Private Sector in Education: An Overview

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Education holds the key to India’s growth and socio-economic development. This has assumed greater importance over the last decade with India positioning itself as a knowledge economy in a fast globalising world. An educated population not only drives economic growth, but also has a positive impact on health and nutrition. Well-balanced education is also essential in building a just and democratic society. Thus, it is indeed critical for India, having a large young population and being low on human development indicators, to fast track access to quality education.

Realising the economic benefits of education, the political leadership set up several higher education institutions of excellence, like the Indian Institute of Technology (IIT), Indian Institute of Management (IIM), Indian Statistical Institute (ISI), and Indian Institute of Science (IISc) immediately after independence. For several decades the focus of central government policy was on higher education. School education, more specifically village-school education, was not given importance during the momentous nation-building period of the 1950s and the following decades. Although free and compulsory education for all children up to the age of 14 years was in the Directive Principles of State Policy in the Constitution, continued policy neglect was reflected in the number of illiterates rising from 294 million in 1951 to 376 million in 1971.

In 1976, education was transferred from the state to the concurrent list in the Constitution, making it the explicit responsibility of both central and state governments. But it was only in the 1980s that the political leadership saw the criticality of education in building 21st-century India. The New Policy on Education (NPE), which was introduced in 1986, and the National Curriculum Framework (NCF) ushered in education reforms and new institutions. The efforts were intensified in the 1990s through various schemes to improve school enrolment, reduce gender and other inequities as also dropout rates.

In 1993, the Supreme Court recognised that the right to education was a fundamental right as it was an inherent part of the right to life. The central government initiated the Sarva Shiksha Abhiyan (SSA) in 2000, the most prominent centrally-sponsored scheme aimed towards enrolment of all children in school, bringing out-of-school children to school, retention of children at upper-primary level, and enhancement in learning achievement of students. Several other programmes outside the ambit of the Ministry of Human Resource Development (MHRD), including the Mid-day Meal Scheme (MDM) and pre-primary education under Integrated Child Development Services (ICDS), were introduced to support child education.

Taking cognisance of the Supreme Court declaration, the Constitution was amended in 2002 to provide for elementary education as a right of every child in the age group of 6–14 years. The fundamental right to education, enshrined in the Constitution, was followed by the Right of Children to Free and Compulsory Education (RTE) Act, 2009, which came into effect from 1 April 2010. The SSA norms were changed to align with the RTE Act, and SSA was made the primary implementation vehicle.

Presently, about 74 per cent of the country’s population above 7 years of age is literate (i.e., able to both read and write) — a considerable improvement from 18 per cent in 1951 (see Chapters 1 and 3). There has been significant progress in enrolment of students at the elementary level with nearly universal enrolment, but it drops sharply at higher levels. The Gross Enrolment Ratio (GER) at elementary level is 119 per cent, at secondary level 63 per cent, higher secondary level 36 per cent, and in higher education 15 per cent.

Government initiatives have primarily been aimed at increasing access to education through capacity-creation, with equity and quality aspects largely remaining unaddressed. The sector continues to face many challenges such as poor quality of education at all levels, low quality of research, inadequate basic physical infrastructure, teacher apathy, low quality of training, and lack of autonomy and accountability.

The education sector in India is embedded in a restrictive regulatory environment. Although private participation is allowed in the education sector, but at all levels, these
institutions have to function on a not-for-profit basis. The Supreme Court had ruled that educational institutions are permitted a ‘reasonable surplus to meet the cost of expansion and augmentation of facilities’ but they are prohibited from charging a capitation fee or profiteering.

This India Infrastructure Report looks at the challenges and opportunities of private sector participation in the sector. In this process, the report explores several questions, which include — is the government spending in the education sector being efficiently used? Enrolment is increasing, but are children learning? Is the private sector able to deliver better than the government? Are efforts socially inclusive? Is higher education over-regulated and under-governed? What is required to improve the employability of India’s young population? How to overcome the problem of financing vocational education?

Public Spending in the Education Sector

Central government expenditure on education has increased significantly over the last decade during the 10th and 11th Plan periods (2002–12), particularly in the 11th Plan, driven by the consolidation and expansion of flagship schemes — the SSA and MDM, implementation of the RTE Act, establishment of the Rashtriya Madhyamik Shiksha Abhiyan (RMSA), a major initiative in secondary education, and enhanced expenditure on higher education. The budgetary allocation by the central government between 2007–08 and 2011–12 has nearly doubled in the case of elementary education, and has risen by more than three times for secondary education and higher education, at current prices. As a result, the proportion of expenditure on secondary and higher education increased, although over 52 per cent continues to be on elementary education. Most (two-thirds) of the increase has been funded by the education cess since 2004. India is unique among developing countries in its use of earmarked taxes for financing public expenditure on education.

Two distinct trends are observable in education spending. First, an increasing proportion of the resources is coming from the central government, making states more reliant on the centre. Second, even poor families are increasingly accessing private education services (Chapter 2).

Elementary Education

Progress in Universalisation of Elementary Education (UEE)

The RTE Act is a major initiative of the government, which aims at universalisation of education for all children (including children with disabilities) between 6 to 14 years. The primary focus of RTE is on the right to schooling and physical infrastructure. The Act provides for the establishment of neighbourhood schools within three years, school infrastructure with an all-weather building and basic facilities, and teachers as per the prescribed pupil–teacher ratio (PTR) of 30:1. It also mandates that all untrained teachers in the system must be trained within a period of five years from the date of enforcement of the Act. The fund sharing between centre and state is in the ratio of 65:35. All states have now notified state RTE Rules.

The result of these efforts is reflected in various indicators reported by the MHRD, such as expanding number of primary and upper primary schools, improvement in school infrastructure, higher Net Enrolment Ratio (NER) and fewer out-of-school children aged 6–14 years. The PTR though high has improved to 42.4 per cent in primary and 31.3 per cent in upper primary in 2010–11.

Although there has been notable improvement in the more quantifiable areas of infrastructure and other inputs, the MHRD does not report on any indicators of learning outcomes. Also, despite affirmative action by the government for several decades and efforts to reduce educational inequality, the gap still remains high.

Are Initiatives in UEE Able to Reduce Social Inequality?

Notwithstanding some narrowing of inequalities in basic literacy rates and school enrolments, disparities between social groups in educational experiences persist. The inequalities are in terms of: (a) enrolment and retention, and (b) learning skills. Sonalde Desai and Amit Thorat (Chapter 4) show that the social inequalities are greatest at early stages. The largest differences between forward castes and disadvantaged groups like Dalits, Adivasis and Muslims are in school entrances and before completing upper primary. Since the disadvantaged social groups are also poorer, it is assumed that their inability to pay for ancillary school expenses and the need for children to work and support family income may lead to lack of attendance and dropout. But equally important is the finding that even when children from a disadvantaged background attend school, their skill development seems to lag behind their peers. While parental income and therefore investment in children’s education partly explain these differences (they are less likely to go to private schools and take private tuitions) it is not the only factor. Desai and Thorat suggest that teacher indifference or discrimination, school policies, medium of instruction, and excessive reliance on homework where parents are not educated and cannot provide an adequate support system perpetuate the disadvantage of low levels of skill development.

