Impact of Privatization on Access to Higher Education among Social and Income Groups in India

Khalid Khan

This paper contributes to the issues related to the impact of privatization on access to higher education among social groups. STs and SCs are the only underrepresented groups in higher education. The expansion of higher education during 2007 and 2014 benefited OBCs most. STs and SCs are lowest beneficiaries. Privatization also benefited OBCs most. Publicly financed institutions serve STs and SCs most which shows inclusive character of such institutions. Disparities by social group exist even at a higher level of income which indicates that income alone does not determine access to private unaided institutions. The empirical evidences suggest that affirmative actions are inevitable make private unaided institutions inclusive.

I Introduction

Economic policy in India has undergone significant changes during the postreform period. Increasing significance of the private sector is witnessed in every sphere of economy. Higher education sector also experienced similar changes in policy. Government's successive attempts to invite foreign players, reduce subsidies in higher education and hence increase tuition fees, and invite private players to establish universities are among the few initiatives in the privatization of higher education. Recommendations of committees and commissions in favour of privatization show the increasing significance of private sector. It started from maintaining efficiency in resource utilisation and resource generation in educational institutions in Punnayya Committee (Punnayya 1993), and assumed the extreme form in Birla-Ambani Committee report (Mukesh Ambani-Kumaramangalam Birla Report, 2000) which classified higher education as a profitable investment opportunity. Regarding higher education as a non-merit good, foreign educational institution bill is among some other attempts to multiply the role of private sector. The latest move in this direction is in the form of introducing the profit clause in higher education (Bhushan 2013). The move towards privatization of higher education is unabated till date. Subramaniam committee¹ which was formed for the evaluation of forthcoming new education policy, also suggested to marshal fund for higher education. Proponents of privatization of higher education rely on the private benefit of higher education and adverse redistribution of publicly financed education

Khalid Khan, Assistant Professor, Indian Institute of Dalit Studies, Jawaharlal Nehru University, New Delhi 110067, Email: khan.khalid7@gmail.com