ABSTRACT

Universal primary enrollment has been one of the Millennium Development Goals since many years and many countries have devoted substantial efforts towards attaining this basic objective for all children. However, even today, low schooling persists even though market returns to education may appear to be high and direct costs seem to be quite low or negligible. The irony is that primary education is free, still, about 40% of the children who are entering first grade are the ones who actually complete five years of primary school. Only half of those children who are completing primary school education continue on to secondary school level. Even when children are enrolled, still low learning, as reflected in the just 63% pass rate at the primary-cycle examination by various official reports, is an important cause of concern (Tan 2005). In addition to low achievements, widespread student absenteeism especially in India during the school years suggests low effort on student’s on parent’s part as at this primary stage they are the decision makers.

Today, proper education is expensive because free and functioning public schools do not exist at many places, especially in the rural areas and in ghettos where mostly Muslim and SC, ST population is concentrated. And even when they do they are often free only in name (The Probe Report, 1999 & Kochar, 2000). People do not borrow to invest in education because human capital provides very poor collateral and it’s well known that credit markets function very poorly in the developing and underdeveloped countries. Most of the financial investment in education therefore has to be funded by the family by the parents will that depends on how they perceive education.

The common explanation offered behind the low educational attainment of Muslims is in terms of the value system characterizing Muslim society. The conservative attitude of Muslim parents, prevalence of purdah system, early marriage, reluctance to send daughters to school specially to co-educational institutions, and if women teachers are absent, and a preference for religious education leading to dependence on madrasas have been identified by many scholars as important factors in this context [Ansari 1989; Jehangir 1991; Ruhela 1998; Salamatullah 1994].
However, against this view, it can also be argued that Muslim parents do realize the value of education, however, time to time, evidences show that the costs and benefits of education to a Muslim child are different from other socio-religious categories. As for instance, a large proportion of the Muslim community belongs to the low-income section. As a result, they may find it difficult to finance the education of their children. In addition to it, Muslims also work in insecure jobs with variable or quite meager incomes. Because of all these constraints going on in the background exerting negative pressure, the resulting uncertainties may result in a reluctance to make long-term investments in education. The opportunity costs of educating children in the form of foregone returns from child labor or incomplete household chores are also some very important points that become important in the context of this study. Simultaneously, the expected perceived benefits from education are low due to tight conditions in the labor market. Further, one important factor is that Muslims perceive that the labor market is biased against them which also reduces their already low probability of securing work and access to education.

The present study will look into all the loopholes involved behind such a grim scenario of Muslims educational status as well as the direct and indirect impact of various factors affecting demand for education specifically among Muslims.

Looking particularly at the Muslim segment, the problems faced by them are a combination of those faced by the poor because, a large proportion of Muslims are poor, by all minorities and exclusively by Muslims. Any remedial measure therefore will have to deal with the interaction among these complex set of problems and their interaction. Issues faced by Muslims are multifaceted as they simultaneously face problems related to security, identity and equity. In the absence of hard unbiased data, one way of exploring the complex links between equity, identity and security related issues is to look at them through the lens of public perceptions towards all these. Muslims carry a double burden of being labeled as anti-nationalists and being appeased at the same time, as many studies suggest. The perception of discrimination among Muslims is widespread, leading to a sense of alienation among them thus seen by the community as an important cause of inequity. Backwardness in education is a key concern of the Muslim community. Limited access to good quality schools is a one of the major problems that affects female students more adversely. Discrimination and communalization of reading materials and school atmosphere adds to this
problem and aggravates the already worsened scenario. Madrasas (residential religious schools), at times, are the only source of education left to them, in the neighborhood. We also need to find some support for the hypothesis that parents underestimate the returns to education in part because they rely heavily on information on the returns within their own community, which are downwards biased due to residential segregation of most of the Muslim community by income.

The summary of Muslim community’s perceptions that directly impacts their demand for education highlights a process wherein identity based discrimination reduces access, enhances inequity and adds to insecurity. This security concern also reduces access and widens disparities. Thus, the interface among the three dimensions of the continuum identified is real and needs to be dealt with for any meaningful and sustained resolution of the problems that are being faced by the Muslim community.

