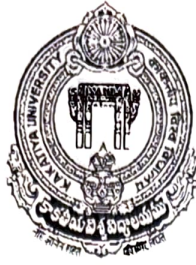


**Prof.G.Veeranna**  
*M.A, M.Ed., M. Phil, Ph.D.*  
**HEAD & Chairperson, BOS**



**DEPARTMENT OF POLITICAL SCIENCE**  
**UNIVERSITY COLLEGE**  
**KAKATIYA UNIVERSITY**  
**WARANGAL, TELANGANA- 506009**

**Mobile: 9866178323**

**E- mail: veeruguloth.vg@gmail.com**

No. /PS/UC/KU/2021

Date:

The Department Research Committee (DRC) meeting is held on 26-06-2021 at 12:00 PM in the Department of Political Science to discuss a minor change of topic of Andem Madhusudhan Reddy, Ph.D research scholar, "Indian Welfare State and Neo-Liberalism: An Experience with Health and Education".

Members Present:

1. Prof. G. Veeranna  
Head & BOSc  
Chairman
2. Prof. V. Ramchandram  
SDLCE, KU  
Member
3. Prof. G. Ram Reddy (Retd)  
Department of Political Science  
Osmania University, Hyderabad, Telangana.  
External Member

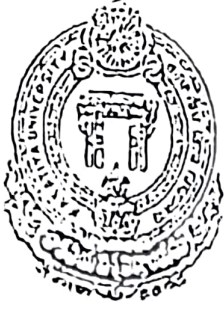
Resolutions:

1. DRC committee has resolved to allow the change of Ph.D topic of Andem Madhu Sudhan Reddy as 'Indian Welfare State and Neo-Liberal Policies: An Experience with Education Sector'.

Therefore, the Dean, Faculty of Social Science, is requested to issue necessary orders on aforesaid topic.

Members:

1. Prof. G. Veeranna
2. Prof. V. Ramchandram
3. Prof. G. Ramreddy



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Faculty of Social Sciences  
Kakatiya University, Warangal – 506 009 (T.S.), India  
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Prof. S. Srinath  
Professor of History & Dean

Phone: (O) 0870 – 2461434

No. 04/DFSS/KUW/2017

Date: 27-01-2017

ORDERS

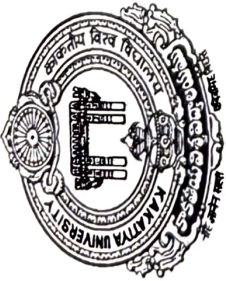
Sub: Faculty of Social Sciences - Ph.D. Admissions for the Year 2012-13 -  
Department of Political Science - Orders - Issued  
Ref: Order No: 340/DFSS/KU/2015, Dated: 16-10-2015.

\*\*\*

On the recommendation of the Admission Committee and with the approval of the Vice-Chancellor, Kakatiya University, Warangal, the following candidates have been provisionally selected for admission to the Ph.D. Programme for the year 2012-13 in the Department of Political Science.

Sl. No.	Name of the Candidate	Social Status/ Category	Name of the Supervisor	Research Topic	Part-time / Full-time
01	Andem Madhusudhan Reddy	OC	Dr. M. Venkat Reddy	Indian welfare State and the Neo-Liberalism: An experience with health and Education	Part-time
02	M. Rajender Reddy	OC (PHC)	Prof. P. Sammulal	Environmental Movements in Telangana state – A Case Study	Part-time
03	G. Vikram	BC-B	Dr. V. Ramchandram	Role of the Political parties in Telangana Movement 2001 to 2014 – A Study	Part-time
04	Challa Swapna	OC	Dr. V. Ramchandram	AASARA SCHEME – A Detailed Study about Implementation of Aasara Scheme under Greater Warangal Municipal Corporation	Part-time
05	M. Samuel Praveen Kumar	BC-C	Dr. P. Sammulal	Changing Dynamics of INDIA-US Relations – A Study of UPA Government's tenure (2004-2014)	Part-time


  
DEAN



DEPARTMENT OF POLITICAL SCIENCE  
KAKATIYA UNIVERSITY  
WARANGAL

C E R T I F I C A T E

This is to certify that Mr. ANDEM MADHUSUDHAN REDDY who is pursuing his Ph.D on the topic "*INDIAN WELFARE STATE IN THE CONTEXT OF NEO-LIBERALISM; AN EXPERIENCE WITH EDUCATION SECTOR*" under the supervision of Prof. B. SANJEEVA REDDY has presented Seminar-I on 17-04-2018 in the Department of Political Science Kakatiya University Warangal, in partial fulfillment of the Rules & Regulations of Doctor of Philosophy.

  
HEAD  
(DEPARTMENT OF POLITICAL SCIENCE)  
**Prof. G. Veeranna**  
M.A.,Ed.,M.Phil.,Ph.D.  
HEAD

Department of Political Science  
Kakatiya University, Warangal  
Telangana State - 506 009.



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Faculty of Social Science  
Kakatiya University  
Warangal-506 009 (T.S.)





DEPARTMENT OF POLITICAL SCIENCE  
KAKATIYA UNIVERSITY  
WARANGAL

CERTIFICATE

This is to certify that Mr. Andem Madhu Sudhan Reddy who is pursuing his Ph.D. on the topic "INDIAN WELFARE STATE AND THE NEO-LIBERAL POLICIES: A STUDY OF THE EDUCATION SECTOR" under the supervision of Prof. B. Sanjeeva Reddy, has presented Seminar-II on 16-06-2021 in the Department of Political Science, Kakatiya University, Warangal, in partial fulfillment of the Rules & Regulations of Doctor of Philosophy.

  
HEAD

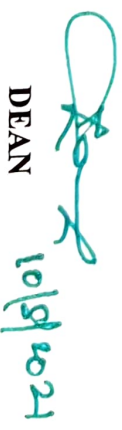
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Warangal-506 009 (T.S.)

**INDIAN WELFARE STATE AND NEO-LIBERAL POLICIES:  
A STUDY OF THE EDUCATION SECTOR**

**THESIS SUBMITTED TO KAKATIYA UNIVERSITY  
FOR THE AWARD OF THE DEGREE OF**

**Doctor of Philosophy**  
**IN**  
**POLITICAL SCIENCE**

*Submitted by*  
**Andem Madhu Sudhan Reddy**

**Under the Supervision of**  
**Dr. B. SANJEEVA REDDY**  
**Professor (Retd.)**

**DEPARTMENT OF POLITICAL SCIENCE**  
**KAKATIYA UNIVERSITY**  
**WARANGAL - 506 009.**  
**TELANGANA STATE**  
**JANUARY -2022**

**INDIAN WELFARE STATE AND NEO-LIBERAL POLICIES:  
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**DEPARTMENT OF POLITICAL SCIENCE**  
**KAKATIYA UNIVERSITY**  
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## DECLARATION

I, Andem Madhu Sudhan Reddy, hereby declare that the thesis titled: '**INDIAN WELFARE STATE AND NEO-LIBERAL POLICIES: A STUDY OF THE EDUCATION SECTOR**' submitted by me for the award of the Doctor of Philosophy in Political Science is the result of my original and independent research work carried out under the guidance of Dr. **B. SANJEEVA REDDY**, Professor (Retd.), Department of Political Science, Kakatiya University, Warangal.

I, further declare that this thesis or any part of it has not been previously formed the basis for the award of any Degree, Diploma of this University or any other Institution.

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**(Andem Madhu Sudhan Reddy)**

**Dr. B. SANJEEVA REDDY**  
*M.A., M.Phil., Ph.D.*  
**Professor (Retd.)**



**Department of Political Science**  
**University College,**  
**Kakatiya University,**  
**Warangal – 506 009, Telangana**  
**State, India.**

---

**Mobile: +91 9704113859 E-mail Id:baddamreddy2012@gmail.com**

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### **CERTIFICATE**

This is to certify that the thesis titled: **“INDIAN WELFARE STATE AND NEO-LIBERAL POLICIES: A STUDY OF THE EDUCATION SECTOR’** submitted by Andem Madhu Sudhan Reddy for the award of the degree of **Doctor of Philosophy in Political Science** is original research work carried out under my supervision. This thesis or any part of it has not been submitted for the award of any Degree/Diploma to this University or any other Institution.

**(Dr. B. SANJEEVA REDDY)**

**Research Supervisor**

Date:

Place: Warangal.



## ACKNOWLEDGEMENTS

I express my deep sense of gratitude to my research supervisor **Dr. B. Sanjeeva Reddy**, Professor (Retd.), Department of Political Science, Kakatiya University, Warangal for his scholarly guidance and meticulous care in shaping this thesis. I am thankful to him for his constant encouragement in enabling me to complete the present study. Words cannot express my heartfelt gratitude to him.

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I am thankful to **Prof. T. Manohar**, Department of History and Tourism Management, Principal, Arts & Science College, Subedari, for his support and encouragement.

Words cannot express my gratitude to **Dr. G. Ram Reddy**, Professor (Retd), Department of Political Science, Osmania University, for his guidance while pursuing study and I thank **Prof. Jadi Musalaiah**, Head, Department of Political Science, Osmania university, my friends, colleagues and my family for their help and encouragement in completion of this work.

**Andem Madhu Sudhan Reddy**

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## **ABBREVIATIONS**

NEP - National Education Policy

IIT - Indian Institute of Technology

NIT- National Institute of Technology

AISHE - All India Survey on Higher Education

GDC - Government Degree College

U-DISE - Unified District Information System for Education

NPM - New Public Management

WTO - World Trade Organization

NPE - National Policy on Education

DPEP - District Primary Education Programme

SSA - Sarva Shiksha Abhiyan

RCT- Rigorous Randomized Control Trial

PPP - Public-Private Partnership

KG - Kinder Garden

PG - Post Graduations

GOI - Government of India

UGC - University Grants Commission

CAG - Comptroller and Auditor General

CDP - Community Development Programme

NES - National Extension Scheme

SFDA- Small Farmers Development Agency

MRTP- Monopoly Restrictive Trade Practices

MPS-Mont Pelerin Society

USSR - United Soviet Socialist Russia

IMF - International Monetary Fund

GATT- General Agreement on Trade and Tariff

(GDP) - Gross Domestic Product

(SEBI) - Securities and Exchange Board of India

(IRA). - Insurance Regulatory Authority

(CABE) - Central Advisory Board on Education

(MHRD) - Ministry of Human Resource Development

(RMSA) - Rashtriya Madhyamik Shiksha Abhiyan (RMSA)

(POA) - Programme of Action

(GER) - Gross Enrollment Ratio

(NAAC) - National Assessment Accreditation Council

(TSSA) - Telangana Sarva Shiksha Abhiyan Society

(TSWREIS) - Telangana Social Welfare Residential Educational Institutions Society

(MJPTBCWREIS) - Mahatma Jyotiba Phule Telangana BC Welfare Residential Educational Institutions Society

(KGBV) - Kasturba Gandhi Balika Vidyalaya

(TMREIS) - Telangana Minorities Residential Educational Institutions Society



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**CORRIGENDUM TO PRESS NOTE**

On the basis of representation of the candidate and documentary evidence, the name of Mr/Ms. A. Madhu Sudhan Reddy S/D/o. Narsireddy, who has been declared qualified for the degree of **Doctor of Philosophy (Ph.D.) in Political Science** of the Kakatiya University, vide Press Note No.649/E1/Ph.D./KU/2022, dated 04-07-2022 may be corrected to read as ( **Mr/Ms. Andem Madhu Sudhan Reddy S/D/o. Andem Narsi Reddy**).

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\* \* \*



## GLOBALIZATION AND INDIAN WELFARE STATE

M. Venkat Reddy

Andem Madhu Sudhan Reddy

For about three to four decades after independence, India embarked, due to internal compulsions, global changes and the pressure from multilateral global agencies like IMF, WB, and WTO (the then GATT), on the policies of liberalization, privatization and globalization which are termed as neo-liberal policies. These policies aim at withdrawal of the state from hither to areas of its operation. Socialistic pattern of society that has been envisioned by the Indian constitution is on the retreat. The operational aspects of neo-liberal policies include de-licensing, de-reservation, de-control, disinvestment, lifting of tariffs, privatization and devaluation of the rupee. With all these policies, the Indian welfare state has metamorphosed into a kind of short-term oriented and populist oriented schematic welfare state, for which there has been an intense competition among the political parties for their immediate electoral dividends. In this context, may paper analyses as to how the Indian welfare state is losing its long term benefits and how neo-liberal policies are benefitting the corporate sector and international finance capital.

After India attaining independence, it had to embark on nation building activity and massive reconstruction of Indian economy that had been shattered by two centuries of colonial exploitation, in conformity with constitutional values, by promising to ameliorate the lives of the people who had been caught in the vicious circle of poverty, illiteracy, ignorance, superstitions, unemployment, caste rigidities. The programmes like community development Programme, National extension service schemes were initiated for the development of rural areas, for the effective implementation

of which Balwant Roy Mehta committee advised for three tier Panchayat Raj institutions to ensure the participation of the people, which, it was felt the minimum requirement for carrying out any development activity. Community development Programme and National Extension Scheme were aimed at integrated rural development and for creation of permanent rural assets.

Apart from above programmes, the Indian state embarked on a massive scale to provide for goods and services and also to create, with active intervention of the state, massive infrastructural and industrial base with centralized planning after Soviet model of development. It brought in land reform legislation. In order to make Indian economy self reliant, import substitution was the main policy agenda. For about three decades these kinds of policies were adopted and implemented.

But these development oriented policies were sought to be carried out with the colonial inherited administrative structure which was regulatory oriented with rule oriented bureaucratic nature of British era of revenue collection. A case in point was a collector had to fear of severe disciplinary action from the then existing Revenue Board<sup>1</sup> (Prasad, 2012) a inheritance of the colonial era after allocating a land in his district to a company even after its in principle approval by the state cabinet.

Small Farmers Development Agency (SFDA), (it was a forerunner to the National Rural Employment Guarantee Scheme introduced in 2005) was introduced in early 70s to provide a source of lively hood to small and marginal farmers and agricultural workers when they had no work during the non-agricultural season and to

*Prof. M. Venkat Reddy, Professor of Political Science, SDLCE, Kakatiya University, Warangal (Telangana)*

*Mr. Andem Madhu Sudhan Reddy, Assistant Professor, Department of Political Science, Government Degree & PG College, Jammikunta, Dist. Karimnagar (Telangana)*

**LIBERAL EDUCATION APPROACH IN HIGHER EDUCATION AND  
SOFT SKILLS****ANDEM MADHUSUDHAN REDDY**

Assistant Professor of Political Science

Kakatiya Government College,

Hanamkonda

E-Mail: [andem.madhu2013@gmail.com](mailto:andem.madhu2013@gmail.com),

Mobile: 9849747325

**ABSTRACT**

*The question of imparting soft skills among the students can only be addressed by bringing about holistic changes in the entire education system in India. After realizing the serious systemic defects in Indian higher education system in this regard, Draft New Education Policy 2019 aims at introducing liberal education approach in higher education in a big way to meet 21<sup>st</sup> century challenges and so as to enable students to explore the numerous remarkable relationships that exist among the sciences and the humanities, mathematics and art, medicine and physics, etc. – and more generally, to explore the surprising unity of all fields of human endeavor. A comprehensive liberal arts education develops all capacities of human beings – intellectual, aesthetic, social, physical, emotional and moral – in an integrated manner. Such education, which develops the fundamental capacities of individuals on all aspects of being human, is by its very nature liberal education, and is aimed at developing good and complete human beings. Indeed, the available assessments on educational approaches in undergraduate education that integrate the humanities and arts with STEM( Science, Technology, Engineering and Mathematics) have consistently showed positive learning outcomes, including increased creativity and innovation, critical thinking and higher order thinking capacities, problem solving abilities, teamwork, communication skills, deeper learning and mastery of curricula across fields, an increase in social and moral awareness, besides general engagement and enjoyment of learning. The draft National Educational policy, 2019 says, “As an example, a survey of Nobel Prize winning scientists revealed that they are three times more likely than the average scientist to have an artistic hobby. Research is also improved and enhanced through a liberal education approach”. In this context, my paper seeks to explore and explain as to how liberal education approach which the Draft New Education Policy proposes to introduce in Indian higher education system would make the education a holistic one and enhances soft skills.*

**Keywords:** Holistic, Integrated, STEM, Education Policy .....

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# **INDIAN WELFARE STATE AND NEO-LIBERAL POLICIES: A STUDY OF THE EDUCATION SECTOR**

## **Chapter -I Introduction**

Apart from the ideologies of Gandhi, Nehru and Ambedkar, the conditions that prevailed at the time of Independence influenced the emergence of Indian welfare state. Indian constitution provided the legitimacy to the Indian welfare state in terms of Directive Principles of State Policy in general and Article 45 in particular which said “The state shall endeavour to provide, within a period of ten years from the commencement of this Constitution, for free and compulsory education for all children until they complete the age of fourteen years”. As part of it, educational institutions from primary to higher education were created. Kothari Commission on education recommended for neighborhood common school system for provision of equitable educational opportunities to all the citizens of India. Many Committees/Commissions, including National Education Policy 1986, that were appointed later directly or indirectly supported neighborhood common school system. Even National Education Policy 2020 says, “Public education system is the foundation of a vibrant democratic society”(NEP,2020)<sup>1</sup>.

Though such a system could not be introduced, given the inequitable social and economic system, Indian government made efforts to establish public funded schools and higher educational system including Universities, Research institutes, IITs, RECs (NITs) and medical colleges, graduate colleges etc.,. But since late 80s and early 1990s,. privatization of school and higher education has fast picked up with neo-liberal policies occupying the centre stage challenging the basic welfare orientation of the Indian State.

1. National Education Policy (2020), Government of India, 8.4. p.31

The multi lateral agencies led neo-liberal policies of globalization, liberalization and privatization, treating education as commodity and higher education as non-merit good where public investment as unnecessary, have led to a situation of increasing privatization and negligence of public funded schools and higher education. The experience of neo-liberal policies in education sector in India in general and in Telangana in particular, where a new welfare orientation is sought to be projected, for about two and half a decade has not been encouraging in terms of quality, equity and access.

### **Dichotomous presence of welfare state and neo-liberal policies**

Though the neo- liberal policies, that are inimical to welfarism, are premised on the belief that socially desirable goals like full employment and economic growth are automatic outcomes of a free-market economy and that government interventions are futile and unnecessary (Rajesh Battacharya,2014)<sup>2</sup>, started picking up since 1970s in Britain and in America. In India, poverty eradication measures from early 1970s have been the most prominent of the welfare measures because of the constitutional compulsion of social, economic and political justice as well. While the coverage of welfarism has been piecemeal and inadequate and it seems to have been increasing over time with the notion of right to life becoming an accepted democratic principle. Food subsidies for the poorer sections have increased; right to free and compulsory schooling up to the age of 14 has been made into a Fundamental Right; various forms of employment guaranty Schemes, especially Mahatma Gandhi National Rural Employment Guarantee Scheme, have been launched recently (C.T Kurian, 2012)<sup>3</sup>.

2. **Rajesh Battacharya** (2014),A Relevant Economics for India: Dark Past, Bleak Future, in Ravi Kumar(ed.) *Education, State, and Market-Anatomy of Neoliberal Impact* pp.236-261,Aakar Books: New Delhi.

3. **C.T. Kurien** (2012) ‘Wealth and Illfare: An expedition into Real life Economics’, Books for Change, Bangalore, India.

However, with the launch of neo liberal economic reforms in 1990s the state withdrawal from education and health has been vigorously promoted leading to corporatization and commoditization of these services and also all aspects of social and cultural life (Giroux,2009). The public institutions hitherto providing these services have been neglected. The affordable sections of middle and above middle class people flocked to private educational institutions, a few of which monopolized the educational services and started charging exorbitant fee. This has led to a situation where these services have become unaffordable to the poor and even to middle class sections of the people.

This paradoxical context of representative democratic compulsion of welfarism on the one hand and the neo-liberal agenda being thrust, on the other, has been the confusing experiences of the democratic countries like India, amidst ideological debate about competing efficacy of the socialist driven welfare state and neo-liberal state that promotes demand- supply driven market economy. Corresponding to this debate is the binary of the competing efficacy of public and private education sector, however narrowed the debate may be (Vivek Vellanki, 2015)<sup>4</sup>.

David Harvey points out that there was an extensive debate between those who advocated "social democracy and central planning on the one hand" (professing welfare state) and those "concerned with liberating corporate and business power and re-establishing market freedoms on the other"(David Harvey, 2005). Harvey also notes that by 1980, the latter group had emerged as the leader, advocating and creating a global economic system that would become known as neo-liberalism.

The concept of welfarism which though many view is very much useful to the poor, has been misused by the competitive politics leading to populism and attracting

**4. Vivek Vellanki, Government Vs Private Schools in ASER 2014; Need to Avoid Binaries, Feb 14,2015, Vol.no.7,Economic and Political Weekly.**



widespread abhorrence from the protagonists of neo-liberalism, while the policies of neo-liberalism have led to gross inequalities and denial of accessibility of certain basic services and goods to the disadvantaged sections of the society. And even the middle class people have been subject to bitter experiences in accessing health and education. The poor and lower middle class sections of the society consequently are left with neglected and dilapidated public institutions and their welfare has suffered.

Even though the welfare orientation appears to have been on the rise with adoption of Right to Work and Right to food, yet in the overarching dominance of the neo-liberalism, it is not just the minimal state or extent of the state's presence in the development process that is at the heart of the matter now but how actively and effectively the state can facilitate the neo-liberal reforms is the crucial question for the governments of the day. And there is a pressure to cut spending not only on welfare schemes but also on social sectors like education to reduce fiscal deficit from World Bank and IMF led neo liberal policy makers.

Planning commission used to be one of the main fund allocating bodies to the education sector and it epitomized the ambition of establishing egalitarian social order with the ideal of sovereign nation to utilize its resources in the best possible way for the benefit of its people. The Planning Commission which was directive till 1990 became indicative inconformity with neo-liberal economic order and finally was abolished. It all seems to be what is called neoliberal brainwashing that will send all centralized forms of state management to the dustbin of history(Eva Alicja Majewska, 2015)<sup>5</sup>.

**Impact on education sector:** In the last 25 years, massive expansion of the school and higher education has taken place. Large chunk of it is in private sector which has been supported and promoted by the state.

**5. Eva Alicja Majewska,** 'We are not in politics to win' an e-mail interview with G.Sampath, 25<sup>th</sup> November,2015,The Hindu.



The public funded education sector has been made to suffer due to lack of recruitment, fund crunch and also due to large presence of private sector which lobby for their protection at the cost of the former.

## Higher Education

**Table 1: The Massive Expansion and privatization of higher Education**

year	universities	colleges	students	GER
1990-91	193	7346	4.9 million	6.6
2000-2001	256	12806	8.4 million	8.1
2014-15	711	40760	33.3 million	23.1
2018-19	993	39931 Colleges and 10725 Stand Alone Institutions	37.4 million	26.3%

(Source: AISHE- 2001-2, 2014-15, 2018-19)

With 993 universities and more than 39931 colleges, 10725 stand alone institutions enrolling more than 37 million students, Indian higher education is a large and complex system. The structure of degree-granting institutions is cumbersome primarily due to "affiliation" and funding sources. More than 85% of students are enrolled in bachelor's degree programs with majority enrolling in three-year B.A., B.Com. or B.Sc. degrees. One-sixth of all Indian students are enrolled in Engineering/Technology degrees.

As per 12th five year plan and AISHE 2017-18, there were less than 25 per cent private un-aided universities and Colleges in 2001- 02. By 2011-12, it jumped to nearly

73 per cent private universities and colleges (AISHE 2011-12). As per AISHE-2018-19, 77.8% Colleges are privately managed; 64.3% Private-unaided and 13.5% Private-aided. Andhra Pradesh & Uttar Pradesh have about 88% Private-unaided colleges and Tamil Nadu has 87% Private-unaided colleges, whereas, Assam has 16.0%. In Telangana state, there are 1,196 degree colleges with an intake capacity of 4.26 lakh students. Of these 1196 degree colleges, 130 are government degree-colleges (GDCs) and 69 are aided colleges. 84,068 students are enrolled in the government degree colleges and 59,338 students are enrolled in aided colleges.

Despite the fact that private institutions gained enormously from the neoliberal policies of the state, quality and equity in higher education have become big issues.

### **Increasing privatization of School Education**

Similarly, in school education too, the share of private sector is increasing. The average share of Private Unaided Schools of primary, upper primary, secondary and higher secondary in total number of schools in 1986-87 accounted for 7.4. It increased to 19 per cent in 2014-15, 19.38 in 2015-16 and 19.78 in 2016-17. (U-Dice Flash Statistics, 2016-17). The increase in the number of government schools from 2010-11 to 2015-16 was just 12297, the corresponding number in the case of private schools was staggering 77063. (Geetha Gandhi Kingdom, 2017)<sup>6</sup>

**Table 2: Increasing share of private schools**

<b>1986-87</b>	<b>2015-16</b>	<b>2016-17</b>	<b>2017-18</b>
7.4	19.38	19.78	20.67

(Source: U-DISE Flash Statistics, 2017-18).

As official data does not include unrecognized schools, these figures do not reveal the actual extent of growth of private schooling in the country.

**6. Geetha Gandhi Kingdom (2017) The Private Schooling Phenomenon in India: A Review**, p.11 MARCH 2017 University College London and IZA, accessible on internet

Many of the private schools have gained recognition through dubious means and a significant number of the private unaided schools that have been sprouting up all over the country are unrecognized schools.

The national average percentage of enrolment in private sector was 31.37. In some states like Uttar Pradesh and Telangana, enrollment in private sector crossed 50 per cent (U-DISE, 2014-15, table 3.3)<sup>7</sup>.

Thus, since late 1980s, with adoption of structural adjustment policies or the neo-liberal policies, there has been mushrooming growth of private schools while negligence of public funded schools further exacerbated the conditions prevailing in them.

### **Neo-liberalism**

Neo liberalism is a policy prescription for the withdrawal of the state to facilitate the participation of the private sector. It claims that the government has become too large and dispersed and that it has lost focus and public administration has given way to New Public Management (NPM) which represents the synthesis of public administration and private administration.

The neo-liberal policy's tendency of budget cuts and fiscal deficit discipline, irregular and inadequate recruitments and less allocation of funds has further exacerbated the problems of public institutions. And at the same time more private educational institutions have been permitted to come up in small and big urban localities. Private corporate educational institutions have also come up in a big way. Indiscriminate growth of private educational institutions has an ill-effect on the overall functioning of the public institutions. The unbelievably rapid growth of the private sector has resulted in crowding out or displacing or damaging the public sector in no time.

7. U-DISE (2014-15), table 3.3

Now, there is practically no space for the government to set up a full-fledged institution (Jandyala B G Tilak, 2014)<sup>8</sup>.

### **Statement of the Problem**

The public good nature of education and the education as a democratic right (John Dewey, 2013)<sup>9</sup> entails ‘welfare state’ which is at stake due to neo-liberal policies. The emergence of Indian welfare state is rooted in the ideals espoused by Gandhi, Nehru, Ambedkar and others etc. during the making of Indian constitution. Though, the emergence of Indian welfare state was a compromise between capitalism and socialism, yet it required near complete state intervention in some social sectors like education sector.

However, the neo-liberal policies have created a compulsion on the state to withdraw, seriously affecting social sectors like education sector. The liberalization, privatization and globalization policies are not only leading to commercialization of education but also leading to shrinking space for public education. The state withdrawal and intervention are the competing tendencies that reflect the larger global scenario of neo-liberalism and welfare orientation in general and in Telangana State in particular.

It is in this context, there is need to understand and explore the emergence of Indian welfare state and its constitutional legitimacy and how state withdrawal has become imminent due to neo-liberal policies. And as a result, how increasing privatization of school and higher education in India in general and in Telangana State in particular is affecting the long held goals of Indian education system of equity, quality and accessibility

**8. Jandyala BG Tilak** (2014) ‘Private Higher Education in India’ *Economic and Political Weekly*, Vol - XLIX No. 40, October 04, 2014.

**9. John Dewey** (2013) ‘Democracy and Education: An Introduction to the Philosophy of Education’ , Aakar Books Classics, New Delhi

This is achieved by analyzing with the help of macro data collected from government documents, other independent sources and content analysis.

## **Review of the literature**

### **Books**

**David Harvey (2005)**<sup>10</sup>, in his book ‘A Brief History of Neo-liberalism’, shows the incoherence in neo-liberal theoretical framework, when he says, ”The scientific rigour of its neoclassical economics does not suit easily with its political commitment to ideals of individual freedom, nor does its supposed distrust of all state power fit with the need for a strong and if necessary coercive state that will defend the rights of private property, individual liberties, and entrepreneurial freedoms. And there are, as we shall see, enough contradictions in the neoliberal position to render evolving neoliberal practices (vis-à-vis issues such as monopoly power and market failures) unrecognizable in relation to the seeming purity of neoliberal doctrine. We have to pay careful attention, therefore, to the tension between the theory of neo-liberalism and the actual pragmatics of neo-liberalization”.

He explained how the freedom that is extolled by neo-liberal thinkers would become preserve of the private enterprise and the rich. He says, ”the idea of freedom ‘thus degenerates into a mere advocacy of free enterprise’, which means ‘the fullness of freedom for those whose income, leisure and security need no enhancing, and a mere pittance of liberty for the people, who may in vain to attempt to make use of their democratic rights to gain shelter from the power of the owners of property”.

**10. David Harvey (2005)**, ‘A Brief History of Neo-liberalism’ Oxford University Press, NewYork.

## **What is the alternative?**

He speaks about how Republican Party in USA and many modern intellectuals directly or indirectly support neo-liberal policies. He also mentions how even some left leaning intellectuals, while suggesting their innovative ideas, support larger values of neo-liberalism.

He says, “Unfortunately, contemporary contributions either take a purely neoliberal line (as does the political commentator Fareed Zakaria, who purports to demonstrate irrefutably that an excess of democracy is the main threat to individual liberty and freedom) or else trim their sails so closely to dominant neoliberal winds as to offer little in the way of counterpoint to the neoliberal logic. Such is, regrettably, the case with Amartya Sen. Sen’s *Development as Freedom*, by far the most sensitive contribution to the discussion over recent years, unfortunately wraps up important social and political rights in the mantle of free market interactions. Without a liberal-style market, Sen seems to say, none of the other freedoms can work. A substantial segment of the US public seems for its part to accept that the distinctively neoliberal freedoms that Bush and his fellow Republicans promote are all there. These freedoms, we are told, are worth dying for in Iraq and the US ‘as the greatest power on earth’ has ‘an obligation’ to help spread them everywhere”.

He also dwells on the alternatives to neo-liberalism. He believes in initiating a political process so as to reach to a point where “feasible alternatives, real possibilities, become identifiable”. He says, “There are two main paths to take. We can engage with the plethora of oppositional movements actually existing and seek to distil from and through their activism the essence of a broad-based oppositional programme. Or we can resort to theoretical and practical enquiries into our existing condition (of the sort I have engaged in here) and seek to derive alternatives through critical analysis. To take the latter path in no way presumes that existing oppositional movements are wrong or somehow defective in their understandings. By the same token, oppositional movements



cannot presume that analytical findings are irrelevant to their cause. The task is to initiate dialogue between those taking each path and thereby to deepen collective understandings and define more adequate lines of action”.

**Simon Marginson**, (2014)<sup>11</sup> in his work, ‘Higher Education as a Public Good in a Marketized East Asian Environment’, in A. Yonezawa et al. (eds.), says, “The communicative globalization that began in the early 1990s coincided with the rise of neo-liberalism in government, which began a little earlier in the 1980s with Thatcher government in the United Kingdom. This historical coincidence, with accelerated globalization and neoliberal ideologies happening at the same time, was to deeply shape understandings of global convergence around the world. Global convergence and policy borrowing accelerated the flow of neoliberal ideas and techniques. Neoliberal approaches to policy and government spread rapidly across the world in the 1990s and after, deeply shaping higher education policy and regulation everywhere. . At the same time, neoliberal thinkers developed their own distinctive narrative of global convergence, in which it was defined as the formation of deregulated competitive markets on a worldwide scale—as if globalization was nothing more than the Anglo-American neoliberal project—rather than a process of cultural integration or a matter of common interest. Those who wanted to resist neoliberal policies in higher education and other sectors often blamed globalization for those policies and wanted to strengthen national resistance to global flows. But this was futile. A better approach was (and is) to develop an alternate political globalization to neoliberal globalization, pushing the different national cultures out into the global dimension”. But whether it is political globalization or communicative globalization, the main issue is the lack of equitable global order which has been dominated by a few developed countries which always try to arm-twist the developing -

**11. Simon Marginson**, (2014), ‘Higher Education as a Public Good in a Marketized East Asian Environment’, in A. Yonezawa et al. (eds.), New York City,USA.

countries through policy prescriptions in the form of neo-liberalism, aided and abetted by their multi-lateral agencies like World Bank, International Monetary Fund and World Trade Organization. Another issue is that national cultures are being sub-ordinated or sometimes sought to be suppressed, instead of being encouraged and pushed out into the global dimension.

