CHAPTER I

INTRODUCTION

“If education had to be limited to men or women, the opportunity would be given to women, for then it would surely be passed on to the next generation”.

- UNIVERSITY EDUCATION COMMISSION, 1949
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1.1 INTRODUCTION

Economic development has become an objective to be attained by conscious planned endeavor by the state in all countries—whether developed or underdeveloped, communist or non-communist. Economic development is after all an instrument for enriching human life and is by no means an end in itself. Economic development is dynamic, and is the result of non-material factors, and takes place from within\(^1\).

The concept of growth has evolved in countries that have already developed. In advanced countries much of what the developing countries are trying to achieve is already an accomplished fact. They don't have to fight illiteracy, they don't have the problems of altering the structural framework of the economy, of changing attitude of the mind and outlook born of tradition\(^2\). These countries have already built up what is known as the infrastructure—an adequate system of transport, communication and power. They are in other words, already developed. They have growth, higher production and higher incomes. These countries can judge their performance, from year to year, by the actual rate of growth achieved. Developing countries have to concentrate not only on growth but also on building up the potential for growth\(^3\).
When it comes to the creation of this potential, the sources of change or socio-economic transformation have to be identified. While the context may provide the dressing, the core of the policies has to be traced from the accumulated wisdom.

Accordingly, in the developing countries, increasing attention has been given to the investment in “Human Capital”, recognizing the fact that growth does not depend solely on material input alone but more importantly on the availability of manpower needed for modern methods of production. A developing economy can hardly afford low rates of utilization, competing and compelling demands on capital. As investment in human capital makes it possible to take advantage of technical progress as well as to continue that progress. Human development is the need of every developing country. Hence arises the importance of health and education. Giving young people more education is more useful than giving them some money.

The instrumental role of education for accelerated development is in fact now well recognized. The construction miracles of Japan and Germany after the second world war were made possible simply because of the enterprises, skills and knowledge of the people of these countries. With these three, no bottleneck in development can prove intractable. It is the realization of this fact which has led to the general consensus at present with regard to the high priority for education, research and human
resource development should be given in any scheme of development. Hence, arises the importance of human development. The principal forms of direct investment in human beings are Health, Nutrition, Sanitation, Education and Training, and other welfare programmes.

Training, according to dictionary, means, "instruction and discipline in a particular art, profession or occupation". It aims at preparing people to do their job correctly and efficiently. It is the traditional method of skill learning which is designed to maximize learning under the supervision of a trained instructor, providing him practical application and making concepts of learning meaningful and realistic.

The development concerns of the present India can be stated in terms of the 8th five year plan. The plan document (Page-9) lists the following:-

i) Generation of adequate employment to achieve near full employment level by the turn of the century.

ii) Containment of population growth through people's active cooperation and an effective scheme of incentives and disincentives.

iii) Universalisation of elementary education and complete eradication of illiteracy among the people in the age group of 15 to 35 years.
iv) Provision of safe drinking water and primary health care facilities including immunization, accessible to all the villages and the entire population and complete elimination of scavenging.

v) Growth and diversification of agriculture to achieve self-sufficiency in food and generate surpluses for exports.

vi) Strengthening the infrastructure (energy, transport, communication, irrigation) in order to support the growth process on a sustainable basis.

Out of these six objectives, the first four can be directly related with human development. The then Prime Minister P.V. Narsimha Rao, succinctly stated in the plan that “Human development in all its many facets is the ultimate goal of the Eighth Plan”\(^9\).

According to Pranab Mukherjee, the then Deputy Chairman Planning Commission, “The Eighth Plan recognizes the essential need to involve people in the process of development, people must operate and Government must cooperate”. Again he emphasises, “The plan recognizes ‘human development’ as the core of all developmental effort. It is only healthy and educated people who can contribute to human well being. The priority sectors of the plans that contribute towards realization of this goal are health, education, literacy and basic needs including drinking water, housing and programmes for the weaker sections”. But it is not a
novel concern. Way back in the 1950's our planners adopted “preferring social gain instead of private profit”. The First Five Year Plan observed that the “central objective of planning in India at the present stage is to initiate a process of development which will raise living standards and open out to the people new opportunities for a richer and more varied life” (p.28) and “We have not only to build up a productive machine-though this is no doubt a necessary condition for development, but also have at the same time to improve health, sanitation and education and social conditions for vigorous cultural activities. Planning must mean coordinated development in all these fields” (p.29). However, due to resource limitation in the early decades after independence, the sphere of social services did not get due allocation required during the period.

