Synopsis

of

Ph.D. Thesis entitled

“Study of Household Expenditure on Higher education in Mumbai”

by

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Introduction: Thinkers all over the world, right from the ancient to the modern times have considered education as one of the most important factor in shaping the human personality and the society. Though there is almost a consensus on the fact that family is the first and one of the most important educational institutions in the life of a child, the formal or informal education that child gets at various levels can have a significant and long-term impact. Socio-cultural and economic diversities at the family level may create various inequalities. These inequalities can be addressed through formal education system. Formal education system of a country is a very important tool through which principle of equality of opportunities can be implemented. Though education is not a purely an economic variable, it gets influenced by economic variables such as income of the household, amount and composition of public expenditure on education and labour market. Similarly, economic variables also get influenced by the education system of a country. Education can influence positively/negatively the development process of the economy. Higher education also plays major role in, “creating and nurturing an intellectual vanguard entrusted with the task of thinking on behalf of society and preparing the present to meet the future.” (Deshpande 2006)

Education per say is not an unmixed blessing. Role of education in the process of economic development can be summarized as: Education can influence structure and character of economic growth. Pattern of education system of a country can be a cause as well as an effect of economic inequality. In other words, education can increase / decrease inequality and poverty. Unemployment of educated can become an additional problem if education is not geared to the process of manpower planning. Education can increase or decrease gender inequality. In the days of globalisation education can be a channel of cultural imperialism. (Todaro 2012)

The World Development Report 1998/99 had cautioned us, “Education is the key to creating, adapting and spreading knowledge. But the gains in access to education have been unevenly distributed, with the poor seldom getting their fair share.”

How successfully a country addresses the issue of unequal education opportunities, will decide the character of a country’s economic growth. Indian education system suffers from typical problem of the ‘dualistic structure’ described by the famous economist Prof W. A.
Lewis. At one end there are world class institutions like IITs and IIMs and at the other end schools without basic infrastructure like toilets, drinking water are very common especially in the rural areas. Till 1980’s higher education was a quasi-monopoly of the government. Services like telecommunication, civil aviation were also monopoly of the government. Liberalisation of telecom and civil aviation has benefited the consumers in the last two decades. The competition between private and public sector helped to improve the quality of both these sectors. But same is not true in case of higher education in India. Quality of private as well as public sector higher education is equally bad barring the few exceptions in both the sectors. Students prefer public sector higher education institution as they charge less fees. Deterioration in the quality of education system at all levels created a shadow or parallel education system popularly known as private tuition class industry. “… in states like Tripura (around 81%) and West Bengal (around 78%) majority of students were taking private coaching (combining school education and higher education), whereas at all-India level 1/4th of students were taking private coaching” (NSSO2015). While describing the damage that commercialization is causing to education on all dimensions the draft of the New Policy for Education 2016 stated, “The point in short is that the system is largely sick, and needs rejuvenation—the quality of education, which is critical, has been the main casualty thereby converting the sacred process of education to an unregulated commercial system.” Privatisation of education without quality improvement and commercialization has increased inequality in the field of education. Inequality in the field of education can also be created due to the private household expenditure on education that is incurred to complement or substitute subsidised education, e.g. expenditure on various coaching classes, finishing schools etc.

The present study is basically concerned with study of inequality of opportunity that emerges due to different types and magnitudes of household expenditures on education.

**Chapter One: Introduction**

This chapter includes overview of concepts related to education, review of the prominent issues related to the education in India, objectives and scope of the study, relevance of the study, methodology of research, types of variables measured, method of collection and analysis of data and the plan of study.
Objectives of Study

In this research, the household is treated as a consumer of education and one of the major stakeholder of the education system. The explicit objective of the research is to measure various household expenditures on education at all levels. The implicit objective is to develop a deep insight into the major issues concerning the higher education in India.

Both the objectives have sub objectives that are listed below.

To identify and measure various expenditures that are incurred while pursuing education in Mumbai.

To find motivating factors behind these expenditures

To study association between socio-economic features of the household and various education expenditures

To study association between socio-economic features of the households and income of the household

To study association between income of the household and various education expenditures.

To study how gender issues affect various education expenditures.