**Rizvi and Lingard(2010)<sup>12</sup> in their book, 'Globalising Education Policy'** argues that Organisation for Economic Cooperation and Development was founded after the Marshal Plan of World War II as a think tank, a geographic entity, an organizational structure, a policy forum, a network of policy makers, researchers and consultants, or in informal terms an intergovernmental organization of thirty of the world's most developed countries which are committed to the principles of a market economy and a pluralistic democracy. It created an assessment system that allows comparisons of educational achievement across national boundaries.

They argue that the neoliberal imaginary of globalization is in the long run economically, politically, and environmentally unsustainable—economically so because of the social inequalities and economic instability it produces, politically because of its undemocratic character, and environmentally because it assumes that the world's exploitable resources are inexhaustible. But these aspects are beyond the sphere of educationist and education policy makers. They failed to throw light on as to how the neo-liberal challenges are faced.

**Amartya Sen and Jean Dreze(2013)<sup>13</sup>**, in their recent book; 'An Uncertain Glory; India and Its Contradictions' try to favour the efficacy of state run schools over the private schools and try to argue for enhancing the quality of education.

**12. Rizvi and Lingard(2010)** 'Globalising Education Policy'), Routledge, London and New York.

**13. Amartya Sen and Jean Dreze(2013)**; 'An Uncertain Glory;India: India and its Contradictions' Penguin Books India Limited, New Delhi,110017, India.

But they are directionless as they vacillate between the compulsory presence of private education system and the necessary presence of the state run schools. They fail to recognize that how the presence of the private corporate sector itself is one of the main reasons for the poor quality of the Indian Education system.

**William Davies (2014)**<sup>14</sup> in his book ‘The Limits of neo-liberalism’, says that contrary to the view that neo-liberalism represents a form of market fundamentalism or a revival of 19<sup>th</sup> century Laissez – faire, in fact the very institution of neo-liberalism is not a market as such, but particular market based( market derived) forms of economization, calculation, measurement and valuation. In all cases, neo-liberalism is typically less concerned with expanding the reach of market per-se, - than in expanding the reach of market based principles and techniques of evaluation. In neo-liberal discourse, social justice, fairness and right are all calculated and evaluated, in terms of quantitative language of efficiency, price and preference. Any source of intrinsic authority is emptied out, and replaced with extrinsic evaluation. Yet this necessarily bestows intrinsic authority upon the economic techniques via which that evaluation is carried out.

Neoliberalism is an attempt to replace political judgement with economic evaluation, including but not exclusively, the evaluations offered by markets. Neoliberalism is the pursuit of the disenchantment of politics. It involves a deconstruction of the language of common good or the public, which is accused of potentially dangerous mysticism. Neoliberalism might therefore be defined as the application of market based principles and techniques of evaluation to the state endorsed norms.

**14. William Davies (2014)** ‘The Limits of neo-liberalism’ (2014) Sage Publications, New Delhi,

**David Hursh (2007)**<sup>15</sup>, in the book, ‘Neo-liberalism and Education Reform’ describes how, over the last two decades, neoliberal policies have transformed educational systems around the globe, with public schools being replaced with private, for-profit, competitive, market-based schools that increase inequality and undermine democracy. He describes how in the United States, state and federal governments now require that students and schools be evaluated through statewide standardized exams. In some states, students must pass the exams in order to be promoted from one grade to another or from high school. Under the federal NCLB Act (No Child Left Behind), schools failing to make adequate progress must fund tutoring for their students, often through private for-profit organizations. Furthermore, failing schools face the prospect of being administered by or turned over as charter school to a private corporation.

**Hursh** also describes how in England, schools are competing with one another for students, test scores, and funding.

There is compelling evidence regarding the harmful effects of competition has on the culture of the school, including teacher professionalism and student success. Hursh argues that these reforms are not, contrary to their proponents’ claims, improving education for all. Rather gap between the schools is widening. He describes how comprehensive schools in Britain and America are in decline, creating a hierarchy of schools in both countries. Because of the requirement of raising test scores, teachers have less flexibility in creating curriculum that responds to the need of the students in their class.

**Pauline Lipman (2007)**<sup>16</sup> in the same book argues that NCLB further integrates education into a global and national neoliberal agenda. By framing education in the language of accountability and choice, NCLB further consolidates—materially and ideologically—corporate control of education for profit.

**15. David Hursh (2007)**, ‘Neo-liberalism and Education Reform’ (Ed) E. Wayne Ross and **Rich Gibson, Hampton Press, INC Cresskill, New Jersey.**

**16. Pauline Lipman (2007)** ‘Neo-liberalism and Education Reform’ (Ed) by E. Wayne Ross and **Rich Gibson , Hampton Press, INC Cresskill, New Jersey.**

NCLB policies and the discourse surrounding them become a “discourse policy” directed to society as a whole, defining educational problems and their solutions so as to limit the possibilities we have of thinking and acting otherwise. Lipman calls for an alternative discourse rooted in social justice to speak to the real urgency to address the profound inequalities and mis-education that define public schools. She concludes that despite their profound failures, free public schools need to be fought for as a democratic public space and fought over ideologically. Glenn Rikowski (2007), one of the authors of the above book, provides multiple interlinked explanations as to how the business takeover of schools is happening, particularly in the United Kingdom, and the role that the World Trade Organization’s (WTO) GATS is nurturing the corporate takeover of schools and other public services. Rikowski examines the historical contexts of the WTO and the GATS, to provide a “clearer view of the monster casting a shadow”.

**John Dewey’s (2013)<sup>17</sup>** book ‘Democracy and Education: An Introduction to the Philosophy of Education’ that appeared in India in the early 21<sup>st</sup> century, as stated by Krishna Kumar, Director, NCERT New Delhi in his forward in the book, should arouse renewed interest in the pedagogy and politics of both Dewey and Gandhi. Equally important is the need to expose the intellectual legacy of Dewey in Ambedkar who had studied under Dewey. Krishna Kumar says, even as India’s democracy continues its struggle against culturally rooted and reinforced inequality, Ambedkar’s vision of cultural transformation and his fascination for Dewey’s social analysis demand deep attention from policy makers of education and teachers.

**17. John Dewey’, ‘Democracy and Education: An Introduction to the Philosophy of Education’ (2013, Aakar Books Classics, New Delhi.**

For John Dewey, “education is the process through which the needed transformation may be accomplished and not remain a mere hypothesis as to what is desirable, we reach a justification of the statement that philosophy is the theory of education as a deliberately conducted practice”.

“Democracy stands in principle for free interchange, for social continuity, it must develop a theory of knowledge which sees in knowledge the method by which one experience is made available in giving direction and meaning to another”.

“All education which develops power to share effectively in social life is moral. It forms a character which not only does the particular deed socially necessary but one which is interested in that continuous readjustment which is essential to growth. Interest in learning from all the contacts of life is the essential moral interest”.

Whether such great classic purpose of education set in the context of a nation state would stand the test of the present time when privatization is seen as common phenomena which would result in increased school choice and competition leading to attainment of overall educational levels in the country. But the analysis of Programme for International Student Assessment (PISA), as studied by D.D. Karopady( ‘Does School Choice Help Rural Children From Disadvantaged Sections?; Evidence from Longitudinal Research in Andhra Pradesh’, EPW49(51), 20December2014), suggests that competition and school choice do not improve learning outcomes at the system level but could lead to ‘greater inequity and segregation’.

According to Birdsall and Fukuyama, in their work, ‘The Post-Washington Consensus: Development After the Crisis’ the Post-Washington Consensus has focused on ways to approach economic development outside of the prescriptions laid out with the Washington Consensus. In fact, there was a great deal of attention on such neo-liberal policies such as the Washington Consensus with the recent economic crises that occurred

in the United States and internationally. Based on some of the flaws, inefficiencies, and false promises of the Washington Consensus as some saw it, there is a belief that states are going to become even more skeptical of Washington Consensus policies such as free markets, focusing more on policies that they believe will focus more on domestic stability, promoting local industries instead of focusing on attracting outside capital, all the while providing an additional government role for social programs. Again, it is not to suggest that states will turn away from free market capitalism. But they will have some sort of regulations in place.

They further say that it seems that states will continue to establish a place for governments to have a role in the domestic economy, particularly in the context of social programs for their respective populations. Much of this is political. As leaders are in power, they want to ensure their political survival. This can be done in a number of ways, one of which includes economic development. However, when there is an economic crisis, scholars argue that citizens of that country will rely on their leadership to help in those troubled times. An inability to have adequate social protections with an economic crisis could be very troubling for re-elections, and thus, leaders have become aware of this with the recent economic crises.

**Noam Chomski (1999)**<sup>19</sup> in his book, 'Profit over People: Neo-liberalism and global order' argues that the same corporations that dominate the economy and that exult in neo-liberal ideology are in fact often hypocritical; they want and expect governments to funnel taxes to them, and to protect their markets for them from competition, but they want to assure that governments will not tax them or work supportively on behalf of non-business interests, especially on behalf of poor and working class. And nowhere, he further argues, is the centrality of governments and policy making more apparent than in the emergence of global market economy.

**19. Noam Chomski (1999)**, Profit over People: Neo-liberalism and Global Order', Madhyam Books, Delhi.

Globalization is the result of powerful governments ,especially that of the united States, pushing trade deals and other accords down the throat of the world’s people to make it easier for corporations and the wealthy to dominate the economies of nations around the world without having obligations to the people of those nations. Nowhere is the process more apparent than in the creation of the World Trade Organization (WTO) in the early 1990s, and ,now, in the secret deliberations on behalf of the Multilateral Agreement on investment( MAI).

**Joseph Stiglitz (2015)<sup>20</sup> in his book ‘Discontents of Globalization’** explains as to how IMF works without any transparency and how it imposes neo liberal policies on developing countries and how eventually they are made to suffer. Even though Globalization, he claims, works against the interests of the poor but he seems to have been supporting it with transparent and proper policies of the IMF and World Bank.

**Thomas Picketty (2014)<sup>21</sup> in his book, ‘CAPITAL in the Twenty First Century’,** concludes that market economy based on private property, if left to itself, contains powerful forces of convergence, associated in particular with the diffusion of knowledge and skills; but it also contains powerful forces of divergence, which are potentially threatening to democratic societies and to the values of social justice on which they are based. The principal destabilizing force has to do with the fact that the private rate of return on capital,  $r$ , can be significantly higher for long period of time than the rate of growth of income and output,  $g$ . The inequality  $r > g$  implies that wealth accumulated in the past grows more rapidly than output and wages.

**20. Joseph Stiglitz (2015), ‘Globalization and its Discontents’,** Penguin Books Limited, New Delhi.

**21. Thomas Picketty (2014), ‘Capital in the Twenty First Century’,** The Belknap Press of Harvard University Press,



The entrepreneur inevitably tends to become a rentier, more and more dominant over those who own nothing but their labour. He suggests for the progressive tax on capital based on high level of international cooperation and regional political integration.

**Francis Fukuyama (1992)**<sup>22</sup> in his book, ‘The End of History and The Last Man’, argued that Liberal democracy may constitute the end point of mankind’s ideological evolution and the final form of human government, as such constitute the ‘end of history’. He says that there are injustices and serious social problems in liberal democracies. But these problems were due to incomplete implementation of the twin principles of liberty and equality on which modern democracy is founded but not of flaws in the principles themselves. The inherently unequal recognition that drove the human history was replaced by universal and reciprocal recognition, where every citizen recognizes the dignity and humanity of every other citizen with French and American revolutions. He argues for a coherent and directional History of a mankind that will eventually lead the greater part of humanity to ‘Liberal Democracy’ based on two reasons, one is ‘economics’ and the other is the ‘struggle for recognition’, while former accounts for modern natural science and resultant prosperity and the latter accounts for the emergence of liberal democracy which guarantees universal and equal recognition.

**John Rawls (1971)**<sup>23</sup> in his book “ A Theory of Justice” speaks of two principle of Justice. The first principle speaks of equal basic liberties like right to vote, freedom of thought, speech and assembly, liberty of conscience etc.. His second principle says that distribution of wealth and income need not be equal but it must be to everyone’s advantage, and at the same time, positions of authority and responsibility must be accessible to all.

**23. Francis Fukuyama (1992), Francis Fukuyama (1992), ‘The End of History and The Last Man’, The Free Press, New York.**

**24. John Rawls (1971), ‘A Theory of Justice’, p. 53, 87 and 92, Harvard University Press, USA**

This difference principle would allocate resources in education to improve the long term expectation of the least favoured. Thus, the resources for education are not to be allotted solely or necessarily mainly according to their return as estimated in productive trained abilities, but also according to their worth in enriching the personal and social life of citizens, including here the least favoured ( p.53, 87 and 92).

**David Runciman (2018)<sup>24</sup>** in his book, ‘HOW Democracy ENDS’ tried to trace out the factors that make the current crisis in democracy unlike those it has faced in the past, when it was younger. He analyzed three fundamental differences. First, political violence (for example through ‘coups’) is not what it was for earlier generations, either in scale or in character. Though violence exists now, yet it exists in the fringes, without ever reaching center stage. Second the threat of catastrophe has changed. Where the prospect of disaster once had a galvanizing effect, now it tends to be stultifying. We freeze in the face of our fears.

Third the information technology revolution has completely altered the terms on which democracy must operate. We have become dependent on forms of communication and information sharing that neither controls nor fully understand. He initiates the entire debate on ‘how democracy ends’, with the inauguration of Donald Trump, to start thinking about what the end of democracy would mean.

**24. David Runciman (2018) ‘HOW Democracy ENDS’, Manipal Technoogies Ltd, Manipal.**

## **Journals and articles**

**John Clarke (2007)**<sup>25</sup> has explained as to how the transformation of citizens into consumers takes place and its consequence. However, he says that the collectivist imaginaries of the past would act as a limit at the Neo-liberalism. The transformation of citizens into consumers has strong continuities with the neo-liberalism of the Conservative governments of the 1980s and 1990s which tried to shatter the institutionalized forms of Labourist or social democratic imaginaries. They challenged these social democratic forms, embedded in institutions of welfare and public services, through their promotion of consumer choice in a range of critical services. For example, they promoted ‘parental choice’ over schools for children.

The period was identified with what it calls a ‘rationing culture’ in which services were constructed on a basis of collective interest, a source of spirit of national self-sacrifice and understanding that a certain austerity about the funding and provision of public services was a necessity. This moment of national, economic necessity embodied a conception of collective sacrifice and so a ‘rationing culture’ provided a model of austere collectivism in which limited resources were carefully eked out to a grateful public. But, they argue, the society has shifted over the 50 years between 1945 and the end of the twentieth century from a rationing culture to a consumer culture.

In such a consumer culture, the old model of public services is anachronistic because such services fail to match the experiences and expectations of consumer choice in other areas of people’s lives. This is an insistent distinction, affirming that public services need to be reformed simply to be aligned better with the lives that people now lead

**25. John Clarke(2007)**, ‘Citizens—Consumers and Public Service Reform: At the Limits of Neo-liberalism published in *Policy futures in Education* , Volume 5, Sage Publications , November2, 2007

A consumer culture is one in which people can pursue their individual needs and wants, and expect responsive, flexible, adaptive organisations that fulfill their desires, meet their needs and satisfy their wants. The problem constructed in this narrative is that public services are dis-junctured from those experiences and expectations. They frustrate the individualism, they stifle the diversity of needs and wants, and they fail to be responsive.

Many reasons are adduced for that failure, but what I want to stress at this point is that narration of 1945 to the 1990s as one of a binary shift from an austere rationing culture to an expansive and innovative consumer culture. The consumer is a core image of the neoliberal claim about the nature of the world and how it must be. The shift from citizen to consumer seems to embody a set of much wider distinctions: for example, from the state to the market; from the public to the private; from collectivism to individualism; and from social democratic welfarism to neoliberalism.

He says, “Strange collectivist orientations, conceptions of publics, communities and categories of membership are – in this view – merely residual. They are the leftovers of older formations: the detritus of collectivism, welfarism, or social democracy. practice of ‘residualisation’ is one strategy for dealing with alternative projects – it is a strategy of displacement (displacing alternatives in time, rather than space). But the other two strategies – co-option and subordination – are also visible. Neoliberalism, he says, rarely ‘goes out alone’ – rather, it is to be found keeping company with very different others in specific regional and national ‘indigenisations’ or ‘translations’ as it comes to land in different places. But it also points to the persistence of recalcitrant imaginaries: those alternative possibilities that refuse to be wholly displaced, co-opted or subordinated. Such collectivist imaginaries – being ‘members’ of larger bodies – point to the limits of the neoliberal discourse and its New Labour articulation. Such imaginaries could be either residual or emergent – but they are certainly active forces in the present and may yet underpin other futures”.

**Jandhyala BG Tilak (2005)**<sup>26</sup> opines that essentially critical role played by the state in higher education in developing countries earlier and even now in advanced higher education today is no longer elitist: it is somewhat democratized , with large proportion of socio-economic weaker sections participating in higher education. This has also helped in attaining self-reliance in the manpower needs of the economy. Secondly, higher education is rightly and increasingly viewed as one of the effective instruments of socio-economic mobility of weaker sections of society. Third it is also widely recognized that higher education is an important factor in economic growth. All this, viewed in the broad context of the relatively low levels of living of people and incomplete markets, and given other socio-political considerations, makes it imperative on the part of the state to play a dominant role in the provision of higher education, and not to yield its place to market mechanisms in higher education Since he opined and expected in 2005, there has been huge expansion of higher education in India for the last 13 years. But the quality has suffered due to indiscriminate and un-regulated expansion of the private sector and also public sector without corresponding requirements of minimum quality teachers and other infrastructural facilities in private sector and adequate regular teaching faculty and lack of support to the public funded education.

**Karuna Chandana (2007)**<sup>27</sup> studied the impact of globalization on gender from the point of view of equity and concludes that in spite of the fact that higher education was free during first four decades since it was publicly funded women have not achieved equal access.

**26. Jandyala B.G. Tilak(2005)**, ‘Higher Education in Trishanku’: Hanging Between State and Market, *Economic and Political Weekly* 40(3): 4029-37.

**27. Karuna Chandana (2007)**“Globalization, higher education and gender”, *Economic & Political Weekly* 42 (7): 590-98, 17 Feb 2007.

It has also been either denied or almost impossible for the women from disadvantaged groups to access because of social and economic reasons. There is critical need to deconstruct the rhetoric surrounding globalization and economic liberalization their equitable impact. Since 1991, a number of private institutions have been established and they offered number of market oriented courses. Private has met the unmet demand for specific subjects and increased the intake capacity in the most sought after disciplines. But it was at very high cost. She argues that, since 1991, though private sector has met the unmet demand for specific subjects and increased the intake capacity in the most sought after disciplines, yet the issues of social access, equity or of quality received little attention in the private sector.

**Arup Maharatna (2014)<sup>28</sup>** discussed an overview of the major post-second world war trends and features of the neo-liberal economic thinking and policy in the sphere of education and their current and future ramifications for the civilisational progression that had kept flowing through the ages of Renaissance, Enlightenment and the Industrial Revolution. More specifically, he discussed how the early 1960s witnessed the somewhat abrupt emergence of a constricted reinterpretation of the role and purpose of education predominantly in terms of the objectives, categories and methodology of the mainstream (neoclassical) economics. This soon culminated in the founding of a new branch of mainstream economics, namely, “economics of education”.

An increasing sway of the latter nearly to the point of hegemony has eventually undermined the pre-existing humanistic vision and liberal view of education in which education is considered as a vehicle for moving forward not only to a higher material level but also – through its cultivation of original knowledge, objective scholarship, critical and perceptive thinking, creative imagination, democratic ideals – to a higher level of enlightenment, civilisational ethos, and citizenship.

**28. Arup Maharatna (2014), ‘Invasion of Educational Universe by Neo-liberal Economic Thinking - A Civilisational Casualty?’ Economic & Political Weekly September 13, 2014 Vol XIIX No 37.**

The latter's waning hold has brought in its wake an increasingly manifest dissonance, namely, between rapid technological/material advancement and a lagging pace and pattern of ideational, humanistic, and intellectual standard and progress.

He propounds that this "unholy" trend, if unchallenged for long, can increasingly land our global civilisation into a major crisis not exactly or immediately in the spheres of material living, comforts, and technology, but in terms of a deepening debilitation of academic standard, rigour, sanctity, and related intellectual, ideational, ideological vibrancy crucial for the sustenance of the perennial process of civilisational progression. He cautions that such higher level civilizational and intellectual ideals of education and their decline after the onslaught of neo-liberal thinking in education should not be treated and considered as mere ivory tower thinking by the contemporary humanity.

**Thomas Joseph (2007)<sup>29</sup>** has made comparison between the recommendations of National Knowledge Commission (NKC) and University Grants commission, in terms of consultation, expansion, quality and equity. While NKC was more concerned with expansion and excellence at the expense of equity and drawn its inspiration from the global trends which favor privatization and marketization of higher education and prioritization of skill development over intellectual training, UGC tried to integrate the triple objectives of expansion, inclusion and excellence. While former's concern for equity appeared in its miniscule 100000 scholarships, UGC has recommended setting up of new institutions in small towns, rural and remote areas and the backward regions where the GER is lower than the national average.

**Anandakrishnan M (2007)<sup>30</sup>** says that the report to the nation in 2006 produced by the National Knowledge Commission covered the range of issues like expansion and structural configuration; curricular concerns, governance and finance.

**29. Thomas Joseph (2007)**, 'Commission versus Commission in Higher Education', *Economic & Political Weekly*, 42(50): 20-23, December 2007.

**30. Anandakrishnan M (2007)**, 'Higher Education; critique of the knowledge commission' *Economic & Political Weekly*, 42(7): 557-60-17, February 2007.

For expansion, it suggests for stimulating private investment. But it ignores the necessity to make unambiguous, transparent and mandatory provisions for their establishment. Thus, what is needed at this stage is to reflect on the causes for the disappointing results on these and similar suggestions by several eminent commissions and committees during the past decades.

**V.M. Dandekar (1991)**<sup>31</sup>'s concern is all about two aspects of the higher education. One is how to make the teachers in the college and the universities more accountable for their duties, particularly towards their students. Second is how to make the students more responsible for their studies. The first thing to make teachers accountable is that they must cease to be salaried employees and that they should become independent professional like doctors, lawyers and engineers and earn their living by service to their students, in other words, they should subsist by the fees and the honoraries the students may pay for the courses they will teach.

One way to make higher education more useful is to discard the notion of a standardized education and allow variation in the subject coverage, in the subject combination and in the level at which each subject is taught and learnt. The government shall not sanction any new universities or colleges with any sanctioned staff nor shall it sanction new positions of teachers in the existing universities and colleges. At present all these trends are discernable under CBCS system that is being underway in the entire country.

**Amrik Singh (1975)**<sup>32</sup>. The main problem at that time was to have an effective management system of graduation and post graduation education by having a system, where the mix of University,

**31. V.M. Dandekar (1991)**, 'Reforms of Higher Education', *Economic & Political Weekly*, 26(46): 2631-37, 16 November 1991

**32. Amrik Singh (1975)**, 'Restructuring Our Universities', *Economic & Political Weekly*, 10(480): 1847-53, 29 November 1975.



Autonomous colleges and affiliating colleges with active involvement of state governments, to meet ever growing demand for the higher education.

**Depak Nayyar (2007)**<sup>33</sup>, He says that markets and globalization, which are unavoidable and here to stay, provide a mix of opportunities and dangers for higher education. He argues that we should not allow markets and globalization to shape higher education. Instead, we should shape our agenda for higher education, so that we can capture the opportunities and avoid the dangers unleashed by markets and globalization.

**Samuel Paul (2009)**<sup>34</sup> says that the internationalization through liberalization policies open up the education sector to foreign investment and permit the unregulated entry of private players. But this will have only a marginal impact on the sector's basic problems such as access and quality. So far, these policies have induced foreign providers to focus only on certain technical and professional fields of study that can earn them good market returns. To overcome this bad tendency, a strategy has to be designed to tap foreign universities and institutes of acceptable quality to work together with Indian universities/institutes to improve both access and quality. Augmenting and strengthening the capacity to produce more faculty in selected fields through such partnerships will help public universities play a more effective role in higher education. This requires on the part of the state to go for strategic investments in these universities and to pay for the service of the foreign partners. He argues that India's strategy with regard to internationalization should be based on its potential to be an effective aid to the mitigation of the basic problems facing our higher education sector.

**33. Depak Nayyar (2007)**, 'Globalization: What does it mean for Higher Education?' , *Economic & Political Weekly*, 42(50): 30-35, 15December2007

**34. Samuel Paul (2009)**, 'Internationalization of Higher Education: Strategic implications', *Economic & Political Weekly* 44(9): 36-41, 28 February2009.

**Saumen Chattopadhyay (2009)**<sup>35</sup> argues that even with adequate safeguards for the underprivileged and an alert regulatory authority, embracing market oriented reforms would hamper the process of achieving a truly inclusive society and the attainment of excellence in higher education. The rationale for application of market principles in social sector reforms like higher education is rather tenuous, unlike in other areas of the economy.

**Jandyala B.G. Tilak (2005)**<sup>36</sup>, argues that in the broad context of the relatively low levels of living of people and imperfect and incomplete markets, and given other socio-political considerations, makes it imperative on the part of the state to play a dominant role in the provision of higher education, not to yield its place to market mechanisms in higher education. He also argues that in the era globalization, the imperative attitude towards privatization and even towards middle path of partnership between public and private sectors in what is called as PPP model would also be counterproductive. This is because of the tremendous power of the market forces and, once unleashed, they are not likely to be easily regulated.

**Errol D'Souza (2004)**<sup>37</sup> argues that academics is an engagement with values and facts, and that it is more broadly concerned with personal development and enhancement of cognitive skills as well as the transformation of people through a social process. Therefore, academics are not income maximizers but are driven by more complex goals such as inherent interest in research or the pleasure of teaching. The financial reward should never be the consideration when devising rules to run an educational system.

**35. Saumen Chattopadhyay (2009)**, The Market in Higher Education: Concern for Equity and Equality. *Economic and Political Weekly* 44(29): 53-61, 18 July2009.

**36. Jandyala B.G. Tilak(2005)**, 'Higher Education in Trishanku': Hanging Between State and Market, *Economic and Political Weekly* 40(3): 4029-37,

**37. Errol D'Souza (2004)**, 'Contractual Arrangements in Academia; implications for Performance', *Economic and Political Weekly* 39(21): 2165-68, 22 May2004.

**Suma Chitnis (1972)**<sup>38</sup> says that the members of the Scheduled castes continue to be backward educationally and the backwardness could be summed up in terms of four features, poor enrollment, poor retention, enrollment in inferior institutions and poor performance.

**D.D.Karopady (2014)**<sup>39</sup>. This is the largest study, carried out during 2008 to 2013 in India by Azim Premji Foundation, involving a sample size of 10000 children and a rigorous randomized control trial (RCT) design, in collaboration with the Government of Andhra Pradesh. The most important finding relates to the learning achievement of the disadvantaged children who moved to private schools with scholarships provided as compared to their counterparts who continued in government schools. The findings clearly show that private schools are not able to provide any additional value to these children as compared to government schools. This is because the 'learning outcome' is not just related to the binary choice of public and private schools but is influenced by the larger social, economic and cultural background factors.

**Geeta Gandhi Kingdon and Vandna Sipahimalani-Rao (2010)**<sup>40</sup>'s study shows how para-teachers who constitute about 16 per cent of all the teachers at the primary level and less than 10 per cent at post primary level are more regular in attendance than permanent teachers and there is a similarity of learning outcomes for children taught by para-teachers and regular teachers.

**38. Suma Chitnis (1972)**, 'Education for Equality: The case of Scheduled Castes in Higher education', *Economic and Political Weekly* 7(31-33): 1675-82, 5 August 1972.

**39. D.D.Karopady (2014)**. Does School Choice Help Rural Children From Disadvantaged Sections?: Evidence from longitudinal research in Andhra Pradesh' *Economic & Political Weekly* 49(51), 20 December 2004.

**40. Geeta Gandhi Kingdon and Vandna Sipahimalani-Rao (2010)**, Para-Teachers in India: Status and Impact', *Economic & Political Weekly* 45(12): 1675-82, 20, March 2010.

**Vimala Ramachandran and Taramani Naorem (2013)**<sup>41</sup>. The study was done to know the influence of caste and gender on the perceptions of different stake holders like teachers, parents and students. Almost all the students, across six states in 120 schools where study was conducted, were vocal as to how the caste and gender influenced the allotment tasks to them.

## **Research gap**

Ever since the world has been divided between Socialism, Marxism, Capitalism and neo-liberalism the academics and the policy makers, often antagonistic to each other, have been making claims and counter-claims over efficacy of the state and the market. There are Marxists who crave for dislodging the state which is identified with class interests and aim at establishing classless and stateless society. The mainstream left parties, modifying their ideological dogma, wanted to establish socialism within the liberal democratic parliamentary politics. For the last 4 or 5 decades their experience has been bad to worst given the onslaught of the forces of neo-liberalism and bitter electoral experiences. Many Marxist economists and political theorists, who are now ranging from radical leftists to modern liberal democrats, perceive neoliberal economic model of development has been anti-people and anti-national and the latter are trying to be adjusting their ideology to suit the forces of liberalization, privatization globalization and take refuse in welfarism.

There are other Indian politicians and academics who strongly believe in the efficacy of market economy. Taking the cue from classical liberalism and labelled as modern votaries of neo-liberalism, they perceive every welfare programme or scheme with deep skepticism. They believe in economic growth, cutting fiscal deficit and in creating most favourable conditions for private national and foreign capital investment.

**41. Vimala Ramachandran and Taramani Naorem (2013)**, ‘What It Means To Be A Dalit Or Tribal Child in Our Schools: A synthesis of Six-State Qualitative Study’ *Economic & Political Weekly* 48(44), November 2, 2013

The tendency is towards replacing the political judgment by economic evaluation which is the crux of the neo-liberalism. World agencies like World Bank and WTO and the ruling establishment of almost any political party propagates the policies of neo liberalism. The experience of the Indian welfare state has been that whoever may be the Indian ruling establishment, they are caught between the contradictions of electoral and political compulsions of populist welfarism, which though beneficial to the poor in the short run, is not at all beneficial to the country in the long run as Neo-liberal forces benefit the rich leading to extreme inequalities.

In this context, my study focuses on how the dominant presence of the private sector itself is one of the main reasons for the poor quality of the Indian Education System as a whole. The link between increasing privatization and declining space for public funded education system is seriously missing. Therefore my study would try to explore as to how increasing privatization is a great hindrance for the sustenance of public funded educational institutions and to achieve equitable and quality education for all.

### **Significance of the study**

The study tries to explore and understand the emergence of Indian welfare state and how neoliberal policies after 1991 led to the decline of public education and increasing privatization led to the issues of equity, quality and accessibility in Indian Education System. In this context, my study enables to know the link between growing presence of the private sector due to withdrawal of the state and the declining space for the public funded education system in India in general and in newly formed Telangana State in particular. It also enables to know how privatization of education is leading to increasing inequality, inaccessibility of quality education to the underprivileged sections of the society. Meagre budgetary allocation, not recruiting permanent teaching staff, contractualization of the staff, encouraging private sector with fee-reimbursement would all be resulting in increasing crisis in public education system. Until and unless increasing

privatization is addressed, my study argues, there would be little scope for the improvement of the public education system.

## **Objectives**

To describe and analyse the emergence of welfare state concept in general and in India in particular.

To describe and briefly analyze the emergence of Neo-liberalism world over in general and in India in particular

To study the effect of neo-liberalism on Indian School and Higher Education System

To analyse the scenario of Telangana State education in the context of a new welfare orientation of free KG to PG education.

## **Hypothesis**

1. Due to neo-liberal policies, the welfare orientation of the Indian State is becoming too short-sighted and affecting the Indian Education Sector on account of increasing privatization and declining space for public funded education sector.
2. The neo-liberal policies are having adverse impact on school and higher education sector in the country in general and in Telangana in particular.
3. Opening special residential schools for different communities is benefitting only a few, while neo-liberal policies are adversely impacting the larger education sector in the state.

## **Research Design and Methodology**

The present study has adopted descriptive research design. The study is based on extensive review of the literature, macro data collected from books, research articles,

reports of independent organizations and government sources. The macro data has been subject to rigorous content analysis and conclusions have been drawn. The universe of the data includes macro data on school education and higher education in the country and also in Telangana. The macro data is analysed from the point of view of accessibility, equity and quality in education sector.

