

## **FICCI-Higher Education Summit**

Nov 6, 2009, New Delhi

### **Speech by Prof. (Dr.) HS Ballal, Chairman, FICCI Higher Education Committee**

Over the years we have seen that higher education is essential for national, social and economic development. It is no longer a luxury. Today, more than ever in the past, we find a nation's wealth lies in the quality of higher education. And, we are all convinced that knowledge, skills, and resourcefulness of people are important for the overall growth of a country. For a rapidly developing country like ours, therefore, high quality education system is the need of the hour. No country can think of making much headway without having a good higher education system.

Our country is home to 540 million people under the age of 30. By next year, 19 per cent of our population, an estimated 235 million will be in the higher education group. But the present scenario in the country is not as bright as it should be; considering the fact that we, after China and the United States are the biggest higher education providers in the world.

#### **ACCESS**

Prime Minister Manmohan Singh admitted the fact while addressing students and faculty at Panjab University the other day. He said, "I do recognize we have a mammoth task ahead in pursuing our goal of providing access to good education to every citizen in the country. This is true of higher education also".

He said at present, only 12 per cent of the students who complete secondary education enrol for higher education. And lamented those figures were nowhere near the 70 per cent enrolment in some developed countries. Worse, it was also much lower than the figure of 20 per cent in some Southeast Asian countries. "We must increase this proportion," he said emphatically.

One reason, perhaps a very important one, why the present gross enrolment ratio (GER) in the country stands at about 12 is because of the inadequate preparation of students while in secondary education stage. There is poor alignment between secondary and higher education and a lack of information on where and how to get to higher education institutions, which course to pursue and so on.

That barrier needs to be eliminated and every student needs to be enlightened about post-secondary education. That is where the departments involved in these two educations need to collaborate to build college aspirations among our students. Which means as soon as they are out of secondary education, they are prepared to take the first step towards their career. On the positive side, the government hopes to have 15 per cent enrolment in the 11th plan period (2007-12).

In India only a meagre 20 percent of Higher Education Institutes are located in the 'rural' India which is home to more than 65 percent of our population. The remaining 80 percent of Institutions are located in Urban or Semi-Urban areas which make up for only 30 to 35 percent of India today. The National Knowledge Commission has projected the need for 1500 Universities, but a recent more pragmatic approach of having atleast one University for each district in India needs to be paid due attention.

The present scenario where hardly 5 percent of our 460 million workers have received skills training, (In South Korea it's as high as 95%) makes a strong case for India to allocate a substantial percentage of its budgetary allocations to promote vocational education to make the country a manufacturing

hub. To turn around the scene in higher education, perhaps the key lies in encouraging Vocational Education like the way it's been done in China. The challenge remains changing mindsets and facing social stigma.

Distance Education is another medium by which we can reach the t working class and the rural populations.

### **AFFORDABILITY**

Broadly, access to post-secondary education is possible only when students can afford to attend college. Affordability is as much a consideration as any other factor. Perhaps, it means taking into consideration the weaker and underprivileged sections of our society. For many students in India, paying for college requires a combination of family contributions and some financial aid, may be a student's loan.

Many of the problems involving higher education are rooted in the lack of resources. And because a whole lot of them depend on loans, it should be made easily available. No student should be denied access to education due to lack of resources. Banks can come out with better schemes and offers and publicize them. Meritocracy needs to be honoured and scholarships must be set aside for meritorious students.

### **FUNDING**

There is some encouragement from the government when it raised the allocation for the sector. The higher education budget for the current fiscal has been pegged at Rs 15,429 crores, including a planned allocation of Rs 9,600 crore. During the last financial year the total allocation was Rs 11,340 crores. On a more positive note, the finance minister while presenting the budget said the government has a mandate to increase education budget to six per cent of the GDP. That augurs well for higher education in the country.

