ABSTRACT

Education is a basic component of human capital. Efforts have been made to improve the education levels in India ever since planning has been introduced. When these efforts were not very effective in reaching higher levels of education in the country, Sarva Siksha Abhiyan (SSA) was introduced in a mission mode to reach the goal of Universal Elementary Education (UEE). After the introduction of SSA, the funds flow to elementary education has increased considerably. But utilization of these funds is a question to be addressed in order to understand the efficiency of the system. Given the scarcity of resources it is obligatory on the part of the government to improve the efficiency of resources along with improvement in transparency, accountability and ensuring community participation to achieve the goal of UEE. An attempt is being made in the present study to analyze the trends in financing of education and estimate the efficiency of states in public expenditure on elementary education at the macro level and transparency and accountability issues at the micro level.

The study is based on both secondary and primary data. Macro level analysis concerning the states in India is based on the secondary data collected from various sources. Data Envelopment Analysis (DEA) is carried out to estimate the efficiency of respective states. Factors influencing the differential efficiencies are estimated with regression analysis. On the other hand micro analysis is based on the survey conducted in three sample districts viz., Udupi, Mysore and Chamarajanagar districts. Transparency and accountability issues at the school level and intra-school variation were analyzed with primary data collected from sample schools.

From the secondary data it was found that the expenditure on education was only Rs. 153 crores during I five year plan and it increased to Rs. 238608 crores by XI five year plan period. Multiple regression model proved that, on an average Rs. one crore increase in total educational expenditure leads to Rs. 21 lakh increase in expenditure on elementary education. On the other hand, Rs. one crore increase in GDP increases expenditure on elementary education by Rs. 70,000 per year. The budgeted expenditure on elementary education at all India level substantially improved from Rs. 302.22 crore in 1990-95 to Rs.1541.85 crores in 2005-10. The multiple regression results show that
literacy, utilization of funds and poverty are significant determinants of the educational outcomes.

The summary of Malmquist result of Model-1 estimated that mean Total Factor Productivity (TFP) is 0.834. TFP of inputs at all India level for 5-year period decreased by 17%. The Tobit regression model of TFP shows that among other variables, the GSDP and literacy rate have positive influence on TFP, while density of population and poverty are negatively associated with TFP. Further, the Tobit regression model of technical efficiency suggests that increase in GSDP is likely to increase the technical efficiency while density of population is likely to reduce technical efficiency.

From the primary analysis it is observed that around 90% of teachers in all districts opined that TLM has a positive impact on their teaching. Compared to urban schools more number of rural schools in all districts experienced delay in receiving SSA funds. Compared to urban schools, more number of HMs (29.3 %) in rural schools visited higher authority for releasing funds. Among the issues discussed in the meetings civil work was the most priority issue for all SDMCs where 82.9% of SDMCs gave top priority for civil work.

The important suggestions that emerged out of the study are that due to inter-state differences in socio economic status, state specific guidelines or more flexibility for making appropriate changes in the overall implementation strategy for efficient utilization of scarce resources is important. In depth state specific studies are to be initiated to identify the differences in utilization of funds and factors responsible for efficiency in utilization so that appropriate flexibility component can be introduced in the overall intervention strategies. Further, the structure of SDMC needs to be modified giving more representation to teachers and parents in order to ensure accountability and transparency in schools.