### **Scope and Limitation of the study**

The study is not based on field study but on the analysis of secondary macro data taken from government and other independent sources. The above study describes and analyses as to how state withdrawal is taking place due to neo-liberal policies world over in general and in India in particular. The study confines to explore the contradictory compulsions of constitutional and electoral democracy and the neo-liberal policies work and, as a result, how public funded education sector suffers. This study confines to understand and explore how and why the state is withdrawing as part of neo-liberal policies and its adverse effect on public funded education system in school and higher education in India in general and in Telangana State in particular.

## **Chapterization**

### **1. Introduction.**

This chapter contains introduction, problem statement, review of literature, research gap, significance of the study, scope and limitation of the study, objectives, Hypothesis, research design and methodology and the chapterization of the study.

### **2. Emergence of Indian Welfare State: A Brief Overview**

This chapter analyses the factors responsible for the rise of welfare state in general and in India in particular. The prevailing factors and compulsions at the time of independence, globally and nationally, and its necessity to tilt towards socialistic pattern

of society are explored. The views and influences of the personalities like Gandhi, Ambedkar and Nehru and their reflections in the Indian constitution are described.

### **3. Neo liberal Policies and Their Impact on Indian Welfare State**

This chapter explains evolution of liberalism in different phases - Liberalism, Embedded liberalism and Neo-liberalism and its impact. Thatcherism and Reaganism, collapse of USSR, Washington Consensus, Indian welfare state and neo-liberal economic Reforms' are explored and described in this chapter.

### **4. Impact of Neo-liberal Policies on School Education and Higher education**

This chapter tries to explain the demand for free and compulsory primary Education as historical and constitutional compulsion and how Kothari Commission Report, National Policy on Education (NPE) 1986 emphasis on equality and common school. It analyses how District Primary Education Programme (DPEP), Sarva Shiksha Abhiyan (SSA), Right to Education Act, 2009 lead to Legitimization of Multi-layer and Discriminatory School System. Quality Measure through Rigorous Randomized Control Trial (RCT), Eleventh Five Year Plan and neo-liberal compulsion, Public-Private Partnership (PPP) and its contrast with Government aided Private schools are explored. Expanding private sector and the limitation of the Draft New Education Policy, 2019 are explained.

This chapter deals with how neo-liberal policies are taking root in Higher education in terms of privatization and corporatization and their effect the social and group composition in education in general and their impact on courses, students and parents in particular.

### **5. Neo-liberalism and The Status of Education in Telangana State.**

This chapter deals with emergence of new Telangana State with lot of welfare orientation in terms of promise of KG to PG free education, and the experience of setting up of special residential schools for different communities and at the same time how the larger education sector has been subject to negligence. Increasing privatization of



education in Telangana and the consequent damage to the public funded education sector are explained.

## **6. Conclusions**

Post-Washington consensus, disenchantment of politics due to Neo-liberalism and its ever growing influence are found to be the emerging trends. The serious limitations of neo-liberalism are found in its failure to achieve the goals of equality, quality accessibility in school and higher education sector in the country. The welfare of too few in Telangana is found to be at the cost of negligence of larger public education sector. The increasing necessity of public good nature of the Higher Education and the need for state intervention in school and higher education in the context of neoliberal policy led Globalization is the need of the hour.

## CHAPTER - II

### EMERGENCE OF INDIAN WELFARE STATE: AN ANALYSIS

This chapter deals with the emergence of 'idea of welfare state' as visualized by Aristotle in Greek city-state to modern welfare state in the writings of J.S .Mill, T.H. Green, Karl Marx and Keynes, its implementation and experiment in Britain and America. Firstly, emergence of Indian Welfare State in its philosophical and constitutional foundations is explored and secondly the emergence of neo-liberal policies in the post 1980's and their impact on Indian welfare state is sought to be explained briefly.

The very nature of the state, which is 'anybody of people occupying and living together in a definite territory and politically organized under one government and rule', implies conceptually a sort of welfare orientation. Whatever may be the form or kind of the state; be it democratic or totalitarian, republican or monarchical, communist or fascist, capitalist or collectivist, there must be a sufficiently strong feeling throughout the community that its welfare is effectively looked after by the government.

As mentioned above, the idea of the State as an agency of human welfare can be traced back to Aristotle, who claimed , "the State comes into being for the sake of life and continues to exist for the sake of good life"(George H Sabine and Thomas L Thorson, 1973)<sup>1</sup>. Thus, the state was expected to serve not only as a moral institution and also its functions have to be gradually kept on increasing.

The decline of religion, the rising forces of nationalism that were sweeping the world, the idea of positive liberalism and the idea of socialism have led to the development of idea of modern welfare state.

1. **George H Sabine and Thomas L Thorson (1973)**, 'A History of Political Theory', Fourth Edition, Oxford & IBH Publishing CO.PVT.LTD, New Delhi.

It was strongly felt that man, who has a strong feeling of oneness and in the process of making a nation, has right to good life here in this world, quite independent of the happiness of the soul in the heaven. Thus, its emergence was also traced to the emerging secular ideas of European history.

The welfare state as a modern idea has been pioneered in the writings of John Stuart Mill, Thomas Hill Green, Karl Marx and John Maynard Keynes. In his book '*Political Economy*', J.S.Mill reveals clearly the limitation of the assumption of Utilitarians that the pursuit of individual happiness will automatically result in social happiness. This assumption doesn't take into consideration of the fact that individuals differ in strength and historical conditions as well in which they are brought up and grown. If men's social and economic existence was the result of the accumulated inequality of the past, then they cannot stand to have equal chance in the race of competition. Land, industry, knowledge are the monopoly possessions of a few people. The whole legal system has been made for and by that small minority. Because of this, Mill shows a good deal of sympathy for socialism and wishes to make the State to create minimum necessities of life for the individual's development and to make life tolerable for the masses. Mill advocated compulsory education supported by the state out of taxation (C L Wayper, 2007). Mill did not approve Bentham's regard for property. According to him private property in land is not expedient, it is unjust. He thought that practical monopolies should be controlled by the state. He supported factory legislation, at least in the case of children. He advocated the right of the state to interfere in economic affairs. Thus he felt that far more state activity was necessary than Bentham's *laissez-faire* state. He converted negative classical liberalism into modern positive liberalism.

- 2. C.L. Wayper (2007), 'Teach yourself: Political Thought', Surjeeth Publications, Delhi. P. 116.**

As the interest and judgment of the consumer are not sufficient security for the goodness of the commodity, the intervention of government is justifiable in the matter of social sector like education (William James Ashley, 1909)<sup>3</sup>.

T.H.Green was another outstanding supporter of positive liberalism. According to him, the moral consciousness emanating from society is responsible for the creation of the state. He conceives that the function of the government is to create conditions of life in which morality shall flourish. According to him, morality consists in the disinterested performance of self-imposed duties, not in obeying the commands of the state. His conception of the state as an agent for moral improvement made him to advocate the intervention of the state to secure the welfare of citizens. He propounded that the state should make positive attempts to remove three gigantic evils, namely, ignorance, pauperism, and alcohol drinking and provide minimum necessities of life. He observed that state must make education compulsory, create more employment opportunities. This is how he created a philosophical justification of the idea of a welfare state.

There was another great philosopher Rousseau who had propounded the concept of 'General will', a kind of common good making road towards collective welfare. It was the synthesis of the universal wills in all of the human beings. This will aimed at community consciousness and common moral purpose. Green insisted on duty of the citizen to follow the 'General Will' and devote himself to the common good. In his view, state recognizes and maintains rights but it is not the source of rights. The real authority behind rights is the moral consciousness of the community. The state must obey that authority. The state is something secondary, a means or an instrument for achieving common good of the community.

- 3. William James Ashley (1909)**, 'John Stuart Mill, 1909, 'Principles of Political Economy with some of their Applications to Social Philosophy', ed. WilliamJamesAshley(London:Longmans,GreenandCo.,1909,7thed.)[https://oll.libertyfund.org/titles/101#Mill\\_0199\\_1666](https://oll.libertyfund.org/titles/101#Mill_0199_1666)) accessed on 8/9/2019.

The state, therefore, cannot serve the end of moral freedom directly, but it can create favorable conditions for the exercise of moral freedom thus entailing the state to be welfare oriented.

### **Keynes, Beveridge Report and experience of the West**

Apart from analyzing and laying down the theoretical and philosophical foundations of the concept of welfare state, the specific idea of welfare state and its necessity of implementation in the west in general and in America and Britain in particular as a consequence to the failure of free market economic policies, is to be explored to have wholesome and integrated perspective of the emergence of welfare state and its conceptual understanding in its totality. John Maynard Keynes was one of the most influencing thinkers of the 20th century in propounding the of the idea of the welfare state which was his strategic response to the problems created by the world economic crisis due to free market economic policies and then of the problems of social security that emerged during and after the inter-war years. The central and fundamental idea of Keynes' views was that government interventionist policy was necessary and imminent in order to combat excessive boom and bust cycles in a nation's economy. This was at the time a significant paradigm shift among economists who argued for minimal governmental interference or laissez fairyism. Keynesian ideas became very popular during the Great Depression when many of his proposals influenced the American and British governments, particularly Roosevelt's New Deal policies. Eventually, Keynes' ideas gained ground and became a dominant school of economic thought for the next four decades plus years. He played significant role in the establishment of World Bank and International Monetary Fund. (Bradd Briggs, 2010)<sup>4</sup>.

Historically, it is claimed that the idea of welfare state emanated first in England. It was during the rule of Queen Elizabeth I that the first Poor Law Act was passed under which workhouses were built for able-bodied beggars and relief was provided for the disabled.

- 4. Bradd Briggs (2010)** [www.investinganswers.com/.../john-maynard-keynes](http://www.investinganswers.com/.../john-maynard-keynes), accessed on 9<sup>th</sup> May 2019.

However, it is known that the originator of the welfare state was Disraeli whose work got further impetus by Lloyd George and successive governments.

The Beveridge Report on Social Insurance and Allied Services in England of 1942 was a major landmark in the development of the concept of the welfare state. It emphasized that organization of social insurance should be treated as one part of social progress. The Beveridge Report was presented by its author, Sir William Beveridge, to the British Parliament in November 1942. It provided and proved to be a summary of principles necessary to end poverty and 'want' from Britain. Beveridge's mantra throughout the report was 'Abolition of want'. The report proposed a system of social security to be operated and implemented by the state at the end world war. It was considered to be a radical report.

Coming to power in 1945, Clement Attlee of Labour Party announced the introduction of the Welfare State as outlined in the Beveridge Report. This included specifically the establishment of a National Health Service in 1948, with free medical treatment for all. A national system of benefits was also introduced to ensure social security, so that the population would be looked after 'from the cradle to the grave. ('Beveridge Report', 1942)<sup>5</sup>.

In USA, even though President Hoover (1929-34) opposed the concept of welfare state as dangerous deviation from the American tradition of liberty, yet there had been gradual formulation of number of social and economic reforms which had practically turned America into a welfare State. It was the 1935 Social Security Act, introduced by Franklin Roosevelt's administration that first committed the U.S. to the safety net philosophy. From the beginning, the policy had two tiers that intended to protect families from loss of income. At one level was the contributory social insurance program that provided income support to the surviving dependents of workers in the event of their death or incapacitation and Social Security for retired older Americans.

**5. Beveridge Report'** ([www.bbc.co.uk/history/.../timeline/.../a1143578.shtml](http://www.bbc.co.uk/history/.../timeline/.../a1143578.shtml)), accessed on 9<sup>th</sup> may 2019.

The second tier was made up of means-tested public assistance programs that included what was originally called the “Aid to Dependent Children” program and was subsequently renamed the Aid to Families with Dependent Children in 1962 under Kennedy administration.

The retreat from such safety net philosophy of welfarism began under the presidencies of Richard Nixon and Ronald Reagan. Particularly under Reagan administration, social welfare expenditures were capped and the responsibility for design and carrying out any welfare programs for poor families was given back to States and at the same time the demographic shift in the welfare rolls from white to black people exacerbated the politics around welfare and radicalized the debate on the provision of welfare. The new conditionalities were being imposed. Stricter work requirements required single mothers to find work within two years of receiving benefits. A five-year lifetime limit was imposed for receiving benefits. And by the late 1990s, the welfare reforms imposed severe restrictions for receiving welfare benefits (The Conversation, 2016)<sup>6</sup>.

Thus, the concept of welfare state that emerged during 1940s had become almost universal by the end of late 1970’s in the west so much so that even totalitarian states in other parts of the world had to adopt welfare measures, albeit, in an indirect way. The totalitarian states paid more attention to material welfare than to moral and spiritual. Also welfare was imposed, planned and executed from above in these states.

### **Meaning and Definition of Welfare State**

After looking at ideological and philosophical foundations and its implementation experience and the gradual weakening of the welfare state due to ideological disorientation in the west, it is pertinent to know its meaning and definition in its broader contours.

- 6. The Conversation (2016.** ‘How racism has shaped welfare policy in America since 1935’. [theconversation.com/how-racism-has-shaped-welfare-p](http://theconversation.com/how-racism-has-shaped-welfare-p), accessed on 25<sup>th</sup> March 2018.

The concept of the welfare state is difficult to be defined. In its broader sense, the welfare state is one which is committed to the principle of promoting the general happiness and welfare of the people. It regards itself more as an agency of social service as against an instrument of power and a 'laissez faire state', which is confined to performing "police functions" including defense, law and order, protection of property and enforcement of contracts. The welfare state is expected to provide public health, prevent spread of diseases, remove poverty and provide facilities to enable everyone to have at least minimum education necessary for effective participation in the affairs of the state. The state must, further, provide for right to work, right to secure income and right to shelter to all its citizens. It must also ensure employment benefits and regulate private enterprise to secure social justice to all.

The idea of a welfare state aims at harmonious development of the individuals and ensure maximum comfort of all the individuals. In the words of G.D.H Cole, 'the welfare state is a society in which an assured minimum standards of living and opportunity become the possession of every citizen'. In the words of Kent, 'Welfare state is a state that provides for its citizens a wide range of social services'. Ultimately the welfare state bears the following characteristics ( S. Vijayraghavan and R.Jayaram (1981)<sup>7</sup>.

1. In contrast to totalitarian system, it gives the individual a pivotal position.
2. Irrespective of race, creed or colour, it assures minimum standard of living and opportunities to all the citizens
3. As against the capitalist system, it provides a wide range of social services to all the citizens.
4. It assures and works towards as much equitable distribution of income as possible.

**7. S. Vijayraghavan and R.Jayaram (1981), 'Welfare State', Political Thought, Sterling Publishers Private Limited, New Delhi, P.262.**



Thus the welfare state sets a pattern and works for human and progressive society. Now after looking at the broader meaning and definition of welfare state, it is pertinent to analyse the shaping and emergence of Indian welfare state as influenced by the makers of the Indian constitution in the overall experience of the west in practice and theory.

### **Emergence of welfare state in India**

The conditions at the time of Indian independence and the compulsions to move in favour of achieving socialistic pattern of society, the broader context of the World at that point of time and the ideologies and perspectives of Nehru, Gandhian and Dr.B.R. Ambedkar, Chairman of Drafting Committee of the constitution, have all laid down the philosophical foundations of Indian welfare state.

After suffering from two centuries of British colonialism and imperialism, independent India was afflicted with mass poverty, illiteracy, primitive agriculture practices and lack of industrial development, India had to solve all these deep rooted problems on war footing if it wanted to realize the goal of the nation building and for the development of the country. For resolving all these issues, the state, not the market which neither had the resources nor the capacity given its infant stage, had to take initiative and carry out the meticulously designed schemes and programmes. Thus, there had to be large scale intervention of the state.

Apart from the above, different classes, groups and parties with different ideologies actively participated in the freedom struggle and influenced in the emergence of Indian welfare state. On the one hand there was large scale participation of the masses in Indian freedom struggle especially after the entry of Gandhiji, on the other hand, initially and later it had been carried forward and led by elite sections of the society under the leadership of Indian National Congress. Even groups and organizations with different ideologies were forced to work for a long time under the leadership of Gandhi and his Indian National Congress. Hindhu Maha Sabha and Muslim league which later became active to achieve their own communal agendas had influenced the course of freedom struggle and the policy making of independent India. The Republican Party that was found by Dr. B.R. Ambedkar to represent the interests and aspirations of the long

oppressed untouchable caste people also had the influence on the policy making course of independent India.

Given the strong diversified presence of different forces, the then early rulers of independent India had to avoid extremes of any ideological moorings and tried to reconcile and accommodate different pulls and pressures. The state was sought to be arbiter and tool to deal with and reconcile them for achieving and attaining the goal of nation building and economic development. All these factors accounted for the emergence of India welfare state which combined both capitalist and socialist systems. `

### **World scenario of welfare state at the time of Indian independence**

By the time India got independence, the Second World War had ended. European countries suffered and lost the dominant position in the world politics. America, after intervening in the world war on the side of allies and showing its immense power by dropping atom bomb on Japan, emerged as the dominant country under capitalism. Russia adopted a new system of economic, social and political order of communism and had become a dominant power, matching America. Even before Second World War, the kind of system that had been adopted by Russia created lot of churning in the group of countries which were called as allies fighting axis powers. The capitalist system which was the product of industrial revolution reached its zenith with colonialism and imperialism which were held responsible for all the ills of the world. The two world wars were fought. There was a lot of inequality within the countries and among the countries. The capitalism enabled the capitalist class to appropriate the huge surplus that had been created. The working class which Karl Marx called proletariat suffered with poverty and lived in precarious conditions. The capitalist system of production abetted the entrenched traditional social, economic and political structures to carry on the oppressive social order. Communism in Russia was seen as an antidote to end the oppression of the working class and domination of the traditional forces in the society. The communist ideology which wanted to establish egalitarian social order by overthrowing the capitalist class and the state which had been a tool of oppression in the hands of capitalist class witnessed violence and showed severe autocratic and totalitarian tendencies.

Thus, the advantages and limitations in both the systems, that is, communism in Russia and capitalism in America were well appreciated by Indian intellectuals, consisting of people from different backgrounds ranging from underprivileged sections to feudal sections of the society under the umbrella of Indian National Congress of Gandhi who was spearheading the freedom struggle in India based on the principles of Non-violence and Satyagraha and with the active cooperation from capitalists and the masses as well.

## **Welfare state perspectives of Nehru, Ambedkar and Gandhi**

### **Jawaharlal Nehru**

Jawaharlal Nehru, who studied in England and later participated in freedom struggle, became the first Prime Minister of independent India. Even before independence a faction led by Subhas Chandra Bose and Nehru himself in the Indian National Congress was influenced by what was happening in Soviet Socialist Russia (USSR) under communism. However, Nehru had to work with rightist ideologues like Rajendhra Prasad and Vallabai Patel and also with some industrialists who prepared the Bombay Plan. Nehru's personality itself was very much accommodative. Although Jawaharlal Nehru did not officially accept the plan, "the Nehruvian era witnessed the implementation of the Bombay Plan; a substantially interventionist state and an economy with a sizeable public sector." (Ananth, V. Krishna, 2005)<sup>8</sup>. Its perceived influence had given it an iconic status, and "it is no exaggeration to say that the Bombay Plan has come to occupy something of a mythic position in Indian historiography

8. **Ananth, V. Krishna (2005)**, "Globalization and Communalism: Locating Contemporary Political Discourse in the Context of Liberalization", in Puniyani, Ram, *Religion, Power and Violence: Expression of Politics in Contemporary Times*, New Delhi: SAGE, pp. 44–67

. There is scarcely a study of post-war Indian economic history that does not point to it as an indicator of the developmental and nationalistic aspiration of the domestic capitalist class (Chibber, Vivek, 2003)<sup>9</sup>.

Nehru along with Subhash Chandra Bose organized a pressure group within the Congress known as 'Independence for India League' with the sole aim of campaigning for complete independence and for the establishment of a Socialist Democratic State where there will be fullest opportunities for individuals to develop and the state would be controlling the means of production and distribution.

Nehru not only was dedicated to the ethical, sentimental and emotional aspects of socialism as a philosophy but also declared that he was deeply involved with it as an economic theory of state-ownership and control of the basic means of production and distribution. His thought was based on a combination of political liberalism and socialism. He regarded socialism not merely as a formula for economic reconstruction but as a philosophy of life.

His socialism was not utopian as some people thought it to be. To him socialism was an economic means for the liberation of the masses from the industrial and agrarian feudal lords and oligarchs. To him, socialism meant the "ending of private property, except in a restricted sense". Greedy acquisitiveness must give place to cooperative service. He was successful in forcing the Indian National congress to accept the ideal of 'socialistic pattern of society' at its Avadi Session in 1955. His socialistic pattern of society connoted social ownership of the means of production, acceleration of national production and the equitable distribution of all the wealth. In a speech in Lok Sabha he had almost defined his socialistic pattern of society as one marked by equality, removal of disparities and the possibility for everyone to live a good life.

**9. Chibber, Vivek (2003), 'Locked in place: State building and late industrialization in India', Princeton University Press, USA.**

Nehru's policies were credited with setting up India's infrastructure for scientific education, nuclear programme, space programme, the extensive Indian Railways network, and the pharmaceutical industry. It is to his credit that he did not abuse power and constantly attempted to deepen the democratic nature of institutions of the newly independent India with the intervention of the state in a big way.

### **Dr. B.R. Ambedkar and State Socialism**

Dr.B.R. Ambedkar who himself suffered humiliation from caste oppression looked at Indian society as structurally unequal and discriminatory on account of the caste system and he perceived that any reform aimed at establishing egalitarian order has to first address the question of caste based inequality. He strongly believed in that without annihilation of caste system, it was not possible to bring about a socialist revolution in India. Instead of socialist revolution which involves violence and dictatorship, he preferred Fabian socialism which aims at establishing socialist order through evolutionary reformation of the established order. He criticized the communists for ignoring caste and religion in India. He also emphasized the role of the state, which communists wanted to abolish it ultimately to establish classless society, to bring about the transformation of the society. He advocated for 'state socialism'.

Ambedkar believed in a classless society but not in a stateless society. He maintained that the state would continue to exist as long as human society survived. Ambedkar sought active involvement of the government in economic development without the Marxian totalitarianism and state monopoly. As the most prominent representative of the dalits, he presented a memorandum called 'States and Minorities' on behalf of the Scheduled Caste Federation before the constituent assembly. In the memorandum, he drew up an elaborate plan of action for the state to run key industries and also to acquire agricultural land to be leased out to the farming collective of the villages (Anand Teltumbde, 2018)<sup>10</sup>.

**10. Anand Teltumbde (2018)** 'Ambedkar's Socialism: Some Reflections', Seminar, 701 - January 2018.

Thus, he advocated active state intervention for bringing about transformation of Indian society based on the values of equality, liberty and justice which have been enshrined in Indian constitution.

### **Mahatma Gandhi**

The early and later part of the twentieth century of Indian history of freedom struggle and emergence of Indian welfare state was very much influenced by the precept and practice of Gandhi. His non-violent strategies motivated the common people to participate in the freedom struggle. He transformed elite oriented freedom struggle to mass based freedom struggle. All the ideologues, from extreme left to rightist, were compelled to work in Indian National Congress under his leadership.

Non-violence, Truth and Satyagraha were the fundamental principles on which he wanted not only to liberate Indian society from the clutches of the British colonial rule and also to transform it socially, politically and economically. He visualized Independent India to be based on Gram Swaraj, that is, a self reliant village, as more than 80 per cent of Indians live in villages. He considered villages to be the primary units of decentralization which, he felt, enables wider participation of the people making representative democracy a truly participatory democracy. Thus, his politics and development approach was mainly rested in villages, that is, he wanted not only the development but the representative democracy to begin from below, that is, from villages not something to be imposed from above.

He opposed installing big machinery and urban based big industrialization. He felt that installation of large scale machinery would result in large scale retrenchment of the workers. The urban areas would become the breeding grounds for violence, consumer culture and pollution. His ideas of Gram swarajya based on Panchayat Raj system, development of agriculture and animal husbandry, village based small scale and cottage industries were enshrined in the constitution as directive principles of state policy. Apart from these, wide spread opportunities for educational development of SCs and STs and other backward classes, abolition of intoxicants, abolition of cow slaughter were also included in them.

Thus, Gandhi, Nehru and Ambedkar, though they were holding different approaches for the development of Independent India, influenced the emergence of Indian welfare state after independence. Gandhi was for gram swaraj based development, Nehru was for big industrial development and Ambedkar for social equality to be achieved through state led socialism. The underlying commonality of all these three great personalities was liberal democratic approach which enabled India to be a welfare state. These three personalities had greatly influenced the shaping of the Indian constitution and the idea of welfare state in independent India.

### **Indian Constitution and Welfare State**

The framers of Indian constitution hoped that the Directive Principles enshrined in the Indian Constitution from Articles 38 to 51 are meant to achieve social and economic democracy in India and aim at establishing the welfare state

Articles 38, 39, 41, 42, 43, 46 and 47 are the directive principles which aim at establishing socialistic pattern of society in India. Gandhian Ideology of ideal rule of Gram Swaraj is reflected in Articles 40,43, 46,47,48,48A and 49. The liberal intellectual principles of basic education, uniform civil code, independent judiciary and international peace are incorporated in the Articles 44, 45, 50 and 51 of the constitution.

Apart from these, the Constitution (42nd and 44th) Amendment Acts of 1976 and 1978 added a few more subjects to the list of Directive Principles. While constitution (42) Amendment Act inserted Articles 39A, 43a and 48A, the Constitution (44) Amendment Act, included Article 38A. All together they comprise the following:

1. There is a provision of free legal aid to the poor (Article 39A)
2. There is a provision for securing participation of workers in the management of the industry (Article 43A)
3. There is a provision for Protection and improvement of environment and the richness of forests (Article 48A)

4. There is a provision for creating adequate opportunities for the development of children (Article 38A)

Directive Principles in other parts of the Indian Constitution include (D.D.Basu, 1999)<sup>11</sup>

1. Art.350A directs State to the provide adequate facilities for instruction in the mother tongue at primary school level to children from linguistic minority groups.
2. Art.351 directs the State to promote the spread and development of Hindi to enable it to become the medium of expression in all parts of the composite culture of India.
3. Art.335 directs the State to support the claims of the SCs and STs to appointments in government service, subject to maintenance of efficiency of administration.

### **The foundation of Indian welfare state**

After independence, India was to embark on nation building and massive reconstruction of Indian economy in conformity with philosophical and constitutional provisions to ameliorate the lives of the people caught in the vicious circle of poverty, illiteracy, ignorance, superstitions, unemployment, and caste rigidities. Programmes like Community Development Programme, National Extension Service schemes were initiated for the development of rural areas. Community Development Programme (CDP) and National Extension Scheme were aimed at integrated rural development and for creation of permanent rural assets. CDP also attached importance to primary education, adult education and social education with the aim of expanding horizon of rural people.

**11.D.D.Basu (1999)**, 'Introduction to Indian Constitution', Prentice Hall of India, New Delhi, p. 147.



Thus, the Indian state had to intervene on a massive scale to provide for goods and services and also to create massive infrastructural and industrial base taking a leaf out of the centralized planning of Soviet model of development. It brought in land reform legislation. To make Indian economy self reliant, import substitution was the main policy agenda. For about three decades these kinds of policies were adopted and implemented.

Small Farmers Development Agency (SFDA),(it was a forerunner to the National Rural Employment Guarantee Scheme introduced in 2005)was introduced in early 70s to provide a source of lively-hood to small and marginal farmers and agricultural workers when they had no work during the non-agricultural season and to make them viable farmers. Under the scheme, the Government had to take up works like excavation of new tanks and repair of old ones and construction of school buildings and roads, all of which benefitted the community and provided work to small and marginal farmers and agricultural workers. Under the scheme a million of community irrigation wells were excavated to provide irrigation source permanently and employment as well.

The centralized planning by Planning Commission and Industrial policy of making public sector undertakings to reach commanding heights of the Indian economy helped India to have huge industrial and infrastructural base.

Apart from these, educational institutions from primary to higher education were created. Kothari Commission on education suggested for neighborhood common school system for provision of equitable educational opportunities to all the citizens of India. Though such a system could not be introduced, given the inequitable social and economic system, Indian government made efforts to establish establishing Universities, Research institutes, IITs, RECs(NITs) and medical colleges, graduate colleges etc.,

Thus Indian state actively intervened to create huge welfare structure with many institutions which benefited not only middle class land holding farmers' children and peasant farmers' children, but also under privileged sections of the society. The presence of many public funded institutions and system of reservations further benefited the latter. The ever expanding Indian welfare state with its tilt towards socialist values enabled it to perform distributive functions through land reforms, universal public distribution system

and tried to reduce inequalities through legislations like Monopoly Restrictive Trade Practices (MRTP) Act which was abolished after introduction of economic reforms in 1991.

As a part of industrial planning, licensing, controls and incentive mechanisms were introduced. Contrary to the expectations of the Indian planners, private sector could not be made ineffective in its exploitative motive under the license and control system, as claimed by Vivek Chibber in his book, 'Locked in place: State building and late industrialization in India'. Many people felt that License-Permit- Quota Raj system curtailed the potential of the Indian industry in the changing context of technological revolution and Globalization. Under the structural reforms which have been carried out in the country since 1991-92, various physical controls have been withdrawn. With adoption of neo-liberal economic policy, the government is hastily withdrawing from core sector. Now with the withdrawal of the state becoming the priority of the policy agenda, the welfare of the poor in general and especially access to education and health services through active state intervention, is at stake.

### **Conclusion**

The very nature of the state, whatever may be its kind and form, implies a sort of welfare orientation as it involves politically organized group of people in definite territory. From the Greek city-state to modern nation state, welfare state has been reflected in the writings of J.S .Mill, T.H. Green, Karl Marx and Keynes. The welfare state and its experience in Britain and America through Social Security Act of 1935 under President Roosevelt, provided strong foundation for the welfare of the people. The world economic crisis of 1930s in capitalist countries and the relative popularity of socialism had further provided impetus for the emergence of welfare state. And at the same time the developing countries which emerged as independent countries had to undertake the large scale programme of national reconstruction.

India emerged as independent country after prolonged freedom movement which itself laid strong foundation for the values of democratic and welfare state. The leadership and foresight of Gandhi, Nehru and Ambedkar provided a strong foundation for Indian

welfare state. The constitution of India provides for many provisions for establishing welfare state. Apart from this, the electoral politics of Indian democracy with its plurality and diversity entails large scale state intervention. With the emergence of neo-liberal policies in the 1970's, there emerged a contradiction between welfarism and neo-liberalism. The neo-liberal policies since 1980s and early 1990s have impacted and narrowed down the welfare policies, making them piecemeal, inadequate and uncertain. Now welfare is associated with populist politics or populism that refers to making fantastic promises and programmes primarily with a view to reaping electoral advantages, ignoring creating long term social assets. But it is true that development and welfare are still seen, especially in the human development discourse, as concepts that are interpenetrating and mutually complementary (K.C Suri, 2005)<sup>12</sup>.

**12. K.C Suri (2005)**, 'The Dilemma of Democracy: Economic reforms and Electoral Politics in Andhra Pradesh' in the book, 'The Politics of Economic Reforms' edited by Jos Mooij.

## CHAPTER –VI

### CONCLUSIONS, SUGGESTIONS AND FINDINGS

#### Indian Welfare state

Welfare state in India is still found to be relevant and necessary and calls for large scale state intervention as against the neo-liberal policies which consider the state intervention as unnecessary and futile. The contradiction between welfarism and neo-liberalism has been the cause of piecemeal implementation of welfarism in India since late 1980. Now welfare has been associated with populist politics or populism that refers to making fantastic promises and implementing welfare programmes primarily with a view to reaping electoral advantages. It is also true that development and welfare are still seen, especially in the human development discourse, as concepts that are interpenetrating and mutually complementary (K.C Suri, 2005)<sup>1</sup>. There is a need for further study on populism and welfare policies given the increasing gap between the poor and the rich and lack of qualitative access to minimum needs of life like health and education for the poor, as the increasing populism tends to create an un-favourable atmosphere for genuine welfare policies of creating long term social assets and quality employment opportunities.

1. **K.C.Suri (2005),**'The Dilemma of Democracy; Economic Reforms and Electoral Politics in Andhra Pradesh' in Jos Mooij (ed) 'The Politics of Economic reforms in India', New Delhi: Sage Publications

## Post-Washington Consensus

The Post-Washington Consensus has focused on ways to approach economic development outside of the prescriptions laid out with the Washington Consensus. In fact, Washington Consensus attracted great deal of attention with the recent economic crises that occurred in the United States and internationally. As Washington Consensus is seen by some to be based on false promises and inefficiency, the belief is, that states are going to get skeptical of free markets and focus on policies they believe will bring in domestic stability and promise local industries, instead of focusing on attracting outside capital. Again, it is not to suggest that states will turn away from free market capitalism. But they will have some sort of regulations in place (Birdsall & Fukuyama, 2011)<sup>2</sup>.

