

COST OF SCHOOL EDUCATION AT INSTITUTIONAL LEVEL: A CASE STUDY OF TWO BLOCKS IN THE DISTRICT GURGAON, HARYANA

Scholar

Hemant K. Panda

Supervisor

Prof. M. A. Siddiqui

I.A.S.E., Faculty of
Education

Jamia Millia Islamia

Need of the Present Study

Though India had started funding the education system progressively in the initial decades of planning, the same momentum could not be maintained and this sector gradually got less and less priority in allocation of resources. The increase in the proportion of total educational expenditure from 9 percent to 25 percent between the first and the fourth five year plans and coming down steadily afterwards to reach the level of 7 percent during the eighth five year plan explains the story that how the education system in India has been experiencing the trials and tribulations. Towards the end of the eight five year plan, India had been in to a major economic crisis which further heightened the pressures on mainly education system except the elementary education, which received huge international funding. And then, with the beginning of an era of austerity this sector began suffering the most.

Around the same time, when the recent economic reform programmes were going on in the country, the growing strength of another kind of pressure also weakened the efforts to save higher secondary and higher educations from suffering severe financial inadequacies. Increasing political voice mobilization in favour of primary education and literacy drives to make the country fully literate with in a definite time frame generated a kind of argument that higher education is a hindrance for primary education and funds should be diverted to give the latter the much needed boost. However, this argument does not seem logical and justifiable to a section of educationists. Higher education, as they say, has got important 'backward linkages' with primary education. Primary education can't grow qualitatively unless we have a good higher education system to produce qualified teachers. Universal Elementary Education is a worthy goal in itself, but it does not provide on its own the required strength to compete in the international market. Therefore, school education being the base and foundation stage for higher education and finally the higher education have a crucial role to play in the coming days as we find a renewed emphasis on a market friendly economy, rather than on stringent planning.

As economies of both developed and developing countries become more knowledge and technology intensive, the system of education would continue to become more central to economic progress. Almost in every country, though in varying degrees, the search for knowledge and new technology has become the major concern of national economies, since productivity is increasingly determined by the knowledge and skill of workers put to their tasks. It is this search which makes the task of school education more complicated as it is the road to higher education and the pressure to perform viably and sustainably, is ever greater than before. Therefore, the high school and higher education have to stay as a key sector of the national economy and attaching higher priority to basic education does not need any re-appropriation of funds from higher secondary or higher education to the former. Rather, the need of the hour is to view the entire system of education as one

whole (Khadria, 1998). Any distorted approach in this regard and setting one sector against another would be detrimental to the whole system.

The other challenge to education system came from the introduction of economic reforms in the country during the early years of 1990s. The Gulf crisis of 1990–91 and its resultant effect on the Indian economy necessitated some sweeping changes in various sectors of the economy and the institutions of higher education were very badly affected due to drastic cuts in their required financial demands. Presently, the problem is related to the inability to meet the basic needs of the educational institutions, which are recurring in nature.

After the introduction of market oriented culture in the Indian economy through the economic reform programmes, these institutions are being asked to be more business like and to be more cost-effective. The institutions of higher learning are now asked to raise their own resources to the maximum extent possible, in order to make them more cost-efficient and less dependent on the governmental sources of finance.

To sum up, the preceding analysis has brought to focus the following points:

- a) There has been sizable increase in the expenditure on education during the post-independence period. In terms of the proportion of the GNP, however, it is still far short of the target of 6 percent accepted by the Government of India.
- b) Considered sector-wise, there has been marked increase in the expenditure on elementary education as percentage of GNP. All other sectors have declined.
- c) The bulk of expenditure under the central and state governments is on revenue account. The share capital expenditure, which is equally essential for the balanced development of education, is only marginal.
- d) The outlays/expenditure for education under the five-year plans have declined considerably as proportion of the total plan outlays.
- e) There have been wide fluctuations in the intra-sectoral priorities as observed from the percentage of outlays/expenditure allotted to various sectors in the plans. After continuous down slide up to the seventh plan, the emphasis has shifted to elementary education. This has resulted in virtual de-emphasizing of secondary/university and technical education, at least in terms of allotment of plan

resources. A similar position emerges, when considered in terms of plan and non-plan expenditure for selected years.

