (ii) reorganisation of teacher training, etc. These objectives till now have, however, been achieved only partly. The number of institutions for secondary education has grown from 0.1 million in 2001 to 0.2 million in 2015. The

enrolment in these institutions has grown from 29 million in 2001 to 62 million in 2015. Thus, both the number of institutions and their enrolment have grown by 2 times over the period 2001-15.

### 6.3.3 Higher Education

The investment made in higher education in the 1950s and 1960s has given India a strong knowledge base in many fields contributing significantly to economic development, social progress, and strengthening political democracy in Independent India. The number of colleges has increased from about 0.1 million in 1951 to 3.8 million in 2015 i.e. a 38 times increase. Likewise, the number of universities has increased from 27 in 1951 to 760 in 2015 i.e. a 28 times increase. The combined enrolment in these 'colleges and universities' has increased from 0.4 million in 1951 to 34.2 million in 2015 i.e. by nearly 86 times. However, despite the expansion that has occurred, the system is under stress to supply the required numbers of skilled human power, equipped with the required knowledge and technical skills helpful in catering to the demands of the economy. The accelerated growth of the economy has already created shortages of high-quality technical manpower. Moreover, unlike the developed countries where the young working age population is fast shrinking with higher dependency ratio, India is in a stage of demographic transition with about 70 percent of the population below the age of 35 years. But this advantage can be realised to economic advantage only if opportunities for youth are expanded on a scale and diversity spread over different fields of basic sciences, engineering and technology, healthcare, architecture, management, etc. This is possible only if rapid expansion is initiated along with long overdue reforms in the higher, technical and professional educational sectors.

**Check Your Progress 1** [answer within the space given in about 50-100 words]

1) How is Human Capital defined? To which economist, the credit of getting the importance of human capital recognized attributed?

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2) How is Human Development different from Human Capital?

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3) What are the five principles by which the programme SSA is governed?

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4) What has been the magnitude of expansion in respect of 'elementary education' in India?

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5) What has been an important feature of the Common School System in the 'secondary education' system in the country?

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6) What has been the extent of expansion in respect of 'higher education' in India?

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7) Would you say that the expansion in the education sector has kept pace with the requirements of the economy? Why?

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## 6.4 EDUCATIONAL ATTAINMENT/OUTCOMES

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Education is the basic requirement which has now been made a fundamental right through the enactment of RTE (i.e. right of children to free and compulsory education act or the Right To Education – RTE). While higher education is important, elementary education serves as the base over which the super-structure of further education can be built up. Enrolment in schools

have improved substantially in recent years but the performance of students in basic aspects of reading, writing and arithmetical operations have remained low. Further, substantial gender-bias in both access to and completion of education has remained as a major cause of concern. Owing to these, wide regional variation exists even within the sub-standard performance of the basic education system. Factors like: (i) poverty, (ii) presence of a wide child-labour market, (iii) absence of assured employment after schooling and (iv) infrastructural problems are identified as responsible for the ills plaguing the elementary education system in India. Providing incentives for attending schools, making the schooling process attractive to the children, streamlining the middle and high school curriculum to vocational and job-oriented courses and providing better infrastructure in schools are some of the policies needing to be focused upon to improve the scenario.

Literacy rate is regarded as one of the basic indicators to reveal the disparity in educational attainment. The urban-rural gap in this respect has fallen substantially (from 34 percent in 1961 to 16 percent in 2011). Despite this, the progress in rural India has not been enough to catch up with the urban literacy levels (urban literacy rate is 85 percent as opposed to 69 percent for rural India in 2011). State-wise attainment shows that while Kerala (94 percent) [along with Mizoram, Lakshadweep and Tripura] has ranked at the top in overall literacy, Bihar has remained at the bottom (61.8 percent) in its overall literacy. The rural-urban disparity is the lowest in Lakshadweep and Kerala, both of which are among the high performing states. Disparities in attainment have also remained on many other fronts, most important of which are in terms of gender and quality.