Further, it seems that states will continue to establish a place for governments to have a role in the domestic economy, particularly in the context of social programs for their respective populations. Much of this is political. As leaders are in power, they want to ensure their political survival. This can be done in a number of ways, one of which includes economic development. Thus, when there is an economic crisis, scholars argue that citizens of that country will rely on their leadership to help in those troubled times. An inability to have adequate social protections with an economic crisis could be very troubling for re-elections, and thus, leaders have become aware of this with the recent economic crises.

One other development issue that arose from the policies of the Washington Consensus, that was alluded to earlier, is the renewed attention to domestic industries. In decades past, focusing too much of one's economic resources on developing domestic industries, was also risky. But, with the concerns about the economic crisis states are now involved in finding ways to help encourage domestic industrialization (Birdsall & Fukuyama, 2011).

2. **Birdsall,N & Fukuyama, F. (2011).** 'The Post-Washinton Consensus: Development After the Crisis'. *Foreign Affairs*, March/April 2011, Vol. 90, No. 2, pp. 44-53

The idea of bringing a balance between free markets and government within the context of economic development is stressed in the Barcelona Development Agenda, which arose out of the Barcelona Conference in 2004. The Barcelona Development Agenda advocates, amongst other things, notions of “a balanced role for the state and markets, experimentation as a tool for development, and the use of microeconomic interventions to redress market failures and promote productivity (combined with incentives for improved performance (Serra, Spiegel, & Stiglitz, 2008)<sup>3</sup>.

Stiglitz criticized the Washington Consensus, arguing that it “put little emphasis on equity” instead “sees governments having a more active role, in both promoting development and protecting the poor. Economic theory and historical experience provide guidance on what governments need to do. While markets are at the center of any successful economy, government has to create a climate that allows business to thrive and create jobs. It has to construct physical and institutional infrastructure...”. He goes on to say that “there are many other areas in which markets, by themselves, do not work well. There will be too much of some things, like pollution and environmental degradation, and too little of others, like research. What separates developed from less developed countries is not just a gap in resources but a gap in knowledge, which is why investments in education and technology—largely from government—are so important” (Stiglitz, J. E, 2007)<sup>4</sup>.

### **Post Washington consensus: 2009 and later**

In 2009, in the wake of the 2008 worldwide financial crisis, a number of journalists, politicians and senior officials from global institutions such as the World Bank began saying that the Washington Consensus was over.

3. **Serra, N., Spiegel, S. & Stiglitz, J. E. (2008).** Chapter 1, Introduction: From the Washington Consensus Towards a New Global Governance. pp. 3-13. In Serra N. & J. E. Stiglitz (eds).
4. **Stiglitz (2008)** ‘The Washington Consensus Reconsidered: Towards a New Global Governance’. Oxford, England. Oxford University Press

As part of the 2008–2009 Keynesian resurgence it briefly appeared that there might be a prospect of a return to embedded liberalism—there had been an upsurge in global collaboration by the world's policy makers, with several heads of state calling for a "New Bretton Woods". Yet by 2010 the short lived consensus for a return to Keynesian policy had fractured. Economic historian Robert Skidelsky, biographer of JM Keynes, suggested it was too soon to identify the characteristics of the new global economic order. It may be that no single order will emerge; with the rise of the BRICs and other emerging economies, there is less scope for a single power to effectively set the rules for the rest of the world.

As of late 2011, there had been some trends consistent with a move away from economic liberalism, including a growing acceptance for a return to the use of capital controls, macroprudential regulation and state capitalism. On the other hand, China had been progressively liberating its capital account well into 2012. While in the USA the Tea Party Movement emerged as a powerful political force committed to a purer vision of the free market that had existed since the classical liberalism of the 1840s. George Monbiot opined in 2013 that neo-liberalism continued to remain an influential ideology. In 2011, Professor Kevin Gallagher (2011) suggested that rather than being largely governed by a single ideology, as had been the case for the previous eras, the newly emerging global order is influenced by "varieties of liberalism". But the values of neo-liberalism have deepened and entrenched.

### **Neo-liberal Economic reforms, systemic defects, controversies in India**

The reforms that have been initiated in India in power sector, public sector undertakings, stock markets and banks and allocation of resources like coal, spectrum, iron ore, petroleum, bauxite minerals to corporate and the crony capitalism involved have all been subjects of great and unending controversies. There have been many corruption charges and anti-corruption movements in the country.

Speaking about large scale corruption cases like 2G spectrum, Common wealth games, Coal block allocation, exploration of hydrocarbon through PPP s, civil aviation, Vinod Roy, former Comptroller and Auditor General of India, observed, “ in the last few years, cronyism extends to handing out contracts and rigging bids for the undeserving, which has done untold harm to the economy. Agencies with inadequate domain knowledge have cornered contracts and finite national resources. They have muscled their way into major infrastructure projects, thereby denying the meritorious their legitimate due. This has been a direct consequence of opacity in government procedure, which has killed competition and the efficiency of the market system”(Vinod Roy,2014)<sup>5</sup>.

This escalation of the scale of corruption scandals in quality and quantity after the economic reforms since 1990s cannot be attributed to just a change in the value system and lack of transparency. It must be the result of systemic change due to economic reforms which changed the vision of development, from one in which the focus was on regulating capitalism to ensure that the fruits of development were equitably shared, to one where the emphasis is on unfettering capitalism. The transition is from socialistic pattern of development to capitalistic pattern of development where welfare orientation is looked down leading to cut in subsidized goods and services to the poor and peasant farmers. In a liberalized economic order, while the government still has the right to determine the levels of access, its role is seen as one of providing such access as part of a process of encouraging private sector led growth.

In such a situation, state involvement in providing access to land , access to scarce intangible resources like the air, waves, mineral resources, would lead to corruption from both ‘buy’ and ‘sell’ side. And the welfare measures, even as they are, somehow, being whittled down, provide an alibi for dolling out largesse to the rich (Prabath Patnaik, 2014)<sup>6</sup>.

5. **Vinod Roy (2014)**,’Not Just an accountant; Diary of the Nations Conscience Keeper’, New Delhi: Rupa Publications India Pvt. Ltd.vol 1 no. 19.
6. **Prabhat Patnaik(2014)**, *Neo-liberalism and Democracy*, Economic and Political Weekly, No.15, April, 2014



The hallmark of neo-liberal regime is that the state becomes exclusively concerned with defending and promoting the interest of big capital and with it of the globalised capital and in the process there would be a shift of resources from the state, from petty and marginal producers, and from the common property pool to a few large capitalists and financiers. This results in expropriation of petty producers (such as peasants, craftsmen, fishermen and artisans). With the entry of corporate sector into education and coming up of the private universities in a big way, similar trends in education would be seen.

New concepts and institutions in governance like public private participation, e-governance, smart governance and good governance etc. have all been benefitting the corporate sector at the cost of ordinary general public and democracy. Overnight, the entire political class, the bureaucracy, and social infrastructure (such as the public distribution system, for instance), began to be deemed as hotbeds of corruption and held solely responsible for the state's failures to deliver the benefits of economic growth.

Now that corruption had been identified as the biggest hurdle to economic development, the stage was set for its antidote: good governance which aims at efficient management of resources which in turn means the withdrawal of the state in favour of the market (Sampath, G, 2015)<sup>7</sup>. Similarly, the public funded education system is being projected to be inefficiently managed through cost-benefit analysis and therefore needs to be further reduced.

### **Disenchantment of politics**

Hayek's thought is widely recognized to have played a key role in inspiring and coordinating the intellectual and political movement which came to be known as 'neo-liberalism'. Neo-liberalism is an attempt to replace political judgement with economic evaluation, including but not exclusively, the evaluations offered by markets. Neo-liberalism is the pursuit of the disenchantment of politics. It involves a deconstruction of the language of common good or the public, which is accused of potentially dangerous mysticism.

7. **Sampath.G (2015)**, 'Why Every One loves Good Governance', *The Hindu*, July 6, 2015

Neo-liberalism might therefore be defined as the application of market based principles and techniques of evaluation to the state endorsed norms.

Contrary to the view that neo-liberalism represents a form of market fundamentalism or a revival of 19<sup>th</sup> century Laissez – faire, in fact the very institution of neo-liberalism is not a market as such, but particular market based( market derived) forms of economization, calculation, measurement and valuation. In all cases, neo-liberalism is typically less concerned with expanding the reach of market per-se, - than in expanding the reach of market based principles and techniques of evaluation.

In neo-liberal discourse, social justice, fairness and rights are all calculated and evaluated, in terms of quantitative language of efficiency, price and preference. Any source of intrinsic authority is emptied out, and replaced with extrinsic evaluation. Yet this necessarily bestows intrinsic authority upon the economic techniques via which that evaluation is carried out.

### **Neoliberal authority**

On what basis does the neoliberal state demand the right to be obeyed, if not on substantive political grounds? To a large extent, it is on the basis of particular economic claims and rationalities constructed and propagated by economic experts. The state does not necessarily cede power to markets, but comes to justify its decisions, policies and rules in terms that are commensurable with logic of markets. The authority of the neoliberal state is heavily dependent on the authority of economics to dictate legitimate course of action. This is how the legitimization of closure of the public funded educational institutions is being achieved. The neoliberal state is an aggressively utilitarian state, in the sense that it seeks to make all political, legal and public action subject to quantitative empirical evaluation (William Davies, 2014)<sup>8</sup>.

8. **William Davies (2014)**, ‘The Limits of neo-liberalism’ pp. 6-28, 29, Sage Publications ,New Delhi.

As more observant critics of neo-liberalism have noted, it did not, therefore, seek or achieve a shrinking of the state, but a reimagining and transformation of it. The state is a powerful instrument of neo-liberalism, though also an object of its constant critique; this is one of many contradictions of neo-liberalism. The Planner is the first and primary enemy of neo-liberal political thought. The spectre of the planner -- imposing a single set of values upon the collective – haunts neo-liberal thought and policy practice as the enemy of freedom.

Many Chicago law and economics scholars acknowledge their debt to Bentham, who they view as the pioneer of extending economic critique into the state. Once rendered economically rational, the state is no threat to neo-liberals, but instead their most important weapon.

But the question then surely arises; how is this different from the rationalized, bureaucratic, welfare state? To what extent does this economized sovereign state defend the form of liberty demanded by Hayak and his contemporaries? The answer lies in the promotion of instrumental rationality as a defense against socialism and also very importantly the precise modes of authority that neo-liberalism seeks to promote. The market competition and its unpredictable outcomes create a need for experts and authorities. And we see new breeds of expert – coach, regulator, risk manager, strategist and guru – offering toolkits and advice on how to navigate and act upon a constantly changing and unpredictable environment.

These technocrats do not fit tidily into categories of ‘science’ or politics, as they are neither objectively disengaged like the scientist, nor goal oriented like politician. They are examples of what Mirowski has termed neoliberalism’s ‘anti-intellectual intellectuals’; experts who declare that stable consensus is impossible, but nevertheless assert their capacity to rule over the unstable dispenses that results.

The expert on which neoliberalism is most dependent is the one who is able to evaluate and score competitors, without bringing about some excessively peaceful resolution to the contest. In neoliberal discourse, social justice, fairenes, and right are all

calculated and evaluated, in terms of quantitative language of efficiency, price and preference..

The positive social sciences, along with various types of methods and statistics, seek to replace critique with technique, judgement with measurement, but they are constantly parasitical on higher order claims about what ought to be measured, and how it is legitimate to represent this objectivity, with their own prejudicial judgements. The rendering of economy, state, and society as explicit and quantified as possible is an implicitly moral agenda, which makes certain presuppositions about how and what to value. Disenchantment of politics by economics still rests on certain vocational commitments and intrinsic notions of the common good which act as a limitation on neo-liberalism (William Davies, 2014).

## **Globalization and Higher education**

Knowledge flows freely across borders. Globalization has many implications for universities, which are among the most globally sensitive of all human institutions. Nations are preoccupied with the problem of global competitiveness and want higher education institutions to help with that. Yet higher education, while it must satisfy government, and local families and employers, also has to cater to the needs of varied and changing global demand. Global rankings, research flows, and the need for open borders impose their own logics that do not always sink perfectly with national policy. Universities are active at the same time in all three dimensions of activity, global, local, and national (Marginson and Rhoades 2002; Marginson and van der Wende 2009), and are often regional as well.

For the first time in history, it is impossible to completely cut off a nation from global relations (though the North Korean regime still tries to do this). The communicative globalization that began in the early 1990s coincided with the rise of neo-liberalism in government, which began in the late 1970s and 1980s, Thatcher and Reagan governments in the United Kingdom and USA respectively. This historical coincidence, with accelerated globalization and neoliberal ideologies happening at the same time, was

to deeply shape understandings of global convergence around the world. Global convergence and policy borrowing accelerated the flow of neoliberal ideas and techniques. Neoliberal approaches to policy and government spread rapidly across the world in the 1990s and after, deeply shaping higher education policy and regulation everywhere. Furthermore, the advocates of the neo-liberal policies may now occupy positions of considerable influence in education (the universities and many 'think tanks'), in the media, in corporate boardrooms and financial institutions, in key state institutions (treasury departments, the central banks), and also in those international institutions such as the International Monetary Fund (IMF), the World Bank, and the World Trade Organization (WTO) that regulate global finance and trade.

Neo-liberalism has, in short, become hegemonic as a mode of discourse. It has pervasive effects on ways of thought to the point where it has become incorporated into the common-sense way many of us interpret, live in, and understand the world (Harvey, D,2005)<sup>9</sup>. At the same time, neoliberal thinkers developed their own distinctive narrative of global convergence, in which it was defined as the formation of deregulated competitive markets on a worldwide scale. While some viewed that globalization was nothing more than the Anglo-American neoliberal project, while others viewed it as a process of cultural integration or a matter of common interest.

But given the large scale destruction of the education system and its sociological implications going against the very values and objectives of the Indian constitution, many civil society organizations who have been working with the people affected by the privatization and corporatization of the education in general and in Telangana in particular, resist the neoliberal policies in education and other sectors and blame globalization for those policies and want to strengthen national resistance to global flows. But the neo-liberal policies have been carried out unabated for the last three decades giving the impression that opposition to such policies seem to be futile.

9. **Harvey, D. (2005).** 'A Brief History of Neo-liberalism'. Oxford: Oxford University Press.

In the context of increasing globalization and technology, a better approach, as advocated often by the people associated with government, would be to develop an alternate political globalization to neoliberal globalization, pushing the different national cultures out into the global dimension on equitable basis for which there is a need to lay strong foundations of national education under complete government control without experimenting privatization in education. However, there is increasing negligence of the public sector education by way of budget cuts, contractualization of the staff and unwillingness to fill the vacancies on the part of government.

In spite of the bitter experience with the neo-liberal policies, keeping in view the constitutional objectives of social, economic and political justice, the inability of the state to shoulder its responsibility of providing public education may again be explained through the ubiquitous nature of neo-liberalism. Neo-liberalism models society and government in terms of financial rationales, competitive capitalist markets, and business templates (Harvey 2005).

These templates serve as the basis for concrete changes in policy, regulation, and funding arrangements. At the same time, neo-liberalism functions as a “social imaginary” in the sense of Charles Taylor (2002) in that this body of ideas has come to constitute what is commonly seen as normal and possible (Rizvi and Lingard, 2009)<sup>10</sup>. Rizvi and Lingard assert that neoliberal ideology—a driving force behind the processes of globalization— produces and reproduces social inequalities limiting the transformative potential of education. Neo-liberalism is the dominant social imaginary of the time. Increasingly, in domains such as higher education, business culture and market behaviors, especially competition, are seen as practical and inevitable.

10. **Fazal Rizvi and Bob Lingard (2009)**, ‘Globalising Education Policy’, Routledge, New York, 2009.

It has become increasingly difficult to conceive “places and spaces” that are “not neoliberal” (Clarke, 2007)<sup>11</sup>. Yet neoliberal practices are not universal in human affairs or in government and will not always be hegemonic in education.

A key difficulty here is that while competition is central to neoliberal policy and so has become well and widely understood, public and common benefits do not fit the dominant policy template and are not understood. This is a major lacuna in policy. As Cerny (1997) remarked, it is the source of much dissatisfaction. Higher education institutions have a broad potential to produce multiple public good(s). The one-sided fixation with market competition—and particularly the ideologies associated with policies that focus on competition—has obscured this rich potential for public good(s). Unlike market commodities, common, collective, and social outcomes need to be consciously planned and decided if they are to happen. Public goods and the public good in higher education are under-produced in economic markets.

### **Neo-liberal policies and Public good Nature of Higher education**

Neoliberal ideas about education can be traced to a 1955 essay by Milton Friedman on the role of government in education, republished in ‘Capitalism and Freedom’ (1962). He argued for the creation of economic markets or market-like relations in education, a sector then largely administered as a public service or provided by nonprofit private institutions. As Friedman saw it, competition between producer institutions was the natural mode of system organization, and over time, in an evolutionary process, competition would generate innovations and efficiencies.

World Bank prescription was that higher education is projected to be a private good and the cost for which should be borne by the individual and the public investment in higher education is not needed.

11. **John Clarke (2007)**, ‘Citizen-Consumers and Public Service Reform: at the limits of Neoliberalism?’, *Policy Futures in Education*, , p. 239, Volume 5, Number 2, 2007.

Neoliberal ideas are manifest in higher education at two levels (Simon Marginson, 2014)<sup>12</sup>. The first level is the large and heterogeneous family of activities often called the New Public Management (NPM). Features of the NPM include executive leadership, the remodeling of educational institutions as business firms (“corporatization”). By thinking of organizations such as universities as self-interested firms in competition with other firms like them, government obscures their contribution to the collective interest.

The second level of neoliberal ideas goes further. It can be called the Neoliberal Market Model (NLMM). The full market model sees higher education as functioning global and national markets of a capitalist kind—higher education produced on a commercial basis, as a set of commodities subject to buyer-seller relations, in contestable markets with free entry of new producers, produced by competing institutions/firms financed by shareholders, and committed to profit making, within a deregulated setting with little government interference.

The market model functions at the same time as a description of an alleged reality, as an ideal to be achieved, and as a template against which existing practices are judged and found wanting, powering the argument for further market reforms. The NPM and the full market model have a symbiotic relationship. The full market model provides an ideological rationale for NPM reforms. At the same time, the NPM functions as a halfway house to more thoroughgoing changes. Competition, product formats, user payments, and corporatization have been introduced or augmented in many national systems.

12. **Simon Marginson (2014)**, ‘Higher Education as a Public Good in a Marketized East Asian Environment’, in A. Yonezawa et al. (eds.), *Emerging International Dimensions in East Asian Higher Education* Springer Science - Business Media Dordrecht 2014



A key difficulty created by the market imaginary is that it prevents policymakers (and many scholars) from thinking clearly, in either a social science sense or a policy sense, about those functions and activities of higher education and university-centered research that do not fit the neoliberal market model. The market imaginary allows one to think clearly about private goods but not public or social goods. This is compounded by the genuine difficulty of observing and computing many public goods.

Concerns about social and gender equity affect most national systems (OECD 2008). Notions of university engagement in city and region building have gained currency. Higher education institutions have a broad potential to produce multiple public good(s). The one-sided fixation with market competition—and particularly the ideologies associated with policies that focus on competition—has obscured this rich potential for public good(s). Unlike market commodities, common, collective, and social outcomes need to be consciously planned and decided if they are to happen. Public goods and the public good in higher education are under-produced in economic markets. State intervention or philanthropy is always required. These practices owe more to social democracy than neo-liberalism.

It is important to remember civil institutions contribute to public good(s), as well as nation-states. This is especially significant at global level. There is no global state. Operating in the global dimensions, universities often behave less as arms of the state and more as independent agents that are contributing to global civil society. Research universities make a major contribution to global public good(s) by creating, applying, and disseminating knowledge. There is much collaborative activity in research on common global problems such as climate change, food and water security, urban infrastructures, public health, and cross-border epidemiology. This global and national public activity would be more if the market model was less dominant. Research universities also create public good(s) by sustaining traditions of free inquiry and discussion. These are not a Western monopoly—despite what some in the West think—but are integral to intellectual

life everywhere, though the exact practices that associate with researcher and scholarly freedom vary from culture to culture.

### **Impact of neo-liberal policies on School Education**

NPE – 1986 marked the beginning of the free – market or neo-liberal agenda in school education, though it contains a provision for Common School System. It introduced Non-Formal Education (NFE) that was suggested for the out-of school children in the age group 6 – 14 with instructors in place of regular, qualified, trained and well-paid teachers was nothing but abandoning the constitutionally mandated goal of these children to going to regular schools. The policy also proposed to set up an elite layer of schools like Navodaya Vidyalayas whose quality would be far above the regular government schools.

By signing the Jomtien Declaration 1990 at Jomtien, Thailand, Indian government committed itself to privatize the education sector, thereby transforming education into a means for profiteering. Instead of education being a vehicle to build a conscious citizenship, declaration defines education merely as ‘basic learning needs’, thus reducing education to acquiring literacy, numeracy and life skills.

Introduction of DPEP in 1993-94 replaced the larger goal of constitutional commitment of providing eight years of elementary education with just five years of primary education. It reduced the holistic goals of education to literacy- numeracy. It replaced regular teachers with under-qualified, ill-trained and under-paid teachers appointed on short term contract called para-teachers.

### **25 per cent reservations in Private schools under RTE Act, 2009**

Many people thought that all the poor children in the country would obtain quality education in private schools. The data collected by the HRD Ministry’s DISE in 2010 reveals that even if all the private schools had fully implemented the provisions of 25 per cent reservation, a maximum of 18 lakhs children from weaker sections would be admitted in class I under RTE Act. An overwhelming majority of 2 to 2.5 crore more

children would be knocking at the doors of the government school system. Apart from the inadequacy of the private schools, it exhibits the government's deliberate attempt to stay away from constitutionally mandated social responsibility and it is admitting its inability to run quality schools, despite having the experience of running Navodaya and Kendriya Vidyalayas which are amongst the best in the country.

Possibility of private schools discriminating against the children admitted under Right to Education are high, as these schools are in the business of making money and profits, unlike institutions which are run on charitable and humanitarian values seeking to promote the welfare of humanity.

### **Quality Measure through Rigorous Randomized Control Trial (RCT)**

Another important aspect is the quality of education. The assumption is that private schools will provide quality education to the disadvantaged sections of the society, once admitted. But truth of the matter is that quality goes beyond the binary of public and private schools and depends on larger social and economic background of the families of the students (D.D.Karopady, 2014)<sup>13</sup>

This was amply proved by an extensive study conducted and carried out during 2008 to 2013 in India by Azim Premji Foundation, involving a sample size of 10000 (ten thousand) children and a rigorous Randomized Control Trial (RCT) design, in collaboration with the Government of Andhra Pradesh. The most important finding relates to the learning achievement of the disadvantaged children who moved to private schools with scholarships provided as compared to the children who continued in government schools.

- 13.D. D. Karopady (2014).** Does School Choice Help Rural Children From Disadvantaged Sections?: Evidence From longitudinal Research in Andhra Pradesh' *Economic and Political Weekly* 49(51), 20 December 2004.

### **Cut in Allocation and failure to identify critical aspect**

Going by the estimated allocation of finances, the pronouncements of Eleventh Five Year Plan, 86<sup>th</sup> Constitutional Amendment Act and Right to Education Act, an impression of educational transformation would tend to be created. But the neo-liberal policy oriented tendency held back the state and the amount spent was only Rs 78000 crore (Twelfth Five Year Plan, Volume III: Social Sectors, P.54) which was less than half of the estimation made by MHRD. Besides meager financial allocation, the Planning Commission did not question the continuation of Non-Formal Education Centers and refused to realize the critical role of the well-qualified and trained teachers and the need to do away with the large number of under-qualified, under-trained and under-paid para-teachers being recruited everywhere.

### **Increasing Privatization and Institutional shift**

As per ASER, 2018 national findings, there has been a steady increase in the percentage proportion of children aged between 3- 16 years enrolling in private schools since 2005. The percentage proportion of enrollment in private schools increased from 16.4 in 2005 to 30.9 in 2018. Apart from increasing privatization of school education since 1990s, by 2010 Indian state has reached to a threshold point where the institutional shift was taking place from free education by non-profit oriented institutions to the setting up of profit oriented PPP model institutions and increasing privatization of school education.

And most of the government schools were being run with inadequate staff including para, contract and untrained and un-qualified staff along with mushrooming presence of neighbouring private schools .

All this has been happening, in spite of the law that prohibits commercial for-profit organizations to provide schooling; all private-aided/ unaided schools have to be non-profit organizations under the Societies Act. The Supreme Court in 1993 had ruled that “Commercialization of education cannot and should not be permitted”. But, the Mid-

Year Analysis of the Budget 2010 -11 tabled in parliament recommended that “it is advisable to discontinue with the non-profit trust requirement and allow schools to be profit-making” (GOI, 2010)<sup>14</sup> have shed all inhibitions and declared that private sector needs to be involved more meaning fully in expanding the reach and improving the quality of elementary education in the country.

### **Draft National New Education Policy**

The Draft New Education Policy, 2019 without speaking about the increasing role of private sector and resultant privatization and commoditization of the education sector, is trying to project itself as having all encompassing educationally idealistic vision of ‘quality’ at the cost of equity and accessibility. The word ‘quality’ runs many a time throughout the document while the constitutional values of equity and secularism are given little importance.

### **New Education Policy, 2020**

NEP -2020 policy is replete with many reforms with many systemic changes at school and higher education that will have far reaching consequences. The reforms are intended to create new institutions and new paradigms in curriculum that is sought to be implemented through technology oriented online and offline mode.

But the fundamental issues like commercialization and privatization, lack of adequate teaching faculty in general and quality teachers in particular, lack of adequate resource allocation for public education due to neo-liberal budgetary constraints would make the educational system inaccessible and inequitable.

14. **GOI (2010)**, Mid-Term Analysis: 2010-11, Ministry of Finance, GOI, p.52, <http://finmin.nic.in> ), Mid-Term Appraisal of the eleventh Five Year Plan and the approach paper to the Twelfth Plan, p.97

## **Increasing Privatization and its impact on Higher Education**

There has been phenomenal expansion in the number of universities and the colleges since 1990s. It increased from 190 universities and 7346 colleges in 1990 to 256 universities and 12806 colleges by 2000 -2001 and to 700 universities and 35 536 colleges by 2012 -13 and to 1019 universities and 39955 colleges by 2020. The total number of private (unaided) universities and colleges accounted for nearly 60 per cent in 2012-13 as compared to less than 25 per cent in 2001 and it increased to 78 per cent in 2020.

### **Increasing privatization in professional education and Declining quality and equity**

In engineering and management, more than 90% of institutions are in the private sector whose dominating presence has also spread to arts and basic science courses, and even at intermediate and polytechnic colleges.

Quiet obviously most of this growth of private higher education has happened in the more marketable professional courses like engineering, medicine, management, computer applications, etc. ranging between 50 per cent to 95 per cent of the private institutions(K M Joshi,2013). 78% Colleges are privately managed; 64.6% Private unaided and 13.3% Private aided. Andhra Pradesh, Telangana, UP and Tamil Nadu, both have more than 75% Private unaided colleges, whereas, Bihar has only 24% and Assam 12% Private unaided colleges(All India Survey on Higher Education-AISHE-2017-18). The number of Engineering colleges had gone up from 1,511 colleges in 2006-07 to 3,345 in 2014-15. the number of management schools has tripled to 4,500 in the last five years and their student intake gone up from 95000 in 2006-07 to 3,6 lakh in 2011 -12.

### **Quality**

Just about 1 per cent of colleges have been granted an autonomous status (FICCI, 2011). With regard to quality, less than 40 per cent of the universities and 12 percent of

the colleges had been assessed and accredited by NAAC. Only a very few private colleges which account for 63 per cent of the higher education institutions, are among the above NAAC accredited colleges. But most engineering and management colleges have not got themselves accredited by NBA. Most of these engineering and management colleges have not got themselves accredited by NBA. It is clear from the NBA website that it is not willing to reveal the details as to how many colleges it has accredited. Draft New Education Policy, 2019(p.203) acknowledges that more than 60 per cent of the higher education institutions are in private sector and thousands of the smaller colleges hardly have any teaching faculty at all, and there is little or no education taking place - thus affecting severely the integrity of the higher education system in the country. The biggest question concerning this explosive growth in private sector-led Indian higher education is not only the quality of the millions of graduates but also the question of equity in terms of lost employment opportunities. With such commercialization of education, the content of education is reduced to one of skill training, or at best, professional training. Social sciences, Natural Sciences, Humanities, Art and Literature, and fundamental research are looked down upon and are increasingly being replaced by professional and skill training required by corporate houses.

### **Social Exclusion**

With 750 universities and more than 41435 affiliated colleges the GER surged from 8.1per cent in 2000 – 2001 to 28.5in 2017-18 The presence of SC (10.4 per cent) and ST (23.1percent) students in central higher education institutions which, however, account for just around 3 per cent of all the higher education institutions, whereas it is 15 per cent and 4.8 per cent respectively in region-state-level higher education institutions. This expansion and equity of the underprivileged sections seems to have been phenomenal. But out of the children admitted in Class 1, only about 6% of STs, 8% of SCs, 9% of Muslims and 10% of OBCs are able to cross the crucial barrier of Class 12. This means that less than 10% of the oppressed classes and castes have ever become eligible for higher education and the reservations they provide for.

## **GER in India**

With 750 universities and more than 41435 affiliated colleges enrolling more than 28 million students accounting for the Gross Enrollment Ratio (GER) of 27.1 in 2019-20 (All India Survey on Higher Education-AISHE-2017-18), Indian higher education is a large and complex system with huge jump in massification when compared to the position of 8.4 million students reported to have enrolled in 256 universities and 12,806 colleges by the turn of the century (2000). The GER surged from 8.1 per cent in 2000 – 2001 to 28.5 in 2017-18. Though it appears huge surge in GER in India in a decade, this pales in comparison with China and USA, where it is 48.44 and 88.84 respectively

Though there seems to be huge surge in GER in India in a decade, but when compared to GER in China and USA, where it is 48.44 and 88.84 respectively there is still much to be achieved. In America which is considered to be a capitalist economy, the average percentage of enrollments in private higher education is just 27 per cent. It is 19 per cent in China as against 58 per cent in India.

## **Enrollment of Students by fields of study**

More than 75% of students are enrolled in three year bachelor's degree like B.A., B.Com and B.Sc. degrees. One-sixth of all Indian students are enrolled in Engineering/Technology degrees. This demolishes the long and generally held myth that technology courses are given more importance at the cost of basic science courses. But it is a fact that there are more and more prestigious institutions of technology institutions like IITs and NITs than institutions of basic science courses which have been neglected in terms of not having institutions on par with IITs and NITs. Realising this at last, only five new IISERs (Indian Institutes of Science Education and Research) were created in 2007 for the promotion of basic sciences.



### **Few Institutions and very high competition**

After nearly three decades of creation of IITs and NITs, the Central government has created a few more such. But, they are not at all adequate given the huge competition which is having the deleterious effect on the society at large. The rigorous training and the mechanical way of conducting the weekly tests are eating into the natural and real talent of the students in these institutions. As a result, the amount of pressure and the mental agony the students and the parents would undergo is unimaginable. Every year there have been reports of these students in coaching –cum- colleges committing suicides.

### **Effect on School Education**

The serious mismatch of presence of a very few quality government institutions and the huge demand for them is not only affecting quality and equity of higher education but also affecting school education. From 6<sup>th</sup> standard onwards the students are forced to undergo rigorous training in sciences that is Mathematics, physics, Chemistry and Biological Sciences of plus 1 and plus 2 standard, at the cost of totally neglecting the languages and social sciences which otherwise would enable a student to appreciate the issues of the society and the beauty of the life. The appreciation for art and literature and the resultant beauty of the life is totally ignored.

### **Growth and support of Private Sector at the cost of Public Institutions and precious resources**

The earlier trend (before the beginning of neo-liberal policies) of setting up of full-fledged educational institutions has given way to populism of schemes like fee-reimbursement where in the government reimburses the fixed amount of fee so as to enable a poor student to pursue a course in any private college which resort to all possible and innovative dubious methods in attracting and weaning them away from government

colleges. This has significantly affected the level and composition of public funding in state budgets, with a shift from funding public institutions to students in private colleges. The amount spent for the fee reimbursement scheme and other schemes could be utilized for establishing new colleges with permanent faculty and world class infrastructure facilities definitely improving the overall education scenario in the country to cater to the needs of the nation state rather than resources being transferred to private sector. The unbelievably rapid growth of the private sector has resulted in crowding out or displacing or damaging the public sector in no time. Now, there is practically no space for the government to set up a full-fledged institution.