The needs of the population for education, health and nutrition and other social services were so large that what could be achieved through financial investment by public authority was limited.

Hence the ultimate goal since the very first plan to raise the quality of life though the priority sector has remained changing. The plan which has emphasized directly on the advancement of Indian population and given due weightage to all the three components of human development, is the contemporary one. It is indeed surprising. Today's India even after half century of her freedom is an underdeveloped/developing, dualistic and second
largest populated country with landscape of just 2.4 percent of the total world area. The main problem in India is of “Human development”. No doubt, the Indian planners have been caring for the standards of life since the first Five Year plan but the concept of human development got its due attention only after 1990.

Human development emphasizes on the development of man. According to the concept, “development has to be woven around people by the people and for the people” 10. First aspect signifies the investment for education, health, nutrition and social well being of the people, so that the people may be able to play their satisfactory role in the society’s economic, political and social activities of life. The second implies the “participation” by all people in the processes that affected their life. And the last aspect indicates that development must satisfy everyone’s needs and provide opportunities for all. Human development is “a process of enlarging people’s choices. In principle, these choices can be infinite and change over time. But at all levels of development, three essential ones are: people to lead a long and healthy life, to acquire knowledge and to have access to resources needed for decent standard of living”11. If these choices are not available many other opportunities remain inaccessible. The definition concentrates upon the three key components-longevity, literacy and income or access to resources for the decent living standard.
So health and education become the two major forms of human capital. While lot of work has been done on education in India, very few research studies have touched the area of health. This is the main motivation for undertaking work in this field.

Good health, however, is a fundamental goal of development as well as a means of accelerating it. Targetting health's part of development efforts is an effective way to improve welfare in low income countries\textsuperscript{12}. Health programmes increase the numbers in the working force as well as the quality of labour's product. Hence the impact of health services on health has got its own importance. Good health is clearly something consumers desire for itself. In addition, better health may contribute to the productive capacity of the economy\textsuperscript{13}.

Greater emphasis is now given to health in our society. There exists a critical need for health manpower that is adequate number of able people possessing many skills and using these in the right places. The number of people involved in providing health services and the type of skills that they possess has increased tremendously in the last, say, 50 years. There is a greater demand for better health care because of continuing increase in our population. Hence health related manpower is increasing and it plays an important role in providing health services\textsuperscript{14}. Nursing manpower is an excellent asset which has a lot of potential these days.
As far as human resource development is concerned, nursing profession and its potential is a largely unexplored area, particularly in India.

Nursing manpower is one of the important curative manpower in health. Without nursing staff, the success of any surgery is not possible and the post operative services are also the most important services. It hardly needs any justification that nursing is a profession most suitable to women as exemplified by the well known story of Florence Nightingale. She showed the world the potential of nursing not merely as a profession but also as a vocation15.

By nursing we mean providing physical, psychological and social care in a variety of settings. Nursing services comprise of activities like dealing with patient, his / her family members, caring for and restoring an individual to optimal physical and mental health and coordinating the rehabilitation of those who are ill16. Nursing profession is a multi disciplinary profession and all the disciplines of social and health sciences are allied to nursing profession.

Health care is the basic need of all the human beings. To meet the goal of ‘Health for all by 2000 AD’, health related agencies the world over are taking appropriate steps. Good health increases economic productivity of individuals and the
economic growth rate of countries. Investing in health is one of the means of accelerating development. 

Our constitution gives equal status to women. Nursing is a noble profession, specially suited to women. By adopting this profession, women resources can be greatly improved. Haryana Government has also made policy for strengthening the human resource.

This study has been formulated to know about the facts of nursing manpower and to provide a better survival prospects and the development of their profession. India’s progress is closely related with the healthy labour class and health services are provided with all the health departments including doctors and nurses and all the paramedical staff. Nursing staff plays a vital role in providing treatment and other jobs distributed to them.

