

View Point

Deterioration of Indian Higher Education from Public Good to For-Profit Market Commodity- A Critical Evaluation

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The movement towards value-based society will strongly be related to the nature, pattern and availability of existing higher education. It plays a strategic role in achieving social development as well as in realizing social justice. Moreover, the higher education institutions especially universities are known as the centres of knowledge and pioneers of human civilization. Therefore, they are not expected to confine to impart knowledge alone. They are to be articulated as a space for sincere and serious debates to realize the aims of liberty, equality, fraternity and social justice that are proposed in our Constitution. The main function of universities should be to preserve diversity, to question and analyse in order to end the inhuman forces of discrimination, exploitation, oppression and violence which are emerged on the basis of class, caste, religion, region and gender.

What is the state and status of higher education in India at present, which is expected to play a significant role to accelerate the process of constructing the humane society? What is the state of higher education in India in the present context of globalisation which is dictating and directing the socio-economic, political and cultural structures of developing countries? How does the education sector is being moulded to suit the needs of corporate investments? What is the role of international pressures especially the World Bank and the World Trade Organisation in the creation and establishment of this process? What are the radical changes that are made in our National Education Policies to strengthen this trend? How does it leading to the deterioration in human values? All these issues are to be discussed seriously. A clear awareness as to this trend in our present education system is a necessary condition to think about the construction of high value loaded alternative education system.

Private Sector in the Higher Education

It is significant to note that as early as in 1980's, a favourable environment started to emerge in India to transform education as a marketable commodity and it is for profit only so as to enable private sector to enter into this sector. This process has been accelerated with the entry of globalisation on the name of New Economic Policy in 1990-1991.

The services of Education and Health have been defined as public goods as they are the basis for the achievement of human development as well as social progress and social justice. Therefore, it is the constitutional responsibility of the government to ensure equal accessibility of education to all. Unfortunately, the globalisation initiated the process of transforming education from public good to marketable commodity. The services of education and health have been privatized first is really a great tragedy.

Indian Higher Education System is largest in the world approximately 30 million students pursue their higher education. It is interesting to note that the number of students in this sector is more than the population of Australia and other 152 sovereign countries. As this sector is in the public sphere till recently, many students from oppressed classes and castes could get the opportunity to enter into higher education system as first generation. This is the result of the process of democratization of higher education system which ensures accessibility to all.

Contrarily, this process has not been allowed to continue and dismantled the ideal goal of "equal opportunities" through privatization. Therefore, 75% of expansion in the higher education system took place in the private sector for the past two decades. With the growth of private institutions, the diversity in our education system has been eradicated. No place can be seen for the courses related to humanities, social sciences and pure sciences. No space for critical thinking, social concerns, human and humane values. The entire growth in the private sector is basically confined to professional course especially medicine and engineering.

The enrolment ratio in higher education system has been increased from 49 lakhs to 323 lakhs during 1999 and 2013-14. Out of which, 65 per cent growth can be seen in the private sector only. Similarly, during the same period, number of universities have been increased from 184 to 723 and in which as high as 75 per cent is in private sector.

The issue related to who are coming forward to make investment in higher education definitely determines its state and fate. A wide range of complex array of organisations and individuals from corporate companies, religious organisations to politicians, hoteliers, realtors and liquor barons. Moreover, the distribution of private institutions is uneven and concentrated mainly in urban centres and their fee structure will not give any scope for the poor to enter into higher education system.

International Pressures to Privatised Education

The strong arguments were promoted during 1990's that economic reforms are the only means available to developing countries to come out from economic crisis - There is No Alternative (TINA). In this context, the World Bank could pressurize developing countries including India to withdraw from the provisions of social services especially education and health and they are to be privatised.

The long run vision of World Bank did not allow it to satisfy with the pressures on India to adopt economic reforms. The arguments related to, "privatization is necessary, inevitable and useful too" have been popularized strongly with the creation of a powerful theoretical basis which is favourable to 'Neo-Liberalism'. From this perspective, the World Bank has released a report entitled "Higher Education: Lessons of Experience" in 1994.

The report, on the one hand appreciates the efforts of developing countries in taking the responsibility of providing education to all by assuming 'Education as a Merit Good'. The report further states that the progress achieved by these countries so far will be the result of those efforts only. At the same time, the report argues that the governments of developing countries must withdraw from this responsibility is really a contradiction.