Only when the government is sole or at least the major provider of free education, the balanced and comprehensive education, instruction aiming at the larger social benefit is possible. Only then all the courses—basic sciences ,liberal arts ,languages and the technology courses will be developed equally for the betterment and all round development of the individual, society and the country at large. The realization of constitutionally guaranteed values of free, equitable, just, secular, scientific, and democratic education would not be possible as long as the national policies aim at promoting private sector participation in tune with neo-liberal policies in Education Sector.

### **Status of Education in Telangana**

Though the percentage of private un-aided schools is 28 but 52 percent of the total enrolled students are in these schools. It clearly shows that private schools are favoured more than public funded schools. During the period from 2014 to 2017 in Telangana, the number of government primary and Upper primary schools increased by only 0.42 per cent and 2.89 per cent respectively, whereas, in the case of private schools the increase was 12.75 per cent and 10.09 per cent respectively.

There are multiple residential schools based on communities, working at cross purposes, is not only against the very idea of promoting and imbibing ideas of fraternity in a caste ridden Indian society and also these myriad institutions create an exclusive multi-layered educational system within the communities, causing damage to the large number of already existing government and local body schools and colleges in terms of declining strength. Only a very small percentage of under privileged sections of the society are sought to be provided residential education and the rest are condemned to pursue education in under staffed, un-supervised government schools in competition with mushrooming growth of private schools which are also run in congested buildings with no play ground, no qualified staff and no fee regulation. Even these newly established government residential schools do suffer from the problems of inadequate staff, inadequate budget allocations and improper service conditions. As many as 1,936 contract teachers are working in Ashram Schools have been paid low wages despite heavy workload since their appointment in 2003.

### **Intermediate Education**

Coming to intermediate education, almost 83 per cent of the colleges are private un-aided colleges, most of which are coaching-cum - academic institutions running with under paid, many an unqualified staff, without labs, and in very congested buildings catering to the needs of 78 per cent students. The remaining colleges are in the government sector and the students in these colleges are also suffering from very inadequate regular staff and too many contractual staff, unhealthy competition from private colleges, lack of active participation from stakeholders in general and particularly from parents, for they are illiterate and the poor.

### **Collegiate Education**

2.47 lakh students get through Intermediate Course every year. With too many degree colleges, there is an intake capacity of 4.26 lakh students. About 2.5 lakh seats and above in Degree Colleges remain un-filled every year. This clearly points out not

only to indiscriminate privatization but also policy of anarchism. Laissez-faireism and the absence of any policy since 1990s helped in the rapid growth of private educational institutions and large-scale commoditization of higher education. There are about 4 to 6 private colleges and one Government college in a particular semi urban area and as a result there is a huge gap between the availability of the college going students and the availability of the seats. Students taking admission in the government college has been so thin and dispersed that they have much below the subsistence strength and thus they are on the verge of closure. As a result the intake in these colleges too is very little and like the Government Colleges, many of them are on the verge of closure but somehow survive to claim and benefit from schemes like fee-re-imburement.

### **University Education**

University education suffer from utter negligence in terms of lack of fresh recruitment, too many contractual appointments, too many vacancies, self-finance courses, fee-reimbursement scheme benefitting the private sector, lack of minimum infrastructural facilities etc.

### **Conclusion**

Before and after economic reforms, Indian state, either out of electoral compulsion, or out of constitutional mandate or out of positive liberalism, has remained as welfare state. Before economic reforms, the vision of development was one in which the focus was on regulating capitalism to ensure that the fruits of development were equitably shared. After the reforms, the emphasis is on unfettering capitalism. The transition is from socialistic pattern of development to capitalistic pattern of development where welfare expenditure is looked down leading to cut in subsidized goods and services to the poor and peasant farmers. In a liberalized economic order, while the government still has the right to determine the levels of access to precious resources and to well groomed public institutions, its role is seen as one of providing such access as part of a process of encouraging private sector led growth. In such a situation, corruption

becomes systemic as the resources and the share in public undertakings are to be handed over, out of policy compulsion, to private corporate sector at cheap rates.

In the social sectors like health and education, private sector participation with all the support and encouragement from the government with simultaneous negligence, in terms of understaffing, contract staff, lower budget allocations, of the public institutions providing these services would lead to precarious situation of inaccessibility of these basic services to the underprivileged sections of the society. These basic services become unaffordable even to the middle class people. Whatever welfare expenditure that is being spent in already very much neglected public institutions has been projected to be wasteful expenditure. As the public institutions are being crippled, private sector participation with state support in terms of reimbursement schemes would get legitimized further benefitting the later with huge transfer of public resources. The welfare spending has been confined to populist welfare schemes with short run benefits.

In this context, some describe whatever little or declining welfare orientation that is there is only a short run affair when elections are in the offing. 'Politicians find it very difficult to win elections merely on the basis of rational explanation of reform policies, especially when they are presumed to cause hardships to the poor and needy. Some welfare measures are inevitable if ruling parties want to survive in democratic politics. It appears that for him, economic reforms were a long-term strategy while populism (welfarism) was a short term tactic to win elections (K.C.Suri, 2005)<sup>15</sup>. And there is need to study the relationship between populism and economic reforms to know the long-term ill-effects of the populism. The historical, democratic and constitutional compulsion of welfare state in India is still found to be relevant and necessary and entail large scale state intervention as against the neo-liberal policies which consider the state intervention as unnecessary and futile.

15. **K.C.Suri (2005)**, 'The Dilemma of Democracy; Economic Reforms and Electoral Politics in Andhra Pradesh' in Jos Mooij (ed) 'The Politics of Economic reforms in India', New Delhi: Sage Publications.

This contradiction between welfarism and neo-liberalism has been making the coverage of welfarism piecemeal and inadequate and dilapidated in India since late 1980s and early 1990s.

Now welfare has been associated with populist politics or populism that refer to making fantastic promises and implanting welfare programmes primarily with a view to reaping electoral advantages. But it is true that development and welfare are still seen, especially in the human development discourse, as concepts that are interpenetrating and mutually complementary (K.C Suri, 2005).

Finally, it is the social sector where the reforms have a direct bearing on the lives of the poor and many policy makers and economists like Amartya Sen and Jean Drez (2013), in their book 'The uncertain Glory of India', for that matter since long time, have been advocating that in social sectors like education, health and public distribution system, there should be active state intervention and they should not be left to market forces. And they view, with comparative analysis of BRICS countries (Brazil, Russia, India and China and recently joined South Africa not included) and some states like Himachal Pradesh, Kerala and Tamil Nadu where active state intervention produced better social indicators than other countries and some states in India.

The active social policies and old fashioned public institutions, even though economic reforms are irreversible in the context of larger globalization, would make the difference in the lives of the people. There is a need to study the efficacy and necessity of public institutions and the ways and means to improve them in the fast changing world of neo-liberal globalization.

## CHAPTER – III

### NEOLIBERAL POLICIES AND THEIR IMPACT ON INDIAN WELFARE STATE

After exploring the emergence of Indian welfare state, now it is pertinent to explain and understand the emergence of an era of neo-liberal policies and its consequences on Indian welfare state. John Maynard Keynes, in the aftermath of the great depression in 1929, advocated massive government spending by challenging classical liberal belief that the market mechanism naturally corrects itself in the event of economic crisis and return to an equilibrium at full employment. Liberalism has evolved from classical liberalism to neo-liberalism which advocates rolling back of the state intervention, and ceding rest of the space to market where each and every aspect of social, political, and cultural life is determined by the new economic regime. In this context, it is to be noted that “neoliberal capitalism performs the dual task of using education to train workers for service sector jobs and produce life-long consumers”(Giroux and Giroux,2006)<sup>1</sup>. Education becomes one of prime instruments to generate ‘segmented labour force’ for capital and, simultaneously, to facilitate the rule of capital ( Ravi Kumar, 2014)<sup>2</sup>.

1. **Giroux, Henry A and Giroux, Susan Searls (2006)**, ‘Challenging Neoliberalism’s New World Order: Promise critical pedagogy’ *Critical Studies and Critical Methodologies*, Vol.6. No.1 pp.21-32.
2. **Ravi Kumar (2014)**, ‘Education, State, and Market: Anatomy of Neoliberal impact’ in Ravi Kumar(ed.) *Eduaction, State, and Market-Anatomy of Neoliberal Impact* pp.236-261,Aakar Books:New Delhi.

## **Conceptualization of Neo-liberalism**

Neoliberalism is identified with wide range of social, political and economic phenomena of state withdrawal at different levels of complexity. Neoliberalism may be understood as an ideology, a mode of governance and a policy prescription.

As an ideology, it idealizes images of a consumerist free market world. Its chief advocates are global power elites including economists, executives of transnational corporations, corporate lobbyists, influential journalists, public relation specialists, celebrities, top entertainers, state bureaucrats and politicians. Neoliberalism's institutional birth took place in 1947, with formation of the 'The Mont Pelerin Society (MPS)' (VijayPrasad, 2013)<sup>3</sup>. Since then, it has been functioning as an international neoliberal organization composed of economists, philosophers, historians, intellectuals and business leaders.. Its founders included Friedrich Hayek, Frank Knight, Karl Popper, Ludwig von Mises, George Stigler and Milton Friedman. The society advocates freedom of expression, free market economic policies and the political values of an open society. Further, the society seeks to discover ways in which free enterprise can replace many functions currently provided by government entities.

As a mode of governance, it adopts the self-regulating free market as the model for proper government which tends to withdraw from its earlier role. State becomes a facilitator, instead of its hither to role as provider of goods and services, of corporate interests and works towards ensuring profit maximization for them. The idea of public good becomes an alien concept as it strives to reduce everything to the private sphere. Neoliberal mode of governance redefines citizens as customers or clients. It encourages administrators to cultivate an entrepreneurial spirit. A novel model of public administration known as 'New Public Management' has taken shape to carry out neoliberal policies.

- 3. Vijay Prasad (2013), 'The Poor Nations; A possible history of the global South'** pp 85-86, Progressive Printers, Delhi, 110095



As a policy prescription, it advocates fiscal discipline, reduction of social sector expenditure, deregulation of the economy, liberalization of trade and industry and privatization of state-owned enterprises.

In the process of implementing this, one experiences massive tax cuts (especially for business and high-income earners); reduction of social services and welfare programmes; the downsizing of government, creation of new political institutions, think tanks etc. All these would bring huge contradictions with the electoral compulsions of representative democracy which compels the state to undertake welfare programmes of one sort or the other

### **Emergence of the era of Neo-liberalism**

Liberalism is an ideology which insists on liberty or freedom of individual as the most important goal of public policy (Adam Smith, 2001)<sup>4</sup>. Liberalism was the product of the breakdown of feudalism and the growth of a market or a capitalist society. In its earlier form, liberalism was a political doctrine. It attacked absolutism and feudal privilege and advocated a constitutional and representative government. The central theme of classical liberalism is a commitment to an extreme form of individualism. Humans are seen as egoistic, self seeking, and largely self-reliant beings. This atomist view of society is underpinned by a belief in negative liberty, meaning non-interference or the absence of external constraints upon the individual. The classical liberal ideal establishes a minimal or police state, with a limited role of protection of the citizens from the encroachment of fellow citizens (In Tom Paine's words, the state is a necessary evil. It is necessary in that, at the very least, it establishes order and security and ensures that contracts are enforced. And it is evil in that it imposes a collective will upon society, thus limiting the freedom of fellow citizens).

**4. Adam Smith (2001), *Wealth of Nations*, Bartley.com**

In the form of economic liberalism, this position is underpinned by a deep faith in the mechanism of the free market and the belief that the economy works best when left alone by government. The exponents of classical liberalism include John Locke, Adam Smith and Jeremy Bentham during the period 17<sup>th</sup> and 18<sup>th</sup> century.

This experience of the liberalism resulted in the recognition that industrial capitalism had merely generated new forms of injustice and left the mass of the population subject to the vagaries of the market. The gap between the rich and the poor widened extremely.

Influenced by the work of John Stuart Mill, the modern liberals such as TH Green, LH Hobhouse, JA Hobson, Harold Laski and RH Tawney championed a positive view of liberty (O.P.Gaubu, 2013)<sup>5</sup>. From this perspective, liberty is linked to personal development and the flourishing of the individual; that is, the ability of the individual to gain fulfillment and self- realization. This view provided the basis for welfare liberalism / positive liberalism / modern liberalism. This is characterized by the recognition that state intervention, particularly in the form of social welfare, can enlarge liberty by safeguarding individuals from social evils (The Beveridge Report (UK) of 1942 identified these evils as five giants – want, ignorance, illness, squalor and disease)that blight individual existence.

Modern liberals abandoned their belief in laissez-faire capitalism, largely as a result of Keynes's insight that growth and prosperity could be maintained only through a system managed or regulated capitalism, with key responsibilities being placed in the hands of the state.

**5. O.P.Gaubu (2013) 'An Introduction to Political Theory', New Delhi: Macmillan Publisher India Ltd.**

Their concern had been with the plight of the weak and vulnerable, those who are not able to help themselves- the poorest of the poor, the most disadvantaged sections of the society.

The Russian revolution of 1917, the great depression of 1930, the destruction caused by the Second World War and the emergence of newly independent countries like India were most dramatic events that marked the large scale intervention of state in society and economy. In the developed countries of west Europe and the U.S.A, the state intervened to implement the Keynesian theory of macro-economics to ensure full employment is not automatic in capitalism. “Keynesian welfare state may have emerged less from policy choices in search of social justice than from choices to ensure the survival of a capitalist economy” (Charles L. Cochrane and Eloise F.Malone, 2007)<sup>6</sup>.

In the former USSR and East European socialist countries the state intervened with a large measure of monolithic top-heavy centralized planning and superseded the market mechanism. The success of state planning in achieving rapid industrialization in these socialist countries, particularly USSR, greatly influenced policy makers in developing countries in favor of state intervention.

In the newly independent countries of Asia, Africa and Latin-America, the state intervened to accelerate the process of socio-economic development. These countries did not even possess the pre-conditions for development. They were characterized by mass poverty, huge unemployment, ill-health, illiteracy, malnutrition, inequality, small and unbalanced industrial base, lack of infrastructure, and unfavorable land relations. Consequently the state assumed responsibility not only for the redistribution of assets and income and alleviation of poverty but also for the direct production of goods for investment and consumption.

**6. Charles L. Cochrane and Eloise F.Malone (2007),”Public Policy- choices and perspectives” ,p 179,Lynne Rienner Publishers, Inc, USA**

Along with the compulsion of state intervention across all the countries in the world, there emerged international and multi-lateral institutions like World Bank, IMF and GATT (WTO) to promote the policies of free trade which have conflicting policy objectives with that of many newly emerged independent countries where state had to intervene on large scale.

### **Embedded Liberalism: 1945 – 1970s**

Embedded liberalism is a term for the global economic system and the associated international political orientation as existed from the end of World War II to the 1970s. The system was to support a combination of free trade with the freedom for states to enhance the provision of welfare and to regulate their economies to reduce unemployment. The term was first used by the American Political Scientist John Ruggie in 1982 (Ruggie, John Gerard. 1982)<sup>7</sup>. It involves a compromise between two desirable but partially conflicting objectives. The first objective was to revive free trade. Before World War I, international trade formed a large portion of global GDP, but the classical liberal order which supported it was destroyed by war and the Great Depression of the 1930s. The second objective was to allow national governments the freedom to provide generous welfare programmes and to intervene in their economies to maintain full employment. This second objective was considered to be incompatible because with a free market in international capital, investors could easily withdraw money from nations that tried to implement interventionist and re-distributive policies.

### **Bretton Woods system**

The resulting compromise, though incompatible, was embodied in the Bretton Woods system, which was launched at the end of World War II.

- 7. Ruggie, John Gerard (1982), International Regimes, Transactions, and Change: Embedded Liberalism in the Postwar Economic Order, John Gerard Ruggie , Volume 36, Issue 2, International Regimes (Spring, 1982), 379-415.**

The system was liberal in that it aimed to set up an open system of international trade in goods and services, facilitated by semi-fixed exchange rates. Yet it also aimed to "embed" market forces into a framework by which national governments could control international capital flows by means of capital controls and supported World Bank and the International Monetary Fund (IMF). In the 1950s and 1960s, the global economy prospered under embedded liberalism, with growth more rapid than before or since. Yet the system was to break down in the 1970s.

Ruggie perceived 'embedded liberalism' as a compromise between the desire to retain the advantages of free market system, while also allowing states to have the autonomy to pursue interventionist and welfare based policies. Lord Keynes and White argued that free movement for capital conflicted with nation state's freedom to pursue economic policies and also with the semi fixed exchange rate system that maximised international trade in goods and services. It was widely agreed that states would be free to enact capital controls and maintain both fixed exchange rates and pursue domestic policies. During the 1950s and 1960s, embedded liberalism and Keynesian economics were so popular that conservative politicians found they had to largely adopt them if they were to have a chance of getting elected. This was the case in Britain and was called the post-war consensus or Washington consensus, with a similar consensus existing elsewhere, including in the United States.

Marxist scholars tend to broadly agree with the mainstream view, though they emphasise embedded liberalism as a compromise between class interests, rather than between different desirable but partially incompatible objectives. David Harvey, in his book, 'A Brief History of Neo-liberalism (2005)' argues that at the end of World War II, the primary objective was to develop an economic plan that would not lead to a repeat of the Great Depression. Harvey states:

"To ensure domestic peace and tranquility, some sort of class compromise between capital and labor had to be constructed. The thinking at the time is perhaps best represented by an influential text by two eminent social scientists, Robert Dahl and Charles Lindblom, published in 1953. Both capitalism and communism in their

raw forms had failed, they argued. The only way ahead was to construct the right blend of state, market, and democratic institutions to guarantee peace, inclusion, well-being, and stability”.

Harvey notes that under this new system free trade was regulated "under a system of fixed exchange rates anchored by the US dollar's convertibility into gold at a fixed price. Fixed exchange rates were incompatible with free flows of capital". In addition, there was a worldwide acceptance that "the state should focus on full employment, economic growth, and the welfare of its citizens and that state power should be freely deployed, alongside of or, if necessary, intervening in or even substituting for market processes to achieve these ends".

He also states that this new system came to be referred to as "embedded liberalism" in order to "signal how market processes and entrepreneurial and corporate activities were surrounded by a web of social and political constraints and a regulatory environment that sometimes restrained but in other instances led the way in economic and industrial strategy".

Harvey argues that while embedded liberalism led to the surge of economic prosperity which came to define the 1950s and early 1960s, began to crack in the late 1960s. The 1970s were defined by an increased accumulation of capital, unemployment, inflation and a variety of fiscal crises. He notes that "the embedded liberalism that had delivered high rates of growth to at least the advanced capitalist countries after 1945 was clearly exhausted and no longer working". A number of theories concerning new systems began to develop, which led to extensive debate between those who advocated "social democracy and central planning on the one hand" and those "concerned with liberating corporate and business power and re-establishing market freedoms on the other". Harvey notes that by 1980, the latter group had emerged as the leader, advocating and creating a global economic system that would become known as 'neo-liberalism'. Thus, the term, Neo-liberalism refers to the transformation of the state from a provider of public welfare to a promoter of market and competition.

Neoliberalism arrived when the prosperity and stability of controlled capitalism or embedded liberalism was shaken by the 'oil shocks' of 1970 as the price of oil increased overnight. Since 1970's, in the writings of free market economists such as Friedrich AV Von Hayek and Milton Friedman and philosophers such as Robert Nozick, an almost contemporary version of classical political economy that is neo-liberal ideals have been spread vigorously. These neo-liberal thinkers believe that welfare state has been inimical to individual liberty, as it involved the forced transfer of resources from the more competent to the less competent (O.P.Gaubá, 2013)<sup>8</sup>.

In order to restore individual liberty, they sought to revive the principles of laissez-faire not only in economic sphere but also in political and social sphere. Thus, neo-liberalism upholds full autonomy and freedom of the individuals ignoring the plight of the weak and vulnerable sections of the society. The neo-liberalism demands the rolling back of the frontiers of the state. It believes in the primacy of the spontaneous order of human relationship as exemplified in free market. In the economic sphere, market exemplifies a genuine democracy and in the political sphere, market represents a model of genuine democracy, where traders are traded against welfare benefits and the cost is borne by the most productive members of society. It also believes that unregulated market economy will deliver efficiency, growth and widespread prosperity and believes in growth led trickle-down theory ignoring the widening gap between the rich and the poor.

Such ideas had their greatest impact in the UK and USA where they were articulated in the 1980's in the form of 'Thatcherism' and 'Reaganism' respectively. Such ideas have been widely expressed in Margaret Thatcher's famous assertions that there is no such thing as society, only individuals and their families (old atomistic view of society of classical liberals)(Nicholas Wapsott,2007)<sup>9</sup>.

**8. O.P.Gaubá (2013)** 'An Introduction to Political Theory', New Delhi: Macmillan Publisher India Ltd.

**9. Nicholas Wapsott (2007)** '*Biography of Ronald Reagon and Margaret Thatcher: A political Marriage*', published by sentinel HC.

The nanny state, that is, the state with extensive social responsibilities seems to breed a culture of dependence and to undermine freedom. Therefore, faith is placed in individual responsibility and entrepreneurship, ignoring the widespread incapacities and large scale deprivations in the society.

### **Washington Consensus**

The Washington Consensus was a set of policy recommendations to be prescribed by number of international monetary institutions that included the International Monetary Fund, the World Bank, and the World Trade Organization (WTO). They were a set of economic prescriptions that were believed to benefit economically developing states. The initial name “Washington Consensus” was derived by economist John Williamson, an economist from the Institute for International Economics, an international economic think tank based in Washington, who has said that “The Washington Consensus, as I originally formulated it, was not written as a policy prescription for development: it was a list of policies that I claimed were widely held in Washington to be widely desirable in Latin America as of the date the list was compiled, namely the second half of 1989”( John Williamson, 2004-05)<sup>10</sup>.

There were ten specific points within the Washington Consensus. The ten points are quoted below:

- “Fiscal discipline – strict criteria for limiting budget deficits
- Public expenditure priorities – moving them away from subsidies and administration towards previously neglected fields with high economic returns
- Tax reform – broadening the tax base and cutting marginal tax rates
- Financial liberalization – interest rates should ideally be market-determined

**10. John Williamson (2004-05)**, Paper commissioned by Fundación CIDOB for a conference “From the Washington Consensus towards a new Global Governance,” Barcelona, September 24–25, 2004.



- Exchange rates – should be managed to induce rapid growth in non-traditional exports
- Trade liberalization
- Increasing foreign direct investment (FDI) – by reducing barriers
- Privatization – state enterprises should be privatized
- Deregulation – abolition of regulations that impede the entry of new firms or restrict competition (except in the areas of safety, environment and finance)
- Secure intellectual property rights (IPR) – without excessive costs and available to the informal sector

Thus, as Dr. Joseph Stiglitz (Joseph Stiglitz, *Globalization and its Discontents* (2002)) writes, “the term “Washington Consensus”, in the minds of most people around the world, has come to refer to the development strategies focusing around privatization, liberalization, and macro-stability (meaning mostly price stability); a set of policies predicted upon a strong faith—stronger than warranted—in unfettered markets and aimed at reducing, or even minimizing, the role of government”. As Williamson (2004) states, he believes that there were “at least three distinct meanings,” which he explains as being:

- 1) “My original usage: A list of ten specific policy reforms, which I claimed are widely agreed in Washington to be desirable in just about all the countries in Latin America, as of 1989...”
- 2) “The set of economic policies advocated for developing countries in general by official Washington, meaning the international financial institutions (the IFIs, primarily the IMF and World Bank) and the US Treasury.”
- 3) Critics’ beliefs about the set of policies that the IFIs are seeking to impose on their clients.

Thus, the Washington Consensus is structured on neoliberal economic policies, in particular, the reduction of borders to trade and also the reduced role of government in economic policies.

### **The Impact and Consequences of Neoliberal Policies**

The market becomes the organizing principle of all aspects of life – political, economic, social, and cultural – leading to commodification of all of them.

Politics increasingly and overtly becomes a domain of the ruling elite, as number of millionaires and billionaires rise in formal democratic structure. Neo-liberalism is the pursuit of the disenchantment of politics. It involves a deconstruction of the language of common good or the public, which is accused of potentially dangerous mysticism. Neo-liberalism might therefore be defined as the application of market based principles and techniques of evaluation to the state endorsed norms (William Davies, 2014)<sup>11</sup>.

The distinction between public and private diminishes as private sector takes over all that is public destroying the idea of social justice. Social concerns and historical constructs are no longer factored in the idea of justice. With the rising privatization and decline of government role the constitutionally mandated reservations in public offices and in educational institutions become redundant.

While ‘resource crunch’ becomes an excuse for the state’s inability to manage health, education, pension etc., huge monetary benefits are doled out to corporate houses as tax wavers, bail-out packages, and subsidies.

Poverty increases in real terms and so does the gap between those who can afford to be buyers in the new commodified economy and those who cannot. Market creates a chimera of hope and ‘aspirations’ about unlimited possibilities under the new regime of neoliberalism.

**11. William Davies (2014) ‘The Limits of neo-liberalism’ (2014) Sage Publications, New Delhi,**

Neo-liberalism sets into motion a vicious cycle wherein the rules and regulations governing the institutions are modified and changed to suit their convenience and serve the interests of the market.

### **Indian Welfare State and Neo-liberal Economic Reforms**

But by eighties, technological and ideological changes globally brought in new perspectives about the efficacy of the state intervention as the neo-liberal thinking had been taking shape in the form of Thatcherism in Britain and Reaganism in America. However, in India it was in early 70s when many poverty eradication measures like (Garibi Hatao) and employment generation (Food for work) welfare programs were initiated (C.T.Kurian, 2012)<sup>12</sup>. Even after economic reforms were initiated many right based welfare programmes like Right to education, right to work, many other special provisions for tribals and minorities, either out of competitive electoral politics or constitutional values like equality, Justice and fundamental Rights, directive principles of state policy, have been initiated.

These compulsions seem to keep Indian state a welfare state, despite liberalization. At the same time, since early 1990s, there has been big push towards withdrawal of the state and encouragement of the private sector and clamour for attracting national and international private capital, as part of ‘economic stabilization and structural adjustment programme’ of World Bank and IMF. Countries that are integrated into the international financial system are constrained in using an autonomous management of demand to maintain levels of output and employment.

Expansionary fiscal and monetary policies—large government deficits to stimulate aggregate demand or low interest rates to encourage domestic investment—can no longer be used because of an overwhelming fear that such measures could lead to speculative capital flight and a run on the national currency’ (Nayyar, 2007)<sup>13</sup>.

**12. C. T .Kurien (2012),** *‘Wealth and Ill-fare; An Expedition into Real Life Economics’*, Books for Change International Publishing House, Bengalore.

**13. Nayyar Deepak (2007),** ‘Globalization and Democracy’, Economic & Political Weekly, May 9, 2015

## **Neoliberal Economic Reforms Initiated**

There has been a raging debate as to what made the Indian state to opt for economic stabilization and structural adjustment programme of World Bank and IMF. The supporters of the reforms held the view that economic reforms had been initiated as the presence of the state for three decades was too extensive, cumbersome and unwieldy, leading to inefficient allocation of the resources. Bureaucratic hurdles inherently entrenched have made public institutions lethargic. The license-permit-raj that had been inherited from the British colonial era and continued after independence had made India not to grow as fast as other emerging economies. And the Gulf crisis outside and political crises within the country since 1989 have led to a precarious situation where the foreign exchange reserves were very low that could meet only two weeks of import bills.

Equally there are other people who viewed that economic reforms were forced on the country by World Bank and IMF under the influence of the imperialistic forces. Joseph Stiglitz, a former world bank economist and US economic advisor in his book 'Globalization and its Discontents' has clearly shown as to how World Bank and IMF push one country after the other into opening their economies by the inducement of loans in a very non-transparent way without any good economic rationale.

Thus, the external and internal material conditions forced India to go for economic reforms without looking for any other alternatives.

## **Neo-liberal Economic Reforms and Their Impact on Indian Welfare State**

Here an attempt is made to understand how the neo-liberal economic reforms impacted Indian welfare state. The broad areas of reforms include fiscal, monetary and financial reforms, trade policy, industrial policy and foreign capital, agriculture policy, social sector, labour policies, privatization and disinvestment and finally of government and administration.

The economic reforms in India have made public sector to get whittled down and the policy of export promotion in place of import substitution and trade liberalization and reduction of import duties, have led to a situation where Indian markets are flooded with

foreign goods and displaced many traditional occupations which used to receive direct and indirect patronage and encouragement from the government.

The fiscal, monetary and financial policy included devaluation of the rupee, full convertibility for current account transactions, liberalization of foreign exchange dealings and reduce fiscal deficit. It also included liberalization of banking sector and gradual freeing of interest rates, reform of insurance sector, relaxation of capital controls; reform of regulatory institutions, such as the Securities and Exchange Board of India (SEBI) and the Insurance Regulatory Authority (IRA). These reforms were aimed at stabilization of the economy and maintain proper growth rate, prices and bank rates. The fiscal deficit, besides others, primarily aims at reducing the expenditure including on social sector that was to have a direct bearing on the lives of the poor.

The reforms majorly impacted trade and industrial policies. Abolition of import licensing controls, gradual reduction of custom duties and tariffs, elimination of quantitative import restrictions on intermediate and capital goods and consumer goods were also part of the reforms. Also abolition of industrial licensing saw sharp reduction in number of industries reserved for the public sector, substantive relaxation of foreign investment up to 51 per cent, gradual liberalization of foreign direct and portfolio investment destabilized the local industry. Privatization and disinvestment policy were also introduced.

Labour policies consist of proposals made to reduce labour market rigidities. Many public sector undertakings have taken to labour rationalization among others, through voluntary retirement a freeze on recruitment, contract employment and so on. While market driven hiring and firing do not have legal sanction, there has been a great deal of labor retrenchment in the private sector through illegal closures, even in established industrial sectors such as textiles (Supriya Roy Chowdhury, 2005)<sup>14</sup>.

**14. Supriya Roy Chowdhury (2005), 'Labour and Economic Reforms; Disjointed Critiques', in Jos Mooij (ed.), 'The Politics of Economic Reforms in India', New Delhi: Sage Publications**

Agricultural policy includes the abolition of restrictions on movement of commodities and liberalization of agricultural trade and liberalization of exports. There has been a continuous pressure from WTO to reduce and abolish subsidy on fertilizer, food and power, basic staple prices that have been controlled by minimum support prices.

In the context of these neoliberal economic policies, the education sector where there should have been complete presence of the state with common school system as recommended by Kothari Commission in 1964 and was supported directly and indirectly by the Education Committees/ Commissions appointed later, has also been subject to the policy of privatization and corporatization leading to the shrinking space for the public funded education system as a whole. From the beginning of the 1990s, widespread laissez-faireism could be noted with respect to higher education. In fact, there was no policy or proper regulation on indiscriminate privatization of higher education, and there was confusion about whether it would be good or bad to go for private education on such a large scale. The laissez-faireism, that is, non-intervention by the state and the absence of any policy, which had been the characteristic feature of the couple of decades beginning with the 1990s, helped in the rapid growth of private higher education and the emergence of large-scale markets in higher education. This period was followed by clear pro-private approaches (Jandyala BG Tilak, 2014)<sup>15</sup>.

### **Status of Indian Planning**

The emphasis of eighth five year plan was on a growing public sector with massive investments in basic and heavy industries, self-reliance, reduction of income inequalities and elimination of poverty.

**15. Jandyala BG Tilak (2014)** 'Private Higher Education in India' *Economic and Political Weekly*, Vol - XLIX No. 40, October 04,

However, since the launch of ninth plan in 1997, the emphasis on the public sector had become less pronounced and the thinking on planning in the country, in general, was that it should increasingly be of indicative in nature. The transformation was from centrally planned economy to market-led economy (Misra and Puri, 2007)<sup>16</sup>.

The thrust of the ninth and tenth plans, which relied on GDP-led growth and its trickle-down effects, would not be effective in India where more than one-third of the population lives below poverty line. The eleventh plan realized the same and therefore had to unify the principles of inclusion. The allocation to the social sector was four times greater than in the tenth plan. But, in terms of implementation, too many of the stated objectives of inclusion were sabotaged through administrative procedures. Planning Commission's Task Force that was formed to monitor the implementation of the programmes found that 41 ministries out of 65 were exempted from being allotted funds under special component plan meant for the Scheduled Castes (T.K.Rajalaxmi, 2014)<sup>17</sup>. Finally, in 2015 Planning Commission was replaced with NITI Aayog in tune with the neo-liberal agenda. The former finance minister Arun Jaitly said, "The 65-year-old Planning Commission had become a redundant organisation. It was relevant in a command economy structure, but not any longer. India is a diversified country and its states are in various phases of economic development along with their own strengths and weaknesses.