However, relegating minorities and devoing them of their rights and rightful opportunities is one of the main culprit in the continuation of poverty, discrimination, prejudice and marginalization of a particular segment of society. Thus, it becomes very clear that for a country to prosper and flourish, the marginalized segments of the society have to be brought in the mainstream and the best way to do this is through educating them.

Thus, such a pathetic condition of Muslims attracts a lot of work to be done and grabs attention as to what are the major reasons behind such a grim scenario. This pathetic picture needs major steps to be taken in order to find out what actually constitute demand for schooling, whether it is the perceived returns from schooling or some other non-pecuniary factors or both.

The chosen district that is Aligarh district of Western U.P. shows low levels of schooling and high dropout rates at all levels of education. While there can be several explanations for low schooling such as credit constraints, high discount rates, low school quality and many others, my research work focuses on another possibility that is an information gap between perceived returns to schooling that is what people consider to be the returns and actual returns. Such a gap can exist due to costly gathering of information in isolated areas of developing countries. My research work documents this information gap in Aligarh district of western U.P. It would be seen as to whether households in Aligarh district appear to have imperfect information about
earnings associated with different levels of education, even in the presence of heterogeneous returns. It is documented that people choose low education when they think the return is low (Foster and Rosenzweig (1996) and Bils and Klenow (2000). Thus, it can be expected in the beginning that increasing perceived returns can strengthen incentives for schooling for those who may have initially underestimated the returns.

1.2 Objectives of the study:

Against this backdrop, the major purpose behind this study is:

“To attract policies, planning, institutional structures, capacity, public – private partnerships and co-ordination to achieve the right of all Muslim children to an education system, in regular provision alongside their peer, within an accessible, affordable, safe, of best quality and secure child–friendly learning environment where diversity is acknowledged & responded to and every effort is made to reduce barriers to participation and learning.”

This only can to ensure quality education that in turn will ensure the attainment of inclusive economic growth as well as development.

Major objectives include the following:

1. To find, understand and examine the factors that determine demand for schooling by Muslim parents for their children in Aligarh district.

2. To understand the expectations, perceptions and apprehensions of Muslim parents of Aligarh district regarding education system and suggest way outs to deal with it.

3. To acknowledge that it is necessary to understand individuals’ perception towards enrolment in schools in order to design appropriate and effective policies as a redress for low enrollment rates.

4. To ascertain various determinants of formation of perception as well as demand for schooling among Muslims of Aligarh district.

5. To study the deviation of perceived returns from estimated returns and understand the causes behind such deviations.
**Hypotheses:**

The major hypotheses of the study are as follows:

1. Educational decisions among Muslims are not dependent on their socio-economic status.

2. Muslims recognize the need and importance of education but, constraints in the form of factors reducing their perceived returns to education prevents the demand for education being translated into effective demand for education.

3. There is no impact of socio-economic factors of Muslims on expected earnings from various levels of education and job market expectations.

4. There is a significant impact of examples from within own community that is neighborhood and peers on demand for schooling among Muslims. And because mostly Muslims live in ghettos so this is downward biased.

5. There is a significant impact of apprehensions of Muslim community regarding discrimination in the labor market because of their religion and their poor financial status on their perception formation towards education system.

**Datasource and Research methodology:**

The methodology of research will be a survey based research, that is, it will be primarily based on primary data but alongwith it, secondary data sources will also be consulted to get a thorough glimpse of the condition of schooling and overall status of education in the study area that is Aligarh district. Initially, pilot survey will be done in the Muslim dominated patches of Aligarh district that is in Jeevangarh and Jamalpur area. This will be followed by the comprehensive primary data collection through intensive field surveys, interviews of Muslim parents and focus group discussions from four selected sampled villages. Secondary data collection will be done mainly through district statistical offices, reports, books, internet etc. Sample size will be of 300 Muslim parents from two blocks and four villages of Aligarh district. The type of sampling used will be purposive, multi-stage as well as random. Purposive because the selection of blocks will be done on the basis of level of economic development and further selection of two villages from each block will also be done on the basis of literacy rate. Multi-stage sampling because the data collected
will be at the block level then at the village level and then will come down to single unit from all four villages. Purposive random sampling will be followed as only Muslim families will be selected on random basis. Different statistical tools will be used in the following chapters for the analysis of the collected data. The major tools to be used will be factor analysis, chi-square test, spearman’s correlation test and Monte-Carlo parallel analysis.