To explore household views on the certain policy issues such as - education subsidy, accreditation by the NAAC

To explore different aspects of the approach that considers higher education as a non-merit good

To suggest measures to improve the higher education system.

Scope of Study

The sample of households is collected from different parts of Mumbai that fall under the jurisdiction of the Municipal Corporation of Greater Mumbai (MCGM).

Statement of the Problem

In the knowledge economy, knowledge is the most important productive resource. Education plays a vital role in creation and dissemination of knowledge. So, access to education and its quality are major determinants that influence development efforts at the
macro(at economy level) as well as at the micro level(household/individual level). To achieve inclusive economic growth, the quality education must be accessible to all.

Various measures to increase the accessibility of education have been discussed in almost all the government reports on education. These measures discuss availability, accessibility and affordability of the formal education system in India. Also use of information and communication technology is discussed in the dispersal of quality education in the post 1990 documents. In this discussion one major problem of the present education system gets pushed under the carpet. This problem is –inequality in the education system which is the outcome of unequal private household expenditures on the education of children (e.g. private tuitions or various types of coaching /grooming classes). Parents normally incur these expenditures to compensate the quality deficit that exists in the formal education system or also to make children employment ready. As a result, two children having equal potentials, studying in the same system may perform differently in their written examinations/interviews/project presentations etc. This study will primarily focus on differences in the various types of expenditures that exist between the ‘advantaged’ and the ‘disadvantaged’ groups. Various socio-economic features of the household are considered while identifying its advantaged/disadvantaged status. Expenditure on education can be considered as an investment. This investment difference ultimately may result into income difference in future. Inequality in the access to quality education can have a long term adverse impact on the development of the economy. In Indian context education is one of the major determinant that will decide the magnitude of ‘demographic dividend’that India is hoping to enjoy. The study also intends to give some suggestions to the major stakeholders in the education system that may help in the optimisation of their performance.

**Period of Reference**

The study was conducted in the year 2015-16.

**Relevance of the Study**

Two major investors in education are - Government and Households. Macroeconomic objectives of education in democracy are to increase productivity of the human resources and develop enlighten citizenry that supports government efforts to bring in the positive changes in the economy, polity and society. Common Micro or household’s objectives are- to develop one’s value in the employment market and to increase one’s social status. The
households use rule of thumb while making education related choices. These rules are: choose a school, students of which get admission to the prestigious colleges; choose a programme and college that gives advantage in the employment market. Household considers education as a necessary investment to maintain or improve the standard of living of the family. In the globalised competitive world, several skills are required to have dignified survival. Education, especially good quality formal education is one of those. Parents try their level best to provide best possible education facilities to their children and are ready to spend beyond their means to get it. Even the government spends huge amount on education that has helped to maintain fee structure in the aided institutions at the affordable level. But this Government provision of affordable subsidised education is a kind of thankless job. This has increased accessibility to the education at all levels but in the process the quality of education got neglected. Majority of self- financing private sector institutions that charge much higher fees also do not fare well on the quality front as there is serious shortage of good quality, qualified teachers and because most of the private managements do not pay well to the teachers. So, overall the system suffers from serious quality deficit. The households try to compensate for this quality deficit by accessing parallel education system. Both rich and poor, equally take recourse to the private coaching. This amounts to duplication of expenditure. What parents and the government spend on schools and colleges as subsidy/fees is almost getting wasted. No other commodity in the economy is purchased twice as it happens in case of education. This unnecessarily increases burden of education expenditure for all income groups but pinches maximum to the lower income groups. Besides this there are many other types of expenditures especially in the city like Mumbai. These include travel, food, cell phone and ‘other expenditures’ mentioned above. Though the fees in the aided educational institutions is not very high still parents feel education as one of the most expensive commodity due to all the supplementary expenditures. All these extra or supplementary expenses on education make the mockery of the government’s claim that education at all levels in the government aided institutions is affordable in India. This situation needs to be changed. The unnecessary burden of education expenditure that is either duplication of spending (e.g. tuition class fees) or does not add to the learning outcomes (e.g. expenditure on travelling, outside food etc) needs to be reduced. Similarly, affordable options should be made available in case of ‘other expenditures’ that are required to become employment ready. Purpose of this study is to suggest measures to reduce unnecessary burden of education expenditures in case of the households as well as in case of the government.
Governments at all the levels need to understand that quality of education does not necessarily improve with increased budgetary allocations. The government money needs to be spent more wisely. Similarly, parents/students/teachers also need to get out of the stereo typical thinking. Education at family level is treated as a holy cow and parents many a times tend to spend irrationally on their children’s education. The study also aims to suggest what needs to be done at the household level to reduce the burden of education expenditure. Teachers are the backbone of any education system and one of the most important determinant of the quality of the education system. The present study also discusses various issues related to the teacher’s quality.