The report divides the education system into three parts – Primary, Secondary and Higher Education and the first two parts are defined as merit goods and therefore, the government can continue its responsibility of providing them. As far as Higher Education is concerned, the report states, that it is a 'non-merit good' and individuals should purchase it on the basis of their ability to pay. Thus, the report strongly recommends the withdrawal of government from the provision of Higher Education. In addition, it states that only the rich are entering into the Higher Education System and appropriating the benefits of financial allocations and subsidies of government. This naturally results in the widening of inequality. Therefore, equality can be achieved only through the privatization of this system. In fact, the privatization of Higher Education System which deny its accessibility to oppressed classes is projected as a means to achieve equality is a serious contradiction.

The school education is allowed to remain as a public good with the intention of ensuring unlimited supply of unskilled and semi-skilled cheap labour to the corporate sector. Now, the question is what will be the effect of privatization of Higher Education?

The privatization has gradually been transforming into corporatisation. Indian Higher Education System is being articulated according to the requirements of corporate sector. At present, the goals of higher learning are confined to learning skills and search for employment in Multi-National Corporations and in foreign countries at the cost of all important dimensions of education. Quest for knowledge is substituted by acquiring/learning skills for MNCs. This resulted in the disappearance of critical thinking. In this process, the students lost self-esteem, self-reliance, the higher sense of liberty and freedom. They are skilled but blind and brainless. They serve global capitalism but do not have an idea about capitalist exploitation, oppression and injustice. Thus, the result of corporatization of higher education is the creation of man power characterized by self-centered approach and slavish attitude. They will not question the ruling and dominant class, exploitation, oppression and violence. This is the ultimate goal of World Bank to create a pro-corporate intellectual world for the sustenance of corporate domination and imperialist exploitation in the long run without any questioning and opposition. Further, international pressures will not confine to the policies of World Bank only to strengthen these structures. In addition, it utilises the support of the Agreements of World Trade Organisation to make the pressures stronger so as to intensify their trend.

Therefore, during the period of release of World Bank's report, the World Trade Organisation started to encroach social service sectors such as education, health and environment under General Agreement on Trade in Services (GATS). This came into force on January 1, 1995 with a set of binding rules and disciplines to promote liberalization in services. The agreement would force developing countries like India to make all their public services open to foreign competition and to deregulate services and force them to undertake commitments which cannot be reversed in future. This process will result in the 'corporate takeover' of social services by foreign multinationals and force privatization of services.

However, the secretariat of WTO states that sovereign countries will have liberty to accept GATS agreement and further, the sovereign countries will have power to take decision as to how many and what services are to be brought under the scope of GATS. In reality, no developing country can exercise any power to reject GATS proposal. It is 'compulsory' to accept under 'voluntary' conditions for developing countries. Therefore, India signed on the GATS agreement as early as in 1995. With this, all the service sector markets including the markets of Social Services especially Education and Health have been made accessible to Developed Countries and Dominant Countries. This naturally leads to the deterioration in the Higher Education in India from the State of public good to market commodity. Consequently, the domination of corporate investments on this sector will be established and strengthened.

The Classical *Laissez-faire* system will not allow government intervention in economic activities. But, 'Neo Liberalism' popularizes the argument that the organisation of public sector itself is weak and private is efficient. Therefore, it is the duty of the government to take measures to encourage private sector. Thus, the creation of favourable environment for privatization is the responsibility of government. The role of government has radically been transformed from protecting and supporting the interests of depressed and suppressed to encourage corporate sector which is the root cause of all issues related to social injustice and economic exploitation.

Towards Privatization and Corporatization

In fact, this process has started in India in 1980's. The social development goal of education has disappeared with the conversion of Ministry of Education into Ministry of Human Resource Development in 1985. What kind of change is necessary in the goal of higher education? Now, the youth should learn the skills and knowledge that are necessary for global market. Further, the youth are expected to acquire slave mentality so as to accept the domination of corporate power, its enormous profits and on the whole imperialist exploitation. It is the responsibility of higher education system to develop youth with these characteristics. The National Education Policy, 1986 has been formulated with this perspective only. It has stated clearly that Universities are not expected to depend upon government allocations and therefore, it is proposed to curtail their expenditures and take measures to earn finances by introducing self-financing courses.

This trend has taken a clear form after the entry of globalisation process in 1990. Indian higher education sector transformed into a large market for foreign investments after the implementation of GATS. It is converted into a commodity for the profit maximization. Simultaneously, a basis emerged for the deterioration of public educational institutions. With the formulation of Private Universities Act, 1995, 'Privatisation of Education' has been legalized. Consequently, the authority and domination of corporate powers on all the resources including human resources has been started to emerge strongly.