1.2 THE ROLE OF HEALTH IN THE INDIAN MODEL OF DEVELOPMENT

Over the past forty years, life expectancy has improved. In 1950 life expectancy in developing countries was forty years but by 1990 it had increased to sixty three years. In 1950, twenty eight of every 100 children died before their fifth birthday but by 1990 the number had fallen to ten. Smallpox which killed more than 5 million people annually in the early 1950s has been eradicated almost completely. Vaccines have drastically reduced the incidence of Measles and Polio. Not only do these improvements
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translate into direct and significant gains in well being, but they also reduce the economic burden imposed by unhealthy workers and sick or absent school children. These successes have come about in past because of growing incomes and increasing education around the globe and in part because of Government’s efforts to expand health services which moreover have been enriched by technical progress. 20

Despite these remarkable improvements, enormous health problems remain. Now the question arises, “Why health matters?” and “How nursing training can reduce the state’s burden of diseases?”. Good health as people know from their own experience is a crucial part of well being, but spending on health can also be justified on purely economic grounds. Improved health contributes to economic growth in four ways. It reduces production losses caused by worker’s illness, it permits the use of natural resources that had been totally or nearly inaccessible because of disease. It increases the enrolment of children in school and makes them better learners and it makes available for alternative uses resources that would otherwise have to be spent on treating illness. 21 The economic gains are relatively greater for poor people who are typically the most handicapped by ill health and who stand to gain the most from the development of underutilised natural resources. The most obvious sources of gains are fewer workdays
lost due to illness, increased productivity, greater opportunities to obtain better paying jobs, and longer working lives.

Health and nutrition problems affect a child's ability to learn. Nutritional deficiencies in early childhood can lead to long lasting problems and nursing training can provide adequate knowledge of this to each family of the state by its package programmes.\(^\text{22}\)

AIDS is another example. Although it remains much less common in the developing world than diseases such as Malaria, its economic impact per case is greater for two reasons. It mainly affects adults in their most productive years, and the infections resulting from it lead to heavy demand for expensive health care. For example, individuals with AIDS are typically more prone to Pneumonia, Diarrhoea and Tuberculosis, and the cost of medical care is high even though there is no effective treatment as yet for this disease itself. Here comes the significant role of the nursing staff which can lessen the state's burden of diseases and decrease the mortality rate. Hence the key developments are schooling, particularly of girls and a flexible responsive health system able to provide the necessary preventive and curative care.\(^\text{23}\)

Human development is thus a process of enlarging people's choices. But at all levels of development, the three essential ones are for people to lead a long and healthy life, to acquire knowledge and to have access to resources needed for a
decent standard of living. People are the real wealth of the nation. The basic objective of development is to create an enabling environment for people to enjoy long, healthy and creative life.

In other words, Human development has two sides—the formation of human capabilities such as improved health, knowledge and skills, and the use people make of their acquired capabilities for leisure, productive purposes or being active in cultural, social and political affairs. If the scales of human development don't finally balance the two sides, considerable human frustration may result.

1.3 NEED OF THE PRESENT STUDY

The historical background given above reveals that investment in nursing manpower is justified not only on economic ground but also on moral and social grounds. For the present study, we propose to examine in detail the investment in nursing training in Haryana (India).

The most outstanding characteristic of any research is that it must contribute something new to the development of the area concerned. The present study is also a significant attempt in the area of economics of health education.

In the current economic situation, the magnitude of resources allocated to health education and nursing training has increased in India significantly since independence. But there have
been only a few studies to examine the processes and patterns of allocation of resources on nursing training especially for women.

This research work draws one's attention to the resources allocated to nursing training. Today, after defence services, the country spends the second highest amount on education and health. Therefore, the present study is a genuine attempt to raise the questions like whether resources allocated to this field are efficiently used?, Are we getting the satisfactory returns from investment in education and training?, Is investment in education or nursing training of women as productive as other sectors of the economy?, Is there genuine need to allocate more financial resources to education and nursing training?

As in the current economic scenario, there has been increasing demand for nursing and professional education and therefore, the same requires more financial resources. But still there has been scarcity of financial resources and there has also been resistance in providing extra resources for education and nursing training by policy makers. Therefore, the present study lays stress on mobilization of existing resources so as to meet the objective of cost reduction and increased efficiency. Of course, the government is making investment to convert the depreciated human capital into working human capital but the returns of investment are low due to lack of proper planning and non utilization of trained workers in an
effective manner. So what is necessary is the proper manpower planning to get maximum returns from investment.