#### 6.4.1 Gender

There are two indicators which reveal gender-based performance in education. These are: (i) the gross enrolment ratio (GER) and (ii) the gender parity index. Used in place of 'net enrolment ratio' when data on enrolment by exact years of age is not available, the GER is used to reveal the general level of participation in education. The GER is defined by level of education. For instance, for primary education, the GER is defined as percentage of actual enrolment to total eligible official primary school age population in a year. A ratio of  $GER \geq 1$  (i.e. 100 percent) indicates that in principle a state or country is able to accommodate all its school age population. It, however, does not indicate the actual proportion of eligible population enrolled. In other words, the achievement of GER of  $\geq 1$  is thus a necessary but not sufficient condition of actual achievement. A typical situation where GER can exceed 1 is when 'over-aged' and 'repeaters' are included. This characteristic of GER makes it require a careful interpretation based on the data used. Computed separately for males and females first, the ratio of 'GER for females to males' is then defined as the 'gender parity index' (GPI). The GPI in India for the recent period of 2007-13 shows that for primary and secondary education it has crossed the level of 1. Besides this, in respect of dropout rate also, there has been a significant improvement in gender parity for three out of four levels of education viz. primary, secondary and senior secondary education (e.g. in 2013-14 it is 4.1 for girls and 4.5 for boys for

primary education, 17.8 for girls and 17.9 for boys for secondary education and 1.6 for girls and 1.5 for boys in senior secondary education). In relative terms, therefore, only in 'upper primary' level of education the dropout rate for girls is higher for girls (4.5) as compared to boys (3.1) [2013-14]. Considering that the dropout rate in 1960-61 was as high as 65 percent, there is a major improvement in this respect. One aspect on which the achievement of improving girls' enrolment could depend is the 'number of female teachers per 100 male teachers'. This figure was as low as around 20 (for each of the three school levels) in 1951. This has gradually risen to the level of 65-80 for different levels of education by 2011-12. Thus, while there is improvement in this respect, there is scope for increasing the number of female teachers at all levels of education both towards achieving greater gender parity as also to minimise dropout rates of female children from schools.

### 6.4.2 Quality

A nationwide survey of children's reading and arithmetic capabilities in rural India is conducted every year by the NGO Pratham. Given its scale and comprehensive coverage, its Annual Status of Education Report (ASER) is a path-breaking initiative, being the only Indian nationwide survey for assessing the learning achievement of children between classes I and VIII. There are four basic tests of increasing difficulty to gauge the arithmetic competence and the students are asked to perform each only after clearing the lower level. These are: (i) recognition of randomly chosen numbers from one to nine, (ii) recognition of randomly chosen numbers between 11 to 99, (iii) subtraction of two-digit numerical problems with borrowing and (iv) division of three-digit by one-digit numerical problems. The survey results in 2010 reveal that only 37 percent of the children in class III could recognise numbers up to 100. Furthermore, just 27 percent of the students could reach the next level i.e. subtraction. What is even more worrying is that the proportion of children reaching the highest test level has consistently declined since 2005, when the survey was first conducted. In 2005, at least 15 percent of the children in class III could perform all the tests, while in 2010 only 9 percent of the children could do so. Also, in 2010, 67 percent of the children in class VIII could reach the highest level, while the corresponding figure in 2005 was 70 percent. Clearly, pushing enrolment is not automatically translating into improved learning.

Quality of higher education has also been a major concern in India. To rectify this situation, some of the policy measures taken in this direction are: (i) redesigning academic programme to synchronise with the market demands, (ii) laying greater emphasis on interactive modes of learning, (iii) changes in the assessment procedure and examinations, (iv) introduction of the semester system, (v) teachers' assessment, (vi) grading of institutions, (vii) introduction of credit system to afford inter-institutional mobility, (viii) faculty development programmes, (ix) maintenance of national database of academic qualifications, etc. National Policy on Education in India has all thorough laid special emphasis on improving the quality of higher education in India by the establishment of accreditation agencies. Notwithstanding the fact that we have 13 regulatory bodies of higher education, the quality of

education is fairly low and content in the programmes less relevant to the 'needs of the individual and the society'. Out of 3,674 colleges assessed by NAAC, only 24.4 percent of colleges have been awarded the A grade. The educational system suffers from what has been called 'diploma disease' i.e. it does not aim at conveying knowledge and skills but is more concerned with certification and credentialing. As such, its contribution to the growth of human capital is minimal and is unable to meet the emerging demands for skilled professionals.