The government allocations and subsidies to higher education system has started to decline in 1997 and decided to reduce it from 90 per cent to 25 per cent within five years.

The MukheshAmbani – Kumara Mangalam Birla Committee has been constituted by the Prime Minister Council on Trade and Industry in 2000. This has submitted its report entitled "Report on Policy framework for Reforms in Education". The committee is expected to give proposals and recommendations to accelerate privatization of higher education. The report extended its strong support to the arguments of government to privatise higher education.

Therefore, the recommendations have come into effect immediately without any delay. The report strongly recommended that

- i. the higher education sector should be left to corporate investments
- ii. this sector has to be articulated as a profitable business activity
- iii. removal of entire subsidy system
- iv. implementation of user-pay principle

- v. provision of loan facility to the students whose economic position is low to bear the educational costs

All these changes are necessary to ensure profits to the investors and this will attract them to make investment in this sector. Immediately, the University Grants Commission took initiative to introduce reforms to transform the higher education system into an industry and develop corporate values.

In order to accelerate this process, the World Bank released a report entitled “Constructing Knowledge Societies: New Challenges for Tertiary Education” in 2002. It is astonishing to note that the report accepts that the higher education is a public good but it will be supplied effectively and efficiently by the private sector. Therefore, the Public-Private Partnership (PPP) will be a solution. Further, it states the goal of higher education is to create “Knowledge Societies”.

What should be the nature of that “Knowledge”? The higher education should impart the knowledge which will be useful to the corporate sector as well as to make it stronger. This will result in the destruction of the goals of higher education to improve culture and to achieve social justice “Progress in the human relation is culture”. Therefore, Knowledge should be associated with culture to construct of value-based society.

This will create a kind of ‘Key-Dolls’ with self-centred, slavish mentality which do not possess the great characteristics like self-confidence, self-esteem, self-reliance, fight against injustice. These Key-Dolls will not question the increasing exploitation, oppression, violence, inequalities and injustice and have been declined to the level of instruments which work for the benefit of corporates.

In order to explain the need and relevance of these recommendations to India, our government constituted the ‘National Knowledge Commission’ in 2007-08. This committee has given recommendations as per the expectations of the government. It is inevitable to articulate India as ‘Knowledge Society’ but government did not possess required financial resources, skills and intellectual wealth to achieve this goal. Therefore, only option available is to invite foreign universities and foreign corporate investment, so as to enable our students to get ‘Knowledge’ is the strong recommendation of the committee.

In order to implement these recommendations effectively, a committee is constituted by the government under the chairmanship of Yashpal in 2009. This strongly recommended the establishment of private universities is necessary to improve higher education sector and therefore, they have to be encouraged. Thus, at the policy level, a strong base has been created as per the pressures of World Bank, to create a favourable environment for the privatization and corporatization of Indian higher education system to achieve “equality” and “efficiency”.

The Measures to Privatise Higher Education

The proposals related to higher education in the Draft of 12th Five Year Plan have been placed before National Development Council on 27th December, 2012. It has recommended for the reexamination of existing laws to allow entry of for-profit higher educational institutions in select areas under necessary regulatory arrangements. It is also proposed to tax for-profit institutions and channeling revenue from this into large scale scholarship programme. It is also proposed to allow private institutions to raise funds through public offerings of bonds and shares, to allow new institutions to be established under Section 25 of the Companies Act, 1956. Further, it is recommended to provide option for existing trusts and societies to convert the legal status of their institutions to institutions under Section 25 of Companies Act, 1956.

Thus, the domination of private corporate forces in Indian higher education sector has increased. Further, continuous rise can be seen in the ‘Public-Private Partnership’ for the benefit of private sector in order to accelerate this trend, the Planning Commission has constituted Narayana Murthy Committee (NMC) for necessary directions.

What are the recommendations of NMC?

The Planning Commission has released the report of Narayana Murthy Committee, entitled “Corporate sector participation in Higher Education” on 8th May, 2012.

The Committee, basically, focused on three core aspects.