**Methodology of Research**

Major focus of the study involves collection and analysis of the primary data. Though focus of the data collection is household expenditures on education, many other socio-economic variables are also given due consideration. The sample size is 400 households. These households, belonging to the different income groups, were from the different areas of Mumbai.

**Universe:** The universe consists of all the households in the Greater Mumbai having at least one child studying in the institute of higher learning.

**Sample:** The sample of 400 hundred households was collected from different parts of Mumbai. These households had 952 children studying at different levels of education and pursuing variety of degree programme.

**The Questionnaire**

Based on the objectives, the first draft of a questionnaire was prepared. This questionnaire was discussed with various stake holders such as students, parents, teachers, administrators and people from industry. The second draft of a questionnaire was prepared based on the feedback of the stakeholders and was pre-tested through the pilot survey. The final questionnaire was prepared after completion of the pilot survey and all the relevant suggestions of the respondents were included in it.

**Types of variables Measured**

1. The socio-cultural background of the household was measured through asking following questions about the following aspects of the household.
a. Language spoken at the household
b. Religion practiced by the household
c. Caste of the household
d. Educational qualification of parents
e. Migration status of the household and reasons for migration.

2. The economic profile of the household could be traced by asking questions about-
   a. Nature of parent’s occupation
   b. Income of the household
c. Number of family members
d. Number of children in the family
e. Possession of vehicles
f. Access to computer and internet facility at home

3. Expenditure on education was divided into ten categories and each child’s expenditure for every category was recorded. Then consolidated and per child expenditure for each category was calculated.

   The categories of education expenditures were-
   a. Fees paid at three levels of education were recorded separately: school, higher secondary, graduation programme
   b. Private tuition expenditures if any at three levels recorded separately: school, Higher secondary, graduation programme. Reasons for taking private tuitions were also recorded.
c. Travelling expenditure for education purpose
d. Outside food expenditure during school/college or tuition class hours
e. Cell phone expenditure
f. Other expenditures.

4. Households were also asked question about if they have ever borrowed money to finance education expenditure and who in the family pays for the education.
5. How important is the education expenditure in the family budget was measured through asking two questions about -

a. the rank of education expenditure in the family budget

b. Percentage of household income spent on education

6. Four questions were asked about education subsidy to ascertain household’s views on different aspects of the education subsidy

a. Household’s awareness of education subsidy

b. Household’s view on the targeted subsidy

c. Criterion Household’s preference regarding criteria to target the subsidy

d. Household’s choice about mode of the subsidy payment.

**Method of Data Collection**

**The Primary Data**

The present study is based on the primary data collected through the survey of households from Greater Mumbai. A detailed questionnaire was used for the data collection. Each question was explained to the respondents beforehand. All the questionnaires were filled in the presence of the researcher so all the queries/doubts of the respondents could be solved immediately.

**The Secondary data**

The secondary data was collected through the following sources. Websites of - Ministry of Human Resources Development, Department of Education, Government of Maharashtra, the UGC, the NSSO. Various periodicals, journals, newspapers, library resources and previous studies conducted in the related area of research.

**Chapter Two: Literature Review**

The review of literature has covered theoretical aspects of education as well as various policy documents, research papers and articles related to the Indian education system. Initially effort is made to develop overall understanding of the concept of education at all levels and of all types. At a later stage focus is more on the higher education. Section on the philosophy of education explains the role of education in human life. Since ancient
times philosophers/thinkers all the world over have given prime importance to education as a tool to mould the thought process of a student in the right direction, though there is no unanimity on how to achieve this. Some of the prominent Western and Indian thinkers’ views on education are briefly reviewed in this section. The thinkers are- Socrates, Plato, Aristotle, Rousseau, J. Dewey, B. Russell, Jotiba Phule, M. K. Gandhi, Rabindranath Tagore, Vivekananda, Aurobindo Ghose, J. Krishnamurti, B. R. Ambedkar.