Previously, the theories of capital and investment were much concentrated on investment in physical capital, such as buildings, factories and machines which generate income in the form of production of goods and services. But of late many economists believed in the relationship between education, training and economy and pointed out that education and training create assets in the form of knowledge and skills which improve the productivity of manpower. Education is being regarded as an industry now a days and is being considered to be a right investment keeping in view the returns it provides. The present study examines whether expenditure on education and training could be regarded as a form of investment that promises future benefits.

Government of India has recently introduced the concept of liberal economy. Due to liberalization, a number of multinational companies of different trades have made a beginning in India. Now Indian industrialists have to face a tough competition with these big giants. Indian companies have to improve the standards of their products so as to make their standings in the international market. India, being the second largest populated country of the world, has a huge man power and with the start of the era of industrialization under liberal economy concept, a lot of job opportunities will be available only for skilled workers. Therefore,
the present study has its implication for educational planner and policy makers and emphasize the need for nursing and technical education or training in case of women who significantly contribute in the national development.

Haryana was carved out from the composite state of Punjab in November 1966. It is a small state with an area of 44,212 square kilometers. The state of Haryana, administratively, has been divided into four divisions, 17 districts, 45 sub divisions and 111 blocks. The present population is estimated around 164 millions. The density of population is 372 persons per square kilometer.

The present birth and death rates are 30 and 8 per thousand. Infant mortality rate is 68 per thousand. The population growth rate is 2.56 percent per annum. The expectation of life is estimated at 61.41 years for males and 59.55 years for females. The literacy rates amongst males and females are 48.20 percent and 22.72 percent respectively. Literacy rate is particularly low amongst the rural females-it being only 15.37 percent.

Haryana is predominantly an agrarian state which has 74 percent of its population in rural areas.

The state has taken big strides in developing the health infrastructure for the health care delivery system. There were only 510 sub centers, 280 dispensaries (140 Allopathic, 120 Ayurvedic and 19 Unani), 88 primary Health Centers and 58 Hospitals in 1966, at the time of creation of the state. Since then,
there has been a constant expansion in the health facilities particularly in the rural and backward areas of the state.

Armeane M. Choksi, Vice President for Human Capital Development at the World Bank, after the Beijing Conference said, “Nothing contributes more to economic growth than investing in women……...Investing in women is at the center of the (World) Bank’s policy of developing human capital”. Even if this quotation overstates the results from focusing on women, the need for doing so is abundantly clear.

It is evident from the review of literature that economists had realized the importance of investment in human capital at quite an early stage. Also, that training in the form of learning is regarded as a major component of human capital formation in the seminal general theory of investment in human beings as first promulgated by Gary Backer in 1962 and elaborated thereafter. But there is still a dearth of empirical studies dealing explicitly with the efficiency of investment in this field. We therefore, start with the proposition of providing further empirical verification on a larger sample to the well established fact that investment in nursing training is economically efficient and justified and that it yields other external benefits which are though qualitative, yet these non economic benefits cannot be overlooked, as they play a vital role in the development of human resources.
With this end in mind, we have confined the present study to investment in nursing training in Haryana. The trainees are divided into various categories according to the duration of their training. Incomplete training has been regarded as no training.

1.4 MAIN OBJECTIVES OF THE STUDY

1. To review the literature on investment in human capital in general, and on investment in nursing training in particular.

2. Within the social and health related sector, what is the priority that is assigned to the paramedical staff.

3. To find out the nature and magnitude of nursing manpower in the state of Haryana.

4. To analyse the working of the special educational training institutions quantitatively and qualitatively.

5. To calculate the rate of return on nursing education.

6. To examine the economic rationale in investment in nursing education.

In the present study all the nursing colleges of Haryana except two have been chosen for empirical investigation.

1.5 PLAN OF THE STUDY

The following will be the order of the chapters of the study:

Chapter 1 This chapter deals with introduction, need and objectives of the study.
Chapter II
This chapter would comprise of review of the literature.

Chapter III
Methodology, concepts, and data bases of the study would be taken up in this chapter.

Chapter IV
Analytical study of unit cost of nursing training, rates of return for different types of training for different categories of nurses will be calculated to see how far the investment in nursing training is justified.

Chapter V
This chapter will focus on analysis of the World Bank project for strengthening the nursing training in Haryana.

Chapter VI
Socio economic characteristics of the ex-trainees are examined in this chapter.

Chapter VII
It summarizes the empirical findings and the conclusions drawn from the present study.
NOTES AND REFERENCES