The sequence in which the factor extraction will be completed and final hypothesis testing will be done is, first exploratory factor analysis is to be conducted after the normality and factorability check. Having extracted the factors and checking their reliability through Cronbach’s alpha value, the next step will be the confirmatory factor analysis (CFA) on AMOS (Analysis of Moment structure) software. The factors extracted from EFA will be used to conduct CFA. Path diagrams shall be drawn that display the cause and effect relationship between the latent and observed variables.

AMOS generates model fit statistics to access the overall fit. Having tested the model fit, the composite reliability, average variance extracted and discriminant validity will be calculated to find out if the model exhibits validity and reliability or not.

Further, structural equations modeling shall be conducted and the best part about it is that the final hypothesis testing can be done through it by using t-values or critical ratios and standardized regression weights. These are the major tools that will be used in the analysis of the collected data.

Softwares to be used in the whole analysis will be SPSS, AMOS, Excel and Monte Carlo software for parallel analysis.

**Significance of the study:**

Education is one of the most important indicators of progress of any nation and of humanity in general. It has a direct bearing on the standard of living in a society and also has very significant indirect effects due to its influence on labor market outcomes. In addition, it boosts the human capital of a nation and strongly influences economic progress in the long term.

This research is an attempt to add to an emerging body of data regarding the educational demand function. There has been an international trend in research on
education and involving a paradigm shift in the way education policy is conceived. While earlier it was understood as a supply problem, at the international level, in recent years the demand side has also received attention.

Such studies have been conducted in other countries and it has been found that on the one hand the perceived returns to education have a significant impact on the demand for education and on the other hand the perception regarding the returns to education is often less than the actual returns due to information asymmetries.

By providing empirical data relating to the growing body of research, this research attempts to further understanding of demand functions in emerging economies worldwide. In today’s economic scenario, most of global growth is coming from emerging economies, as the developed world struggles due to saturation of demand and troubles in the financial system. Therefore, understanding of the demand function is important in achieving long-term growth at the global level, as education is one of the biggest contributors to long-term growth.

Meanwhile, the developed world, by 2020, will have a shortage of 40 million working people (According to India’s new opportunity 2020 by All India Manpower Association). For the developed world, having difficulty to fill positions due to lack of suitable talent is a serious matter as it can cripple economic growth, escalate wage rates, thereby reducing competitiveness of these countries in the world market. Now, blessed with surplus workforce, India can meet this shortage. The Indian Constitution intends to assure Muslims and other Minorities equality of status and opportunities with other citizens to accelerate the process of educational and socio-economic justice. The Constitution of India grants the right to equality, right to Freedom of Religion, Protection of the interest of Minorities and Protection of Interests of Minorities with regard to Educational Rights.

Given that education fosters growth and development, promoting it is an important policy issue. To design appropriate and effective policies, it is necessary to understand individual’s (parents, society, to some extent children’s) decisions to get enrolled in schools. Although there has been some research in this field in recent years, it is very country specific. It is pertinent to carry out such research on education-related expectations in India.
A clear understanding of how the youth and their families undertake the schooling enrolment decision is critical in designing policy measures to boost the enrolment rate.

**Limitations of the study:**

1. Most of the responses like that of family income are not dependable.

2. Analyzing perception of respondents is a very challenging task as perceptions vary quite frequently so the results can’t be said to be perfect.

3. An important limitation in understanding perceived returns and the demand for schooling is the difficulty in eliciting the returns for youths of this age.