**Policy Documents:**

Education can change the mindset of a student. The modern education introduced by the British caused the social revolution and propelled the freedom struggle in India. Education as a tool for economic development was well understood by political leaders in the independent India. Importance of education in the nation’s progress was highlighted by the Radhakrishna Commission in 1948. Later the First Five Year Plan Document endorsed the recommendations of the commission. The Kothari Commission 1968, The New Education Policy 1986/92, The Draft New Policy for Education 2016, are the prominent policy documents that shaped/will shape Indian education system. All the major policy documents in the post-1947 period are reviewed in this section. There is an overlap in these documents to some extent but that is unavoidable. All the documents have taken detailed review of the problems faced by the education system. Many recommendations are common. Everybody seems to know what needs to be done. Major problem is how to do what needs to be done. The policy documents prior to 1980s talk more about increasing access to education. But later the thrust is more on how to improve the quality of education. Globalisation, Privatisation and Liberalisation, three components of the New Economic Policy, 1991 had their reflection in the subsequent education policies/reports on education. This chapter has also reviewed the World Bank Document on Education 1994, Ambani Birla Report 2000, Report of the National Knowledge Commission, 2008, Yash Pal Committee Report, 2009, The Draft National Policy on Education 2016. Is higher education a merit good or non-merit good? There is no consensus on the issue. Who corners the benefits of the subsidised higher education? The world bank says it is the politically dominant affluent class. Economist like J B G Tilak (2005) are more interested in positive externalities or in the social benefits of higher education and so consider education as a merit good. Educationist J.P. Naik (1979) discussed almost four decades ago the elusive triangle of quality, equality and quantity in the higher education system of India. The elusiveness of the triangle seems to be a permanent feature. Lately Indian newspapers have started covering education more frequently, especially its problem areas.
Two articles published in the newspapers in 2016 and 2017, are reviewed. In one of these articles, Pranab Bardhan has severely criticised the Indian higher education system. He has made very valid points while pointing the problems of the Indian higher education. But his suggestions to improve the higher education system in India are too theoretical and dreamy(Bardhan 2017). Satyam Vishwanathan, a consumer researcher and part of the founding team at Junoon Theatre, in his article, ‘Redefine Education’ made a very interesting observation on how Indian society thinks about education. He wrote that, in Indian media starting salaries and examination especially entrance examination results are excessively glorified. This has become, “almost a singular definition of success.” He added,“Multiple studies have shown that personality attributes such as grit, curiosity, and self-control are stronger predictors of achievement than IQ.” (Vishwanathan2016)

Issue of privation of education, especially higher education is often debated. Vibhuti Patel (2009) has analysed this issue. While concluding her paper “Private Higher Education in India – Changing Scenario”, Vibhuti Patel wrote, “while dealing with privatisation of higher education, we need to address some crucial mind-boggling issues regarding the role of higher education per se. Is it to create a concerned and informed citizenry? Or to meet the expected future needs of economic and social development in the country? Or simply to meet the labour requirements of international capitalism? Can a balance be achieved between these aims?” While highlighting the importance of education in building just and fair society, Amartya Kumar Sen said,“Why is it so important to close the educational gaps, and to remove the enormous disparities in educational access, inclusion and achievement? One reason, among others, is the importance of this for making the world more secure as well as more fair. HG Wells was not exaggerating when he said, in his Outline of History: "human history becomes more and more a race between education and catastrophe." If we continue to leave vast sections of the people of the world outside the orbit of education, we make the world not only less just, but also less secure.” (Sen 2003).Pawan Agrawal had discussed the inevitability of privatisation of education and given a wake-up call stating, “Private higher education has now moved from the periphery to centre stage. In almost all professional courses about 80 per cent enrolment is in private institutions. While this structural shift was going on in the Indian higher education, public policy has continued to be engaged in the rhetoric of autonomy of institutions, commercialisation of higher education and wild-goose chase to achieve some arbitrary set targets related to enrolment and public investment in higher education.”(Agrawal2007)
Daniel Checchi while studying inequalities in education in the USA, Germany and Italy also discussed market imperfections affecting education. He showed the limitations of the human capital approach as it is based on the unrealistic assumption of perfect financial markets. If these assumptions are removed then “income inequality persistence arises as an equilibrium outcome” To increase levels of education he suggested redistributive policies. As far as supply of education is concerned he advocates the approach of “voting with your feet” which according to him increases private allocative efficiency. He also discusses trade-off between efficiency and equity. He discusses the issues such as education financing, under or over investment in education.(Checchi2008)The Economist January 24th-30th, 2015 issue had a cover story, “America’s new aristocracy -Education and the inheritance of privilege” The story linked unequal access to the higher education and the inequalities of income and wealth in the USA.(The Economist2015)

