Q3. Why is an education policy important?

Q5. What were the main objectives of education policies under the British rule?

B) Long Questions (Answer each question in about 300-500 words)

Q1. Describe the main education policies of the British in India.

Q2. Explain in detail the Education Commission on Education 1964-66.

Q3. Explain in detail the National Policy on Education of 1968.

Q4. Explain in detail the National Policy on Education of 1986.

Q5. What are the main policy issues of financing Education in India? Discuss.

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created by it. Thus in some countries like in India, the important reason of an education policy is to provide free and compulsory elementary education.

Ans to Q No. 4 : There were many education policies undertaken by the British in India. Among them, the first important policy was the famous note by Macaulay dated February 2, 1835 under the administration of Lord William Bentinck. The second such education policy was Woods Despatch initiated by Sir Charles Wood in 1854.

Ans to Q No. 5 : Before the Independence, the British ruled India and there were numerous education policies undertaken under the British rule. However, during this period, the promotion of education was not the main objective of the British and hence the development of education was not substantial. The development of education under the British rule was mainly limited to the needs of the colonial power. The prominent objectives of education provided by the British were to spread English education in India and disseminate western culture in the Indian subcontinent.

Ans to Q No. 6 : After the Independence in 1947, the Govt. of India started several education policies to improve the education system in the country. However, the main policies are Education Commission on Education 1964-66, National Policy on Education (NPE), 1968 and National Policy on Education (NPE), 1986 which was revised and modified in 1992.



3.10 MODEL QUESTIONS

A) Short Questions (answer each question in about 150 words)

Q1. What is education policy? Explain.

Q2. What are the different types of education policy? Explain.



3.8 FURTHER READING

1. Psacharopoulos, George. (Ed.). (1987) : *Economics of Education: Research and Studies.* Pergamon Press, Washington DC.
2. Kapila, Uma. (Ed.). (2009-10) : *India's Economic Development Since 1947.* New Delhi: Academic Foundation.



3.9 ANSWER TO CHECK YOUR PROGRESS

Ans to Q No.1: The educational policy is an approach to establish different priorities in education for the promotion of education undertaken by a country with available public resources. It means just providing the right incentives to the users and producers of education in a way conducive to the overall wellbeing of a country.

Ans to Q No.2 : There are two types of educational policies based on the resource constraints faced by the government. These two policies are Education Vouchers and Charter Schools. In Education Vouchers, students or parents are provided vouchers for education, which allows the user of education (students) to choose between different schools. On the other hand, the Charter Schools spilt the financing of education from the provision of education. This policy is nothing but to open government schools with the help of the public resources to provide free or subsidised education to the students of a country.

Ans to Q No.3 : There are many reasons why a country needs an education policy. The main reason in both developed and developing countries is to eradicate illiteracy. Moreover, we know that education is a merit good and it benefits the individual with higher future income and thus increases the national income. It also benefits the society with the positive externalities

around 0.18 percent in 2003-04 and to 0.86 percent 2019-20.

- 6 per cent of the GDP was earmarked for education, the shares of elementary, secondary and higher secondary (as percentage of GDP) would be 3, 2 and 1 respectively.



3.7 LETS US SUM UP

- Educational policy is an approach to establishing different priorities in education for the promotion of education undertaken by a country with their available public resources.
- There are two types of educational policies based on the availability of resources in a country viz. Education vouchers and Charter Schools.
- Education Vouchers allow the user of education (students) to choose between different schools what is self-perceived to be good for the users. On the other hand, Charter schools spilts the financing from the provision of education.
- There are many education policies undertaken in India both before the Independence and after.
- Education policies adopted by the British were limited to the needs of the colonial power. The important objectives of education provided by the British were to spread English education in India and to disseminate Western culture in the Indian subcontinent.
- After Independence, the Government of India has taken a slew of education policies to promote and improve the education system in the country. The major goals of the adopted education policies in India were to deliver free and compulsory elementary education, vocationalisation of secondary education and achievement of quality higher education with the provision of state-of-the-art technology in the education system.
- However, in comparison to the developed countries, the allocation of funds for education with reference to the share of GNP is very low in India.

3.6.3 National Education Policy1986 (with revisions in 1992)

Resource support for implementing programmes of educational transformation, reducing disparities, universalisation of elementary education, adult literacy, scientific and technological research etc.

3.6.4 86th Constitutional Amendment 2002

Recommended for free and compulsory education of children between the age of 6 to14 years, and provision of early childhood care and education for children below six years.