What are the implications of these findings on public policy? Until recently, public policies had been limited
Shah and Miranda propose that the central government directly pay and include its contribution in the annual union budget as a separate line item. This would take away the problem of relying on the state governments to reimburse the schools in time. Another suggestion they make is that the centre create an independent Special Purpose Vehicle (SPV) to manage the reimbursement and to raise funds from corporate and other philanthropic entities. Shah and Miranda also propose that this 25 per cent reservation, which they call inclusion or opportunity seats, could evolve into a voucher programme, and states could put in place a mechanism to identify the qualified candidates and issue student cards, smart cards or vouchers. The state branches of the National Commission for the Protection of Child Rights (NCPCR) and affiliated non-governmental organisations (NGOs) could monitor the implementation. Those states that do not meet their targets could be charged a penalty that could go towards the SPV.

Children May be Going to School, But Are they Learning?

The objective of the RTE includes the provision of quality education to children but, as indicated earlier, the quality is associated with inputs instead of learning outcomes of school children. Even teachers’ duties are only related to aspects such as punctuality and attendance, and not to learning achievements of their students. There is no norm in the RTE to ensure that a school provides a minimum quality of education.

Evidence from multiple surveys and research indicates the dismal quality of learning of school children. In fact, all the surveys are consistent in this regard. Observations from the Annual Survey of Education Report (ASER), 2011 (Chapter 11), which collects data from nearly 0.7 million rural children from almost all districts in rural India, shows that:

(a) At the all India level, 52 per cent of children in Class V cannot read a Class II text and 72 per cent cannot divide.

(b) While there is a lot of variation across states, none of the states are performing anywhere near a satisfactory level. Even for better performing states such as Himachal Pradesh (HP) and Kerala, 26 per cent in Class V cannot read a Class II text and 40 per cent and 67 per cent of children in Class V cannot divide respectively. Also states known for their success in terms of economic growth, including Andhra Pradesh, Gujarat and Tamil Nadu, have severely inadequate learning levels — Gujarat and Tamil Nadu are worse than Bihar, for example, in terms of basic learning.

(c) Urban schools are not much better than rural schools.

(d) Education Initiatives found that children in urban schools performed better at language and math levels...
but the difference was only ‘meaningful’ in terms of educational levels for language in Classes IV and VI.

The accumulating body of literature by researchers of international repute, using ASER and other data, points to extremely poor learning outcomes in elementary education, with no improvement in the past five years. That is, India seems to be in a ‘big stuck’ as far as basic learning is concerned. What is even more worrying is that the ASER 2011 data suggests a possible further decline in basic learning outcomes of children. Rukmini Banerji and Wilima Wadhwa (Chapter 5) report that Lant Pritchett et al. (2012) using ASER data from the past show further that the ‘value added’ for each subsequent year in school is very small.

**Efficacy of Financing Elementary Education**

There seems to be little link between the amount of funds allocated to elementary education and learning outcomes achieved, as observed by Accountability Initiative (2012) in a recent study (Chapter 6). The challenge of strengthening this link assumes greater importance in the context of the RTE, which guarantees ‘age-appropriate mainstreaming’ for all children, promising the acquisition of age-appropriate skills and knowledge by every child. Moreover, the RTE Act envisages a decentralised model for delivering the learning agenda that involves a key role for School Management Committees.

Financing of elementary education primarily comes from state governments, although the central government’s share is increasing due to higher SSA allocations after the RTE Act. The centre’s share has gone up to 23 per cent, up from 18 per cent in 2004–05. Most of the budget is focused on teachers’ salaries and administrative expenses, and then on school infrastructure, with very little attention paid to quality-related aspects, innovation and learning enhancement. Moreover, when schools generally do not receive funds on time, their priority is to pay salaries, not incur other expenses. Schools receive limited funds over which they have direct control and have restrictions on its usage. Grants to schools for maintenance, development and teaching–learning materials are based on norms, which may not be aligned with the school requirement. Inefficiencies in expenditure management lead to delays in the release of funds, with unpredictability and bunching of fund release towards the end of the financial year. Further, the school principals or school management committees are often unaware of the purpose of the fund and so it remains unutilised or inappropriately spent.

Yamini Aiyar (Chapter 6) argues that the current financing system is extremely centralised, leaving little discretion and decision-making power at the school management level. Therefore, simply increasing financial allocations in the current system is unlikely to facilitate the decentralised implementation envisaged by the RTE. This would require a fundamental re-haul of the current financing, planning and budgeting system. Aiyar proposes untied block grants to school management committees, and the simplification of grant allocation and distribution to schools on a per-child basis rather than the present complex norms-based approach. She also indicates the need for a management information system to track fund flows in a transparent manner, and capacity building at all levels of decision-making and planning.

The reduction in public investment and inefficiency in public expenditure are often used to explain the rise of the private or non-state sector in elementary education.

**Growing Importance of Private Sector in Elementary Education**

Over the last two decades, there has been a significant increase in children receiving some form of private schooling, either through attendance in a private school or through private tutoring. The rapid rise in private schools has been driven by ‘budget schools’. These broadly refer to unregulated private schools that are accessed by low-income families as they charge lower fees than regular private schools. Budget schools keep costs low by having minimum infrastructure and resources, and teachers on contract who are paid a fraction of the salaries of their counterparts in government schools.

Banerji and Wadhwa (Chapter 5) highlight two basic trends from the ASER: (a) the proportion of children not enrolled or out-of-school has dropped to under 4 per cent in 2011, and (b) the fraction of children in the age group 6 to 14 enrolled in rural private schools has risen by almost 7 percentage points in six years to reach 25.6 per cent in 2011.

There are some patterns across states. States that lie north and west of Delhi fall into a ‘high’ private-schooling region with one-third to half of all rural children enrolled in private schools, while in the eastern region private-school enrolment is very low. It is somewhat surprising that in Tamil Nadu, private-school enrolment is higher in early grades and growing, despite the state government investing heavily in government schools with quality enhancement programs like Activity-Based Learning (ABL).

Private supplemental help through tuition classes and coaching centres is widespread. Banerji and Wadhwa, using ASER data, observe that almost 25 per cent of all rural children access these kinds of supplemental inputs by Class VIII. More children are depending on private supplemental help, irrespective of whether they go to government or private schools. However, it is not clear whether parents are turning to the private sector because of lack of faith in government schools or because of their rising incomes and aspirations (Chapter 5).
With the increasing role of the private sector, the debate on private versus government school provisioning becomes louder. The proponents of private education advocate that the private sector should manage schools. For those who cannot afford to pay, the government should finance their education through scholarships, education vouchers and loans. As Shah and Miranda (Chapter 7) put it, the government stands as a guarantor of education, not by producing it but by financing it. This approach combines the efficiency of the private sector with the equity focus and independent supervision of the public sector (Chapter 7).

Private schools should be treated at par with government schools and the licensing mechanism for a school to be recognised should be simplified. Also, for-profit private schools should be recognised and allowed to compete in the education space.

Shah and Miranda propose that parents should be empowered to influence the functioning and performance of schools, and be able to choose the right school for their children. The voucher is a tool to change the way government finances education, particularly for the poor, and also to give parents choice of school. In the present system of financing, schools are accountable to the government. The voucher system makes them accountable directly to the students and parents since parents pay the school of their choice through vouchers. Under the voucher system, ‘the money follows the student, unlike the present system where the money follows the school’ (Chapter 6, p. 76). Shah and Miranda argue that the voucher system enables equality of opportunity for children and creates competition among schools. Vouchers provide the missing ingredient that will change the incentive structure towards better performance of state schools.