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## 6.5 FINANCING OF EDUCATION

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Financing, and in particular mode of financing higher education, is crucial for addressing all the major objectives envisaged for higher education viz. expansion, inclusion and excellence. Though public financing has remained the dominant source of financing higher education, fiscal constraints faced by both the centre and the states and the widening gap between stagnant revenue and the burgeoning cost have compelled the publicly funded universities to look for additional and alternative sources of funding. As a part of the new economic policy, policies have been framed to usher-in the private sector in the delivery of higher education to contribute in its expansion. Between the two extremes of public and private funding, of late, the government is exploring possibilities of partnerships with the private sector to realise the advantages of both the modes of funding, though we already have several variants of PPP working in the country. We have government schools, government aided schools and private schools. Similarly at higher education level we have government colleges, partially UGC funded colleges, etc..

### 6.5.1 Role of State Versus Market Funding

The role of market as a source of funding took off post-1990s with the suggesting of structural adjustment programmes by the WB & IMF to curtail the public expenditure in social sectors like education. The supporters of market considered the subsidies provided by the government as regressive as mainly the elite gets access to higher education and hence remain the major beneficiaries of subsidies. The funds are thus transferred from poor to the rich since the amount that could be spent on poor gets reduced. To rectify this, they argued that the public funding should be shifted from higher education to school level education. Another argument put forth by the market supporters is that the state funding of education would make educational institutions dependent and, therefore, deprives them of the much needed institutional autonomy for efficient functioning. To overcome this, it was suggested that the generation of private funding should be promoted. It was also argued that the cost recovery measures would improve the quality of education both by making the students more diligent and instilling a measure of accountability among the teachers. The private returns being higher than the social returns, beneficiaries were believed to be willing to pay for their education.

The argument of market proponents that the social rate of return to investment in education is less than the private rate of return was countered by the 'for state funding advocates' on the following grounds. First, the social

returns are lower only for higher education whereas for school education there is a consensus that it should be regarded as a public good. Further, when positive externalities are taken into account, the resulting social rate of return far exceeds the private rate of return. This makes the role of state crucial in funding education. Second, consumers are often ignorant of the benefits that they would receive by investing in education. Besides, they cannot take into account the positive spill-over effects of their education on the society (like improving family health, productivity, reduction in poverty rates, etc.). Since the government is considered wiser in making such decisions, state funding in the provision of education is required for ensuring equality of opportunity. Further, since not every household/individual has the resources required to invest in education, in the absence of state subsidies, only those who could afford to pay would enrol in schools and colleges. In other words, those who are meritorious but lack resources would be left out.

In order to meet the ends of equity, market proponents argued that the access to education loans could be improved. However, since the capital market suffers from its own imperfections, such measures would not suffice. Moreover, since the human capital is embodied in individuals, it cannot be offered as liquid collateral. What about inclusion? Will a child from poor family take education loans and at the end of college, begin with a debt burden? Will it be progressive? There is also a long gestation period for the repayment of such loans to commence due to the uncertainty of future income opportunities. Such factors would constrain both the availing of such loans by the individuals and also the institutions from advancing the loans. Thus, the presence of imperfect capital market becomes a major reason due to which the role of state to invest in education needs to continue. The other view point is that educational loans to poor people do not serve the objectives of inclusion and equity as these loans are available for selected courses/institutions only and hence the objective of inclusivity is far from net.

### **6.5.2 Public Expenditure on Education**

If we consider the spill-over effects in the form of positive externalities, education at any level, not only at the elementary and secondary levels, merits to be treated as a 'public good'. In its strict sense, education is considered as a 'merit good'. By definition, a good like 'education' which is regarded by society or government as deserving public finance, is treated as a merit good. More generally, merit goods are treated as those goods (or services) which the government does not want people to under-consume merely because their consumption depends upon their 'ability to pay'. To prevent such under-consumption, the government chooses either to subsidise such services or provide it totally free at its point of consumption. In view of the mixed characteristics of education i.e. of both public as well as merit good, education is also sometimes referred to as 'public merit good'. Impinging on investment for providing the educational services, i.e., a huge establishment or fixed cost as well as a recurring operational cost, the characteristics that impinge on investment considerations of the government are: (i) consumer ignorance, (ii) technical economies of scale, (iii) externalities in production and consumption and (iv) inherent imperfections