**Chapter Three: Globalisation, Knowledge Economy and Education**

This chapter attempts to examine relation between globalisation, knowledge economy and education with reference to India. Two waves of globalisation are analysed in the chapter—globalisation during the colonial period and globalisation in the post 1990s. Similarities and the differences in the two waves of globalisation are discussed. The prominent features of the contemporary globalisation such as economic and cultural imperialism, tradability of services, labour mobility and emergence of knowledge economy are covered. Knowledge economy brought in a ‘powershift’ (Toffler1990) that divided the world in between fast/slow in absorbing the knowledge and created the digital divide within nations and among nations. The World Trade Organisation (WTO), General Agreement on Trade in Services (GATS) and their impact on education in India is discussed at length. As per the GATS provisions four modes of trade in education are possible. 1. The Cross-border supply 2. Commercial presence 3. Consumption abroad 4. Movement of personnel. All the four modes are discussed in the Indian context. It is observed that for some more years at least, India’s import of education will be more than its export. The popular import modes are consumption abroad and the cross-border supply. Government’s measures to encourage export of education are also discussed. WTO (Nairobi) Ministerial Conference 2015 and its implications for Indian education sector are covered. The chapter has a section on E-learning that discusses its feasibility in India. E-learning has changed the education systems in the developed countries and it is
considered a disruptive innovation. This issue is discussed in the Indian context. In India E-learning is more likely to be a sustaining innovation and conventional education system will not get drastically affected by it. Blended learning, a combination of E-learning and conventional methods, is likely to emerge in India soon. Access to digital technology in India is not yet at satisfactory level even in the cities. This is likely to create new types of inequalities. The government has initiated many programmes to increase the digital literacy. Without digital competency, it will not be possible to enjoy the demographic dividend in the knowledge economy.

Chapter Four: Socio-economic Profile of the Sample

In this chapter, socio-economic features of the sample are explored. The sample is collected from different parts of the Greater Mumbai that consists two revenue districts in the state of Maharashtra – the Mumbai City and the Suburban Mumbai. The socio-economic profile of the Greater Mumbai, popularly known as ‘Mumbai’, is also included in the chapter. Migration has played a crucial role in the development of the city historically, but the benefits of migration have already crossed the saturation point. Mumbai, a city of paradoxes, poses several challenges and opportunities to its residents in every aspect of life including education. The chapter presents the sample data on the basis of prominent socio-economic aspects of the households that may influence the educational outcomes or decisions regarding education (especially higher education). These include geographical location of the family in the city, language spoken at home, size of the household, number of children in the household, religion, caste, income of the household, parents’ education, nature of parents’ occupation, access to the information and communication technology etc. While selecting the sample an effort was made to cover the diversity of Mumbai. Households having at least one child studying in the institute of higher learning (Higher Secondary plus level) are included in the sample. Classification of the data revealed the cosmopolitan nature of Mumbai. In all 19 languages were mentioned as the languages of communication at home. Households were classified into five religious groups – Hindu, Muslim, Buddhist, Christian, Other. For the caste groups were - Open, OBC, SC, ST, NT. Parents education categories were - below SSC, SSC, HSC, Graduate, Post-Graduate. The households were classified into four income categories - low: annual income below Rs. 3 lakhs (108 households), lower middle: annual income Rs. 3-6 lakhs (133 households), higher middle: annual income Rs.6-12 lakhs (86 households), Upper: annual income above Rs.12 lakhs (73 households). “Mumbai is doing well because of high
per capita income, and badly because huge disparities in income and possessions...economically Mumbai is the least homogeneous city” (MCGM, 2010) So, an effort was made to get adequate representation of each of the income group.