**Private Budget Schools?**

Budget schools have mushroomed over the past decade but there is no reliable estimate of the number of such schools. Suzana Andrade Brinkmann (Chapter 10) indicates that though the official District Information System for Education (DISE) data records 26,377 unrecognised schools reaching out to 2.7 million students, this could be a gross underestimate — there are estimates as high as 40 million rural children (Chavan 2011).

Proponents of budget schools argue that these schools are more cost-effective than government schools (their per-pupil expenditure is only 40 per cent that of government schools). The low salaries they pay to contract teachers enable them to hire more teachers and have lower PTRs. As these schools charge low fees, the poor can access good quality education, often in English medium. Further, based on market principles of choice and competition, it is advocated that these schools are more accountable to parents and students. Studies by various international researchers in support of budget private schools have highlighted their higher teacher attendance and activity. These schools are also conveniently located within poor settlements and hence are more easily accessible, especially to girls. Advocates of these schools therefore argue that low-cost or budget schools should be allowed to function free of regulations, and government funds should be directed towards these schools through the voucher mechanism.

Evidence in support of quality of education in low-cost budget schools is, however, not conclusive. Many researchers have strongly argued against the findings of the budget school supporters on conceptual and methodological grounds. Further, it is possible that these budget schools could have been ‘preferred’ since there was no government school available in the neighbourhood (as in some slums and many rural villages). Geetha B. Nambissan (Chapter 8) argues that a range of socio-cultural factors, together with commuting convenience, influence parental decision-making on schooling for their children. Although these schools may be projecting English medium education, often perceived by the poor as an indicator of quality education, the schools and teachers may not have the capacity to deliver. One of the fundamental problems highlighted for budget schools is para-skilling of teachers, which implies breaking down of curricular and pedagogical processes into simple routine and standardised tasks so that they can be handled by ‘less-skilled but suitably-trained individuals’ at low salaries.

Nambissan (Chapter 8) argues that much of the ‘evidence’ on low-cost schools is weak and the picture of this sector is still fragmentary. However, the available studies suggest that the drive toward profits and cutting down of costs in low-cost schools is likely to have detrimental implications for teachers, teaching and the very purpose of education (Chapters 8 and 20). Providers of low-cost schools offer only a minimalistic education to children from low-income families. Yet, many of these players are simultaneously offering middle and elite sections of Indian society a qualitatively different package of education: Kindergarten to Class XII (K–12), well-resourced schools that will yield high profits. These trends are reflective of a democratic and ethical deficit in the spread of the new private schools. It is important that the rights of all children and especially of the poor are protected and serious research and policy attention be drawn to the unregulated school sector.

**RTE and the Demise of Non-State Schools?**

Going beyond the debate of private versus government, and recognised versus unrecognised non-state schools, it is imperative to understand the impact that provisions of the RTE Act would have on the unrecognised schools. By setting stringent requirements for schools on infrastructure,
teacher qualifications and salaries, the RTE Act will force a large number of non-government schools to shut down if they fail to comply with the norms by April 2013. In effect, this means impending death for thousands of non-government schools around the country that do not meet these standards. Madhav Chavan (2011) estimates that nearly 40 million rural children will be affected if unrecognised private schools are closed down.

Andrade (Chapter 10) questions whether these RTE provisions are in the best interest of the children who attend non-state schools. The non-state schools cover:

(a) NGO or community schools for the poor (including charitable trusts, faith-based and community groups);
(b) Alternative schools (known for being innovative and experimental schools and catering to children who cannot fit into rigid mainstream schooling structures);
(c) Budget or low-cost schools;
(d) Non-formal schools (catering to deprived children, school dropouts, working children);
(e) Home-schooling.

It is ironic that most (95 per cent) government schools do not comply with the norms specified in the RTE Act, and that too even after a decade of intense efforts under the SSA, and two years post-RTE. Moreover, learning outcomes are as poor in government schools as in the unrecognised private schools. In fact, some studies have found that private schools provide moderately better education at lower cost than government schools. It is argued that if, despite the ‘price advantage’, better infrastructure and incentives in government schools, parents are still opting against them, the answer is to improve the system, not to eliminate alternatives.

One way of meeting the ultimate goal of the RTE Act, which is quality education, is to adopt flexibility in its implementation through the state-defined RTE rules. The recent Gujarat RTE Rules offer an approach towards recognition of existing private unaided schools. Instead of focusing only on input requirements specified in the Act like classroom size, playground, and PTR, the Gujarat RTE Rules put greater emphasis on learning outcomes of students in the recognition norms. In these rules, the criteria for unrecognised schools to meet RTE norms is a weighted average of student performance, students’ improved performance over time, students’ non-academic performance and parents’ feedback, and teacher qualifications and infrastructure.

As long as children are learning, there should be a variety of schools from which parents can choose. Andrade (Chapter 10) advocates a more collaborative Public–Private Partnership (PPP) where the private sector views it as a joint venture and invests in strengthening the government system, while the government facilitates private participation.

The key issue is about ensuring quality education that is truly inclusive. The RTE Act, while intending to be inclusive and set quality standards, does the opposite by the norms it sets because it places systems over child. Further, just by defining a reservation of 25 per cent seats in private schools does not make the education policy inclusive. It is important to ensure an inclusive classroom where every child is getting an equitable quality education. As Annie Koshi (Chapter 9) points out, inclusive practices celebrate difference and require that the child be at the centre. A ‘one size fits all’ policy for elementary education cannot be inclusive. The education system should adapt itself to the requirement of the child and not the other way round. In order to ensure access, an inclusive school will work at removing the barriers that stand in the way of any child attending and continuing in school.

Koshi (Chapter 9) explains how non-state schools have sometimes adapted in fee structure, infrastructure, pedagogy, curriculum, assessment, and community engagement to suit the requirements of the neighbourhood community and child.

Thus, defining access, equity and quality through quantifiable standard norms is not going to achieve the objective of UEE. Emphasising the type of school that children should go to is also not going to help unless the children going to school are learning. It is important to recognise that while children in private schools or those receiving tuitions perform slightly better than children in government schools, the quality is still dismal.

Causes of Poor Learning Outcomes

There are various hypotheses on why the learning levels are low among children going to school (Chapter 11). First, more than 50 per cent of school children come from families whose parents have never been to any school (this is more so for children who go to government schools than private schools). So, for these first-generation students, their parents cannot identify or support them if they are not learning. On the other hand, children from wealthier homes have better educated parents and siblings and do better in school.

Second, although it is desirable that school facilities are of decent quality and the PTR is low, which also happens to be the thrust of the present RTE Act, it is not obvious that this will solve the quality problem. Thus, the government’s focus on inputs — more expenditure on schools, teachers, training, textbooks and so on — is not yielding improvement in learning outcomes.

Third, although children are enrolled, they are not attending schools. Some are of the view that schemes such as mid-day meals would improve school attendance and also children’s concentration. This, however, finds limited
support in the fact that most of the school activities happen before lunch.

Fourth, since the RTE stresses age-grade learning and also specifies that the syllabus should be completed in a given time period, schools mainly focus on completing the curriculum rather than on delivering learning. As a result, many children never get a good foundation in basic learning in early school years. They learn much later than they should, with very little chance of ever catching up. With no one to identify children falling behind, and with no learning support, a large fraction of the children fall through the cracks.

