

Higher Education in India from 1983 to 2014: Participation, Equity in Access and Labour Market Outcomes

Jannet Farida Jacob

PhD Student

jdesigns_1@hotmail.com

The development dimension of higher education has been widely accepted in academic as well as policy parlance with investment in higher education catalysing economic growth (Schultz, 1961; Becker 1975; Lucas, 1988 and Mankiw, Romer and Weil, 1992) having positive impact on poverty reduction (Bloom et al, 2006) and economic output in developed and developing countries (Barro and Lee, 2013). India, being one among the few fast growing economies of the world, is betting high on its demographic dividend. Increasing the employability of labour force in India is posited as a major issue to be addressed in the near future to make the best out of the growing demographic dividend. Employability is contingent on knowledge and skill development where higher education becomes crucial (Government of India [GOI], 2016a).

It was not until the Eleventh Five-year Plan 2007-12 that government of India, acknowledging the economic benefits of higher education, increased the allocation for higher education by nine fold (GOI, 2008). Earlier the structural adjustment programmes as part of economic reforms necessitated a drastic cut in public expenditure on almost all sectors including higher education. Higher education came to be treated as a non-merit good deserving no state finance (Tilak, 2012). Eighth and Ninth Five-Year Plans saw the least allocation for higher education with seven to eight percentage of the total plan expenditure on education devoted to higher education compared to nearly one-fourth in the Fourth Five-Year Plan (1969-74) period (Tilak, 2012). Not only that education expenditure at all levels had been significantly lower after liberalization vis-à-vis pre-economic reform era but also states with a higher proportion of population belonging to SC, ST and with higher female to male ratio are found to incur significantly lower expenditure on education (Chakrabarti and Joglekar, 2006).

The post liberalization period also saw greater private participation in higher education (GOI, 2008), the trend being much prevalent even before, in the case of professional colleges though (Kothari, 1986). The resource constraint of the public sector has prompted almost all commissions to recommend private sector investment in higher education in India (GOI, 1986; 1992, 2009; National Knowledge Commission [NKC], 2007). Over the past few years there has been a sudden surge in the number of colleges

and universities from 350 universities and 16,982 colleges in 2005-06, to 713 universities and 36,739 colleges in 2013-14. This was, in 1980, 132 universities and 4738 colleges enrolling around five per cent of the eligible age group in higher education (Rubinstein and Sekhri, 2011). Greater private participation in higher education is evident from the fact that 77 percent of the colleges are privately managed out of which 63 percent are private unaided and 14 percent are aided, accounting for 65 percent of the total enrolment in higher education (GOI, 2016b).

Even as participation in higher education has increased, especially the socially disadvantaged groups (SDG) – Scheduled castes, Scheduled tribes, other backward classes and Muslim minority – among socio-religious categories (SRC), from 1999 to 2010 (Basant and Sen. 2014), the grim reality is that their participation is still much lower in higher education compared to socially advantaged groups (SAG) – forward castes – among SRCs (Sundaram, 2006). As per latest reports, Scheduled Castes students constitute 13.44 percent, Scheduled Tribes students, 4.8 percent, other backward classes 32.8 percent, Muslim minority 4.5 percent and students from other minority community constitutes 1.9 percent of the total enrolment in higher education (GOI, 2016b). Given the meagre representation of socially and religiously backward communities in higher education, how far the increased private sector participation in higher education has contributed to inclusiveness in access to higher education, needs to be empirically investigated. In this backdrop, the vital question to be enquired into is the equity in access to higher education for all socio-religious categories (SRC) in the wake of greater private participation. We begin by examining the trends in enrolment in higher education over the three decades from 1983 to 2014, exploring the National Sample Survey (NSS) data on Employment Unemployment rounds 1983, 1987, 1993, 2000, 2004, 2009 and 2012, and Education rounds 1986, 1995, 2007 and 2014. We then examine the pattern of enrolment in the public and private institutions over these years, particularly focusing on the representation of socio-religious groups in these institutions. Further, we explore the labour market outcomes in terms of access to occupation and real wage of graduates and above across social groups.

The study finds that since the early 1980s the number of graduates has doubled in each decade especially among the younger age cohort. The increase in participation of socially disadvantageous groups (SDG) in higher education is not at par with those of socially advantageous groups (SAG), particularly for rural females in SDG. Enrolment in government institutions has declined while enrolment in private institutions has considerably increased even across SDG but, upon further examination, majority are found to belong to the top quintiles within the SDG. The labour market outcomes show declining workforce participation rates of graduates, largely for graduate females who engage in domestic work. The real wage ratio of graduates to non-graduates reveal

greater wage premium for graduates but has hardly helped in breaking the social hierarchy even within the same education group as revealed from the low and declining real wage ratio of SDG graduates to SAG graduates from 1993-94 to 2011-12.