In this context, a 'one size fits all' approach to economic planning is obsolete. It cannot make India competitive in today's global economy." Thus, apart from dismantling of the Planning Commission, the epitome of planned state intervention, there has been reduced social spending and downsizing of the government by way of disparaging the public institutions vis-à-vis private sector.

**16. Misra and Puri (2007), *Indian Economy*, Himalayan Publishing House**

**17. T.K .Rajalaxmi (2013), *Private Leaning*, Frontline, January 25, 2013**

## **Conclusion**

Before and after economic reforms, Indian state, either out of electoral compulsion, or out of constitutional mandate or out of positive liberalism, has remained as welfare state. Before economic reforms, the vision of development was one in which the focus was on regulating capitalism to ensure that the fruits of development were equitably shared. With the reforms, the emphasis is on capitalism and the transition from socialistic pattern of development to capitalistic pattern where welfare is taboo resulting in cutting of subsidized goods and services to the poor and peasant farmers. In a liberalized economic order, while the government still has the right to determine the levels of access to precious resources and to well groomed public institutions, its role is seen as one of providing such access as part of a process of encouraging private sector led growth

The rapid rise of private sector in health and education sectors with the active support of the State has been the nemesis for public institutions in the country today. The deliberate and gradual withdrawal of the State from public institutions by way of understaffing, employing contract staff, meager budget allocations is bound to deprive access to quality and affordable education to the poorest of the poor. It is no exaggeration to say that education in private sector institutions has also become a burden to the vast majority of India's middle class too.

Critics of public sector education argue that the depleting and meager investments being made by State in the sector are waste and unwarranted.

The unabashed support of the State to the private sector by way of 'fee reimbursement' will not only legitimize them but also cripple the public sector.

## **Notes:**

- a. Revenue board was described as mother-in-law in officialdom. In those days it was a powerful administrative mechanism which comprised five senior ICS/IAS officials. It was the final authority in all revenue and land



matters. It lost its clout when the Government became welfare and development-oriented after India attained independence.

## **CHAPTER – 4**

### **IMPACT OF NEO-LIBERAL POLICIES ON SCHOOL EDUCATION AND HIGHER EDUCATION**

State intervention was the cause of educational transformation in all most all the countries across the world. State action in school education was responsible for educational transformation in Europe and America in the nineteenth century, later in Japan followed by the rapid expansion of schooling under communist rule in the Soviet Union, China, Cuba, Vietnam and elsewhere. Even in East Asia, where there was strong commitment to private market economy, active state intervention was accountable for educational transformation (Jean Drez and AmartyaSen, 2013)<sup>1</sup>. As against this, in India though there was demand for education for all during freedom struggle and later constitutional provisions mandating it, state intervention was not seriously attempted. And with neo-liberal economic reforms which began in late 1980s, the thought of active state intervention has been relegated and the policies of privatization are being encouraged leading to decline of public funded school education in the country.

#### **The Demand for free and compulsory Primary Education: A historical demand and constitutional compulsion**

The demand for free and compulsory primary education was raised in Bengal by the renowned Bengali Professor Lal Behari Dey in 1869(Neeraj Jain, 2015, p30)<sup>2</sup> at a meeting of the Bethune Society, Calcutta<sup>3</sup>. Mahatma Jyotirao Phule, in a detailed memorandum to the Hunter Commission in October 1882, demanded that primary education should be made compulsory up to 12 years.

- 1. Jean Drez and Amartya Sen (2013),** ‘An Uncertain Glory; India and Its Contradictions’, New Delhi:Penguin Books Ltd.
- 2. Neeraj Jain, (2015),** ‘Education under Globalization: Burial of the Constitutional Dream’, p.30, Aakar Books, Delhi

In 1910, Gopal Krishna Gokhale moved resolution in the Imperial Legislative Council seeking provision of free and compulsory primary education in India, and the following year, he brought in a Private Member's Bill on the subject, but in vain. But, of course, his efforts failed. Mahatma Gandhi was also a firm believer in the principle of free and compulsory primary education for all.

The demand for state-funded primary/elementary education for all as a fundamental right was mooted during India's freedom struggle since its very early days. The demand for Right to free state education was first raised in the Constitution of India Bill of 1895 (Granville Austin, 2015)<sup>3</sup>, popularly known as the 'Swaraj Bill' which was inspired by Lokamanya Tilak ( Neeraj Jain, 2015)<sup>4</sup>. It was also one of the nineteen fundamental rights listed in the Nehru Report of 1928(Bipin Chandra, 2000)<sup>5</sup>. In 1931, the Congress at Karachi Session adopted the historic resolution on Fundamental Rights and Economic and Social Change, which included free and compulsory state primary education (Harikishan Singh Surjeeth, 2006)<sup>6</sup>. In 1937, All India Educational Conference was held in Wardha which was attended by several well- known educationists and the Ministers of Education of the seven elected provincial governments headed by Congress Party.

3. **Granville Austin (2015)**, 'The Indian Constitution; Corner stone of a Nation', Oxford University Press, P. 66
4. **Neeraj Jain,(2015)**, , 'Education under Globalization: Burial of the constitutional dream' Aakar Books, New Delhi), p.94.
5. **Bipin Chanra, Aditya Mukherjee, and Mridula Mukherjee (2000)**, 'India Under Independence' Penguin Books, India, p. 35.
6. **Harikishan Singh Surjeeth (2006)**, 'Struggle to Consolidate the Republic's Gains',People's Democracy,January29,2006, [http://archives, peoples democracy.in](http://archives.peoplesdemocracy.in)  
[http// www.the hindubusinessline.com](http://www.thehindubusinessline.com).

At the conference, Mahatma Gandhi had to urge the ministers of education to give priority to basic education and said, “The state must pay for it wherever it has definite use for it” (Anil Sadgopal, 2010)<sup>7</sup>. But the Ministers continued to parrot the British argument that there was no money.

During India’s freedom struggle and at the time of drafting of India’s Constitution, no distinction was made between Fundamental rights and Directive Principles of State Policy. The initial approach of Rights Sub-Committee members of Constituent Assembly was to make no distinction between them. As members drafted the negative rights (civil and political rights), it became evident that a few rights were more susceptible to court enforcement than others and members began talking of a section of non-justiciable rights. The right to free primary education, for example, was first included among the justiciable rights and then taken back. The right of equality before law was taken from principles and made justiciable (Granville Austin, 1972)<sup>8</sup>.

In view of this long and intense demand and efforts for free primary education and the promise of Article 45 of the Constitution to provide within a period of ten years from the commencement of the Indian Constitution, “free and compulsory education to all children up to the age of 14 years”, it was expected of post- independent India’s leadership that it would take concrete steps to prepare a blue print for a national system of education. Instead of taking a holistic view, the Indian government continued to view education in a fragmentary manner and appointed University Education Commission in 1948 under the Chairmanship of Dr. S. Radhakrishnan, and another for Secondary education in 1952 under the Chairmanship of Dr. A. Lakshmana Swami Mudaliar, the Vice-Chancellor of the Madras University.

7. **Anil Sadgopal (2010)**, Countering Neo-liberal Conception of Knowledge, Building Emancipatory Discourse: A Historical Overview of Phule – Ambedkar Critique and Gandhian Nai Talim”, in Ravi Kumar’s (ed.) ‘Education, Market and Anatomy of Neo-liberal Impact, Aakar Books, P.251.
8. **Granville Austin (2015)**, ‘The Indian Constitution; Cornerstone of a Nation’, Oxford University Press, p.100

The former aimed at development of higher education in rural areas, women education and acquaint with social philosophy that governs all our educational, political and economic institutions. The latter aimed at developing democratic citizenship, child centered education and activity based agriculture education. Though there was no integrated approach towards national system of education, the implementation of the recommendations of these commissions entailed active state intervention.

### **Kothari Commission**

In conformity with the values of the Indian Constitution that forbids the reinforcing of inequality and socio-economic stratification, the Kothari Commission that was appointed in 1964 made a strong plea for implementation of these fundamental features of the Constitution, recommended for setting up of 'neighborhood common school system' for providing equitable education to all children regardless of the economic status. The common school system and the neighborhood school plan would be adopted at the elementary stage as a step towards eliminating the undesirable segregation that now takes place between the schools for the poor and the rich. Both would imply that each elementary school should be attended by all the children in its neighborhood irrespective of caste, creed, community, religion, economic background or social status, preventing segregation in schools.

Apart from social and national integration, a neighborhood school would provide good education to children because sharing life with the common people is an essential ingredient of good education. Secondly, the establishment of such schools will compel the rich and power full classes to take active interest and rid the system of its inadequacies.

It is almost six decades since the Commission made its recommendation and its relevance could be clear if we revisit its remarks. The Commission said, "In a situation of the type we have in India, it is the responsibility of the educational system to bring the different social classes and groups together and thus promote the emergence of an egalitarian and integrated society. But at present instead of doing so, education itself is

tending to increase social segregation and to perpetuate and widen class distinctions. At the primary stage, the free schools to which the masses send their children are maintained by the government and local authorities and are generally of poor quality. Some of the private schools are definitely better; but since many of them charge high fees, they are availed of only by the middle and the higher classes. At the secondary stage, a large proportion of the good schools are private but many of them also charge high fees which are normally beyond the means of any but the top ten per cent of the people, though some of the middle class parents make great sacrifices to send their children to them. There is thus segregation in education itself-the minority of private, fee-charging, better schools meeting the needs of the upper classes and the vast bulk of free, publicly maintained, but poor schools being utilized by the rest. What is worse, this segregation is 'increasing and tending to widen the gulf between the classes and the masses. This is one of the major weaknesses of the existing educational system. Good education, instead of being available to all children, or at least to all the able children from every stratum of society, is available only to a small minority which is usually selected not on the basis of talent but on the basis of its capacity to pay fees. The identification and development of the total national pool of ability is greatly hampered. The position is thus undemocratic and inconsistent with the ideal of an egalitarian society. The children of the masses are compelled to receive sub- standard education and, as the programme of scholarships is not very large sometimes even the ablest among them are unable to find access to such good schools as exist, while the economically privileged parents are able to 'buy' good education for their children. This is bad not only for the children of the poor but also for the children from the rich and privileged groups. It gives them a short-term advantage in so far as it enables them to perpetuate and consolidate their position. But it must be realized that, in the long run, their self-interest lies in identifying themselves with the masses. By segregating their children, such privileged parents prevent them from sharing the life and experiences of the children of the poor and coming into contact with the realities of life. In addition to weakening social cohesion, they also render the education of their own children anemic and incomplete

If these evils are to be eliminated and the educational system is to become a powerful instrument of national development in general, and social and national integration in particular, we must move towards the goal of a common school system of public education” (Kothari Commission Report (1964-66)<sup>9</sup>.

In 1967, the government of India constituted a Committee of Members of Parliament to consider the report of the Commission and prepare a draft statement on the national policy of education. The Committee recommended neighborhood Common School System. It stated, “ the unhealthy social segregation that now takes place between the school for the rich and those for the poor should be ended; and the primary school should be made the common schools of the nation by making it obligatory on all children, irrespective of caste, creed, community, religion, economic condition or social status, to attend the primary school in their neighborhood”. But the government made no effort to implement the recommendations of the Kothari Commission which was subsequently endorsed even by Report of the Committee of Members of Parliament on Education. Though, the Committee of Members of Parliament favored the implementation of Kothari Commission recommendations, no definite time frame was fixed to implement them. Therefore, it remained a dead letter (JP Naik, 1997)<sup>10</sup>

Despite, the common school system not being created, there was huge presence of public funded schools. The proportion of private schools in the total school system of the country was very small. Till late 1980s, the share of private recognized unaided schools in the country was only 2.5 per cent at the primary level and 8.4 per cent at the upper primary level.

**9. Kothari Commission Report(1964-66),** VOL I: General Problems Education And National Development Report Of The Education Commission, 1964-66, pp 14-15, [http://dise.in/Downloads/Kothari CommissionVol.1pp.1-287.pdf](http://dise.in/Downloads/Kothari%20CommissionVol.1pp.1-287.pdf) accessed on 17-08-2019.

**10. JP Naik(1997),** ‘The Education Commission and After’, APH Publishing Corporation, New Delhi.

**The share of Private Unaided Schools in Total Number of schools in 1986-87 was as follows**

**Table 3: The share of Private schools in 1986-87**

<b>Primary</b>	<b>Upper Primary</b>	<b>Secondary</b>	<b>Higher Secondary</b>
2.5 Per Cent	8.4 Per cent	12.7 per cent	6 Per cent

(Source: Neeraj Jain, 2015)

### **New Era of Neo-Liberal Policies**

In the early 1980s, the Indian government, decided to change the orientation of India's economic model and reduced the importance of economic planning and promoted private sector. It also applied breaks on growth of public sector industries and reducing social sector expenditure. By the end of 1970s, there was much discontent about India's tardy economic progress in comparison with many East Asian countries that were showing greater dynamism. There was a feeling by Indira Gandhi's new advisors opined that if planned economic development under the leadership of the state had not ushered in the desired effect of raising growth rates and reducing poverty the private sector and the markets should be allowed a greater role and India should enter more into international trade, reversing, if not abandoning altogether the import substitution strategy.

Under Rajiv Gandhi's regime the rationale of the new strategy was linked up with the technological changes that were taking place in the advanced countries and the new era of market dominance initiated by Reagan in USA and Thatcher in UK.( C.T Kurian, 2012)<sup>11</sup>. It was decided to liberalise imports of machinery and other technology which required foreign exchange, and so it decided to approach the IMF for loan on the condition of voluntary implementation of economic reforms to partially liberalise the economy and government budget, without signing a formal agreement.

**C.T Kurian (2012).** *'Wealth and Ill-fare; An Expedition into Real Life Economics'*, pp. 197,198,Books for Change International Publishing Hou



The loan was granted in 1981( P.K Chaudhry, Vijay Kelkar and Vikas Yadav, 2004)<sup>13</sup>. The main reforms included reducing subsidies given to people, reducing financing of the budget deficit through creation of fresh money, and shift to financing the budget deficit by market borrowings and reducing tariffs.

### **National Policy on Education (NPE) 1986**

The first indication that the government was formally moving towards a new orientation in its educational policies came in 1985, when it changed the name of the Ministry of Education to Ministry of Human Resource Development (MHRD). Even after this new orientation, in 1986 a new National Policy on Education (NPE- 1986) was formulated and in its 3.2 para of page 5 it was clearly said, ‘effective measures will be taken in the direction of the Common School System recommended in the 1968 policy’. But its policy measures suggested were not only quite at odd but far from such goals pronounced. Especially, the Non-Formal Education (NFE) that was suggested for the out-of school children in the age group 6 – 14 with instructors in place of regular, qualified, trained and well-paid teachers was nothing but almost abandoning the constitutionally mandated goal of sending these children to regular schools.

The policy also proposed to set up an elite layer of schools like Navodaya Vidyalayas whose quality would be far above the regular government schools. In all, there arose many layers of schools like private un-aided schools, government regular schools, Navodaya Vidhyalaya and non-formal educational institutions (NFE). NFE (with instructors) that cater to the needs of out-of- school children in the age group 6-14, who comprised half of the children in the age group, was in conformity with the new economic reforms (budget constraints ) as dictated by IMF. Thus, NPE – 1986 marked the beginning of the free – market or neo-liberal agenda in school education, despite it contained a provision for Common School System.

**12. P.K Chaudhry, Vijay Kelkar and Vikas Yadav (2004)** ‘The Evolution of Home grown Conditionality in India: IMF relations’, The Journal of Development Studies, Vol.40 , No.6, August 2004.

## **Jometien Declaration**

The World Conference on Education for All (EFA) was held in 1990 at Jomtien, Thailand with the objective of meeting basic learning needs of all. At the Conference, India, along with 155 other countries, committed itself to universalize primary education and halve the adult illiteracy rate by 2000 (Nitya Rao, 2000)<sup>13</sup>. Because basic learning needs are complex and diverse, meeting them requires multi-sectoral strategies and action which are integral to over all development efforts. Many partners --- teachers and other educational personnel must join with the education authorities in developing basic education as it is the responsibility of the entire society.

This implies the active involvement of a wide range of partners - families , teachers, communities, private enterprises, government and non-governmental organizations , institutions , etc. - in planning, managing and evaluating the many forms of basic education (Frame work For Action: Meeting Basic Learning Needs,2019)<sup>14</sup>. By signing the Jometien Declaration, Indian government committed itself to privatize the education sector, there by transforming education into a means for profiteering. Instead of education being a vehicle to build a conscious citizenship, declaring education merely as ‘basic learning needs’, thus reducing education to acquiring literacy, numeracy and life skills.

## **District Primary Education Programme (DPEP)**

The debt in dollar terms nearly quadrupled from around \$20 billion in 1980 to nearly \$82 billion in 1990, the import liberalization during this period led to huge increase in non-oil imports resulting in drying up of foreign loans and plummeting of foreign exchange reserves ( Aravind Panagaria, 2003)<sup>15</sup>.

**13. Nitya Rao (2000), ‘A long way to go’, The Frontline, Volume 17 - Issue 20, Sep. 30 - Oct. 13, 2000.**

**14. Frame work For Action Meeting Basic Learning Needs, para 11, google search accessed on 24-08- 2019**

**15. Aravind Panagaria (2003), ‘India in the 1980s and 1990s: A triumph of reforms’ IMF Working paper, November6, 2003, <http://www.imf.org>. Accessed on 23<sup>rd</sup> October, 2019**

Immediately after new government led by P.V Narsihmarao assumed office, it went in for a Structural Adjustment Loan from the World Bank- IMF. The conditionalities of this loan implied that the government was committing itself to reducing its expenditure on essential services, including education. India then began implementing World- Bank – dictated education reforms, as elucidated in the Jomtien Declaration of World Conference on education, and World Bank- sponsored projects and schemes.

In 1993-94 the World Bank-sponsored District Primary Education Programme (DPEP) was launched with an objective of revitalizing the primary education system and universalizing primary education.

It replaced the larger goal of constitutional commitment of providing eight years of elementary education with just five years of primary education with following narrowed approaches.

Reducing the holistic goals of education to literacy- numeracy, introduction of parallel layers of education of relatively inferior quality such as adult literacy classes, alternative schools, education guarantee centers, correspondence courses, etc.

Replacing regular teachers with under-qualified, ill-trained and under-paid teachers appointed on short term contract called para-teachers.

Introduction of multi-grade teaching wherein one teacher is actually trained to teach five classes simultaneously in one class room.

Reducing the role of education department of state governments by setting up parallel bodies for channeling finance and governance of DPEP

### **Sarva Shiksha Abhiyan (SSA)**

Following the dictates of the World Bank, the Indian government repackaged the flaws and lacunae of DPEP and presented it to the public under a new label of Sarva Shiksha Abhiyan (SSA). As reported by Evaluation Report on Sarva Shiksha Abhiyan, 2010, the flaw and lacunae included lack of human, physical and financial resources.

By the time SSA ended in March 2010, the credibility of the government school system had hit rock bottom even as the twin problems of out-of-school children and drop-outs remained essentially unresolved ( Neeraj jain, 2015)<sup>16</sup>. As a result of the above policies and the deteriorating credibility of government schools, there has been rapid growth of private schools in the country.

### **Increasing Privatization**

The average share of Private Unaided Schools of primary, upper primary, secondary and higher secondary in total number of schools in 1986-87 accounted for 7.4 per cent of total number of schools in the country. It increased to 19 per cent in 2014-15, 19.38 in 2015-16 and 19.78 in 2016-17(U-Dice flash Statistics, 2016-17)<sup>17</sup>. However, these figures underestimate the growth of private schooling in the country, because official data do not include unrecognized schools, many of whom have gained recognition through dubious means: A significant number of the private unaided schools that have been sprouting up all over the country are unrecognized schools.

Correspondingly, the increase in number of government schools from 2010-11 to 2015-16 was just 12297, while in the case of private schools, it was staggering 77063(Geetha Gandhi Kingdom, 2017)<sup>18</sup>.

**16. Neeraj Jain, (2015),** ‘Education under Globalization: Burial of the Constitutional Dream’, p.30, Aakar Books, Delhi

**17. U-Dice flash Statistics (2016-17),** National Institute of Education and planning, P10  
[http://udise.in/Downloads/Publications/Documents/Flash\\_Statistics\\_on\\_School\\_Education-2016-17.pd](http://udise.in/Downloads/Publications/Documents/Flash_Statistics_on_School_Education-2016-17.pd), accessed on 30-08-2019

U DISE + <https://udiseplus.gov.in/#/home>, accessed on 20-09-2021

**18. Geetha Gandhi Kingdom (2017)** . The Private Schooling Phenomenon in India: A Review MARCH 2017 University College London and IZA, accessible on internet. p.11

Thus, there had been complete shift in the policy orientation of the Indian State since 1980s when it decided to abandon the constitutional values which were also, by and large, adhered to by earlier education policies, especially Kothari Commission.

With adoption of structural Adjustment policies or the neo-liberal policies, there has been a mushrooming growth of private schools further exacerbating the conditions in the government schools.

While the national average percentage of enrolment in private sector stood at 31.37 in states like Uttar Pradesh and Telangana, it crossed 50 per cent. When one takes into account the rural-urban divide, an astounding gap is found in terms of enrollment. In urban India, over the nine year period 1993-2002, the increase in percentage of enrollment in primary, middle and secondary private schools was from 25.7 to 95.7, 18.8 to 71.7 and 11.5 to 46.7 respectively. In rural areas the enrollment during the corresponding years for these schools was 2.8 to 24.4, 6.5 to 23.2, and 6.8 to 30.9. It is to be noted that these figures do not include the enrollment growth in the numerous unrecognized private schools that are excluded from the official statistics.

**Table 4: The enrollment share of private un-aided schools in rural areas**

Year	Primary School	Middle School	Secondary School
1993	2.8	6.5	6.8
2002	24.4	23.2	30.9

(Source: U-DISE, 2014-15, table 3.3).

**Table 5: The enrollment share of private un-aided schools in Urban India**

Year	Primary Schools	Middle Schools	Secondary Schools
1993	25.5	18.8	11.5
2002	95.7	71.7	46.7

(Source: My own extract derived from Geetha Gandhi Kingdom, 2007, 'The progress of school education in India' the Global Poverty Research group, [http:// www.gprg.org](http://www.gprg.org))

## **Right to Education Act, 2009: Legitimization of Multi-layer and Discriminatory School System**

Ever since the Structural Adjustment Programme was launched in the country, the overall orientation of the Indian State was its withdrawal from economy and its social responsibilities following the restrictions imposed on budgetary allocations to reduce fiscal deficit. In this context, the significance and implications of the historic Unnikrishnan Judgement followed by 86<sup>th</sup> Constitutional Amendment and the Right of Children to free and Compulsory Education Act, 2009 all go against the orientation of neo-liberal Indian state, have to be analysed. The Supreme Court observed, “It is noteworthy that among the several articles in Part IV, only Article 45 speaks of a time-limit; no other article does. Has it no significance? Is it a mere pious wish, even after 44 years of the constitution? ... Does not the passage of 44years – more than four times the period stipulated in Article 45—convert the obligation created by the Article into an enforceable right?”.

It also observed that “the Right to Education flows directly from Right to life of Article 21 of the Indian Constitution and the dignity of an individual cannot be assured unless it is accompanied by the Right to Education”. The Supreme Court also observed that the Fundamental Rights and the Directive Principles mentioned in part IV of the Constitution are supplementary and complementary to each other. Fundamental Rights are but a means to achieve the goal indicated in Part IV. (Unnikrishnan ,J.P Vs State of Andhra Pradesh, 1993)<sup>19</sup>.

**19. Unnikrishnan ,J.P Vs State of Andhra Pradesh, (1993), <http://indiakanon .org> accessed on 22-09-2019)**

## Low allocation of funds

Even before the passage of RTE Act, the allocation in terms of share of public expenditure as percentage of GDP was never encouraging. It never reached 6 per cent as recommended by Kothari Commission. Eleventh Five Year Plan (2007-12) which was proclaimed as Education Plan, the allocation was only marginally high

**Table 6: Share of Public Expenditure on education as percentage of GDP**

1985-86	89-90	1997-98	2000-2001	2007-8	2010-11	2011-12
3.5	4	3.6	4	3.4	4.2	4.17

(Source: ‘Kothari Commission and Financing of Education’ by JBG Tilak in EPW, March, 10, 2007 and analysis of Budgeted Expenditure on Education 2009-10 to 2011-12, MHRD, 2013, <http://mhrd.gov.in> accessed on 24. 04. 2018).

The important constitutional commitment with the passage of the RTE Act and compulsions of carrying out neo-liberal-policies on the other hand and the constitutional compulsion that was imposed by the Supreme Court Judgment on the other had led to the inordinate delay of 8 years before the 86<sup>th</sup> Constitutional Amendment Bill was passed in 2002. The Bill made two important changes to the Article 21 and the Article 45 of the Constitution. It inserted the Article 21A which reads, “The state shall provide free and compulsory education to all children of the age of six to fourteen years in such manner as the state may, by law determine”. The Article 45 was redrafted as, “The state shall endeavour to provide early child hood care and education for all children until they complete the age of six years”. (The original Article, before it was redrafted, read, “The state shall endeavour to provide, within a period of ten years from the commencement of this Constitution, for free and compulsory education for all children until they complete the age of fourteen years”). Despite these two important changes in

the constitution, the country had to wait eight more for the Right to Education Act ( 93<sup>rd</sup> Constitutional Amendment Bill) to be passed and took effect in 2010.

The Article 21A excluded the children up to six years of age from the provision of free early childhood care and pre- Primary education which is critical for holistic development of children. Further, it says, “as the state may, by law, determine” which eventually give the state the discretion to arbitrarily restrict and dilute the implementation of the Fundamental Right to Education guaranteed by the same Article 21A. This discretion would enable the State to legitimize the various parallel streams of low-budget and low-quality schools for poor children, started after New Education Policy – 1986 and accelerated following the introduction of the World Bank sponsored DPEP.

The above constitutional obligation and its contradiction with neo-liberal state is further evident in the way the financial resources are allocated to free and compulsory education. The financial Memorandum attached to the Bill provided for an additional sum of Rs. 9800 crore per year (i.e. 0.44 Per cent of GDP in 2002-03) for implementing the provisions in next ten years. This commitment was much less than what had been estimated by Tapas Majumdar Committee ( 1999) which estimated that an additional investment of Rs. 1,37, 600 crore would have to be made over a 10 – year period to bring all out-of-school children into formal school system and enable them to complete elementary education. This works out to an average investment of about Rs. 14000 crore a year, which in 1999 amounted to a mere 0.78 per cent of GDP. In 2002-03, the same amount worked out to an even lower proportion, that is, 0.63 per cent of the GDP.

The Tapas Majumdar Committee arrived at the estimated additional investment on the premise that regular school education would be imparted to the children. However, the Indian state, committed to the neo-liberal philosophy, was planning to provide only low cost parallel tracks of education to out-of- school children. ( Anil Sadgopal, 2003)<sup>20</sup>.

**20. Anil Sadgopal (2003), “Education for too few”, Frontline, November22- December 5,2003, [htt://www.flonnet.com](http://www.flonnet.com)**



An expert group set up by a committee of the Central Advisory Board on Education (CABE) estimated in 2004 the total additional cost to be approximately Rs. 73,000 crore per annum for the next three years. The reason for this huge increase was due to the non-implementation of the Tapas Majumdar Committee recommendations and the resulting cumulative gap.

As per U-DISE report, there are 15.1 lakh schools where 26 crore children are studying. Of them, 10.1 lakh schools are Government schools with 18 crore children who are almost all the poorest of the poor are in them.

As per draft education policy, 6.2 crore children are out of the school. These 24.2 crore children and many more children in many of the private budget schools are receiving inequitable and not much inclusive education (<https://udiseplus.gov.in/#/home>).

The RTE Act specifies no timeline for universalization of elementary education. It also makes no estimate of the additional number of schools that have to be built and the number of teachers that are to be recruited and trained. Instead of mentioning the estimated budgetary requirements and providing for special provisions for these children, the Act gives sanction to the multi-layer school system. Section 2(n) of Right to Education Act defines the school as, a) Government schools, b) Government –aided private schools, c) Special category, such as Navodaya Vidyalayas, Sainik schools etc. d) Un- aided private schools. Thus it legalizes multi-layer discriminatory school system and increasing the scope for privatization.

### **25 per cent reservations in Private schools under RTE Act, 2009**

Section 12. (1) (c) of RTE Act, 2009 reads, “For the purpose of this act, a school specified in sub clauses (iii) and (iv) of section 2 shall admit in class 1, to the extent of at least twenty five per cent of the strength of that class, children belonging to weaker sections and disadvantaged groups in the neighbourhood and provide free and

compulsory elementary education till its completion.. Further, that where a school specified in clause (n) of section 2 imparts pre-school education, clauses (a) to (c) shall apply for admission to such pre-school admission. Clauses (iii) and (iv) pertain to special category and un-aided schools respectively”.

Many people thought that now on all the poor children in the country would obtain quality education in private schools. The data collected by the HRD Ministry’s DISE in 2010 reveals that even if all the private schools had fully implemented the provisions of 25 per cent reservation, a maximum of 18 lakhs children from weaker sections would be admitted in class I under RTE Act. An overwhelming majority of 2 to 2.5 crore more children would be knocking at the doors of the government school system (Anil Sadgopal, 2011)<sup>21</sup>. Apart from the inadequacy of the private schools, it exhibits the government’s deliberate attempt to stay away from constitutionally mandated social responsibility and it is admitting its inability to run quality schools, despite having the experience of running Navodaya and Kendriya Vidyalayas which are amongst the best in the country.

Possibility of private schools discriminating against the children admitted under Right to Education are high, as these schools are in the business of making money and profits, unlike institutions which are run on charitable and humanitarian values seeking to promote the welfare of humanity.

### **Quality Measure through Rigorous Randomized Control Trial (RCT)**

Another important aspect is the quality of education. The assumption is that private schools will provide quality education to the disadvantaged sections of the society, once admitted. But truth of the matter is that quality goes beyond the binary of public and private schools and depends on larger social and economic background of the families of the students.

This was amply proved by an extensive study conducted and carried out during 2008 to 2013 in India by Azim Premji Foundation, involving a sample size of 10000 (ten

thousand) children and a rigorous Randomized Control Trial (RCT) design, in collaboration with the Government of Andhra Pradesh. The most important finding relates to the learning achievement of the disadvantaged children who moved to private schools with scholarships provided as compared to the children who continued in government schools.

The findings revealed that private schools have failed to provide any additional value to these children as compared to government schools. This is because the ‘learning outcome’ is not just related to the binary choice of public and private schools but it is influenced by the larger social, economic and cultural background factors.(D.D.Karopady, 2014)<sup>22</sup>.

Thus the main drawbacks and consequences of the Right to Education Act of 2009 are;

1. It does not include pre-primary care and education, that is 0 to 6 years of age, as envisaged originally in Article 45 of the Directive Principles of the State policy.
2. It does not have any financial memorandum attached to it and also does not have any timeline for its implementation.
3. It legalized (with section 2(n)) multi-layer school system.
4. With 25 per cent reservation provision in private schools, it amounts to be an undeclared announcement that government is incapable of running quality schools. This provision leads to mushrooming growth of private schools
5. Studies showed that the poor and disadvantaged sections would not in any way benefit from the provision of 25 per cent reservation in private schools either in terms of quality education or equality of opportunities.

**21. Anil Sadgopal, (2011), “Neo-liberal Act”, Frontline, July 15, 2011**

**22. D.D.Karopady(2014) “Does School Choice Help Rural Children From Disadvantaged Sections?: Evidence From longitudinal Research in Andhra Pradesh” *Economic and Political Weekly* 49(51), December 20, 2014.**

## **Eleventh Five Year Plan and neo-liberal compulsion**

The eleventh Five Year Plan (2007 – 12) was drawn up by the Planning Commission after the passage of the 86<sup>th</sup> Constitutional Amendment Act in 2002 and during the crucial time when Government was in the process of finalizing the RTE Act which came into effect in April 2010.

The Planning Commission, in the approach to the Eleventh Plan, stated that the role of the State needs to be expanded and public resources need to be directed to the social sectors, where expansion is sorely needed and which cannot be left solely to market forces (Planning Commission (GOI), 2006)<sup>23</sup>. The Eleventh Plan even expressed serious concern over increasing drop-out rates. It even noted that around 7.1 million children were out of school, and that over 50 per cent drop-outs were at the elementary level.

Central Advisory Board on Education (CABE) committee estimated the amount required for universalizing elementary education was Rs. 73000 crore per annum over the next six years under Sarva Shiksha Abhiyan(SSA) in the Eleventh Plan.