Fifth, equally problematic is the automatic advancement irrespective of learning level. The policy of no detention up to Class V is already followed in some states. In the earlier examination system, the end-of-year exams functioned as mechanisms to filter out low performers, who were detained in their current class.

Sixth, teacher absenteeism in government schools is sometimes considered a major cause of children not learning. It is often argued that teachers in private schools lack tenure, and so face stronger incentives than government teachers to actually turn up and teach.

It is now evidently clear that learning outcomes should be put at the centre of any education strategy, and the views on the causes of low-learning outcomes should form the basis of exploration and experimentation to arrive at workable strategies.

What can Improve Learning Outcomes?

There are high levels of inequality in learning, with only a small proportion able to acquire good learning. Shobhini Mukerji and Michael Walton (Chapter 11), drawing upon several experiments and research studies, have identified a number of strategies that might work to improve learning outcomes. The promising strategies are:

(a) Experiments on learning innovations, including remedial programmes: alternative pedagogies can potentially yield substantial improvements in basic skills with existing resources, whether with volunteers, existing teachers or contract teachers. Designing appropriate class-level pedagogy, teacher training, use of supplemental help (including volunteers during off-school hours), and conducting summer camps as remedial programmes, all have played a positive role in improving learning outcomes. Pedagogy and teaching efforts tailored to the child can have significant impacts even with unpaid volunteers and low-paid teachers, provided this is the primary focus of their work. The failure of teachers to achieve results within the school year is consistent either with weak teacher motivation or an emphasis on delivering the curriculum rather than competencies.

(b) Teacher incentives: small financial incentives to teachers have been seen to lead to improvements in learning quality. A key lesson from the studies focusing on pedagogical innovations is the importance of the teacher’s ability to understand the child’s needs and adapt the teaching method accordingly. Although linking teachers’ pay to attendance can increase student-learning, instituting teacher incentives within the government school structure will require considerable push and negotiation with the administration, especially where teacher unions are strong and active.

(c) Teaching according to a child’s ability: reorganisation of children by ability and aligning the pedagogy to teaching by ability level rather than class level can lead to substantial gains especially when the teaching–learning activities focus on developing basic skills. The need is to overcome the challenge of an overambitious curriculum organised by class and age. Since, the textbook content is far above the level of most children at that class level and as the curriculum becomes more difficult, more children get left behind. Experiments have shown that when children are grouped by level rather than by class, and taught accordingly, their learning improves.

(d) School choice: for parents from a variety of schools provided through a new form of PPP, where the non-state agency, including the private sector, is seen as a partner in strengthening the arm of the government. The School Adoption programmes in Karnataka and Gujarat Government Rules to RTE are cases in point. Both of them allow the possibility of either state or non-state agencies taking over non-performing or unrecognised schools, rather than subjecting the school to sudden forced closure.

SECONDARY EDUCATION

The secondary (lower and higher) space is the weakest and most neglected so far in the education sector, despite being the key link between education and economic development. Rapid reform in secondary education is extremely critical for transitioning educated youth into higher education or to the join the workforce. The focus on elementary education policy and investment in the last five years, leading to higher enrolment rates and the automatic promotion under the Continuous Comprehensive Evaluation (CCE) scheme, have added pressure to an already stressed secondary education system. The demand for secondary education is also growing in view of the high returns from secondary education, which are even more than returns from higher education.

The key focus of the government is expanding access and equity, so as to improve enrolment and retention at the
secondary level. Despite some improvements in the last few years, the GER is still low at 45.8 per cent. The enrolment levels vary considerably across states, with higher enrolment in wealthier states. This is not surprising since secondary education is not compulsory and the costs are higher at secondary than primary level. Dropout rates are also quite high within the secondary level, resulting in about 25 percentage points lower enrolment at the higher secondary level (Classes XI–XII) than the lower secondary level (Classes IX–X). Both gender and caste inequality is quite high at the secondary school level. The disparity in school attendance for boys is 15 per cent higher than the level for girls, in lower secondary and 20 per cent more in higher secondary. Similarly, while scheduled castes make up 21 per cent of the relevant age group, they only form 18 per cent of the same school-going age group.

The quality aspect at the secondary level is even more challenging for various reasons. The poor learning outcomes, coupled with no retention policy, at the elementary-school level leads to poor quality of students entering the secondary level. Another major reason for the varying quality is little uniformity in curriculum and standards between the state boards. Widely varying outcomes of state board-level examinations from one year to the other also raise doubts on their reliability.

Unlike for primary education, there is no national assessment of performance in secondary education. Assessments conducted in individual states, using internationally benchmarked assessments, suggest that student-learning is extremely low in India. The participation of Tamil Nadu and Himachal Pradesh in the Organisation for Economic Co-operation and Development (OECD) Programme for International Student Assessment (PISA) for 15-year olds showed deplorable results. In the assessment, both the states were ranked above only Kyrgyz Republic out of more than 70 participating countries. On average, 15-year old Indian students performed about four years behind the international average for OECD countries. Yet again, a test carried out using questions from the Trends in International Mathematics and Science Survey (TIMSS) assessment in mathematics on Class IX students in Odisha and Rajasthan found that Rajasthan was 47th out of 49 countries and Odisha 43rd. Studies have observed that there is no significant difference in the dismal performance between private and government schools, and hence there is no inherent advantage to private schools. Any better performance for students from private schools could be explained by the home environment and parental background of the students.

The government has recently started focusing on secondary education and launched the RMSA in 2009 with ambitious targets of providing universal access to secondary education by 2017. Besides improving access and equity, the RMSA aims to improve the quality of secondary education by making schools conform to prescribed norms, which include physical infrastructure, PTR, qualification of teachers, curriculum, focus on science subjects, teacher training, and Information and Communication Technology (ICT). However, the approach to quality improvement in the RMSA, like the RTE, is input-focused and not outcome-oriented.

The approach to quality improvement in the RMSA, like the RTE, is input-focused and not outcome-oriented. The learning achievement at the secondary level is poor, and the prevailing evaluation mechanism is not robust. The standards of state boards also vary considerably. Added to this is the confusion created by the introduction of the CCE. As also emphasised by Mukerji and Walton (Chapter 11), guidelines for implementation of the CCE mechanism are not well-defined and teachers are not well-trained to be able to use the assessments to map student outcome. Toby Linden (Chapter 12) emphasises the need to urgently put in place a robust evaluation and assessment mechanism, and also a strategy for different types of assessments to fit together. Besides continuous classroom-based evaluation, based on uniform and standard principles with sufficient flexibility for teachers to effectively define and use evaluation tools, there is need for end-of-stage (Classes X and XII) assessments. Further, there is a need to bring uniformity in standards across states and align assessment mechanisms for all states with the national level. States should together strengthen the technical quality of assessment. Evaluation should be based on the curriculum, which should be revised to ensure that students are evaluated on the basis of their conceptual understanding.