3.6.5 National Common Minimum Programme of the UPA Government 2004

- Raise public spending in education to at least 6 per cent of the GDP with at least half this amount being spent on primary and secondary sectors. This will be done in a phased manner.
- A cess of two per cent on all central taxes to finance the commitment to universalise access to quality basic education.
- A national cooked nutritious mid-may-meal scheme, funded mainly by the Central Government, will be introduced in primary and secondary school.
- The Integrated Child Development Services (ICDS) scheme will be universalised to provide a functional Anganwadi Centre in every settlement and ensure full coverage for all children.
- All Northeastern States will be given special assistance to upgrade and expand infrastructure.

3.6.6 CABE Committee, 2006

- The additional financial requirement for universalising secondary education as the percent of the GDP was worked out to be

3.6 POLICY ISSUES OF FINANCING EDUCATION IN INDIA

The level of financing in an economy can be judged in terms of adequacy, equity and efficiency. It should be first judged in terms of adequacy i.e. whether the finance provided for education are adequate or not. In the 1960's, international comparisons were the common fashion, and investment in education in any economy was used to be judged in terms of international comparisons particularly with reference to the share of education in GNP and the share of education in the Government budget.

In India, several commissions and reports have referred to Investments in education, which are as the following.

3.6.1 Kothari Commission 1964-66

- Public expenditure on education should reach the level of 6 per cent of GNP by 1986.
- Vocationalisation of secondary education.
- Strengthening of centres of advanced study and setting up of small number of major universities of international standard.

3.6.2 National Education Policy 1968

- Investment on education to be gradually increased to reach a level of 6 percent of the national income as early as possible.
- Focus on science & technology and agriculture
- Provision of good and effective education at primary level (on a free and compulsory basis)
- Equality in education for rich and poor: common 10+2+3 education structure throughout India and eventually free schooling till class 10.

tant emphases of NPE 1986. The introduction of systematic, well-planned and rigorously implemented programmes of vocational education was crucial in the proposed educational framework. To increase the individual employability and reduce the mismatch between the demand and supply of skilled manpower, the vocational education at the secondary level would be reorganised.

➢ **Higher Education:**

In higher education, courses and programme would be redesigned to meet the demands of specialisation better. In addition, upgradation of the teaching methods including audio-visual aids and electronic equipments would be undertaken and development of science and technology curricula and material, research, and teacher orientation was given more attention. Moreover, special attention was laid on distance learning through open universities. Rural university was to be established for transformation of rural areas at the grassroots level.



CHECK YOUR PROGRESS

Q4. Mention the main education policies of the British in India?

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Q5. What are the main objectives of education policies under the British rule?

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Q6. Mention the important education policies undertaken by the Govt. of India since Independence?

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(d) Education for other educationally backward sections and areas

(e) Education for Minorities

(f) Education for Handicapped and

(g) Adult Education

➢ **Reorganisation of Education at Different Stages:**

The NPE gave special emphasis on care while imparting pre-primary education to the children. Reorganising the holistic nature of child development, viz., nutrition and health, social, mental, physical, moral and emotional development, the Early Childhood Care and Education (ECCE) would receive high priority and be suitably integrated with the Integrated Child Development Services (ICDS) programmes. Day-care centres would be provided as a support service for the Universalisation of primary education, for enabling the girls engaged in taking care of siblings to attend school and for providing support to the working women belonging to poorer sections.

➢ **Elementary Education:**

This new NPE emphasised three aspects in elementary education, viz., (a) universal access and enrolment, (b) universal retention of children upto 14 years of age and (c) a substantial improvement in the quality of education to enable all children to achieve essential levels of learning. A child-centered approach was adopted to motivate children to attend school and learn under this NPE. Moreover, special emphasis had been given to the school dropouts through Non-formal Education and different school facilities or teaching aids and equipments were provided to the schools.

➢ **Secondary Education:**

Vocationalisation of secondary education was one of the impor-

The Government of India adopted the second National Education Policy (NPE) in May 1986. However, the NPE 1986 was later modified incorporating few changes in the policy based on the recommendations given by two separate committees under the chairmanship of Acharya Ramamurti and N. Janardhana Reddy. Thus, the NPE 1986 can also be mentioned as NPE 1992. The important recommendations of the NPE 1986 and NPE 1992 (modified version of NPE 1986) are given below:

➢ **National System of Education:**

The NPE envisaged a common educational structure in all parts of the country. The common educational framework adopted by the NPE 1986 or NPE 1992 was 10+2+3 which means that a student has to go through 10 years of primary and secondary education and 2 years of higher secondary education and 3 years of graduation. The concept of national system of education implies that up to a given level, all students, irrespective of caste, creed, location or gender, have access to education of a comparable quality. Moreover, the national system of education would be based on a national curricular framework, which contained a common core part along with other flexible components.