- i. creation of environment to attract private corporate investments
- ii. corporate support for research as well as faculty development
- iii. corporate investment for existing institutions and creation of new institutions and clusters of knowledge

The NMC report clearly explains the deficiencies of public educational institutions and its inefficiencies. However, the report will not make any attempt to identify the root cause of the issue but states that inefficiency is the characteristic feature of government institutions. Therefore, there is no alternative, except privatization to make the system efficient. The public educational institutions have been suffering from faculty shortage, lack of physical infrastructure, poor academic standards, weak employability, and funding gaps. The committee argues that the entry of corporate investments in this sector alone will solve all these challenges.

This issue has clearly been discussed by the Committee. First task is to take measures for up gradation of 75 top universities and higher education institutions. This requires investment in the range of Rs 175-200 crores per institution.

The establishment of 20 World class new Universities with the investment of Rs 500 crores per institution.

The creation of 20 new National Knowledge Clusters through PPP model in identified cities and educational hubs of the country and the required finances should be provided by Central, State governments and Corporate sector.

The NMC recommends that Central and State governments should allot land free of charge for 999 years for setting up new institutions to attract corporate investments to this sector.

It is necessary to encourage the establishment of knowledge clusters and research centres to impart knowledge as per the requirements of Multi National Corporations. This requires Rs 40,000 cr investment during 2012-17.

The Central and State governments should extend their complete support to corporate investments and should give fiscal incentives and concessions as many as possible.

With this, the debate and discussion related to “Higher Education as a public good” came to an end. The international and national pressures in terms of theory and policies have created an environment which will not allow any disagreement about the deteriorating trend. Now, all are compelled to accept that ‘Higher Education is marketable commodity and the main aim of investments in this sector is profit motive. Further, this sector can be improved only with corporate investments. Thus, entry of corporate forces is a pre-requisite and necessary condition. The measures that should be taken by the governments to attract corporate investments in this sector assumes significance. For this, government should provide land, give tax concessions and various kinds of incentives. For this, the entire structure of State from Central to State governments should extend strong support and measures should be taken at least to ensure 25-30 per cent profit rate for investments in this sector.

What are the effects of this process?

The entire higher education system will divert its energies and efforts to create youth with necessary skills and knowledge that ensure corporate domination and corporate profits.

They do not have any idea or concern about social justice. No question of social consciousness. The created self-centred youth will only know about how to run for jobs with high income package and how to retain them so as to become a strong part in the vicious circle of consumerism. They failed to think about society, social values. No space for discussion about the causes for the deterioration in human values and collectivity. This kind of transformation of youth is necessary for the sustenance and continuation of imperialist exploitation.

At the international level the World Bank and the World Trade Organisation, at the national level, the governments of developing countries including the Government of India have been formulating policies and creating strong structures to implement them effectively to make the vicious circle of crisis strong and hard to break. They are moving too fast towards decay and destruction.

Corporate Social Responsibility (CSR)

As part of implementation of the recommendations of Narayana Murthy Committee, the Parliament has accepted Company Bill, 2012 in December 2012. The CSR is mandatory. The new bill mandates that every company having net worth of Rs. 500 cr are more, or a net profit of Rs 5 cr or more, or turnover of Rs 1000 crores are more in any financial years to constitute a CSR Committee and has to spend at least 2 per cent of the average net profits in every financial year.

The new bill intends to develop the culture of philanthropy in private sector. The institutions which exploit the people are given responsibility to protect them. The existence of corporate forces itself is to exploit the resources, land, labour with the support of government. Alas, they have been given social responsibility?. They enter into higher education system not to serve the society but to earn profits. The government made radical changes in the policies and programmes to ensure profits so as to attract corporate investments.

Where is the question of social responsibility?.

This is nothing but deceiving people with wrong perception.

What is the State and Status of Universities as well as higher education institutions?

Education will be accessible to all without any discrimination only in the Public Universities. They provide space for critical thinking and evaluation. The democratic values and diversity will be preserved only through government institutions. They are the plat forms for the scientific discussions as to how to solve social issues. These Students will be on the fore front of any movement for social transfor-mation. The Public Universities will give a progressive direction to the motion of society.

It is appropriate to mention one incident occurred in 2015 in Acharya Nagarjuna University, Guntur of Andhra Pradesh. Rishitheshwari, who was the student of Architect Engineering died in suspicious circumstances. The Student Associations like PDSO, the women organisations like SthreeVimukthiSanghatana, Lawyers associations and Rights associations have strongly protested the incident and have constituted 'Fact Finding Committees. They could reveal the facts behind the death to the society. The entry of all the responsible associations is possible to know the facts and to protest the untoward incidents only in public institutions.