Besides the RMSA scheme, the government is also pursuing the Model School Scheme through the PPP mode to set up secondary schools and provide quality education to talented rural children through 6,000 model schools, of which 2,500 would be set up through the PPP route, as a benchmark of excellence at the block level at the rate of one school per block. More states are coming up with PPP policies for secondary school construction and management, including Andhra Pradesh (Residential Schools), Punjab (Adarsh Schools) and Rajasthan. The private partner manages the school while the costs are shared: land is provided by the state government free of cost or given on a 99-year lease. The capital cost is borne by the private partner or joint and operational costs are shared between the state and private partners. To ensure a more rapid roll-out of such PPP schemes all over the country, there is an urgent need to put in place a balanced comprehensive PPP policy, with measurable and quantifiable key performance indicators spelt out for the concessionaires (Chapter 12).
Currently, most states allow private schools to fix their own fees subject to certain restrictions (which includes getting the fee structure approved). The private school has to operate as a trust and can only earn reasonable surplus, which has to be ploughed back towards school development. However, as M. R. Madhavan and Kaushiki Sanyal (Chapter 1) point out that to bypass the requirement that trusts and societies have to plough back the surplus generated into the same school for its development, many operators have put in place a two-tier legal structure comprising a trust that runs the school and a company that owns the assets and provides services. This way the operator can easily repatriate a large portion of the surplus generated as profits of the company. It may, therefore, be better to allow for-profit schools mandating disclosure with regulatory oversight.

Some of the state governments spend a sizeable portion of their budget on aided private schools. While eight states assign more than 50 per cent of their budget on aided schools, an additional two states assign more than 90 per cent. However, as Linden (Chapter 12) observes, there is no direct relationship between the proportion of the secondary budget spent on non-government schools and the proportion of enrolments in these schools. This suggests that states should reconsider their allocation of funds to aided schools, possibly along the lines suggested here.

The direct and indirect cost of attending secondary school for a household is several times more than attending elementary school, and private secondary schools (aided and unaided) are more costly than government ones. In view of this, to ensure more equitable access to secondary schools and not compromise on efficiency and performance, the grants to school or financial support to students could be linked to attendance, retention of disadvantaged students and successful completion of a stage of education or performance of the students (Chapter 12). This requirement of efficient resource allocation is further strengthened by the fact that there is no direct relationship between the proportion of state public spending on non-state schools and the proportion of enrolment in these schools.

In order to maintain an acceptable PTR, large number of teachers need to be appointed to meet both the existing shortage and new requirements. Also, there is a huge shortage of teachers with subject-matter expertise. There is thus an urgency to focus on filling the vacuum in teacher training (an aspect also discussed by Poonam Batra in Chapter 20). Strengthening the capacity of the teachers would require greater support from the government and better regulation to govern the quality aspect of private teacher training institutes.

Vocationalisation of secondary education requires special thrust. Workplaces in a globalised economy are going through rapid technological changes. Every sector is going through change and thus the need for a skilled workforce has increased rapidly. The curriculum should include vocational training and schools should be provided with infrastructure. Appropriately trained teachers and linkage with industry is also required.

Finally, there is need for greater experimentation at the secondary level to generate more information so as to understand what works well, since the lessons from the initiatives at the primary and upper primary levels may not be replicable at the secondary level. For instance, the accountability framework at the primary level, wherein parents hold teachers and schools accountable under certain conditions, depends critically on features that are not present in secondary education, as Linden explains. Promoting and evaluating different approaches in secondary education is therefore important.

**Higher Education**

India boasts of the largest higher education system in the world. There are over 610 universities (including about 130 deemed universities) set up under central and state legislation, 33,000 colleges affiliated to universities, and a very large number of institutes of technical education; medical, legal, dental, nursing teaching; and polytechnics. By 2006, private institutes constituted 63 per cent of all higher education institutes and 52 per cent of the share of students. Private institutions are concentrated in select disciplines such as engineering, management, medicine, and Information Technology (IT). Private universities (including deemed) account for a lower share — about 30 per cent of the universities.

Indeed, much of the expansion in higher education has been driven by the private sector since the mid-1980s. The central and state governments’ investment in higher and technical education is only 0.7 per cent of GDP as against a target of 1.5 per cent. The private sector accounts for more than 60 per cent of the total expenditure on higher education. Globally too, there was a surge of private sector in higher education since the 1990s, mostly in the developing countries. N. V. Varghese (Chapter 13) recounts the evolution of this development in different regions of the world, and suggests that the process of globalisation of economic activities also increased the economic returns to investments in higher education and, in turn, the demand for technical and professional education.

**Challenges in Higher Education**

For all the progress made in higher education, the sector is faced with many challenges even 65 years after independence. Enrolment is low and the inequalities at lower levels of
education are exacerbated in higher education. India’s GER is 15 per cent in higher education, which is much lower than the world average of 26 per cent (and of course, that of many advanced countries — over 50 per cent). Making matters worse, there is a wide disparity in GERs across states, urban and rural areas, gender, and communities. The enrolment ratio in urban areas is 24 per cent while in rural areas it’s a poor 7.5 per cent; for women it is 10.5 per cent and for socially disadvantaged groups it is even lesser.

An equal, if not bigger problem is that the quality of higher education is mediocre at best. According to the National Accreditation and Assessment Council (NAAC), 90 per cent of the universities and 70 per cent of the colleges are of mediocre or poor quality (Chapter 15). In 2009, a review committee set up by the MHRD found 88 of the 130 deemed universities to be of inferior quality and identified problems such as control of management boards by nominees of the sponsoring trust or government functionaries, low quality of research, and improper practices in admissions process. These findings are reinforced by the very low employability of Indian graduates, as evidenced in studies and basic training institutes set up by corporates for fresh graduates.

Thus, the entry of private sector in higher education has done little to bring about improvements in curriculum, teaching methodology, research and development, and learning outcomes. This is not surprising considering the fact that higher education still remains one of the most tightly-regulated sectors in the economy, and could dissuade serious players from entering the field.

**Over-Regulated and Under-Governed**

The National Knowledge Commission (NKC) has aptly described the current regulatory environment in higher education as ‘over-regulated and under-governed’. Multiple agencies, with overlapping functions, are regulating almost every aspect of functioning of a higher education institution. The University Grants Commission (UGC) and the All India Council of Technical Education (AICTE) have wide powers to regulate the sector: the UGC for universities and colleges teaching general subjects, and the AICTE for technical education. Beside the AICTE, there are 14 statutory professional councils that regulate courses related to areas such as medicine, law and nursing. The NAAC and the National Board of Accreditation (NBA) are autonomous bodies set up by UGC and AICTE, respectively that accredit institutions. But accreditation of institutions is currently voluntary.

The regulatory bodies have cumbersome procedures and complex and detailed rules, whose interpretation and implementation encourage rent-seeking. Anand Sudarshan and Sandhya Subramanian (Chapter 16) give examples of the kind of archaic ‘license raj regulations’ imposed that hamper the ability of genuine private education providers to grow over the long term, or innovate in technology, teaching methods and curriculum. Contrasted against the minutiae of rules on inputs, there is little to judge institutions on student-learning outcomes.

There are huge entry barriers for new universities. Each university needs to be separately legislated into existence, by parliament or state legislature, unless it is recognised as a ‘deemed university’ by the UGC. In order to be able to grant degrees, colleges and technical institutions have to ‘affiliate’ with existing universities, or else they can only award certificates or diplomas. The system of affiliation in its current form leads to excessive control by a university on the functioning of a college on virtually every aspect ranging from student intake, syllabus to faculty and examinations. On the other hand, the growing number of affiliated colleges to a university has become unwieldy and increased difficulty in monitoring affiliated institutions. Further, a state establishing a university has no legislative competence to set up campuses in other states. This means that the barriers to entry for a private university to set up a national institution with multiple campuses are formidable (Chapter 16). Presently, foreign institutions are allowed to operate in India through various modes, and Indian universities can grant degrees and diplomas in collaboration with foreign universities. However, foreign universities cannot set up branch campuses without an Indian partner (Chapter 1).