➢ **Education for Equality:**

This NPE lays emphasis on the removal of disparities and equalisation of educational opportunities by attending to the specific needs of those who have been denied equality so far. Therefore, to bring equality in the provision of education irrespective of caste, gender, location and disabled students, the following special steps were taken:

(a) Education for Women's Equality
(b) Education for Scheduled Castes
(c) Education for Scheduled Tribes

➢ **Importance for Science Education and Research:**

Top priority was given to the development of science education and research. Science and mathematics were taken as the integral parts of general education up to the end of school stage. Moreover, special emphasis was given to the development of education for agriculture and industry. At least, one agricultural university was to be set up in each state the country.

➢ **Secondary Education:**

One important recommendation of the National Policy on Education 1968 was the extension of secondary education to the areas where secondary education was not available due to the absence of secondary schools. In addition, facilities and diversification for vocational and technical education in the secondary level were emphasised based on the requirements of the developing economies in a country like India.

➢ **University Education:**

At the university level, huge funds were provided to improve the quality of higher education in the country through establishing new universities, recruitment of additional teaching staff, increasing the number of laboratory, library and other facilities etc. Moreover, special attention was given for research and training at the university level.

3.5.3 National Policy on Education (NPE), 1986 (with revisions in 1992)

Almost two decades after the first education policy of 1968, the Government of India decided to undertake another education policy to cope with the economic and technical developments of the country.

objective of the National Policy was the reconstruction of the education system of India and to improve its quality at all stages through greater attention to science and technology, the cultivation of moral values and a closer relation between education and the life of the people. It also aimed to promote national progress, a sense of common citizenship and culture and to strengthen national integration. The major recommendations of National Policy on Education 1968 are mentioned below:

- **Free and Compulsory Education:**

The provision of free and compulsory education for all children up to the age of 14 was made obligatory fulfilling the Directive Principles under Article 45 of the Constitution.

- **Three-Language Formula:**

The state Governments would have to adopt and implement Three-Language formula in the secondary schools. Under this formula, a student would require to learn one Modern Indian Language, which his/her regional language, along with Hindi and English.

- **Equalisation of Educational Opportunities:**

Special attention was given to reduce regional imbalance and gender inequality while providing educational opportunities. Education for the backward regions especially the tribal regions as well as for the physically challenged students was given priority.

- **Improving the status of teacher:**

Teachers were highly honoured in the society. They were supposed to get higher salary and other facilities based on their qualifications and responsibilities.

was only in 1986 that India as a whole had a uniform National Policy on Education. The National Policy on Education 1986, which was modified in 1992, defines universal access and enrolment, universal retention of children up to14 years and substantial improvement in the quality of education as the major goals for elementary education. The National Policy of Education of 1992 also aims at vocationalisation of secondary education and the greater use of educational technology. Some of the important education policies of India and their recommendations are discussed below.

3.5.1 Education Commission on Education, 1964-66

This commission was popularly known as the Kothari Commission on Education. This commission submitted the Report in 1966, which conceived education as a critical socio-political process. The report emphasised the need of urgent improvement of the existing education system, which in turn would help to build the foundation of egalitarian, just and secular society in the country. However, the major recommendations of the commission were as the following:

- To set up State Boards of Education
- To maintain the leveling of institutions for equality
- To setup area-specific neighborhood schools
- To establish a statutory School Education Commission
- Public expenditure on education should be around 6 per cent of the GNP
- Vocationalisation of secondary education and
- Strengthening of the centres of advanced study and setting up of small number of major universities of international standard.

3.5.2 National Policy on Education (NPE), 1968

The National Policy on Education of 1968 was based on the recommendations of the Kothari Commission of 1964-66. The main

3.4 EDUCATION POLICY BEFORE THE INDEPENDENCE

Before the Independence, the British ruled India and there were numerous education policies undertaken by the British. However, during that period, the promotion of education was not the main objective of the British and hence the development of education was not substantial. Education under the British rule was mainly limited to the needs of the colonial power. The prominent objectives of education provided by the British were to spread English education in India and disseminate Western cultural forms in the Indian subcontinent.