Chapter Five: Household Expenditure on Education

Various aspects of education covered in the sample data are analysed in this chapter. These include medium of instruction, the 10th standard examination board to which the school is affiliated to, different types of expenditures on education, education subsidy and many more. The information of 952 children from 400 households is presented in this chapter.

Out of 952 Children, 147 were in the school and 74 children were studying at the higher secondary level at the time of survey and remaining 731 were studying at the degree college level. The competition in education/career field has become unfair due to the socio-economic disparities in India. According to the 71st Round NSSO data, in the urban India access to primary education is satisfactory across all the income groups but the access gap between the rich and the poor increases at the post higher secondary level of education. (NSSO 2015)

Given a choice, parents of all income group prefer to send their children to the English medium schools. Fluency in English is not only needed to get a decent job but it is also a necessary condition for the upward social mobility in the Indian society. About 90% households in the sample, sent at least one child for private tuition at the school level. At the higher secondary and the degree college level the first preference was given to the government aided colleges. This is because the quality of the private sector higher education institutions is not up to the mark and these institutions also charge much higher fees than that of aided institutions. About 66% children surveyed were studying in the aided colleges/institutions and paid fees less than Rs.10000 per year. Private tuition class expenditures in case of science faculty students was observed to be enormous at the higher secondary level. In fact, to avoid this expenditure many students prefer non-science stream after 10th standard. The graduation programme that students choose depends on his/her academic calibre and his/her socio-economic background. About 66% of students chose the cheapest conventional degree programmes. About 55% degree college students were studying in the aided segment. The popularity of the self-financing programmes such as BMM, BMS, BBI has increased over the years. The proportion of students going for any tuition classes dwindles substantially at the college level. Only about 30% students
reported taking tuitions for one or more subjects at the degree college level. About 57% of the children and 80% of the households recorded ‘the other’ expenditure that helps children to become employment ready. This expenditure was not evenly distributed among all the children in the family. About 58% of the households were aware of the education subsidy. After being explained the meaning of the education subsidy, 90% households stated that education subsidy should be targeted.

**Chapter Six: Economics of Education at the Household Level**

In this chapter, the sample data is analysed to study the relation between different socio-economic features of the households and the different types of expenditures on education. Income of the family, parents’ education, caste, religion and gender are some of the factors that may influence different types of expenditures on education. All the major types of expenditures from the first standard up to graduation level were considered for the study and statistical techniques like cross tabulation, chi-square testing was used to analyse the data. The results are summarised below.

<table>
<thead>
<tr>
<th>Type of Education Expenditures</th>
<th>Mean</th>
<th>Median</th>
</tr>
</thead>
<tbody>
<tr>
<td>School Fees</td>
<td>13000</td>
<td></td>
</tr>
<tr>
<td>Coaching Class</td>
<td>22500</td>
<td></td>
</tr>
<tr>
<td>Fee HSC</td>
<td>25000</td>
<td></td>
</tr>
<tr>
<td>College Fee</td>
<td>28000</td>
<td></td>
</tr>
<tr>
<td>Coaching Class</td>
<td>30000</td>
<td></td>
</tr>
<tr>
<td>College Fees</td>
<td>35000</td>
<td></td>
</tr>
<tr>
<td>Travel</td>
<td>24000</td>
<td></td>
</tr>
<tr>
<td>Food</td>
<td>22000</td>
<td></td>
</tr>
<tr>
<td>Other Exp</td>
<td>15000</td>
<td></td>
</tr>
<tr>
<td>Cell Phone</td>
<td>6000</td>
<td></td>
</tr>
</tbody>
</table>