Higher education institutions have to be set up as a Trust or Society, on a non-profit basis, with returns ploughed back into the institution. Implicit disincentives in the current tax and trust laws provide very little incentive to raise resources. Trusts are required to spend 85 per cent of income streams from endowments in the same financial year, which prevents any meaningful endowment from being created, which in turn could be utilised for scholarships.

Fees are tightly controlled by the UGC and other statutory bodies, forcing universities to rely on UGC grants for meeting operating expenses, and leaving barely any funds for institutional growth and innovation. Yet, all these rules have not been able to prevent the commercialisation of education. Ironically, the non-profit status may even act as an incentive for unscrupulous players since such entities get tax exemptions, which makes it easier to launder money (Chapter 1). Madhavan and Sanyal (Chapter 1) highlight various Supreme Court judgments that have sought to curb profiteering by private institutions. Yet, according to the Yashpal Committee Report (MHRD 2009), charging capitation fees has not abated.

Since accreditation is not mandatory, monitoring private institutions is a major problem. A large number of private providers have been delivering sub-standard quality of
education thereby reducing education to merely award of a certificate.

**New Higher Education Bills**

Government has introduced several new Bills in the Parliament. Some of the key Bills are:

(a) The Higher Education and Research (HER) Bill, 2011 to establish the National Commission for Higher Education and Research (NCHER);
(b) The National Commission for Human Resources for Health (NCHRH) Bill, 2011;
(c) The National Accreditation Regulatory Authority for Higher Educational Institutions Bill, 2010;
(d) The Educational Tribunals Bill, 2010;
(e) The Prohibition of Unfair Practices in Technical Educational Institutions, Medical Educational Institutions and Universities Bill, 2010;
(f) The Foreign Educational Institutions (Regulation of Entry and Operations) Bill, 2010.

The Bills largely focus on accountability through traditional regulatory approaches, by establishing new regulatory bodies, mandatory accreditation, dispute resolution, and penalising unfair practices including capitation fees. There is also a Bill to allow foreign institutions to set up campuses without an Indian partner.

Madhavan and Sanyal express doubts over whether these Bills will achieve their objectives. In many cases, there are already similar extant provisions but it is the enforcement that is currently lacking. The proposed new regulatory bodies, NCHER and NCHRH, are to set standards of education and research and promote autonomy, replacing the UGC, AICTE and various medical councils, but the powers of the new bodies are similar to those of the earlier regulatory entities. Amlanjyoti Goswami (Chapter 17) also questions whether the HER Bill will be enacted since there may be resistance to a new super-regulator and diminished powers of the special councils (like medical council and bar council). And it is only in the actual regulations of the Bill that the extent of autonomy that is enabled will be known.

The National Accreditation Bill only allows government-controlled non-profit agencies to register as accreditation agencies. The NKC had suggested that both public and private agencies be allowed to accredit educational institutions and the Yashpal Committee stated that accreditation agencies should be independent of the government. Capitation fee is already an offence, and the Prohibition of Unfair Practices Bill, 2010 does not provide a different system of enforcement and so is unlikely to make any difference on this score. The Bill does, however, require institutions to disclose certain information in their prospectus. The Foreign Educational Institutions Bill stipulates steep conditions, such as requiring foreign institutions to maintain a corpus fund of at least ₹500 million, have a track record of 20 years in the parent country, and prohibits repatriation of funds, which may deter top foreign institutions from coming to India.

Perhaps most importantly, Goswami (Chapter 17) argues that the Bills introduced by the government still leave the issue of autonomy largely unaddressed. As Goswami points out, curbing bad behaviour is important, but there should be serious reflection on how good performance needs further encouragement to become institutions of excellence. As he aptly says, the political economy of higher education seems to be guided by a premise that autonomy has to be the exception and that largely what is required is more regulation. Although the promise of autonomy lies in some portions of the HER Bill, there is no policy initiative yet on how to move beyond the ‘over-regulation but under-governance’ impasse or how regulatory principles can be better evolved that could help create more autonomous universities of excellence which are also privately funded.

**Overcoming the Barriers**

Higher education in India faces the triple challenge of ‘expansion, inclusion, and excellence’. There will soon be huge demands on the system with universalisation of elementary and secondary education and the growing numbers of youth. Clearly, the government cannot meet all the needs and there is a role for non-state providers to play.

The higher education system needs a major overhaul — to provide greater autonomy with accountability and strengthening of governance as well as enforcement of regulation. The need is for more flexibility, diversity, different approaches and models.

Sudarshan and Subramanian (Chapter 16) suggest that multiple models should co-exist with a level playing field and strict checks and balances. In this context, for-profit institutions should also be allowed to attract serious education entrepreneurs to invest in the sector. This should be accompanied by strict public disclosure of information. Just as all companies are required by law to publish annual reports providing their financial details, every educational institution (whether public or private) should publish reports at regular intervals with details of infrastructure and facilities available, trustees and administrators, qualifications and experience of staff, courses offered, number of students, results of the examinations, amount of funds available to the university and sources of funding.

Funding is crucial if our institutions of higher learning are to be of high quality and for the long haul. For private universities, it is essential to build large endowments. Some of the measures proposed by Goswami (Chapter 17) are:

(a) Removal of disincentives in tax laws and trust laws by (i) allowing universities to invest in financial instruments of their choice; (ii) removing the restriction on trusts
to spend 85 per cent of their income in the same year, so that they can build up a corpus; (iii) make exceptions in income tax laws to encourage the creation of large endowments;

(b) Diversification of sources of finance and exploration of innovative financial mechanisms;

(c) Contribution from every company towards an education fund as a Corporate Social Responsibility (CSR) initiative;

(d) Development of a comprehensive PPP Policy, with governance control left to a private board. In addition, every institution must get itself rated by an independent and specialised accreditation agency and publicly announce its rating to prospective students. This will bring in transparency and accountability and generate healthy competition between various institutions. Given the importance of accreditation in quality assurance and the vast number of institutions that need to be evaluated, it would help if the private sector could be engaged with sufficient checks and balances to operate as accreditation agencies. Considering the importance of accreditation and ranking in quality assurance and the increasing global connect of Indian educational institutions, it is important to align the Indian quality assurance mechanism with the recognised global mechanisms (Chapter 15).

The focus of regulation should shift towards quality of outcomes. The most important reform is arguably to institute performance-based regulation. There should be greater discussion and debate in arriving at ways to judge an institution. Lessons can be drawn from several countries, such as Malaysia, which uses ‘Programme Outcomes’, i.e., statements that describe what students are expected to know and be able to perform or attain by the time of graduation.

Or Brazil, where a two-tier mechanism is in place to conduct internal evaluation — by a council of students and faculty that analyses the performance of the institution — and external evaluation in which the Federal Council of Education names expert evaluators to analyse the curriculum and faculty performance. Goswami (Chapter 17) also proposes non-traditional regulatory approaches, through peer-driven processes and disclosure systems, which at the same time encourage academic innovation and diversity. Varghese (Chapter 13), drawing upon experiences in some countries, proposes a three-stage system to approve private universities, which would allow monitoring of facilities and quality of programmes before they are finally granted authority to award degrees.