The implementation of inhuman discipline, harassment, increasing pressure on the students on the name of competition is creating a suffocating atmosphere for students in the corporate colleges which is resulting in the suicides of students. Is there any scope for any organisation to enter into these institutions to know the facts? Prevalence of totally undemocratic practices in these institutions. No protest, no questioning, only acceptance. This is needed for the sustenance of imperialism.

The main aim behind the establishment of University Grants Commission (UGC) is to take measures to protect the autonomy and diversity of Universities on the lines recommended by the first University Education Commission, 1948. Unfortunately, the difference between UGC and Ministry of Human Resource Development has gradually been declining. Instead of protecting the autonomy of Universities, the UGC has been moulded as an instrument in the hands of government to curb the autonomy and diversity of higher education institutions by introducing 'Choice Based Credit System, Common Curriculum and Syllabi. Different Universities will specialize in different areas of research, what will happen to all this intellectual specialisation?

Further, at the under graduation level, offered courses have been divided into Core, Common and Open. In this, only core courses require regular and permanent teaching staff and Part-time teaching staff will be enough for remaining course. This naturally results in the informalisation of teaching jobs in universities.

It is a bitter fact to note that not only in two Telugu States but also in entire India, no recruitment of teaching staff in the Universities for more than a decade. Financial allocations decreased. The self-financing courses, Distance education courses have become real sources of finances to run the universities. The importance of teachers declining in Telugu States, in all the State Universities, the posts of Vice-Chancellors is vacant for the past two years. In one of the State University of Telangana, the University college Hostels have been privatised three years ago despite serious protests from students and faculty. The government has been taking measures 'sincerely' to make the Universities worthless entities as per the pressures of corporate forces. Unfortunately, some of the teachers and students are becoming instruments for the change towards deterioration. Nobody is there to question or protest even if measures are taken to close these institutions. Nobody can reject the trend of worsening standards and values of research. Even research has been transformed into a market commodity. This is not an isolated and individual issue but it is a part and parcel of the process of converting these institutions futile, hopeless and unnecessary. Therefore, no individual solutions but to attack entire structures of deterioration.

Even Central Universities who are known to be custodians of intellectual wealth became integral part of this worsening trend. The incidents of Hyderabad Central University, JawaharLal Nehru University, Delhi and Jadavapur University will prove it. The critical thinking and evaluation have been termed as 'outdated theories'. Discussing about the realization of constitutional right and directive principle of State policy became a serious crime and 'Anti-National'. The education is strictly defined as "learning skills" only. The students and youth are not expected to think and talk about social justice as it will not come under their purview. Simply, they should be obedient to the corporate forces.

Now, the higher education is strongly linked to money because it is converted into marketable commodity. This will be useful to global market only. As it is linked to employability, the courses that are necessary for the society and collective spirit such as Humanities, Social Sciences, and Pure Sciences are disappearing rapidly. Similarly, quest for knowledge and wisdom has seriously been replaced by simply acquiring skills.

The higher education will be accessible to affluent sections only due to privatization and corporatization. Poor can enter only into public universities and institutions. The process of dismantling public higher education system will result in the permanent denial of higher education to poor and oppressed.

To strengthen the problem of deterioration, the Draft National Education Policy, 2015 gave importance to raise efficiency, accountability and moulding students according the needs of global market. The constitutional goals of equality, social justice, and guarantee for fundamental rights will not find any place in this policy is really a tragedy.

In this context, it is appropriate to remember the statement of Albert Einstein in 1954 that *"it is not enough to teach a person a speciality. Through it, the person may become a kind of useful machine but not a harmoniously developed personality. It is essential that the student acquire an understanding of and lively feeling for values. They must acquire a vivid sense of beautiful and of the morally good. Otherwise, the person with specialized skills/Knowledge, more closely resembles a **well-trained dog** rather than a harmoniously developed person"*. This kind of environment will be created only when higher education is again transformed into public good. The youth in the higher education should be conscious of human values, social development and social justice. Moreover, it should be accessible to all without any discrimination. The question is, will it be possible to purify education system independently?. It is rooted in the phenomenon of power of corporate forces which dictate the globe. Therefore, its solution lies in the end of imperialist exploitation which result in the creation of humane structure of political economy free from all kinds of discrimination, exploitation, oppression and violence. This progressive environment enables to attain progress in the education system too. Hope that socially conscious forces will unite and move towards to realize this goal.