Source: Compiled by the researcher based on the sample data

In the Chart above ten types of expenditures on education per child, per year are presented. (all expenditures rounded up) The list of the expenditures is as follows-1. The School Fees 2. Coaching/tuition class expenditure at school level 3. Fees at the higher Secondary level 4. Coaching/tuition class expenditure at the higher secondary level 5. College fees
6. Coaching/tuition class expenditure at college level 7. Travelling for education purpose 8. Expenditure on the outside food consumed during college or coaching class hours. 9. Other expenditure on various types of training/coaching that helps children becoming employment ready 10. Cell phone expenditure. It is apparent that for almost all types of expenditures, the mean expenditure is more than the median expenditure and the difference between the two for some categories is substantial. This indicates higher values of expenditures for the third and the fourth quartile of the data indicating inequality in the expenditure patterns.

Some important results:

There is an association between income of the household and the number of children in the households. The age old established fact that poor tend to have more children was observed in the sample data. Desire to have at least one male child was observed to be the cause of having more than two children in some households.

The gender issue was also considered while analysing the data. The important facts that emerged out of analysis are- In case of male children, household income and the choice of degree programme were not related but there was an association between income group and the degree programme chosen by female children. Majority of the female children from lower income groups were found to have enrolled in the least expensive conventional degree programme. At the level of higher income group this bias was not observed.

The rank of the expenditure on education in the total household expenditures was analysed with respect to the language, religion, caste and income of the household. Association was found between the language spoken at home and the rank given to the household expenditure on education (only three main languages considered for the purpose). No association was found between rank given to the education expenditure and the religion of the household; but there was an association between religion and the income of the household. Same results were observed in case of the caste. Education level of both the parents was not found to have any association with the rank given to the expenditure on education. But education level of both the parents and income level of the family are associated. Similarly, both the parents’ occupation and the income group of the family are related.

There was an association between income of the household and the percentage of income spent on education. Same result was observed in the case of religion. But there is no
association between caste and the percentage income spent on education Association was also found between medium of instruction at the school level and the income of the household.

Access to Information and Communication Technology (ICT) was also associated with the income of the family.

There is an association between income of the household and the school fees paid per child but the fees paid at the higher secondary level and the income of the household are not related.

Private tuition class expenditure at the higher secondary level and the income of the household are related. Private tuition class expenditure at the degree college level and the income of the household are not related.

College fee and income of the household are related

There is an association between travelling expenditure for education purpose, outside food expenditure during education hours, cell phone expenditures per child and the income of the household. (each expenditure was tested separately)

‘Other expenditures’ on education and the income of the household are associated.

Association between all the expenditures mentioned above (except travel, food and cell phone) was also analysed with reference to the religion and the caste of the household. It was observed that association exists between religion and school private tuition fees, higher secondary private tuition fees, college fees and ‘the other’ expenditures. Religion was not associated with school fees, higher secondary fees and college private tuition fees.

In case of the caste of the household an association was found between caste and school fees, school private tuition fees, higher secondary private tuition fees, college fees. The caste was not associated with Higher Secondary fees, college private tuition fees and ‘the other’ expenditures. Higher Secondary fees and college private tuition fees are not associated with all the three i.e. income, religion and caste. All the remaining expenditures are associated with at least two factors out of the three mentioned above. School private tuition, Higher Secondary private tuitions and college fees are associated with all the three-income, religion, caste. All most all types of education expenditures are associated with the income of the household. Socio-cultural features of the household such as caste, religion, parents’ education and occupation are also related to the income of the household. Some of
these features can have an impact on the child’s academic profile. So, directly as well as indirectly income of the household plays a crucial role in shaping the academic and employment market profile of the children. Children belonging to the high and higher middle-income groups are decisively at the advantageous position compared to the children belonging to the low and lower middle-income groups. This disadvantage gets aggravated if these children also belong to the socially disadvantaged groups. Availability of subsidised education from the primary to the PG level does not seem to have enough impact in creating the level playing field.

**Chapter Seven: Summary and Conclusion**

This chapter summarise all the findings of the previous chapters and concludes the analysis.