The urgency is to arrive at a national policy in a holistic way, with a framework that would encourage private sector participation and go beyond ensuring minimum standards to advancing globally recognised standards of excellence. Goswami (Chapter 17) provides the elements of such a vision and accompanying principles of regulation. A vision of a liberal education, that encourages inquiry, pluralism of views, tolerance, humanism, is the backbone of a democracy.

Vocational Education

The shortage of a skilled workforce is possibly the biggest challenge that India faces in sustaining its growth and development. The source of the problems lies in the mismatch between demand and supply; most employment opportunities require vocational skills that are not provided by the current education system. It is estimated that 300 million youth will be entering the workforce by 2025 which may very well turn India’s demographic dividend into a disaster.

Institutional Framework of Vocational Education

The current system of formal vocational education involves (a) vocational courses offered in professional colleges and polytechnics, (b) vocational courses offered at higher secondary level, (c) technical training institutes (Industrial Training Institutes [ITIs]/Industrial Training Centres [ITCs]), and (d) apprenticeship training.

Government and government-aided schools offer vocational courses under a centrally-sponsored scheme, the ‘Vocationalisation of Higher Secondary Education’, which provides financial assistance to states to set up administrative structures, prepare the curriculum and offer training programmes for teachers. The scheme also provides financial assistance to NGOs to conduct short-term courses. The scheme was revised in 2011 to focus on industry and private-sector partnerships in vocational education, and build capacity in teachers.

Dilip Chenoy (Chapter 18) discusses the existing policies and institutions for vocational education. The National Policy on Skill Development lays down the framework within which skill-related training is to be conducted and specifies the roles different stakeholders will need to play for the creation of a skills ecosystem in India. The policy clearly specifies that skills-related training should be outcome focused. It calls for an effective assessment and credible certification framework, publicising training institution outcomes to ensure greater transparency, a greater role of state governments and the creation of infrastructure for on-the-job training and apprenticeships. Innovation in this area is encouraged, such as using school infrastructure for skills training after school hours, and employing more PPPs in the skills space.

The National Skill Development Mission was launched with the intent of skilling 150 million people by 2022 and to this effect the National Skill Development Corporation (NSDC) was set up in 2009 to enable skills-related training
through its private sector partners, set up Sector Skill Councils, finance skill development, and create a supportive ecosystem for skill development.

**Challenges in Skill Development**

Many skill development initiatives are not focused on the needs of the potential employer, thereby resulting in low employability. Low enrolment in skilling centres could also be due to the negative perception that skill-training courses are for those who could not make it to the formal system. In some industries, the job remuneration is not sufficient to incentivise people to undergo skill-training. Financing skill development is another concern. While the poor are willing to pay for skill-training so long as there is a job guarantee, firms are not yet inclined to pay a placement fee for skilled persons. Companies are also not willing to pay for skill-training because of risks that the candidate is inadequately trained and/or leaves the job after joining. The current bank-financing model, with its emphasis on collaterals or guarantees, acts as a stumbling block. As of now, the Central Bank of India is the only public sector lender active in this space, but limited to partners of the NSDC. To motivate banks, the recently launched Credit Guarantee Fund (CGF), will compensate banks for providing credit to vocational training students.

Many argue that the Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) has made rural people reliant on these guaranteed payments and discourages them from taking part in skill development programmes.

**Overcoming the Challenges**

Several suggestions have been offered by Chenoy (Chapter 18) and Manish Sabharwal and Neeti Sharma (Chapter 19). Most critically, the private sector cannot afford to play a passive role in the skill development process and must be involved in setting occupational standards, a sound accreditation system, and recognised certification. Sabharwal and Sharma (Chapter 19) propose a reform agenda to improve the skill levels by matching the available labour supply to its demand, bringing about employability reform and reforming the education system to ensure learning for earning. To correct the mismatch in the labour market, they propose changes in the restrictive labour laws, and improvements in the infrastructure and responsibilities of employment exchanges that connect job-seekers to employers.

Chenoy (Chapter 18) argues that a clause should be introduced in the MGNREGA scheme so that persons who are employed under the scheme could use part of the funds to attain a skill that could, in the medium term, enable them to earn a livelihood and not be dependent on the scheme. Sabharwal and Sharma (Chapter 19) further suggest that beneficiaries of the MGNREGA scheme could be mandated to use a part of their compensation for skill development through skill vouchers, to obtain skills training from any accredited institute. Once the training is completed, the training institute can redeem the voucher for cash.

Many job-seekers are unable to pay for skill-training, so financing for skill development is most critical — specifically, who pays and how. The skill voucher system, which could be sponsored by the government, enables a transparent, cashless transaction between the trainee and the training organisation. Sabharwal and Sharma present other options of vocational financing, such as scholarships, compensating trainees through apprenticeship stipends, and reimbursing student fees following a suitable employment period.

The education system must incorporate practical training, relevant material and quality training facilities. The curriculum for skill development programmes cannot be designed unless the industry demand and skill requirements are taken into account and all industries define their own employability standards. Further, every skills development program should lead to an apprenticeship and/or a job, in addition to having the provisions of appropriate assessment, accreditation and certification standards. The curriculum should remain relevant and thus, should be developed and reviewed every two to three years, with inputs from academic and industry experts.

**Role of Teacher Training and ICT in Education**

**Teacher Training**

The key challenge facing Indian school education is to institute a system to provide quality education. A good teacher is critical to the process of imparting quality education. It is widely acknowledged, and buttressed by empirical research and experiments, that teaching inputs, in the classroom as well as in the form of supplemental inputs, have a very big role in improving the learning outcome of students.

Currently, we are faced with a shortage of teachers, and inadequately qualified and poorly prepared teaching staff. Teacher recruitment in most states remained frozen for many years. Limited attention to teacher recruitment is evident in the proportion of single-teacher schools. Official estimates put the shortage of teachers in elementary government schools at over 1 million to meet RTE requirements and fill the current backlog of vacancies (National University of Educational Planning and Administration [NUEPA] and MHRD). Faced with the shortage of trained teachers and the huge demand created by the universalisation of education policy, schools have been resorting to
hiring contract teachers and para-skilling of less qualified teachers. In many states, particularly central-eastern and north-eastern, the bulk of teachers are without professional qualifications.

Due to the lack of skilled teachers, many private initiatives are rolling out cost-effective standardised lesson plans to meet the curriculum requirements. Poonam Batra (Chapter 20) argues that the role of the teacher cannot be reduced to standardised ‘lesson plans’ since every child is special and the teacher has to understand the need of every student. Para-skilling cannot be a substitute for teacher training.

Limited attention has been given by the government to building institutions and institutional capacity to educate teachers, as Batra points out in Chapter 20. Over 80 per cent of teacher training institutes are in the poorly-regulated private sector and the remaining in public institutions that have outdated curricula and pedagogic approaches. The massive increase in private teacher training institutions is mostly in urban areas, leaving wide gaps in teacher education in the rural and remote areas. The ills that affect the state teacher training institutes, i.e., paucity of faculty, outdated curriculum and sub-standard reading materials, are also present in the private institutes.

Batra (Chapter 20) argues that the public system of training teachers needs to be strengthened with a concerted focus on quality. This can best be achieved by bringing the system of teacher education under the ambit of higher education. The Bachelor of Elementary Education (BElEd) Programme of the University of Delhi is a successful example of an inter-disciplinary pre-service education of elementary school teachers. There should be four-year integrated undergraduate programmes, two-year post-graduation university programmes and research-based programmes in centres of excellence. Under the 12th Plan, Schools of Education are proposed to be established which would undertake research in school education.