The first important policy was the famous note of February 2, 1835 by Macaulay under the administration of Lord William Bentinck. The main aim of this note was to spread English education in India. Meanwhile, English as the official and court language replaced the Persian language in India in 1837. Moreover, in 1844, Lord Harding announced that preference would be given to the English educated Indians who wanted to appear in the Civil Services. These two steps effectively sealed the growth of English education in India. After initial progress of English education in India, Sir Charles Wood in 1854 forwarded a Despatch mentioning the need of the ruling colonial powers to train a section of upper class Indians in higher education and set up the administrative structure for education. He also recommended the setting up of the three universities in India at Bombay, Calcutta and Madras, which were established in 1857. This Despatch is popularly known as 'Woods Despatch' of 1854.

3.5 EDUCATION POLICY IN INDIA AFTER THE INDEPENDENCE (FROM 1947 TO TILL DATE)

After the Independence in 1947, the Govt. of India started several education policies to improve the education system in the country. The initial attempt of designing an education policy was made in 1968. However, it

3.3 NEED OF EDUCATION POLICY IN INDIA

There are various reasons of why a country needs education policy. The main reason of education policy in both the developed and developing countries is to eradicate illiteracy. Moreover, we know that education is a merit good and it benefits the individual with higher future income and hence increases the national income. It also benefits the society with the positive externalities created by it. Thus, in some countries like in India, the important reason behind the formulation of education policy is to provide free and compulsory elementary education to the Indian masses.

However, the education system in India is the second largest in the world after China with a Large number of schools, colleges and universities. However, despite being the second largest system, the progress achieved has not been satisfactory in terms of both quantity and quality. To improve the quality of education, the Govt. of India has undertaken numerous education policies before and after the Independence. Thus, the main priorities of the education polices in India are to eradicate illiteracy completely and to provide free and compulsory elementary education.



CHECK YOUR PROGRESS

Q1. What is an education policy?

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Q2. What are the types of education policy?

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Q3. Why does a country need education policy?

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- Explain the different education policies undertaken during the British rule in India
- Explain the different education policies taken by the Govt. of India after the Independence
- Identify the problems of the education policies in India.

3.2 INTRODUCTION

The promotion of education is one of the most important issues for both the developed and underdeveloped countries in the world. However, the proper development of education requires a systematic approach. The systematic approach for the promotion of education in a country is commonly known as the education policy. In terms of economics, the educational policy is an approach to establish different priorities in education for the promotion of education undertaken by a country on the basis of available public resources. It also means providing just the right incentives to the users and producers of education in a way conducive to the overall wellbeing of a country. Generally speaking, an educational policy refers to a concrete approach with a set of principles to improve various inputs of education in order to transform the society. There are two types of educational policies based on the resource constraints faced by the Government-Education Vouchers and Charter Schools. Under Education Vouchers, students or parents are provided vouchers for education, which allow the user of education (students) to choose between different schools which is often self-perceived to be good for the users. In this system, the government carries out the role of financing the education rather than providing education. On the other hand, Charter Schools spilt the financing in education from the provision of education. This policy is nothing but to open government schools from the public resources to provide free or subsidised education to the students of a country. As we finish reading this unit, we shall be able to discuss the various important aspects of the economics of education policy in some detail.

UNIT 3 : ECONOMICS OF EDUCATION POLICY

UNIT STRUCTURE

3.1 Learning Objectives

3.2 Introduction

3.3 Need of Education Policy in India

3.4 Education Policy before the Independence

3.5 Education Policy in India after the Independence (From 1947 to till date)

- 3.5.1 Education Commission, 1964-66
- 3.5.2 National Policy on Education (NPE), 1968
- 3.5.3 National Policy on Education (NPE), 1986 (with revisions in 1992)

3.6 Policy Issues of Financing Education in India

- 3.6.1 Kothari Commission, 1964-66
- 3.6.2 National Education Policy, 1968
- 3.6.3 National Education Policy, 1986 (with revisions in 1992)
- 3.6.4 86th Constitutions Amendment, 2002
- 3.6.5 National Common Minimum Programme of the UPA Government, 2004
- 3.6.6 CABE Committee, 2006

3.7 Lets Us Sum Up

3.8 Further Reading

3.9 Answer to Check Your Progress

3.10 Model Questions

3.1 LEARNING OBJECTIVES

After going through this unit, you will be able to

- Understand what an education policy is about