According to the Eleventh Plan document, SSA was the principal programme for universalization of elementary education. MHRD estimated an amount of Rs. 1,71,000 crore over the next five years( JBG Tilak, 2010)<sup>24</sup>. Going by the estimated allocation of finances, the pronouncements of Eleventh Five Year Plan, 86<sup>th</sup> Constitutional Amendment Act and Right to Education Act, an impression of educational transformation would tend to be created.

**23. Planning Commission (GOI) (2006)**, “Towards faster and more inclusive growth: An approach to the 11<sup>th</sup> Five Year plan, 2007-11 pp91,101, <http://planningcommission.nic.in>. Twelfth Five Year Plan, Volume III: Social Sectors, P54

**24. JBG Tilak (2010)** “ Financing the Implementation of Right to Education Act”, Budget Track, September 2010, Centre for Budget and Governance Accountability, New Delhi, [www.cbgaindia.org](http://www.cbgaindia.org)

But the neo-liberal policy oriented tendency held back the state and the amount spent was only Rs 78000 crore (Twelfth Five Year Plan, Volume III: Social Sectors,) which was less than half of the estimate made by MHRD. Besides the less financial allocation, the Planning Commission did not question the continuation of non-formal education centres and refused to realize the critical role of the well-qualified and trained teachers and the need to do away with the large number of under-qualified, under-trained and under-paid para teachers being recruited everywhere.

### **Public Private Partnership (PPP) and Government aided Private schools: an entirely new institutional Mechanism**

Though the Eleventh Five year plan clearly stated that there would be a greatly expanded role of the state in social sectors, yet the whole thrust was towards a diminished role of the state in education and promotion of privatization of education through PPP (Public-Private Partnership) route.

The mid-term appraisal of the eleventh plan statement was that PPP in education needs to be encouraged (Planning Commission, GOI, 2011)<sup>25</sup>. The plan also set out, for the first time, the objective of raising the minimum level of education to class-X and announced a new scheme called ‘Rashtriya Madhyamik Shiksha Abhiyan (RMSA) in 2009 to universalize access to secondary education. Accordingly the Planning Commission proposed setting up of 6000 high quality Model Schools across the country during eleventh plan, of these about 2500 schools would be set up through PPP. These schools will be managed and run by involving corporate, philanthropic foundations, endowments, education trusts, and reputed private providers.

**25. Planning Commission, GOI (2010) Mid-Term Analysis:2010-11, Ministry of Finance, GOI, p.52, <http://finmin.nic.in> ), mid-Term Appraisal of the eleventh Five Year Plan and the approach paper to the Twelfth plan. p.97).**

PPP schools will be completely different from the Government-Aided Private schools which have been there since long time but have been subject to negligence in the last two decades. The latter are required to follow most of the government rules and regulations in terms of admissions, fees, recruitment of staff, salary structure, and so on. Therefore, even though they are managed by private sector, there is little scope for profiteering. In contrast, PPP model represents a transfer of massive sums from the exchequer to the private sector.

It was estimated that the Union Government will have to pay Rs. 10500 crore till 2017 to the private operators of the secondary model schools. There will be no government or social control over these schools. They will have free hand to indulge in profiteering (J.B.G Tilak, 2010, Aesha Datta, 2013)<sup>26</sup>. Thus, apart from increasing privatization of school education since 1990s, by 2010 Indian state has reached to a threshold point where the institutional shift was taking place from free education by non-profit oriented institutions to the setting up of profit oriented PPP model institutions and increasing privatization of school education. Birla-Ambani Committee in 2000, 12<sup>th</sup> Five Year plan document on education, Narayana Murthy Committee Report, National Knowledge Committee (2006), S R Subramanian Committee report and the most recent Kasturi Rangan Draft Education policy report (NEP) of 2020 have favoured either privatization or Public Private Partnership (PPP).

All the above was happening in defiance of the 1993 Supreme Court ruling which observed that ‘Commercialization of education cannot and should not be permitted. Also, the law prohibits for-profit organizations to provide schooling; all private/ aided/ unaided schools have to be non-profit organizations under the Societies Act.

**26. J.B.G Tilak (2010)** “Public- Private partnership in Education”, May24, 2010, <http://www.thehindu.com>; Aesha Datta, 2013, PPP Model schools – Worries over Commercialization” , July 28,2013

The Mid-Year Analysis of the Budget 2010 -11 tabled in parliament recommended that “it is advisable to discontinue with the non-profit trust requirement and allow schools to be profit-making” (GOI, 2010, Mid-Term Analysis: 2010-11, Ministry of Finance, GOI)<sup>27</sup>.

The state having shed all inhibitions, declared that private sector needs to be involved more meaning fully in expanding the reach and improving the quality of elementary education in the country. In 2014, Planning Commission was dissolved to be superseded by NITI Aayog (National Institution for Transforming India). As proposed by Planning Commission in its Eleventh and Twelfth Plans, spending on school education was on the decline. In the budget presented in 2015-16, there was a 22 per cent cut in spending on Sarva Siksha Abhiyan and 30 per cent cut in spending on Mid-Day meals scheme (Union Budget 2015-16)<sup>28</sup>.

### **Expanding private sector**

**Table 7: The per cent of Private un-aided schools of all the total school**

<b>2002-03</b>	<b>2009-10</b>	<b>2016-17</b>
6.74	19.50	23.81

(Source: U- DISE analytical reports (<http://udise.in/AR.htm>), accessed on 5-09-2019)

As per ASER, 2018 national findings, there has been a steady increase in the percentage proportion of children aged between 3- 16 years enrolling in private schools since 2005. The following table shows in about 3 years the percentage proportion of enrollment in private schools increased from 23.7 in 2010 to 28.3 in 2012.

**27. GOI (2010)**, Mid-Term Analysis: 2010-11, Ministry of Finance, GOI, p.52, <http://finmin.nic.in> ), mid-Term Appraisal of the eleventh Five Year Plan and the approach paper to the Twelfth Plan, p. 97.

**28. Union Budget (2015-16)**, <http://indiabudget.nic.in>.

**Table 8: Increasing enrollment in private schools**

<b>2005</b>	<b>2006</b>	<b>2008</b>	<b>2010</b>	<b>2012</b>	<b>2014</b>	<b>2016</b>	<b>2018</b>
16.4	18.7	22.6	23.7	28.3	30.8	30.6	30.9

(Source: <http://www.asercentre.org/Keywords/p/337.html>, accessed on 16-09-2019)

### **Draft National Education Policy, 2019**

The Draft New Education policy, 2019 has to be seen in the context of increasing privatization and proclaiming that private sector needs to be involved more significantly in expanding the reach and improving the quality of elementary education in the country. The partnerships that are being spoken in sustainable development goals also meant to be partnership with private sector. Earlier education commissions, beginning from University Education Commission, Secondary School Education Commission, Kothari Commission and up till National Education Policy, 1986, there were many a mentioning of recommending the near complete presence of public funded education sector and keeping education away from the for-profit activity. The Draft National Education policy, 2019 without speaking about the increasing role of private sector and resultant privatization and commoditization of the education sector, is trying to project itself as having all encompassing idealistic vision of equity, quality and accessibility. And in fact, it is emphasising more of quality at the cost equity and genuine accessibility.

### **National Education Policy, 2020**

NEP -2020 policy is replete with many reforms recommending systemic changes at school and higher education that will have far reaching consequences. The reforms are intended to create new institutions and paradigms in curriculum that is sought to be implemented through technology oriented online and offline mode. But the fundamental issues like commercialization and privatization, lack of adequate teaching faculty in general and quality of teachers in particular, lack of adequate resource allocation for public education would make the educational system inaccessible and inequitable.



The National Education policy, 2020 without speaking about the increasing presence and role of private sector and resultant privatization and commoditization of the education sector, is trying to project itself as having all encompassing educationally idealistic vision of equity, quality and accessibility and declares “The public education system is the foundation of a vibrant democratic society”(NEP, 2020, Chapter8, P31).

## **Conclusion**

Nowhere in the world is the school education is for-profit activity. The ideals of our freedom struggle and the values of our constitution are thus at stake with increasing trend of inequitable availability of school education. Less allocation of budget, contractualization and casualization of the staff, increasing privatization and legitimization of multi-layer school system reducing financial allocation and recommendations of post liberalization committees and commissions for privatization and the PPT models have led to a situation of decreasing space, in thought and action, for public funded school education.

Privatization and commercialization of education in general and school education in particular making quality and good education, instead of being available to all children, or at least to all the able children from every stratum of society, is available only to a small minority which is usually selected not on the basis of talent but on the basis of its capacity to pay fees. The identification and development of the total national pool of ability is greatly hampered. The position is thus undemocratic and inconsistent with the ideal of an egalitarian society.

## **Notes**

1, Bethune Society (established- 1851) a learned association established in Calcutta with the object of promoting the spirit of inquiry and knowledge among the Bengalis on the one hand, and establishing racial harmony between the Europeans and the natives on the other. The Bethune Society, established jointly by some liberal Europeans and enlightened natives, was named after ELIOT DRINKWATER BETHUNE (1801-1851), Law

Member of the Governor General's Council. In contemporary society he was well known for his liberal views and acts. Bethune drafted a bill making the Europeans and Indians equal in the eye of law.

## Higher Education

An attempt is made in this chapter, to explore the contradictions of Indian state bound by constitutional values of welfare orientation, on the one hand, and implementing obligatory neo-liberal policies on the other, while failing to fulfill its constitutional responsibilities of securing to all its citizens, justices - social, economic and political. As discussed in the previous chapter, despite the constitutionally mandated welfare oriented recommendations of various Committees/ Commissions like University Education Commission, Secondary Education Commission, Kothari Commission, National Education Policy, 1986, which though had provision for Common School, and neo-liberal policies thereafter, since 1991, started prevailing and pushing the education sector in general and Higher Education in particular towards privatization and commoditization. Thus, the education sector has been subject to vagaries of market forces making it inaccessible to the poor who are still with the much neglected government institutions.

The University Education Commission of 1949 or Dr Radha Krishnan Commission aimed at creating new India based on broader Constitutional values of Democracy, Liberty, Equality, Fraternity and Secularism. National Policy on Education of 1968 also aimed at free and compulsory education, development of regional languages along with English, Hindi and Sanskrit and providing for equalization of educational opportunities and felt the necessity of radical reconstruction of education for cultural and economic development of the country, for national integration and for realizing the ideals of socialistic pattern of society.

Apart from the goals of national system of education towards Common School System, providing for equality of opportunities to all and reiterating the need for spending 6 per cent of national income on education, The National Policy on Education

of 1986 did have the neo-liberal policy orientation of treating education as a unique investment in the present and future for the development of manpower for different levels of economy, non-formal education for the Drop-outs and generating own resource ( NPE,1986). This was the beginning of an era where privatization of higher education was promoted indiscriminately with ever shrinking space for public funded higher education system in the country.

Subsequently, NPE 1986 was revised in 1992 along with a Programme of Action (POA) which paved the way for commercialization of higher education. The POA recommends, “All institutions will be encouraged to achieve maximum self-reliance by generating resources through measures like enhancement of fees, raising donations and charging fees etc”. (NPE, 1986: POA, 1992)<sup>1</sup>.

In 1992, UGC appointed Punnayya Committee to look into the funding of Institutions of Higher Education. It submitted its report in 1993.

While stating that “the state must continue to accept the major responsibility for funding the essential maintenance and development requirements of universities”, the committee recommended that universities should raise their own resources, which should constitute at least 15 per cent of the total recurring expenditure at the end of first five years and at least 25 per cent at the end of ten years”( Punnayya Committee, 1992-93)<sup>2</sup>. It also suggested a number of other ways for the universities to raise their own resources. Similarly, the All India Council for Technical Education (AICTE) constituted Swaminathan Committee in 1994 to look into possibilities of resource mobilization in technical education, essentially through cost recovery from students.

1. NPE (1986): p.81. [http://mhrd.gov.in/sites/upload\\_files/mhrd/files/document-reports/POA\\_1992.pdf](http://mhrd.gov.in/sites/upload_files/mhrd/files/document-reports/POA_1992.pdf)
2. **Punnayya Committee(1992-93)**,pp7779<https://www.ugc.ac.in/oldpdf/pub/report/>

Committee recommended for reducing the share of salaries in recurring expenditure to 60 per cent, enhancing the fees to recover at least 20 per cent of the recurring expenditure, reducing share of regular faculty to 60 per cent and appointing 40 per cent staff on contract basis and part-time basis (N.V Varghese, 2000)<sup>3</sup>.

The Committee's report was in conformity with World Bank's suggestions from the book, 'The Higher Education: the Lessons of Experience'. It suggested four main directions for reform: encouraging more kinds of public and private institutions, providing incentives for public institutions to diversify sources of funding, redefining the role of government, and introducing policies that emphasize quality and equity (World Bank, 1994)<sup>4</sup>.

Birla- Ambani Committee's 'Policy Framework for Reforms in Education' of 2000 aimed at market oriented education ( Birla- Ambani report,2000)<sup>5</sup> and National Knowledge Commission(NKC) 2005 was more concerned with, the expansion and excellence, at the expense of equity and favoured privatization and marketization of higher education and prioritization of skill development over intellectual training( Thomas Joseph,2007)<sup>6</sup>.

**3. N.V.Varghese(2000)**“ReormingEducationFinancing”, <http://www.india.seminar.com>

**4. World Bank (1994)**, 'Higher Education: The lessons of Experience', <http://doi.org/10.1596/0-8213-2745-2>.

**5. Birla- Ambani report,(2000)** , 'Report OnA Policy Frame Work For Reforms In Education' Journal Of Indian School Of Political Economy, Oct - Dec 2003, p.844

**6. Thomas Joseph (2007)**, 'Commission versus Commission in Higher Education', *Economic and Political Weekly*, 42(50): 20-23, December2007.

In the wake of these policy orientations, it becomes pertinent to examine the larger scenario of the higher education sector in the context of increasing and dominant presence of private sector in the era of neo-liberalism and how they have been bankrupting public funds and hollowing out public services in general (Anil Sadgopal, 2014)<sup>7</sup> and public education in particular.

### **Expansion and Growth of private sector in Higher Education**

The higher education has been include in central list by 42<sup>nd</sup> constitutional amendment of 1976, this despite the fact that 97 per cent of all students enrolled in higher education institutions are enrolled in colleges and universities run by state governments.

Thus, it is largely the state governments and their policies which determine the course of higher education and the fate of future citizens of India.

And also most of the higher education institutions are state and regional level institutions which are subject to the vagaries of state government policies of budget cuts, contracualization of the staff and ban on fresh recruitments. But coordination and determination of standards are done by Central government. Primarily, 'the higher education' is governed by the entry 66 List-1(Union List) of Seventh Schedule (Article 246) of the constitution of India, which reads as: "the coordination and determination of standards in institutions for higher education or research and scientific and technical institutions". The UGC act is made with reference to Entry 66 of List-I (indiankanoon.org)<sup>8</sup>.

**7. Anil Sadgopal (2014)**, Countering Neoliberal Conception of knowledge, Building Emancipatory discourse:A Historical Overview of Phule-Ambedkar's Critique and Gandhian Nai taleem, in Ravi Kumar(ed.) *Eduaction, State and Market-Anatomy of Neoliberal Impact*, pp.236-261, Aakar Books : New Delhi.

**8. Indiankanoon.org**(<https://indiankanoon.org/docfragment/778031/?big=2&formInput=entry%2066%20of%20list-i>, accessed on 21-12-2020).

**Table 9: Institutions and enrollment share of different communities**

	All categories	OC (per cent)	BC (per cent)	SC (per cent)	ST (per cent)
Central Institutions	7,59,843 (2.94)per cent	3,24,313 (42.6)	1,80,574 (23.7)	79,230 (10.4)	1,75,726 (23.1)
State Institutions	2,57,92,458 (97.06)Per cent	1,07,04,440 (41.5)	98,82,789 (38.9)	39,47,820 (15)	12,57,409 (4.8)
Total	2,65,52,301	1,10,28,851 (41.5)	1,00,63,365 (37.9)	40,27,050 (15.16)	14,33,135 (5.3)

(Source; AISHE-2017-18)

The above table reveals presence of SC (10.4 per cent) and ST (23.1per cent) students in central higher education institutions which are just around 3 per cent in the country whereas it is 15 per cent and 4.8 per cent respectively in the regional -state-level higher education institutions. The above table reveals phenomenal intake of students from the Schedule Class (10.4per cent) and Schedule Tribe (23.1 per cent) in the central higher education institutions.

However, it must be noted that these institutions constitute just 3 per cent of all the higher education institutions in the country.

Though the expansion and equity of the underprivileged seems to have been phenomenal in central institutions, but when we take into account the larger accessibility of these sections to higher education, out of the total children belonging to these sections admitted in class 1, only about 6% of STs, 8% of SCs, 9% of Muslims and 10% of OBCs are able to cross the crucial barrier of class 12. In other words, less than 10% of the oppressed sections become eligible for higher education and reservations and more than 90% of these sections of society are denied higher education thereby tending to return to the caste-based and patriarchal parental occupations (Anil Sadgopal, 2016)<sup>9</sup>.

**9. Anil Sadgopal (2016)** ‘Skilling, or De-Skilling India; An agenda of exclusion’, *Economic & Political Weekly* august 27, 2016, Vol. II, No 35 33

**Table 10: Massive Expansion of higher education sector**

<b>Year</b>	<b>Universities</b>	<b>Colleges</b>
1990-91	190	7346
2000-2001	256	12806
2012-13	700 and above	35539
2019 -20	1019	39955

(Source; AISHE- 2017- 18, 2019-20)

The above table reveals the phenomenal expansion in the number of universities and the colleges since 1990s. It increased from 190 universities and 7346 colleges in 1990 to 256 universities and 12806 colleges by 2000 -2001 and to 700 universities and 35 536 colleges by 2012 -13 and to 1019 universities and 39955 colleges by 2020.

**Table 11: Increase in private Universities and Colleges**

<b>Year</b>	<b>Private-Unaided Universities and Colleges</b>	<b>Total Universities and Colleges</b>
2000-01	3223(24.6 per cent)	13072
2011-12	20121(59.7 per cent)	33682
2019 - 2020	32205(78.6 per cent)	40974

(Source; AISHE-2017-18, 2019-20)

The above table reveals that the phenomenal expansion was marked by huge increase in the number of private universities and colleges. The total number of private (unaided) universities and colleges accounted for nearly 60 per cent in 2012-13 as compared to less than 25 per cent in 2001 and it increased to 78 per cent in 2020.



**Table 12: Different Higher education institutions**

<b>Institutions</b>	<b>Number</b>
Central Universities	47
State Universities	345
State Private Universities	235
Institutions deemed to be Universities	123
Total	750
Colleges	41,435

(Source: All India Survey on Higher Education-AISHE-2017-18)

With 750 universities and more than 41435 affiliated colleges enrolling more than 28 million students accounting for the Gross Enrollment Ratio (GER) of 27.1 in 2019-20 (All India Survey on Higher Education-AISHE-2017-18), Indian higher education is a large and complex system with huge jump in massification when compared to the position of 8.4 million students reported to have enrolled in 256 universities and 12,806 colleges by the turn of the century (2000). The GER surged from 8.1 per cent in 2000 – 2001 to 28.5 in 2017-18. Though it appears huge surge in GER in India in a decade, this pales in comparison with China and USA, where it is 48.44 and 88.84 respectively (Harsh V Pant, 2019)<sup>9</sup>.

The massification in such a short span of time and dominant presence of the private sector is projected as quite normal and healthy development, while ignoring the consequences of falling standards and the fact that even in America which is considered to be a capitalist economy, the average percentage of enrollments in private higher education is just 27 per cent.

**9. Harsh V.Pant & Antara Sen Gupta (2019) ‘Learning to Probe early’,  
January 29, 2019, TheHindu.**

It is 19 per cent in China as against 58 per cent in India (Ellie Bothwell, 2018)<sup>10</sup>.

**Table13: GER and share of privatization in other countries**

<b>Country</b>	<b>GER</b>	<b>Average Enrollment Percentage in Private Higher Education</b>
India	28.5 (2017-18)	58
America	88.84 (2019)	27
China	48.44 (2019)	19

### **Increasing Privatization and the question of Quality**

NAAC was established in 1994 as an autonomous body under UGC to evaluate asses and accredit higher education institutions in the country for the purpose of maintaining quality in higher education. As of August 2018, of the 750 universities and 41000 and above colleges in India, only 299 universities and 5059 colleges had valid accreditation, that is, less than 40 per cent of the universities and 12 percent of the colleges had been assessed and accredited by NAAC.

Of the Universities and Colleges evaluated by NAAC, only 25 per cent of the universities and 3 per cent of the total colleges have obtained 'A' and above grade. Very few private colleges are among the above NAAC accredited colleges. Of the 1200 and above degree and engineering colleges in Telangana, only 143 colleges are accredited by NAAC.

- 10. Elli Bothwell (2018), 'Global Boom in Private Enrollment' Tmes Highr Education, March 8,2018. [www.insidehighered.com](http://www.insidehighered.com/)( accessed on 29-01-2019).**

**Table 14: Universities with NAAC Grade**

<b>No. of Universities</b>	<b>With NAAC Grade</b>
173	A
15	A+
04	A++
73	B
10	B+
20	B++
04	C

(Source: www.naac.gov.in as of August 2018)

**Table 15: Colleges with NAAC grade**

<b>No. of Colleges</b>	<b>With NAAC grade</b>
1257	A
89	A+
10	A++
2504	B
502	B+
362	B++
335	C

(Source: www.naac.gov.in as of August 2018)

**Table16: Enrollment of Indian Students by fields of study**

<b>Subject</b>	<b>Number of Students</b>	<b>Percentage</b>
Arts	1,02,71, 296	36
Engineering/Technology	48,85, 134	17
Science	54,17, 464	19
Commerce/Management	46,37, 317	16
Education	10, 85,876	3.8
Medicine	11,18, 178	3.9
Others	10,69, 481	3.7
Total	2,84,84, 746	100

(Source; UGC India, analyzed by DrEducation.com, 2016-17)

More than 75% of students are enrolled in three year bachelor's degree like B.A., B.Com and B.Sc. degrees. One-sixth of all Indian students are enrolled in Engineering/Technology degrees. This demolishes the long held myth that technology courses are given more importance at the cost of basic science courses. It is a fact that there are more prestigious institutions of technology like IITs and NITs than institutions offering basic science courses. While, five new IISERs (Indian Institutes of Science Education and Research) were created in 2007, most of the institutions that are run by the state governments cater to the educational needs of the poor with the problems like inadequate regular staff and lack of minimum facilities etc.

### **Increasing privatization and Declining Quality of professional Courses**

During the small period from 2001 to 2006, the unaided private higher educational institutions increased from 43 per cent in 2001 to 63 per cent in 2006 of the total higher education institutes and enrollment increased from 33 per cent to 52 per cent in 2006 (FICCI, 2012). During the period from 2005 to 2011, the State Private Universities have

witnessed a phenomenal rise in the number of institutes, that is, from 6 to 94. Of the 130 Deemed Universities, 73 are in the private sector. About 1 per cent of colleges have been granted an autonomous status (FICCI, 2012). Quiet obviously most the growth of private higher education has happened in the marketable professional courses like engineering, medicine, management, computer applications, etc.(K M Joshi,2013)<sup>13</sup>.

78% Colleges are privately managed; 64.6% are Private-unaided and 13.3% Private aided. Andhra Pradesh, Telangana, UP and Tamil Nadu, have more than 75% Private un aided colleges, whereas, Bihar has 24% and Assam 12% Private unaided colleges(All India Survey on Higher Education-AISHE-2017-18).

In specific areas like engineering and management, more than 90% of institutions are in the private sector whose dominating presence has also spread to arts and basic science courses, intermediate and polytechnic colleges too.

They are wide spread from Andhra Pradesh, Karnataka, Tamil Nadu, Maharashtra and Kerala, to Odisha, Rajasthan, Punjab, Haryana, and Assam. In 2011-12, there were 191 degree-awarding (almost equivalent to a university) private, self-financing institutions in the country; 19,930 colleges (compared to 13,000 government and government-aided private colleges); and 9,500 diploma-level institutions (compared to 3,240 government institutions) (Planning Commission, 2013)<sup>14</sup>. The corresponding numbers of private unaided institutions at the end of the 1980s were close to zero. Apart from NAAC, India has another accreditation organization for professional and technical courses/programmes like engineering, technology, management, architecture and pharmacy colleges, called the National Board of Accreditation (NBA) which was initially established by All India Council of Technical Education (AICTE) and later became autonomous body in 2010.

**13. Joshi KM (2013),** ‘Indian Hgher Education; Some Reflections’, Intellectual Economics 2013, Vol. 7, No. 1(15), p. 42–53.

**14. Planning Commission (2013):** *Twelfth Five Year Plan: 2012-2015: Faster, More Inclusive and Sustainable Growth*, New Delhi: Planning Commission.

NBA aims at promoting international quality standards for technical education in India. NBA is different from other accreditation bodies in India, as it accredits programmes or courses and not institutes.

There is a major difference between NAAC and NBA. National Board of Accreditation (NBA) accredits technical programmes/ courses such as engineering and management programmes, while NAAC accredits general universities and colleges. The number of engineering colleges had gone up from 1,511 colleges in 2006-07 to 3,345 in 2014-15. In the state of erstwhile Andhra Pradesh alone there were more than 700 Engineering colleges (Prateek, 2016)<sup>15</sup> and their student intake increased from 5.83 lakh to 14.85 lakh in 2012.

Similarly, the number of management schools has tripled to 4,500 in the last five years and their student intake gone up from 95000 in 2006-07 to 3,6 lakh in 2011 -12 (Varun Sinha,2013)<sup>16</sup>. But most engineering and management colleges have not got themselves accredited by NBA. It is clear from the NBA website that it is not willing to reveal the details as to how many colleges it has accredited.

The new Draft National education policy 2019 says that India has over 800 universities and approximately 40,000 colleges, reflecting the fragmentation and small size of HEIs currently in the country. More than 60 per cent of these institutions are in private sector. In fact, over 20% of colleges have enrolment below 100, while only 4% of colleges have enrolment over 3000 (AISHE, 2016-17). To make matters worse, thousands of the smaller colleges hardly have any teaching faculty at all, and there is little or no education taking place - thus affecting the integrity of the higher education system in the country (Draft National Education Policy-2019).

**15. Prateek (2016),** 'Increasing number of engineering colleges: Boon or Bane',2016,<https://www.toppr.com/bytes/increasing-number-of-engineering-colleges/> accessed on November 8, 2019.

**16. Varun Sinha (2013),** "Management ? B-Schools in India are struggling" NDTV, January30, 2013, <http://profit.ndtv.com>, accessed on Nov10, 2013

One major consequence of this increased privatization and initiatives by the central government has been the dramatic expansion in the access to higher education to hitherto excluded social groups. The biggest question concerning this explosive growth is not only the quality of the millions of graduates but also the question of equity in terms of lost employment opportunities. A host of surveys suggest that between 75 to 90 per cent of graduates of engineering and business schools are unemployable. The figure for majority of students who earn bachelor's degrees in arts, science and commerce can be imagined given the slack in seriousness of these courses by all the stake-holders in the country.

Increasingly, the rapid expansion of private higher education has also meant that access depends on the ability to pay. Both the central and state governments introduced a range of schemes, such as interest subsidies on educational loans from scheduled banks for low income students a Credit Risk Guarantee Fund Scheme for Educational loans, massive increase in funding for fee reimbursement and scholarships by state governments. In the Andhra Pradesh budget for 2013-14, for example , while funding for higher and technical education was Rs.5400 crore, that for fee reimbursement and scholarships was also Rs. 5400 crore.

Of late, attempts have been made to transfer public institutions to the private sector under different modes of public-private partnership (Jandhyala B G Tilak, 2014)<sup>16</sup>. However, overwhelming presence of private sector with huge financial support from governments could not produce a single institute to match Indian Institute Technology, Indian Institute of Management, All India Institute Medical Sciences, Jawaharlal Nehru University, Delhi University etc (Anand Teltumde, 2013)<sup>17</sup>.

**16. Jandhyala B G Tilak (2014), 'Private Higher Education', *Economic and Political Weekly*,04 October,2014Vol - XLIX No. 40.**

**17. Anand Teltumde (2013) 'Keep Off Education', *Economic and Political Weekly*,8 June,2013 Vol.XLVIII No.2013**

These institutions were built way back in 1950s and 60s. There was a hiatus of nearly three decades before the Central government was forced to commit to create more such reputed government higher education institutions which are even now inadequate given the competition which is having deleterious effect on the society at large. About one and half decade of experience of neo-liberalism, during the Eleventh Five- Year plan (2007-12) Central government had committed to expanding the supply of national level higher education institutions.

This included setting up of fifteen new central universities, eight new IITs, seven new IIMs, five new IISERs (Indian Institutes of Science Education and Research), ten new NITs and twenty new IIITs (Indian Institutes Information Technology). Additionally, there were plans to build one model college in each of the 374 educationally backward districts. The NDA government approved an additional six new IITs and seven IIMs so that by 2016, 23 IITs and twenty IIMs were in existence. In addition, large sums of money have been committed for the projects like Nalanda and SAARC Universities. Even after these efforts, still there are very few public funded highly reputed institutions in the country.

### **Few Institutions and very high competition**

Lakhs of students compete to join into reputed 'Central government run' high technology and medical institutions and a few state government run engineering and medical institutions. Very few are admitted into these Institutions and remaining join substandard and mediocre private institutions and also into different market driven uncertain demanding courses totally unaware of their aptitude and the needs of the society and the country become secondary.

Training for admission into these reputed institutions begins at the tender age of 11 when the child is in class 6<sup>th</sup>. Private parallel coaching institutes charge Rs.2 to 4 lacs per year and have mushroomed all over and their turnover runs into thousands of crores. What is worse is the Plus1/2 education (intermediate) is the complete monopoly of these private institutions in Andhra Pradesh and Telangana. The exploitation of the parents is unparalleled.



The amount of fee collected and the methodology of instruction is threatening the very foundations and the purpose of education. Syllabus to be taught over a period of one year is taught in just three months without taking into consideration the varying capacities of the students. The rigorous training and the mechanical way of conducting the weekly tests are eating into the natural talent of the students in these institutions. The amount of pressure and the mental agony the students undergo is unimaginable. Appalled over the fact that only 48 out of over 3000 students have managed to get admission to MBBS course in government medical colleges without any private coaching for NEET in 2019-20, the Madras High Court observed, “This shows that medical education is not available to the poor and it is available only to those who underwent coaching classes by spending lakhs and lakhs of rupees” (Times of India, 2019)<sup>18</sup>.

Every year there have been reports of students in coaching –cum- colleges committing suicides. “According to Kota district administration data, 58 students enrolled at private coaching centres in Kota committed suicide between 2013 and 2017. In 2017, there was a dip in the suicides, which were down to seven compared to 17 in 2016 and 16 in 2015. A Tata Institute of Social Sciences report blamed study stress, parental pressure, depression, homesickness, love affairs, liquor or drug abuse and emotional issues for the suicides”( The Hindustan Times,2018 )<sup>19</sup>.

Apart from the parents, the indifferent attitude of the government and its total inability to control such corporate coaching- cum- college institutions has to be blamed. These institutions exploit middle class parents, who have very high expectations from educating their children in anticipation of high salary packages in corporate companies.

**18. The Times of India (2019), “Only those spending Lakhs can clear Neet, says HC”, November5, 2019, p. 8.**

**19. The Hindustan Times (2018), , “IIT aspirant found hanging in hostel room in Kota, 3rd suicide in 4 days” Dec 25, 2018**

This clearly depicts the full play of what is called as invasion of educational universe by neo-liberal economic thinking (Arup Maharatna, 2014)<sup>20</sup>.

### **Effect on School Education**

The serious mismatch of presence of a very few quality government institutions and the huge demand is not only affecting quality and equity of higher education but also affecting school education. From 6<sup>th</sup> standard onwards the students are forced to undergo rigorous training in sciences that is Mathematics, Physics, Chemistry and Biological Sciences of plus 1 and plus 2 standard, totally neglecting the languages and social sciences which otherwise would enable a student to appreciate the issues of the society and the beauty of the life.

Lack of appreciation for art and literature has affected human relations. Being selfish, career oriented and materialistic lifestyle has become order of the day for the youth. These happenings leave utter confusion and pressure on the students and their parents while choosing courses and institutes and subjecting them to psychological stress. Whereas, the well to do families can afford such type of education, the lower middle class are caught between hope and despair due to the exorbitant costs. These days a poor student cannot afford such type of education and is forced to join public funded institutions at higher secondary education and cannot pursue prestigious government engineering and medical institutions.