- f) The state governments are also spending about 90 percent of their budgets on the maintenance of schools. Other schemes like scholarships, teacher education, textbooks do not seem to constitute priority areas.
- g) Inflationary pressures have brought about considerable erosion in the real investment in education. What meets the eye is not the real investment in education.
- h) There has been considerable reduction in the budgetary allotment for education particularly under the state governments.
- i) There has been marked reduction in the proportionate contribution from private sources including students fees.
- j) Over the years, the rising expenditure on staff salaries has caused considerable reduction in the expenditure on other items which are crucial for the balanced development of secondary education as also are vital inputs to its qualitative improvement.
- k) The NPE 1986 has also drawn the attention towards the fact that in order to decide future course of funding school level institutions a system of ascertainment of total cost of this institutions shall be devised.

Objectives

- i To develop the research tools such as: School Schedule, Village Schedule and District/Block Schedule for the present study.
- ii To calculate the Institutional Costs (Total and Unit Costs) for education in the selected schools of Sohna and Nuh blocks of Gurgaon district in Haryana and compare the institutions costs calculated for the sample schools between both the blocks of Gurgaon district of Haryana.
- iii To examine the academic performance of the sampled schools taken up for study in both Sohna and Nuh blocks and compare the academic achievement amongst the sampled schools between selected blocks.
- iv To assess and compare the impact of institutional costs on academic performance in the selected schools in both the selected blocks of Gurgaon district.
- v To identify the available resources in the area regarding the location of schools, both physical and human within the educational sectors and exploring the score for their optimal utilization for educational purposes within that particular locality.

Hypotheses

Though the study looks into all the issues that have been raised above by a number of questions, it specifically concentrates on examining some core issues which is done by framing certain null hypotheses. The study shall test the following null hypotheses:

1. There is no significant difference in unit and institutional cost of education at all levels of schools in both Sohna and Nuh blocks.
2. There is no significant difference in academic performance at all levels of schools in both Sohna and Nuh blocks.
3. There is no significant relationship between the unit cost and academic performance of all levels of schools in both Sohna and Nuh blocks.
4. The present system of financing school education is not cost effective. In other words, the cost oriented approach of financing of school education system would not be helpful in identifying and plugging the wastage and inefficiency.

Delimitation

Any study on cost of education suffers from certain limitations. The present study is no exception to this. It carries certain additional limitations as well. Precisely, the delimitations of the study are as follows:

1. The present study would find out the costs of education at institutional level only.
2. The present study on costs of education is somewhat incomplete because private costs of education are outside the framework of this study.
3. The term 'education' used here is limited in its scope. The present study is largely confined to formal education system only.
4. As regards to education, the present study is limited to school level education only, thereby not considering the higher education in this study.
5. An unsound database generally poses constraints for any study in the field of economics of education. The present study could also experience certain constraint. Over-reporting of enrolment could be just one of the problems and estimation of annual value of fixed assets may be yet another problem.

Findings

- The main findings of the present study are as under:

Besides the above main findings, some general findings based on secondary data and observation has been found out and presented as follows:

1. It was found that the size of population differs between the two blocks due to composition of population and thereby the cultural characteristics exhibit significant difference.
2. It was found that the economic prosperity and quality of life in the two blocks varies clearly and it does not reflect in the quality of schooling facilities, particularly the school buildings, classrooms, equipments, toilets, etc.
3. It was further found that the cost of education is low, when the teacher-pupil ratio is high and vice versa.
4. An analysis of macro level secondary data indicates that the household costs of education account for reasonably high proportion of total factor costs of education in the state of Haryana and they have to be taken into account in any meaningful exercise on state accounts.
5. Unit cost per student has been declining over the years, contrary to the general

belief that they have been increasing at a rapid rate. The trend needs to be arrested.

6. The result of the case study of the two educational sample blocks suggests that the some of the findings that are made at the macro level hold true at the micro level as well. For instance, the total non-recurring costs that lead to physical capital formation in education form a very small proportion of the total cost of education.
7. Most of the schools in Nuh block have been suffering from severe shortages of human resources like teachers and minimum physical resources like buildings, furniture, equipment, some other basic amenities like drinking water, electricity, play-ground, etc. However, some schools in Sohna block also suffer from shortage of human and physical resources but not so severely as it is in Nuh. Maintenance and upkeep of physical resources of schools has also been found significantly different in the two blocks.
8. While going through the performance of students in each block it was observed that besides the shortage of human resources (teachers) in Nuh block the existing human resources were not fully and regularly available in the schools. The teachers appointed in Nuh block in a large number used to go from Delhi and around affecting their presence in the schools. Whereas in case of Sohna, teachers were mostly coming from nearby places and so were more regular and available in the school for the stipulated time. This has its own effect on students motivation and performance.
9. It was found that at the macro level, economic development of a region does not significantly influence the costs of education in that region. The comparative evidence on Sohna and Nuh block supports this.