in the market like absence of credit institutions. On the issue of public investment in education, it is customary to express the total allocation or expenditure as a percentage of GDP (Table 6.1). The trend in this respect for India shows that over the years 1961-81, public expenditure on education doubled from 1.5 percent to 3 percent. Thereafter, it increased marginally by just another 1 percent between 1981 and 2001 (to touch 4.1 percent in 2001). In the post-2000 years, the public expenditure on education has declined (e.g. 2005-06, 3.3%). Since 2005-06, it has ranged from 3.5 percent in 2007 to 4 percent in 2010. The stagnation of public expenditure in education at just around 4.1 percent of GDP (in 2014) is in stark contrast with the comparative profile with other countries (Nepal, 4.7 percent; Germany, 4.9 percent; USA, 5.2 percent; U.K., 5.7 percent and South Africa, 6.1 percent). As stated before, the decline in public expenditure on education in India is for reasons of fiscal constraints whereby for elementary and secondary level more resources are allocated but for higher education, there is a shift towards cost recovery.

**Table 6.1: Public expenditure on education as percent of GDP**

Year	Percent
1960-61	1.5
1970-71	2.1
1980-81	3.0
1990-91	3.8
2000-01	4.1
2010-11	4.1
2010-11	4.1

Source: MHRD, GoI.

### 6.5.3 Alternative Sources of Financing

With a view to reducing the burden of educational finance, many alternative methods have been tried. One way of achieving this objective is to reduce the subsidies given to institutions. This would entail the recovery of costs by taking recourse to methods of cost-sharing. Cost sharing is a method by which the burden of financing educational programmes are passed on to the beneficiaries viz. households, industries and the students themselves. Cost sharing is popularly effected mainly in respect of higher/professional education programmes. Some of the methods followed under this include: (i) increasing the fees; (ii) following discriminating fee structure; (iii) graduate tax; and (iv) student loans.

The method of 'increasing the fees' has many variants. Some of these are: (a) a uniform increase across graduate and post-graduate programmes; (ii) increasing the fee based on the cost of provisioning of courses; and (iii) giving autonomy to colleges and universities for deciding on the fees to be charged. In all these cases, students opting for similar courses are levied the same fee. In other words, this does not discriminate between those with

ability to pay and those who cannot afford to pay. The approach is thus violative of equity considerations. To deal with this, the method of discriminatory fee structure i.e. course fee linked to the income level of the family or the ability to pay is suggested. Those from the lower socio-economic strata are levied less burden and those from the upper income groups are made to pay more. The 'graduate tax' method levies a tax on the employers employing educated workforce. The case for the method is made on the ground that while the employers get the benefit of such educated persons, they themselves do not pay for their training. The method is disadvantageous in that it may motivate the employers to go for less educated workers thereby causing the problem of unemployment among the educated. However, since only educated workforce can undertake certain type of works which are knowledge intensive, the substitution effect is expected to be less. The method of 'student loans' targets the beneficiaries directly. While many committees constituted by the government have favoured this approach, it is also said to adversely impact equity considerations. For instance, the method may lead to the promotion of those courses which are having higher employment market neglecting the courses which may be important from a societal angle. Another problem with this method is the issue of insufficiently developed credit markets and the problem of recovery of loans which is dependent on uncertain future employment markets.

For elementary and secondary level of education, a commonly practised method is 'earmarking'. This refers to a levy of a special cess for the particular purpose. The programme of SSA generated a major part of its funds by this method. Many countries, both developed and developing, have successfully adopted this method. Another method which has successfully been implemented for school level is the 'direct benefit transfer' (DBT) method. A major problem of government schools is of accountability impinging on quality of education. The method of DBT is said to deal with this by transferring the power of selecting a school of their choice to the poor household/parent. It is a voucher system in which a parent can admit a child to the school which charges fees up to the amount of the voucher. Parents can choose any type of institution (private, aided or government) where the fee charged, if higher than the voucher amount, can be supplemented by the family. With the value of the voucher being set 'inverse to the family income' (i.e. poorer families getting higher valued vouchers), the method is argued to afford the potential of being an instrument of greater equity. One criticism of this method is that the method may not work in backward/rural areas as private schools may not be popular in such areas. However, data from NSSO for 2014-15 shows that the per month median fee charged by private unaided elementary schools in rural areas was Rs. 292 while in urban areas it was Rs. 542. In the light of this, it is argued that even a relatively low voucher value of Rs. 500 per month would represent significant share of total expense even in remote rural areas. Another concern about DBT is how to do away with the present 'grants-in-aid' system which is kept equivalent to meet the requirement of teachers' salary. The grants method, thus, gives priority to schools and not to pupils/students. Such a grant does not even take into account the number of students. It is far from trying to address the attitude of the teachers towards their accountability. With DBT, it is pointed out that