### **Short-lived Market driven courses and neglect of basic sciences**

#### **(Social and Natural)**

Many new courses were introduced in the years following the implementation of neo-liberal reforms in the country.

**20. Arup Maharatna(2014), ‘Invasion of Educational Universe by Neoliberal Economic Thinking –A civilizational casualty?’Economic&Political weekly, September 13, 2014,Vol.XIIX,No.37.**

These courses like BCA, Pharmacy, Bio-technology and many other courses were quick to attract the attention of students and parents in the hope of getting lucrative employment. However, the same courses are now ignored as market for them has declined.

Over 250 technical and management institutes had shut down as of 2012 (Ravikumar, 2014)<sup>21</sup>. During the academic year 2019-20, AICTE refused 92 colleges to admit students into their first year courses in the country (AICTE, 2019)<sup>22</sup>. During the period 2014 to 2018 nearly colleges in Telangana state were closed due to their inability to maintain minimum standards (Andhra Jyoti, 2019)<sup>23</sup>. Among them 600 and above colleges are professional colleges.

This clearly shows the extent of degeneration of education instruction in general and technology education in particular. The technical education in the state has become synonymous with sub-standard and mediocrity. The situation has put paid to the aspirations of both the students and parents.

While education is expected to cater to the overall needs of the society, it seems the individual has become a tool in the hands of the market forces for earning profits. The larger needs of the society and the country are ignored. With education having reached the heights of commercialization, content of education is reduced to one of skill training, rote learning or at best professional training. Social sciences, Natural Sciences, Humanities, Art and Literature,.

**21. Ravikumar(2014)** *'Eduaction, State, and Market-Anatomy of Neoliberal Impact: An Introduction'* in Ravi Kumar(ed.) *Eduaction, State, and Market-Anatomy of Neoliberal Impact*, pp.236-261,Aakar Books: New Delhi.

**22.AICTE(2019)**.<https://facilities.aicteindia.org/dashboard/pages/angulardashboard.php#!/closedinstitute>, accessed on 27<sup>th</sup> Dec,2020)

**23.** Andhra Jyoti, a Telugu daily news paper report dtd. 21-01-2019.

and fundamental research are looked down upon and are increasingly being replaced by professional and skill training required by corporate houses (Ramesh Patnaik,D, 2014)<sup>23</sup>.

### **Negligence of Public Funded Higher Education Institutions**

Most of the underprivileged students unable to pursue professional and technical courses in the prestigious government institutions join undergraduate courses in the basic sciences, commerce, liberal arts and humanities in government colleges and private degree colleges having limited infrastructural facilities

The government colleges have seen steady decline in the standards as there has been no recruitment of teachers since beginning of 1990s and most of the teaching is done by contract and temporary faculty, whose morale is also low, as they are paid poorly and irregularly. Infrastructural facilities in these colleges are poor and sanctioning of new colleges in small geographical area and extending fee reimbursement to students further adds to the infrastructural problems, while encouraging private capital.

There is increasing contractualization of university and college faculty (Rajesh Battacharya, 2014)<sup>24</sup>. The situation in Delhi University, one of the most famous universities in India, provides classic example of the deteriorating situation in Universities.

**23.Ramesh Patnaik D(2015),** A Dialogue for Mass Movement for Democratic Education System, in Ravi Kumar(ed.) *Eduaction, State, and Market-Anatomy of Neoliberal Impact* pp.236-261,Aakar Books: New Delhi.

**24. Rajesh Battacharya(2014),**A Relevant Economics for India: Dark Past, Bleak Future, in Ravi Kumar (ed.) *Eduaction, State,and Market-Anatomy of Neoliberal Impact* pp.236-261,Aakar Books: New Delhi.

The number of vacancies persist and have grown over the years in administrative and academic positions and contractual appointments have become order of the day and support services have sharply dwindled (Krishna Kumar, 2011)<sup>25</sup>. A number of state universities, existing and newly created are also languishing for lack of funds and permanent faculty.

A UGC sponsored study of 47 sample universities from 19 states brought out the dismal fact that even in 2007-08, 51 per cent of the teaching positions were lying vacant. The situation in colleges was equally bad. 41% of the positions at the lecturer level, and 18% at the Reader level were remaining unfulfilled (UGC, 2008)<sup>26</sup>.

The pathetic situation at present can be imagined given the fact that with very few recruitments many more teachers have retired in the last ten years. In state universities, more than 50 per cent of teaching positions are lying vacant.

### **Mushrooming growth of Private Sector at the cost of Public Institutions and precious resources**

Compounding the situation, the government has permitted the indiscriminate growth of private colleges without taking into consideration the survival of the existing Government Colleges.

It is also observed that while allowing the government colleges to decay, the state has permitted the growth of private colleges which do not maintain minimum academic or infrastructure facilities.

Despite this, the private colleges have been successful in attracting the students to their institutions by dubious means and striking a death blow to government colleges.

**25. Krishna Kumar(2011)**, ‘Cleansing the State’26November,2011 ,*Economic and Political Weekly*. Vol.XLVI, no.48.

**26. UGC (2008)**, Higher Education in India—Issues Related to Expansion, Inclusiveness, Quality and Finance, UGC, New Delhi, 2008, pp. 12-13, <http://www.ugc.ac>.

The above statistics reveal that the Governments colleges constituting just 11 per cent cater to 59 per cent of students while Aided and private colleges that constitute 89 per cent cater to only 41 per cent of the students. For instance, In Telangana state, there are 130 Government Degree-Colleges (GDCs), 69 Aided colleges and the remaining 997 are Private colleges. During 2017, in all 84,068 students were enrolled in the Government Degree Colleges while 59,338 students were enrolled in un-aided private colleges.

Adding to this, the compulsion of competitive electoral politics has forced the governments of the day to sanction and set up few more government colleges and universities in backward areas and district centers without full-fledged faculty and infrastructural facilities and the natural consequence is that they fail to attract students to join them. And as part of populist politics and neo-liberal compulsion, the government introduced a populist scheme called 'Fee Reimbursement Scheme' where in the government reimburses the fixed amount of fee so as to enable a poor student to pursue a course in any private college which resort to dubious methods to attract and weaning the students away from government colleges. Introduction of fee re-imburement scheme for engineering and other professional and other general courses has resulted in mushrooming growth of private colleges being established by the lumpen capitalists (G.Haragopal, 2015)<sup>27</sup> in collision with the people close to the ruling establishment.

The crony capitalism has been at its fullest bloom. The scholarships and fee-reimbursements provided in private degree colleges, have dealt a death-blow to the government degree colleges by weaning away students by offering freebies ( K M Dayashanker,2014)<sup>28</sup>.

**27. G.Haragopal (2015),** 'The Story of Dismantling of Higher Education in India:The Unfolding Crisis' in Ravi Kumar(ed.) *Eduaction, State, and Market-Anatomy of Neoliberal Impact* pp.236-261,Aakar Books:New Delhi.

**28. K M Dayashanker,** 'Government Degree Colleges Losing Sheen',July16, 2014, *The Hindu*.

Finally, there has been a form of vertical integration between the role of politicians, policymakers and owners of higher education institutions (Devesh Kapur, 2017)<sup>29</sup>.

This has significantly affected the level and composition of public funding in state budgets, with a shift from funding public institutions to students in private colleges. The amount spent for the fee reimbursement scheme and other schemes could be utilized for establishing new colleges with permanent faculty with leading class infrastructure facilities improving the overall education scenario in the country and cater to the needs of the people and the state. The unbelievably rapid growth of the private sector has resulted in crowding out or displacing or damaging the public sector in no time.

Now, there is practically no space for the government to set up a full-fledged institution (Jandhyala B G Tilak, 2014)<sup>30</sup>. The privatization and corporatization of the education has to be seen in the above context. Technology and skill based courses have been introduced in a big way as per the uncertain demands of the market neglecting basic sciences and liberal arts courses ignoring the larger needs of the society and the country. Allowing the market forces in education, resulting in crash commercialization, would defeat the very purpose of education.

## **Conclusion**

The foregoing discussion points out that there had been dominant presence of public institutions and they pursued imparting constitutionally approved welfare values in education till end of late 1980s. However, with the introduction of neo liberal policies in the country, there was a marked shift in this orientation with the rapid growth of Universities and Colleges in both private and public sectors.

**29. Jandhyala B G Tilak (2014), 'Private Higher Education', *Economic and Political Weekly*, 04 October, 2014 Vol - XLIX No. 40.**

**30. Devesh Kapur ( 2017), 'Liberalization sans Liberalism' in Rakesh Mohan (ed), 'India Transformed; 25 years of Economic Reforms' pp369-383. Penguin Random House India Pvt.Ltd, Haryana,**

The private sector went on to occupy dominant position to capture 70 per cent of the Gross Enrollment Ratio (GER) while deviating from the well established traditions of imparting constitutional values.

Despite the fact that private institutions gained enormously from the liberal policies of the state, they have failed to maintain quality standards in higher education. This is amply demonstrated in few private sector institutions having been awarded 'A' grade by NAAC. Also, none of them are on par with IITs or NITs in the country. Many of these institutions were established to gain from the policies like fee reimbursement and have dealt a death blow to the public funded institutions in the state.

The absence of quality public institutions opened the doors for parallel coaching - cum- academic colleges which practice questionable methodology of instruction. The students are subject to untold pressures threatening the very purpose of education.

Private institutions have enticed the students to join new and fancy courses, promising plenty of job opportunities once they complete the course, but, failed to create sustainable employment opportunities.

Notwithstanding the ill-effects of these institutions from the private sector, they are projected as quite normal and healthy development in the context of neo-liberal policy discourse.

It is to be noted that even in America which is considered to be a capitalist economy, the average percentage of enrollment in private education is just 27 per cent, while in China it is 19 per cent as against over 60 per cent in India.

This brings us to the fact that well balanced education aiming at the larger social good is possible only when the State is the dominant player of free and compulsory education. The New Education Policy 2020 rightly points out, " Public education system is the foundation of vibrant democratic society" (NEP, 2020, 8.4.p.31).



## **CHAPTER -5**

### **NEO-LIBERALISM AND THE STATUS OF EDUCATION IN TELANGANA STATE**

The neo-liberal economic model of development had given rise to burgeoning private sector participation in education, accentuating the issues of inequity, inaccessibility and inefficiency at the national and state levels. Telangana State is no exception.

The vigorous pursuance of neoliberal agenda by the then Sate government of undivided Andhra Pradesh, during the decade (1991- 2001) manifested in the resurgence of the demand for separate Telangana state. The ferment for the separate Telangana movement of 1969 was the belief that the people of Telangana were deprived of educational endowments and jobs.

These injustices came into sharp focus with the initiation of economic reforms under the diktats of World Bank. Further, the reforms not only accentuated the injustices but also led to the steady decline of public education in the State. There was a steady decline of public funded education resulting in the growth of private sector.

During the second phase of separate Telangana agitation and with the forthcoming bifurcation of the state a possibility, the electoral compulsions had given way to rhetorical pronouncements of extending free education from KG (Kindergarten) to PG (Post- Graduation) in Telangana.

K. Chandrasekhar Rao, during the course of separate Telangana movement, announced the policy of free education to all students from KG to PG in the soon be formed Telangana State. Though, the people of Telangana welcomed the announcement, pessimistic voices questioned the herculean task of overcoming the dominant and by now well entrenched private sector in education in the State.

The Right to Education Act calls for the State to establish new schools, provide infrastructural facilities and recruit teachers to impart quality education. However, the Telangana State is a witness to measures like the policy of 'rationalization', that are detrimental to public education. The State of Telangana has taken up rationalization of Teacher Posts and Staff under various managements viz., Government, Zilla Parishad, Mandal Praja Parishad Schools.

The government claims that rationalization of staff in the schools is strictly in accordance with the norms and standards given in the Schedule of the Right to Education Act.

The State is not only pursuing the exercise of rationalization of teaching staff and posts in schools but is also resorting to amalgamation of schools within the same premises. Further, it declares that on account of this rationalization there shall be no creation of any new post or reduction in the sanctioned posts.

The policy of rationalisation of the teachers has led to decline in strength of the students and for the eventual closing down of number of public schools. As a corollary to the policy of rationalisation, the State has established focused schools, popularly known as 'Gurukulams' and other social welfare residential schools catering to the educational needs of few among the poor. This move of the State, will defeat the purpose and obligation to provide schools within a radius of one km and thousands of teacher posts will disappear.

While the rise of private sector led to passing of precious public resources to them, promoting few schools in public sector and citing them as models of excellence and era of change and transformation is contrary to all canons of the spirit of Right to Education. These trends are quite perceptible in the country in general and more pronounced in the newly created Telangana State. So much so that, the rapid growth of the private sector has resulted in crowding out the public sector in a short span of time leading to their decline.

Now, there is practically no space for the government to set up a full-fledged institution (Jandyala B G Tilak, 2014)<sup>1</sup>.

The cumulative effects of these developments have been the declining choice of public institutions, which has come in handy for the bureaucrats for closing them in the guise of rationalization. This is the vicious circle in which education sector has been caught for about two decades in India and in Telangana in particular.

Today, middle and lower middle-class people find themselves in a difficult situation of educating their children in private schools which have spread their tentacles far and wide. The private sector has not only been the beneficiary of funds allocated by the government by way of fee re-imbursement but is also extorting exorbitant fee from the students while not maintaining minimum standards either in terms of faculty or infrastructure.

The neo-liberal policy agenda of governance has made it impossible to impart quality and equitable education to the vulnerable sections, while meeting the social democratic aspirations has become a distant dream.

The experience of last four years shows that the lofty policy pronouncements of free KG to PG education has not been able to escape the larger neo-liberal policy agenda as is evident from the policies being pursued by the State in Telangana.

The State is a witness to direct, coercive, undemocratic policy making on the one hand, while using progressive voices to create an illusion of democracy and welfarism is another (Ravi Kumar, 2014)<sup>2</sup>.

1. **Jandyala BG Tilak (2014)** 'Private Higher Education in India' *Economic and Political Weekly*, Vol - XLIX No. 40, October 04, 2014
2. **Ravikumar(2014)** 'Education, State, and Market-Anatomy of Neoliberal Impact: An Introduction' in Ravi Kumar(ed.) *Education, State, and Market-Anatomy of Neoliberal Impact* , pp.236-261,Aakar Books: New Delhi.

These subtle and complex neo-liberal trends are quite perceptible with regard to education sector in newly formed Telangana State where K.G to P.G free education has been promised.

What follows below is the bird’s eye view of the recent developments in the State and how the education has become a victim of neo-liberal agenda.

### **School Education**

The total number of schools offering primary and secondary education in Telangana is 41,337. A majority of them are state government and local body schools (70 per cent) followed by private unaided schools (28 per cent). Enrolment in all types of schools in the state during 2016-17 was 60.63 lakhs. Of these 52 percent children are enrolled in private schools followed by 45 per cent in state government and local body schools, 2 per cent in aided schools; and 1 per cent in central schools. Just 28 per cent of the private unaided schools are catering to the needs of 52 per cent children. This clearly shows the declining choice of public funded educational institutions.

**Table 17: Percentage of Public funded and private schools and enrollment in them**

	<b>Private Schools</b>	<b>Government &amp; Localbody Schools</b>	<b>Aided and Central schools</b>
Institutions (Percentage)	26	72	1.75
Enrollment (percentage)	53.18	44.48	2.34

(Source: Hand book of Socio-Economic outlook-2020, Govt. of Telangana)

## Declining strength of regular teaching staff

Of the total teachers in the state (in both private and public sector), 55 per cent are in government schools and the rest, that is, 45 per cent work in private and un-aided schools. Nearly 55 per cent of teachers teach in government schools that account for 70 per cent of the schools whereas private schools that account for 30 per cent of the schools employ 45 per cent of teachers. It implies that teacher availability in government schools is lower (Telangana Social Development Report, 2017)<sup>3</sup>.

**Table 18: Relative Percentage of schools, Teachers and enrollment in Public funded and private schools**

Type of schools	Percentage of schools	Percentage of Teachers	Percentage of enrollment
Govt. and local Body schools	70	55	46.82
Private Schools	30	45	53.18

(Source: Telangana Socio-Economic Outlook, 2020)

There are 2000 single teacher schools and if the teacher is absent there would be no one to take care of the students. For the past six years there has been no recruitment. Due to less number of teachers, the schools are run with the help of Vidya Volunteers, a temporary arrangement of teachers with locally available educated youth, whose morale is shaky with the little and irregular payment they get.

3. **Telangana Social Development Report (2017)**, <https://www.telangan.gov.in/.../Telangana-Social-Development-Report-2017-part3>. Accessed on 24<sup>th</sup> April, 2019.

Under such circumstances one cannot expect quality teaching in government schools. During the period from 2014 to 2017 in Telangana, the number of government primary and Upper primary schools increased by only 0.42 per cent and 2.89 per cent respectively, whereas, in the case of private schools the increase was 12.75 per cent and 10.09 per cent respectively. The enrollment in government primary and upper primary schools declined by 1.12 lakh and 0.20 lakh respectively, whereas, the enrollment in private primary and upper primary schools increased by 0.61 lakh and by 0.03lakh respectively(The Hans India,2018)<sup>4</sup>.

Declining number of teachers in the government schools is one of the main reasons for not only the fall in enrolment and growing dropout rate but also for declining quality. Falling enrollment is also due to shifting of students to nearby residential schools which have been started in substantial numbers by Telangana Government.

#### **Declining allocation of resources**

The Comptroller and Auditor General of India (CAG) revealed in its report presented before the Telangana Legislature on 29-03-2017 that “there was a significant shortfall (50%) in release of funds by GoI and the State Government as compared to the budget approved by Project Approval Board (PAB) during 2014-17. Of Rs. 5360.41crore approved by PAB only Rs.2693.55 Crore were released. Further, CAG said that there were considerable delays in release of funds by Government of India as well as the State Government to the Telangana Sarva Shiksha Abhiyan Society (TSSA) resulting in non-implementation of important interventions intended for the benefit of eligible students in the State.

- 4. TheHans India(2018)**<https://www.thehansindia.com/posts/index/Telangana/2018-03-29/Enrolment-in-government-schools-dropped-private-schools -mushroomed-in-Telangana-CAG/370345>, accessed on 23 rd April, 2019.

There was high dropout rate of students during transition from class I to VIII in respect of SC/ST boys and girls. Fourteen to 26 per cent children at Primary level and 21 to 47 per cent in Upper Primary level scored less than 40 per cent during the years 2014-17”(CAG report, 2017)<sup>5</sup>.

### **Residential Education for the poor: increasing the multi-layer system**

Since the formation of Telangana State, there has been so much talk about residential schools for the benefit of underprivileged sections of the society. For STs, apart from already existing Tribal welfare Residential schools, there are 302 Ashram schools and newly established 145 Gurukulums. For SCs, there are Telangana Social Welfare Residential Educational Institutions Society (TSWREIS) running 267 residential educational institutions (from 5th standard to undergraduate level).

For BCs, apart from existing BC welfare residential schools, there are newly sanctioned 37 residential institutions under Mahatma Jyotiba Phule Telangana BC Welfare Residential Educational Institutions Society (MJPTBCWREIS), established in July, 2014, with an aim to provide quality education to the deprived children belonging to Backward Classes and other communities with a sanctioned strength of 11,720 students. 398 KGBV(Kasturba Gandhi Balika Vidyalaya) are established in 2004 to provide educational facilities for girls belonging to Scheduled Castes, Scheduled Tribes, Other Backward Classes, minority communities and families below the poverty line in Educationally Backward Blocks. The scheme provides for a minimum reservation of 75 per cent of the seats for girls belonging to SC, ST, OBC or Minority communities and priority for the remaining 25 per cent, to girls from families below the poverty line. The total number of children admitted in KGBVs during the academic year 2016-17 was 72,583.

5. **CAGReport(2017)**p.39,[https://www.cag.gov.in/webroot/uploads/download\\_audit\\_report/2018/Report\\_No\\_4\\_of\\_2018\\_\\_General\\_&\\_Social\\_Sector\\_Government\\_of\\_Telangana.pdf](https://www.cag.gov.in/webroot/uploads/download_audit_report/2018/Report_No_4_of_2018__General_&_Social_Sector_Government_of_Telangana.pdf).accessed on 1-1- 2021).

204 residential schools and 12 Junior colleges under Telangana Minorities Residential Educational Institutions Society (TMREIS) are to provide high quality education for talented children belonging to minority communities, through pace setting residential schools. 194 ‘model schools’ were started in 2013 in backward Mandals with the sole objective of providing residential and quality education to students form class 6<sup>th</sup> to 12th standard.

**Table 19: Different type of schools for different communities**

S.No	Type of School	Number of schools
1	Ashram Schools for STs	302
2	Gurukulums for STs	145
3	TSWREIS for SCs	267
4	MJPTBCWREIS for BCs	37
5	KGBV for girls from families of below poverty line	475
6	TMREIS for minorities	204
7	Model Schools for backward Mandals	194

In all 1, 34,161 children are admitted in the Hostels (pre-matric hostels in the academic year 1016-17. Of which, 30,882 are admitted in ST hostels, 59,928 in SC hostels and 43,351 are in BC hostels (Government of Telangana, 2017)<sup>6</sup>. It shows that only about 2.2 per cent of total schools going children is in hostels. Even if we take into account the 45 per cent children (27 lakh) who are poorest of the poor being admitted in government and local body schools, it comes out to be just about 5 per cent.

**6. Government of Telangana (2017);** Socio-Economic outlook of Government of Telangana, 2017, pp. 180-189.



There are 559 post-matric hostels for college going boys and girls in the state. This includes 153 hostels for ST students, 169 hostels for SC students and 246 hostels for BC students. In 2016-17, the total number of inmates in the hostels is 18377, 19077, and 24517 respectively in ST, SC and BC post-matric hostels.

**Table 20: Admissions in Pre-metric and Post-metric Hostels in 2016-17**

Category	Pre-metric Hostels	Post-metric Hostels
SC	59928	19077
ST	30882	18377
BC	43351	24517
Total	134161	61971

(Source: Government of Telangana, 2017)

This is to point out that there are multiple residential schools based on communities, working at cross purposes, is not only against to the very idea of promoting and imbibing ideas of fraternity in a caste ridden Indian society and also these myriad institutions create an exclusive multi-layered educational system within the communities, causing huge damage to the large number of already existing government schools and colleges in terms of declining student strength and rationalization of the staff.

Only a very small percentage of under privileged sections of the society are sought to be provided residential education and the rest are condemned to pursue their education in under staffed, un-supervised and shabby government schools in competition with mushrooming growth of private schools which are also run in congested buildings with no play ground, no qualified staff and no fee regulation. With novel corona virus pandemic 2019, their (private schools) problems are further exacerbated.

Even these residential schools do suffer from the problems of inadequate staff, inadequate budget allocations and improper service conditions. As many as 1,936

contract teachers working in Ashram Schools are paid low wages despite the heavy workload (the New Indian Express, 2018)<sup>7</sup>.

### **Intermediate Education**

In Telangana State, there are 2,537 junior colleges or higher secondary institutions with total enrollment of 6.9 lakh students (studying in Plus1 and Plus 2 stage) (Socio-Economic outlook of Government of Telangana, 2017)<sup>8</sup>. Of these, 404 are Government Junior Colleges (GJCs), 41 are Private Aided Junior Colleges and 2,092 are Private and other Junior Colleges. Private colleges constituting 83 per cent charge Rs.20, 000 to Rs. 2, 50, 000 per year and have turnover worth thousands of Crores of rupees. Although they claim to be colleges, most of them are in fact coaching centers for medical and engineering entrance exams running with underpaid and unqualified staff without labs in very congested buildings.

The poor and middle class people bear the brunt of the exorbitant fee and land in debt trap. The remaining 17 per cent Aided and Government Junior colleges cater to the needs of around 1.5 lakh poor students (22 per cent) whose Parents and the contractual staff, as stakeholders, would have very little interest in the functioning of these educational institutes.

### **Contractualization of the Faculty**

Of the sanctioned 6000 posts of junior lecturers in 404 Government Junior Colleges only 840 of them are regular faculty and the rest are contractual or guest faculty.

- 7. Government of Telangana (2017);** ‘Socio-Economic outlook of Government of Telangana, 2017’, pp 180-18.
- 8. The New Indian Express (2018):** ‘Ashram schools Teachers in Fix’23rd June 2018, [www.newindianexpress.com/.../telangana/.../ashram-school-teachers-in-a-fix-1832272](http://www.newindianexpress.com/.../telangana/.../ashram-school-teachers-in-a-fix-1832272), accessed on 1-05-219.

In all there are 3800 contractual and 1400 guest lecturers while 162 colleges have no regular faculty at all on the rolls (The New Indian Express, 2018)<sup>9</sup>.

Just 14 per cent of the entire faculty is ‘regular’ in the Government Junior Colleges is a telling reflection of their decline. With most of the faculty being contractual and temporary, ensuring quality education for these poor students is a mirage. But there has been lot of talk about ‘free education’ being implemented in these colleges by merely waiving the nominal fee which a student has to pay while taking admission.

**Table21; Category-wise Faculty particulars in Government Jr.Colleges in 2018**

S. No	Type of the Faculty	Number of the faculty
1	Regular Faculty	840
2	Contract Faculty	3800
3	Guest Faculty	840

Remaining 4.5 lakh students, among whom included are poor and lower middle class students, studying in 2000 and above private and unaided intermediate colleges in general and corporate colleges in particular are under immense pressure to pay unregulated and un controlled exorbitant fee and they are subject to psychological trauma to do well in various engineering and medical entrance examinations under unhealthy competitive conditions.

### **Collegiate Education**

In Telangana state, there are 1,196 degree colleges with an intake capacity of 4.26 lakh students.

- 9. The New Indian Express (2018):** ‘For Quality Education Regular teachers a must, TheNewIndianExpress, 02, September 2018. <http://www.newindianexpress.com/thesundaystandard/2018/sep/02/for-quality-education-regular-teachers-a-must1866231.html>, accessed on 27<sup>th</sup> November 2018

However, only 2.47 lakh students get through Intermediate Course and after leaving 67 thousand students joining Engineering and other professional courses, about 2.5 lakh seats and above in Degree Colleges remain un-filled every year.

This clearly shows that too few students are dispersed among too many colleges resulting in many colleges having too less strength, especially the government degree colleges. There are 130 Government Degree-Colleges (GDCs), 69 Aided colleges and the remaining 997 are Private colleges. During 2017, in all 84,068 students were enrolled in the Government Degree Colleges while 59,338 students were enrolled in un-aided private colleges. The above statistics reveal that the Governments colleges constituting just 11 per cent cater to 59 per cent of students while Aided and private colleges that constitute 89 per cent cater to the needs of only 41 per cent of the students.

**Table 22: Colleges and Enrollment in 2017**

	<b>Number</b>	<b>Percentage of students Enrolled</b>
Government Colleges	130 (11 Per cent)	59
Aided Private Colleges	69 (89 Per cent)	
Private colleges	997	41

(Source: Socio-Economic outlook of Government of Telangana, 2017)

This clearly points out not only to indiscriminate privatization but also policy of anarchism. Laissez-faireism and the absence of any policy since 1990s helped in the rapid growth of private educational institutions and large-scale commoditization of higher education. This period followed clear pro-private approach at the cost of public funded educational institutions. (Jandyala BG Tilak, 2014)<sup>10</sup>.

**10. Jandyala BG Tilak (2014)** ‘Private Higher Education in India’ *Economic and Political Weekly*, Vol - XLIX No. 40, October 04, 2014

This indiscriminate growth of private sector is eating into the very vitals of higher education, as the public institutions are deprived of minimum infrastructure for effective instruction of the courses. There are about 4 to 6 private colleges and one Government college in semi urban areas and as a result there is a huge gap between the availability of the college going students and the availability of the seats. Students taking admission in the government college have been so thin and dispersed that they have much below the subsistence strength and thus they are on the verge of closure. Private colleges resort to all kinds of unethical and illegal practices to attract the students. They bother little about the infrastructural facilities and qualified teaching staff. As a result the intake in these colleges too is very little and like the Government Colleges many of them are on the verge of closure.

### **Degree Online Services Telangana (DOST) and after**

The much awaited threat of extinction has come with the changes in the process of admissions to the Degree Colleges. In 2015, Telangana State Council of Higher Education (TSCHE) launched Degree Online Services Telangana (DOST) with the objective of making admissions in degree colleges not only economical and effortless but also accessible to all students across the state. The consequence of this policy has been that only twenty to thirty GDC's located in erstwhile district head-quarters and other urban centers are flooded with full admissions showing the improvement in the overall number of admissions into government colleges, compared to last academic year. The colleges (numbering more than hundred), located in rural and semi-urban areas, which have been long neglected in terms of poor infrastructural facilities, material and human, naturally failed to attract sizeable number of students on account of DOST. The government was quick to shift the faculty from these institutions citing low admissions, pushing them into vicious cycle of multiple problems.

## **Contractualization of the staff**

Due to lopsided recruitment policy, there is increasing contractualization of university and college faculty (Rajesh Battacharya, 2014)<sup>11</sup>. Of the 4009 sanctioned lecturer posts in government degree colleges across the State, only 3,147 lecturers working in government degree colleges of which 1,386 (34.5) are the regular lecturers, 898 contract lecturers and 863 are guest faculty (The Telangana Today, 20<sup>th</sup> August 2018). Fifty per cent of the lecturers are working on temporary basis and about 65 per cent are vacant. In the times to come, these colleges (hundred and above) in rural and semi-urban areas would hardly attract students seeking admissions and in all likely hood they are headed for imminent closure. The students from BCs, SCs, STs and minority community loose the opportunity of pursuing higher education in their neighborhood colleges.

## **University Education**

Apart from 10 specialized universities, three central universities, and two deemed universities, there are six conventional state universities in Telangana. Apart from the Post Graduate (PG) and Under Graduate (UG) courses being offered within their respective campuses, they also grant affiliation to the Private and Government Degree Colleges. These affiliating colleges are permitted to offer undergraduate and also post graduate courses on the condition that there should not be any burden on the government in terms of infra structure and additional staff.

These courses are offered under the 'self finance course' for which the Government aid is not provided and student has to bear the cost of the study. Self financing courses cost more than the regular courses but the curriculum remains the same.

**11. Rajesh Battacharya (2014)**, A Relevant Economics for India: Dark Past, Bleak Future, in Ravi Kumar(ed.) *Educaction, State, and Market-Anatomy of Neoliberal Impact*, pp.236-261, Aakar Books: New Delhi.

However, the fee to be paid by the students is being re-imbursed by the State Government under the ‘Fee Re-imburement Scheme’ on the production of Caste and income certificate by the students.

Instead of creating permanent infrastructural facilities and recruiting faculty to strengthen public institutions, huge amount of money is given away as ‘fee re-imburement’ to the private colleges (and just because of which many private colleges have come up). The ‘management’ of the private colleges enjoy political patronage (many of the private colleges are owned by legislators/parliamentarians themselves). With the enormous amount of clout at their disposal they are able to function without minimum infrastructural facilities and staff, jeopardizing the very quality of the courses they offer.

The UG, PG and research courses offered by the universities within their respective campuses also suffer as many of them do not have regular faculty as mentioned above. There have been instances where the post of Vice-Chancellor is kept vacant for years together. The vacancy position of various posts in a few universities in Telangana State is given below including Osmania University which is one of the oldest universities not only in Telangana but also in the country.

**Table 23: Vacancies in Universities in 2015**

<b>Name of the University</b>	<b>Sanctioned Posts</b>	<b>Vacant Posts</b>
Osmania University	Associate Professor - 511	452
	Asst.Professor - 601	280
Kakatiya University	AssociateProfessor – 95	86
	Asst. Professor - 242	61

Telangana University	137	56
Mahatma Gandhi University	70	34
Shatavahana University	63	51
Palamur University,	95	87
JNTUH	409	199
Telugu University	63	34
Total	2286	1340

(Statistical Booklet - 2015 of Telangana State Council for Higher Education)

The poor and the lower middle class sections of the society would be at serious disadvantage in terms of access, equity and quality. Ignoring all these ground realities in higher sector, Telangana Government has passed The Telangana State Private Universities Bill 2018 (The Hindu, 2018) paving the way for setting up of private universities.

Higher educational institutions have to undergo NAAC (National Assessment Accreditation Council) peer team review for getting good grade to get funding from Central Government. Given the new criterion in place for NAAC peer team review for awarding the grade, many of the Government Colleges and Universities which suffer from innumerable problems will find it extremely difficult to get good grade and get the funding.

The new trend of showing a very few public funded educational institutions as ‘centers of excellence’ in higher education in general and providing free and quality residential education in Telangana in particular on a very limited scale would seriously jeopardize the constitutional goal of providing equal opportunities and justice to the under privileged sections of the society.