



P-ISSN: 2394-1685  
E-ISSN: 2394-1693  
Impact Factor (ISRA):5.38  
IJPESH 2017; 4(2): 266-268  
© 2017 IJPESH  
www.kheljournal.com  
Received: 18-01-2017  
Accepted: 19-02-2017

**Dr. Raj Kumar**  
Assistant Professor S.G.G.S.  
Khalsa College, Mahilpur,  
Hoshiarpur, Punjab, India

## Privatization in Indian education

**Dr. Raj Kumar**

### Abstract

Privatization is a well-known word. In the areas of business and industry, it has covered a wide area but now it has entered into education and academic area. The word privatization got its birth in 20th century at the end of 1960's First of all Peter F. Drucker used this word privatization first time in his book "The age of discontinuity" in 1969. The private initiative in education, especially higher education is not altogether new to India. Some of the leading universities namely, the Banaras Hindu University and the Aligarh Muslim University came up with the efforts of certain dedicated individuals and financial support of the community at large. There are a couple of drawbacks with respect to privatization of higher education, it is sure to bring in competitiveness and on the whole revamp the present educational system.

**Keywords:** Privatization, education, business and industry

### Introduction

Privatization is a well known word. In the areas of business and industry, it has covered a wide area but now it has entered into education and academic area. Actually, today the programmers related to private sector expanded to much that the word of revolution can be used for this. Privatization is working very successfully in various countries like England, China, America, Brazil, Mexico and Japan.

### Historical Prospective

The word privatization got its birth in 20th century at the end of 1960's First of all Peter F. Drucker used this word privatization first time in his book "The age of discontinuity" in 1969. After 10 years, it was implemented in England in 1979. Slowly and slowly all the countries accepted privatization.

### Meaning

In simple words. Privatization means shift in the ownership, management and centre of education institute from government to private sector. Process of Privatization can be done by group also. Private means a person and is ation means a state. Like all words in Asian and Pacific Region, education is also getting privatized. This Privatization is control of ownership, management and education institutions. The role of government in education is decreasing and the role of private sector is increasing.

### Models of Privatization

Privatization encompasses a wide array of models. In Asian Pacific Region there are many being benefits to start privatization.

In some parts privatization has arisen as a results of deliberates policies but in other, it is a result of unplanned need Brey (1998) identified the following the four major models of privatization.

#### 1. Transfer of ownership of public schools

The most striking form of privatization is the deliberate transfer of ownership of exiting public school to private school. The shift becomes more beneficial when the aim of transfer is not profit motive but for the: right functioning of school. But there change is seen very less.

**Correspondence**  
**Dr. Raj Kumar**  
Assistant Professor S.G.G.S.  
Khalsa College, Mahilpur,  
Hoshiarpur, Punjab, India

## **2. Shifting sectoral balance without redesigning existing institutions**

Privatization brings. Government sector can be contracted but private sector can be expanded but never contracted.

## **3. Increased Government Funding and Support for Private Schools**

Sometimes government to strengthen the private sector of schools gives financial and other support to them. Sometimes government adopts voucher system in which poor family can send their children to any private schools but their all expense/s/cost are borne by the government.

## **4. Increased Private Financing Control of Government Schools**

In this form of Privatization, government school remains under the ownership of government but non-government resources contribute their economic part to increase the level of these resources. The countries which are facing financial problems, their parents and communities together solve the financial problem of the country. In some countries, government doesn't need any financial help from outside but government prefers to run school with the help of school managing committee. In some countries private schools are alternative to high society. But in other countries private schools are given second chance, it means institutes for those people who don't get admission in public schools. Basically, these schools are very expensive.

## **Privatization of Higher Education in India – Case for and Against**

The private initiative in education, especially higher education is not altogether new to India. Some of the leading universities namely, the Banaras Hindu University and the Aligarh Muslim University came up with the efforts of certain dedicated individuals and financial support of the community at large. Again, a large number of educational institutions in the country especially those concerned with general and professional higher education have been established on private and voluntary initiative with or without financial subsidy from the Government.

In the context of the current changing social and economic fabric of the country, it appears almost certain to go in for private funding of education. The recent paradigm shift in Indian economic and political philosophy has led to the demand of private universities so as to meet the challenge of contemplated open economy and the demand for qualitative human resources and high level of R & D.

There are views for and against Privatization of higher education in India. While some have started criticizing the concept even before it has come to be defined and taken off the ground, others consider it very useful and indeed inevitable. So much so that proposals for setting up private universities affiliating the privately funded institutions are being discussed. For one thing, there is no denying the fact that higher education is comparatively less expensive in India even though under-developed countries like Bangladesh and developed ones like the US, Japan, Australia and many others have successfully switched over to Privatization of education without making it a crass. Can India also think on these lines especially if the money earned can be "ploughed back" into the educational sector for its own improvement?

Summing up, a clear cut policy of the Government of India regarding Privatization of higher education is unfortunately not available at the present moment. We wonder if there is

one at all. At any rate, the move is lacking in transparency. One thing is, however, clear from the occasional official pronouncements that there is a need for supplementing Government measures by the efforts of the non-Government organisations and the institutions themselves to generate resources. This, in a way, does amount to partial Privatization calling for caution against, amongst others things the following:

- a) Resultant commercialisation of education,
- b) Obstacles in merit based admissions,
- c) Deterioration in academic standards,
- d) Encroachment in institutions & autonomy,
- e) Education service conditions of teachers, and
- f) Becoming subservient to market logic advanced by the private sector in the country.