**The Findings:**

The government provides subsidised education at all levels-primary to tertiary, with the intention to create a level playing field for the children of all the income groups. This relieves the burden of school and college fees substantially if children study in the government aided institutions. In the sample about 40% students were studying at unaided private schools. Unfortunately, at the school level very few parents willingly send their children to the government schools. Most of the parents prefer private sector English medium schools(aided/unaided). The gap between the ‘haves’ and ‘have-nots’ starts right at the school level. The private tuition class fees are an additional burden that parents bear especially at the school and the higher secondary level. As per the sample data about 90% of the households sent at least one child for the private tuitions at the school level and about 87% households at the higher secondary level. Students from expensive good quality private schools also attend private tuition classes. The reason for this is ever increasing college admission cut-off marks and the cut-throat competition students face in the competitive examinations. These private tuition expenses affect the choice of the career stream at the higher secondary level. Because of this children from low income households prefer arts and commerce faculty. At the degree college level about 45% students surveyed studied in the unaided colleges/programmes. About 40% households sent at least one child for the private tuitions at the degree college level. Besides this parents from the upper income groups also send their children for various grooming classes, sports coaching, hobby classes, foreign language courses etc. to make them smart and confident so they excel in all the personality tests conducted in the employment market. All the expenses
described above are voluntary private expenditures that were observed to be associated with the income of the household. Because of the peculiar geography of the Mumbai many students need to travel a lot for the education purpose. This not only increases travel expenditure but indirectly increases expenditure on the food also as children remain away from their homes for long hours due to college and tuition classes. Upper class parents spend huge amounts for almost every category of expenditure compare to that of their low-income group counterparts. So, the competition in the field of education is the competition between the two generation. The economic disparity gets aggravated also because of the socio-cultural factors such as education level of parents, occupation of the parents, locality in which the child lives, caste, religion etc. At the degree college level, all income groups prefer government aided institutions so apparently there is level playing field for all the income group children. But this equality is elusive. By the time children enter the degree college they have already internalised their relative socio-economic advantage/disadvantage due to the disparity in the socio-economic status of their parents. Subsidised education at the degree college level cannot reduce the inequality that gets created at the pre-university level. Some efforts are made to bridge this gap by the government and private individuals/organisations. For example, ‘Super 30’ programme of Mr. Anand Kumar that trains IIT aspirants, State Institute of administrative Careers ,C. D. Deshmukh Institute of Administrative Careers both train civil service aspirants. But these efforts are too inadequate and need to be increased at the exponential rate.

**Important suggestions to the government:**

1. Policy of the targeted subsidy should be introduced at all levels of education. To make the policy loophole proof composite index to determine economic status of the student should be constructed. This will also encourage students/parents to act as a pressure group in reforming the education system and make it more accountable. The additional money collected through fees can be used mainly for two purposes-a. To conduct activities that will help low income group students to become employment ready b. Increase the salaries paid to teachers working on the contract basis.

2. Parents/students/employers -all on the demand side of the education ,do not consider the NAAC grade given to the college/university as an indicator of the quality. The entire NAAC evaluation procedure requires a lot of time and energy of teachers and non-teaching staff. This energy can be channelized for the more constructive/creative purposes.
Effectiveness of the NAAC evaluation as a quality control mechanism is a big question mark. The government should rethink about this policy. The Academic Performance Index based promotion policy for teachers is equally debatable. This policy keeps teachers busy without having any impact on his/her accountability to the students. Institutions/teachers should be encouraged to develop their own action plan for the reforms that takes cognisance of the institution specific social, cultural and economic factors.

**Suggestions to the other stakeholders:**

1. Huge pool of retired committed teachers interested in ‘making the difference’ can be used for conducting activates suggested above for the low-income group students. NGOs, Principals of the colleges, Corporates under their CSR programme can be mobilising agents.

2. The demand side of the education-parents/students and employers also need to be proactive. Dissatisfied parents/students bypass the education system and prefer to depend more on the parallel education system. They should be ready to play their role in making the system accountable. The quality improvement is normally the result of the consumer feedback and the supply side response to it. In the seller’s market both sides function inefficiently -demand side in creating pressure through feedback and supply side in responding to the feedback. Subsidised commodities sold in the seller’s market is no more a reality in the post 1990s period. Both the sides of the education sector-supply and demand need to respond appropriately to the threats and the opportunities created by the more privatised and globalised national as well as world economy.

**References**