Existing institutions need to be restructured and strengthened, the content and pedagogy of teacher education programmes revamped along the lines suggested in National Curriculum Framework for Teacher Education (NCFTE), including the model syllabi, and new institutional arrangements established. Batra suggests that District Institutes of Education and Training (DIETs) could be upgraded to undergraduate colleges in a phased manner, along with guidelines and support for their implementation. More effective regulation of public and private teacher education services is also needed.

The availability of finances via the national educational cess and the commitment to increased rural employment opportunities provide a unique opportunity to create hundreds of thousands of jobs for adequately trained and motivated school teachers.

Information and Communication Technology (ICT)

Educational Technology can help realise the goal of delivering quality education across multiple tiers of education. But hitherto, the implementation of EduTech had taken the form of some computer labs with motley collections of software for students. EduTech could benefit all stakeholders, but the choice of appropriate technology, last-mile connectivity taking into account availability of infrastructure, cost of the technology as well as cost of connectivity have to be carefully factored into any solution.

The implementation of EduTech must shift from its narrow focus on systems used for teaching in the classroom and supplementary learning in ‘labs’, to a wider implementation, which involves teachers in curriculum content and policy-making, promotes the use of technology in improving education delivery and governance, and involves the collaboration of academic institutions, the government and the private industry for investment decisions. Manish Upadhyay and Amitava Maitra (Chapter 21) advocate an integrated implementation of EduTech within a framework that provides utility for all users — from education policymakers and school administrators, to teachers, students and parents.

Upadhyay and Maitra (Chapter 21) suggest that a systems approach should be adopted while rolling out EduTech interventions, and propose the Analysis, Design, Development, Implementation and Evaluation model (ADDIE) model. There should be an emphasis on monitoring and evaluation (M&E), and the process should involve feedback mechanisms from multiple stakeholders to improve the effectiveness of the programmes. Alternative business models are also discussed for making technology-aided education delivery both cheap and high in quality. Additionally, effective regulation to address problems seen in the PPP and Build–Own–Operate–Transfer (BOOT) models implemented in EduTech is proposed. EduTech should be used to facilitate the learning of students in vocational streams, skill upgradation, and in facilitating the certification of educational courses. In certain content areas where hands-on experience is either relatively expensive to give or has safety concerns, the use of simulations, videos and other such e-assets creates a compelling case for the use of educational technology. The authors emphasise complete integration of ICT into the education policy framework, and ensuring its implementation and execution.

Conclusion and Recommendations

Education is central to India’s social and economic transformation, and the fulcrum of a more equitable, humane
and democratic society. The over-riding concern echoed throughout this Report is the abysmally poor quality of learning of the vast majority of students reflected at all levels of education, starting from basic reading and numerical competency to conceptual knowledge, and creative and independent thinking. The private sector is pervasive at all levels of education, reaching about 25 per cent of elementary school children and more than 50 per cent of secondary and higher education students. But apart from a few elite schools and higher education institutions, the private sector has not achieved a significantly better performance than government educational institutions. The state of education in the country is one of policy failure, wrongly-focused regulation and poor governance. Year after year studies have shown that government actions are not yielding desired outcomes, but government policy focus remains steadfast on improving inputs.

It is urgent to radically overhaul the educational system in a holistic, not piece-meal way. At the school level, what is needed is overall pedagogical reform, clear articulation of learning goals, regrouping of children according to learning abilities, and all of this backed by professionally trained and motivated teachers. The regulatory framework needs to be flexible enough to encompass not just minimum standards but also enable educational excellence. Greater autonomy to innovate and produce cutting-edge research is needed. At the same time, it should be accompanied by greater accountability from internal and external evaluations and disclosure of information.

This section provides some key recommendations towards this vision. Two caveats: some of these are already being considered by the government and we urge their expeditious implementation. Some may be counter to the RTE Act provisions, but could be incorporated in a flexible way in the RTE rules notified by the states. Similarly, some of the suggestions may be considered while finalising the pending Bills on higher education.

**Improving Learning Outcomes and Quality**

(a) Key is to create properly-trained teachers — teacher education must be included as a full-fledged degree programme, with postgraduate degree and research avenues. There is a need for radical shifts in curriculum and pedagogic approaches to teacher preparation. Performance-based regulations are required to ensure that all teacher training institutes deliver skilled teachers. Teacher incentives can also make a difference in government schools.

(b) Classes should be organised according to learning abilities of children, not age–class-based. Grouping children according to their abilities and teaching by ability would help improve basic learning skills. This is particularly important for children from a disadvantaged social background or first-generation learners.

(c) An annual assessment with a retention policy is highly recommended. The CCE is a good tool but there are no guidelines for evaluation and teachers have not been trained for it. In any case, continuous evaluation should be supplemented with a final examination to assess the student. Automatic promotion could make the learning-gap worse.

(d) In the short term, alternative pedagogies with volunteers, existing teachers or contract teachers could be considered along with remedial programmes after school hours, summer schools and so on.

(e) Curriculum reform, especially at higher primary and secondary levels, needs to be geared towards increasing conceptual understanding. Curriculum should be less ambitious and at secondary level should have a vocational component and while designing this component it should take into consideration the requirement of industry.

(f) Vocational training should be designed with the active involvement of industry to ensure skill development matches industry needs.

**Assessment**

(a) Regular information should be provided on school and student performance at both elementary and secondary levels. Independent bodies (like Pratham) can be empanelled to carry out surveys on learning achievements, based on an agreed approach and methodology. More experiments need to be undertaken to better understand what would work to improve learning outcomes and be scalable.

(b) Results should be published and report cards can be given to Village Education Committees to increase accountability.

(c) Assessment methods, especially for secondary education, need to be made more uniform across states so that evaluation is widely acceptable, comparable nationally, and over time, and also valued by college and universities.

(d) There should be mandatory accreditation of higher education by independent agencies. Principles of ranking should be evolved in order to introduce competition on quality and encourage accountability.

(e) Non-traditional regulatory approaches need to be introduced based on peer evaluation and public disclosure, using a variety of internal and external evaluation.

**Enabling Environment and Regulation**

(a) Criteria for recognition of schools should be based on learning outcomes, parent involvement and extra-
curricular activities of children rather than infrastructure and input norms. For poorly performing schools, efforts should be made to improve their performance and even permit school adoption by credible non-state sector.

**(b)** Criteria for recognition of higher education institutions should be based on programme outcomes, defined in stages.

**(c)** A variety of schools and higher education institutions should be permitted, including for-profit. This should be accompanied by mandatory disclosure of information by the institutions on a regular basis.

**(d)** Non-profit institutions should be encouraged to grow by removing disincentives in trust laws to allow building an endowment; tax incentives could also be considered; restrictions on courses and maximum student intake should be removed.

**(e)** Performance-based regulation should replace input-based regulation.

**Financing**

**(a)** Untied block grants should be given to schools.

**(b)** Grants should be linked to attendance and performance.

**(c)** Higher education institutions should be allowed to invest in diverse financial instruments, and universities allowed greater flexibility in offering courses to generate revenue.

**(d)** The industry must be willing to pay a premium for a skilled worker, and bear part of the training costs and/or take on board apprentices.

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