## **The positive aspects of Privatization of Higher Education**

There are a number of positive aspects of privatization of higher education: The increasing demand for better quality higher education in India can be met only by Private Institutions complementing the Universities established by the State. The proportion of students opting for higher education in India is increasing at a rapid rate and the only feasible way out is the privatization of the educational system. The Government, with the Constitutional obligation to provide free and compulsory Primary Education, has increased the investment in Primary Education, as a result of which, the investment in higher education has proportionately decreased. In order to meet the growing needs of the student population for higher education in the country, it is an imperative for the Government to privatize higher education. In case of Private Universities, there would be minimal or practically no political intervention. This would be beneficial for the Universities in terms of being independent. The Hon'ble Supreme Court held that 'in professional institutions, as they are unaided, there will be full autonomy in their administration, but the principle of merit cannot be sacrificed, as excellence in education is in national interest'. The Universities would try and implement new techniques, which would have otherwise been impossible without the permission of the State. Private Colleges that are affiliated to the Universities are independent as far as administration is concerned. In case of Colleges established by the State, there may be unethical practices. There are innumerable cases which involve unethical practices in Government Colleges in India and many of them in the recent past. Private Colleges affiliated to Universities would run the risk of being stripped of their affiliation if they are caught engaging in such unethical practices by the relevant authorities.

## **The drawbacks of Privatization of Higher Education**

The following are some of the drawbacks of Privatization of Higher Education in India

If the Private Institutions are given too much independence, it would invariably lead to monopolization of higher education. This would lead to a plethora of problems such as a high fee structure, capitation fee, exploitation of professors, etc. A recent case in which there was a hike in fees in colleges in some parts of India, there was a major uproar and the Government had to give in to the pressure. The Hon'ble Supreme Court in— Mohini Jain v. State of Karnataka has held that "the Right to Education is a Fundamental Right under Article 21 of the Constitution, which cannot be denied to a citizen by charging higher fee known as capitation fee".

- With the advent of privatization, there has been an enormous growth in the number of Private professional

colleges. This rapid growth has no doubt contributed to a quantitative increase in the number of colleges providing higher education but this has been at the cost of quality, as the Government does not exercise sufficient control over 'unaided colleges'.

- Most Private colleges although adhering to standard admission procedures like conducting entrance tests, interviews, etc. tend to admit students by charging an exorbitant amount as capitation fee. Merit invariably takes a backseat and those with the ability to shell out more money often tend to get admitted, without fulfilling the admission requirements.
- The State has been supporting the higher education sector by means of providing funds, establishing colleges, etc. since independence. The question that arises is- what is the need to so rapidly change the policy, when for such a long time the State funding has carried on without any impediment?
- With privatization, there is the risk of commercialization of education. Although a competitive atmosphere would be created, some colleges would concentrate on profit making rather than on improving the standard of education.
- Colleges which are privately owned and administered would exploit the teachers, professors, etc. by paying them amounts which are not in consonance with the amount specified by various regulating agencies of the State which regulate higher education, like the University Grants Commission, etc. This may lead to a slackening in the efforts of the aggrieved and may ultimately result in a fall in the standard of education.
- There have been a couple of cases in the recent past wherein colleges which received aid from the Government employed illegal and unethical practices, due to which the Government was forced to take over those colleges. The purpose for which those colleges were started seems to be profit making and not to ease the burden of the Government or improve the quality of higher education.
- Foreign Institutions which have been allowed to enter into franchise with their counterparts in India have begun offering degrees, etc. These Foreign Universities may or may not be recognized in their parent countries due to which there is no control or restriction on the standard of education provided by these Universities.
- A large number of students continue to go abroad for higher education. Only a very small percentage of the student population opts for higher education in India. This may be due to several factors which inter alia include the high fee payable, the capitation fee, the standard of higher education which is not as good as it ought to be, etc.
- With the advent of Privatization, there seems to be an emphasis on correspondence mode of education. This may not be conducive for a sound understanding of subjects.

### Conclusion

It is rather obvious that there is a definite trend towards Privatization of higher education in India. The Government in order to fulfil its obligation of providing free and compulsory Primary Education is investing more and more for the development of the Primary Education. A direct outcome of this has been the decrease in the investment in higher education by the Government. Private enterprises could be

encouraged to start professional institutions but it must be ensured that the entry of private enterprises into the scene does not lead to commercialisation. The entry of Private enterprises would ease the burden of the State in providing higher education to its citizens. Regulatory arrangement must be put in place before the private sector is allowed to enter the educational sector. The State at the same time cannot absolve itself from the obligation of providing education to its citizens, a majority of whom cannot afford education in private professional institutions. There has been a lot of criticism against Privatization. Citizens have expressed their concerns over the exorbitant fee that would be charged by private professional institutions due to which citizens from the weaker sections of society may be deprived of access to higher education. Another cause for concern is the possible commercialisation.

There are others who believe that Privatization is inevitable. Those advocating Privatization contend that the co-existence of the Public and Private Sectors would be beneficial. They believe that with the entry of the Private Sector in the field of education, the quality of education is bound to get better. Mr. Montek Singh Ahluwalia, former Deputy Chairman of the Planning Commission, while addressing a gathering at an Education Summit organised by FICCI, has pointed out the need to increase the public expenditure on higher education. Mr. Ahluwalia has opined that an improvement in the standards of higher education could be achieved only through a balanced relationship between the Public and the Private Sectors. Although there are a couple of drawbacks with respect to Privatization of higher education, it is sure to bring in competitiveness and on the whole revamp the present educational system

### References

1. Kahn Alfred, Kamerman Sheila eds. Privatization and the Welfare State Princeton University Press, 1989.
2. Starr Paul. The Meaning of Privatization. Yale Law and Policy Review 6, 1988.
3. Drucker Peter F. The age of discontinuity, 1969.
4. Prof. Mahanwar TD, Prof Rajavi SS. Privatization of Higher Education in India" International Educational E-Journal, Quarterly. 2012; 1(2): ISSN 2277-2456.