The global average expenditure on Education is 4.5% of GDP. Developing nations are spending 4.4% of their GDP on education whereas we in India spend only 3.6% of our GDP on education. In 1986 according to the Govt's National Policy on Education, the target was 6% of GDP to be spent on Education. From the fund allocated for education, only 19% is being spent on Higher Education and this is stagnant from last 3-4 years. Though public expenditure on education has increased, money spent by Govt. on Higher Education comes to only 0.7% of the GDP, (reduced percentage allocation from previous outlays - 0.77 % in 1991). The present Govt has increased expenditure on higher Education by nine-fold. Even after such a massive increase in public investment when we take into consideration only the Government's new initiatives of establishing central universities, colleges in low GER districts, IITs, IIMs, NITs, IIITs, IISER, SPAs and Centres for training and research, the required resource gap identified by Planning Commission, Government of India is Rs 2.22 Trillion.

### **QUALITY**

Good education is seen as a stepping stone to a high flying career. And for good education higher education institutions clearly need well-designed academic programmes and a clear mission. Most important for their success however, are high quality faculty and committed students.

While it may not be said of all institutions, there are many which have shortcomings in these areas.

The Prime Minister in his address at the Punjab University also mentioned about the quality of education. "Even if we meet our targets of higher access and enrolment, even if we spend huge amounts on higher education and even if we open a large number of new institutions, this issue of quality will not get addressed by itself, he remarked.

He said to overcome this deficit of quality in higher education; the Central government has come out with a "very progressive pay package for attracting and retaining talented faculty. Dr Manmohan also said the government was fully committed to structural reforms in higher education.

Yes, a major problem that we face is in the quality of higher education that our institutions impart. Unfortunately, most of them produce pass-outs who are nowhere near international standards. The quality of knowledge generated in higher education institutions is becoming increasingly important. It poses a serious challenge to our country specially now, at a time when we are poised to grow considerably over the next few years.

Responding to this demand without further diluting the quality will be a daunting task. This sudden growth could also entail a serious problem, that of finding faculty who can contribute gainfully to the system. Taking advantage of technology to overcome lack of enough good faculties can be one way of ensuring that our standards do not drop with the expansion.

## **CONCLUSION**

The issue of expansion and inclusion can be addressed by promoting private partnership and sincerely taking forward and practicing the Public - Private Partnership modes of running institutes of higher education. The expansion has to see new providers gaining acceptance. New providers namely, private players, Public- Private Initiatives and Foreign players.

As per Planning Commission calculations we need atleast an additional 200 Universities to have on the average one university per district. Thus it is clear that, public resources would not be sufficient to meet the ever growing demand for quality higher education and increasing private sector investment and participation will be required to meet such demands. However, to attract quality and genuine private players our policy and regulatory framework should provide necessary enabling framework to encourage private investment and public-private partnership opportunities.

Public- Private Partnerships are imperative to expand higher education in India and to increase accessibility to it. PPP is considered an 'Apt' mantra for 'inclusive' and sustained 'growth'. The Govt. also needs to co-operate equally by simplifying regulations, creating policies favouring private investment and encouraging incentive driven structures.

Foreign Universities' entry may promote and provide 'world class' education, but their entry should be on a level playing field and policy should encourage their tie-ups with our Universities. We have talents in plenty but opportunities are limited. With such foreign collaborations, students at large can have the best of both worlds and R& D can be boosted. Recently a delegation from FICCI had accompanied Union HRD Minister Shri Kapil Sibal to the USA. In the meetings, representatives of the Universities in USA have evinced keen interest and enthusiasm to work with their Indian counterparts.

Currently, there are around 20,000 colleges and 430 universities in the country. None is ranked amongst the top 100 in the world. That is a sad commentary on higher education in India. There is also a dire need to address industry - academia gap to make our youth employable. What the policy makers need to ensure is that institutions of higher learning are not merely degree-awarding bodies

with little monitoring of quality of education they impart, but, a more responsible institute producing a professional in every sense of the word.