teachers would have to focus more on attracting, retaining and then giving quality education. Towards implementing DBT, the government is contemplating 'school consolidation' where tiny schools are merged with bigger schools nearby and redeploying teachers from over-enrolled schools to under-enrolled schools. Many countries (e.g. Colombia, Chile, Netherlands, New Zealand, US) have used the DBT method to good effect.

**Check Your Progress 2** [answer within the space given in about 50-100 words]

1) What specific policies are needed to improve the sub-standard performance in education?

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2) How is GPI defined?

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3) In what way, the ratio of female enrolment in schools can be improved? To what extent, there is improvement in this regard over time?

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4) What is an indicator available to establish that the school level education system has declined in quality in recent years?

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5) On what grounds, the public funding of education was defended in the face of market proponents arguing against it?

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- 6) Is education rightly a public good or a merit good? Give reasons for your answer.

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## 6.6 LET US SUM UP

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There has been a good deal of progress in the quantitative expansion of the education sector in India. However, the demand for education has also expanded outpacing the available supply. Owing to this, disparity in educational attainments has remained both in quantitative and qualitative fronts. How to use the available resources more efficiently, without compromising on considerations of equity, has remained a major concern of our policy planners. Towards rationalising on the resource front, public funding for school level education and cost sharing for higher level of education is being considered. To address the ticklish problem of teachers' accountability at school level, methods like direct benefit transfer, school consolidation, etc. are being tried.

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## 6.7 SOME USEFUL BOOKS AND REFERENCES

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- 1) Varghese N.V. and G. Mallik, Eds. (2017). India Higher Education Report 2015, Routledge, 2017.
- 2) Romer, Paul M. (1990). "Human Capital and Growth: Theory and Evidence", *Carneige- Rochester Series on Public Policy* 32: 251-86.

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## 6.8 ANSWERS OR HINTS TO CHECK YOUR PROGRESS EXERCISES

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### Check Your Progress 1

- 1) It is defined as the body of knowledge possessed by the population and encompasses knowledge, talents, skills, abilities, experience, intelligence, training, judgment, etc. Prof. Theodore W. Schultz.
- 2) By including people's freedoms and opportunities and relating it to overall human well-being. It is thus a broader concept which considers human beings as ends in themselves.
- 3) Universal access, universal enrolment, universal retention, universal achievement and equity.
- 4) By 6 times in terms of institutions and 9 times in terms of enrolment (from 0.2 million 1.3 million and 22 million to 198 million respectively).

- 5) Under the CSS, it is mandatory for schools in a particular area to take students from low-income families in the neighbourhood.
- 6) Colleges by 38 times, universities by 28 times and enrolment in colleges/universities by 86 times.
- 7) No. Because, rapid expansion has not been accompanied by the long overdue reforms in the higher, technical and professional educational sectors.

### **Check Your Progress 2**

- 1) Incentives for attending schools, streamlining middle/high school curriculum to job-oriented vocational courses, etc.
- 2) It is defined as the 'ratio of GER for males to females'.
- 3) By focusing on increasing the proportion of female teachers (per 100 male teachers) in schools (sub-section 6.4.2).
- 4) The ASER report which has reported a decline in the proportion of children who could qualify from one level of test to another over the period 2005-2010 (sub-section 6.4.3).
- 5) The social benefits were considered higher even in higher education when positive externalities were taken into account. Lower levels of education, are in any case, considered like public good which would benefit the entire society.
- 6) Since the benefits of education reach the entire society, and not only the ones getting educated, it has the characteristic of a public good. However, precisely due to this reason, since its non-public funding might make some to under-consume it, it is more rightly regarded as a 'merit good'.