4. At many places lack of availability of data may come as a hindrance in drawing suitable conclusions.

5. The study is restricted only to two blocks and four villages so the results can’t be generalized for the whole district.

6. Sample of the study is small in order to get relevant and reliable results. With larger sample size, we would have been in a better position to generalize the results. However, due to time and resource constraint, we couldn’t perform this study on a larger sample size.

A replication of the study with better design, larger sample and more efficient tools would be surely rewarding.

**Scheme of work:**

The whole research work comprises of seven chapters:

**Chapter One:**
Chapter one is introductory in nature and gives a solid base to the whole work done. This chapter starts by explaining the whole background against which this study was started. While explaining the purpose of attempting this study, the chapter also elaborates upon the bleak and pathetic condition of Muslims education as compared to the other socio-religious categories with the help of suitable data. The chapter also focuses upon the illiteracy percentages as well as enrolment percentages of Muslim children at the primary as well as secondary levels and depicts the poor figure the data
pose. Against this backdrop, the chapter presents the objectives of the study, the research questions that it would attempt to answer and the hypotheses that it would be testing. Having described the methodology that would be adopted, the chapter ends by explaining the significance of the study, future research scope, limitations of the study and the proposed scheme of work.

Chapter Two:
In the second chapter review of related literature has been done comprehensively. More than thirty five articles were reviewed in order to have a good measure of the work done as well as the research gaps that needs to be filled. To get a more diverse picture the reviews were divided into two broad segments that is Indian study and international study. This way of conducting review was selected to analyze as to how much attention this subject of research has gained in Indian and in other countries. Having completed the review for various countries based on their level of development, the research was clearly jotted down to be pursued and filled in the further chapters. Some major gaps found were that very few perception based studies on education sector in India; scope of studies conducted limited to few states and particular segment. Further, no evidence of any such study for was found for U.P. or in the selected area i.e. Aligarh district, most of the related literature found was for higher education segment only, and no attempt was made to measure Muslims perceptions and no recent study was recorded.

Chapter three:
Chapter three presents the educational and socio-economic profile of the study area that is Aligarh district. The chapter starts with presenting the major district highlights from the 2011 Census. It constitutes the general characteristics of the district including its location and geographical area, topography, physical features, climate, administrative set up, physiographic regions, population distribution, density of population, sex-ratio, literacy rate, educational levels, religions followed etc. The chapter further discusses various indicators of educational as well as socio-economic development and on this basis also provides the status of villages chosen for the study under two blocks. Suitable statistics have been provided to show where the selected villages stand in comparison to the other villages of Aligarh district with respect to
education levels as well as the level of economic development. The data clearly shows that there is a direct relationship between level of literacy and development, as, those blocks that had higher literacy rates were flourishing in all major aspects of development as compared to those depicting lower educational status. The chapter ends by providing major district statistics to give an overview of the whole study area on various fronts.

Chapter four:

Chapter four elaborates the database and research methodology used in the research work. As this work is a survey based research, it is primarily based on primary data but alongwith it, secondary data sources are also consulted to get a thorough glimpse of the condition of schooling and overall status of education in the study area that is Aligarh district. Pilot survey is followed by the comprehensive primary data collection through intensive field surveys, interviews of Muslim parents and focus group discussions from four selected sampled villages. Secondary data collection is done mainly through district statistical offices, reports, books, internet etc. Sample size is of 300 Muslim parents from two blocks and four villages of Aligarh district. The type of sampling used is purposive, multi-stage as well as random. Purposive because the selection of blocks was done on the basis of level of economic development and further selection of two villages from each block was also done on the basis of literacy rate. Multi-stage sampling because the data collected was at the block level the at the village level and then came down to single unit from all four villages. Purposive random sampling was followed as only Muslim families were selected on random basis. Different statistical tools have been used in the following chapters for the analysis of the collected data. The major tools used are factor analysis, chi-square test, spearman’s correlation test and Monte-Carlo parallel analysis. The sequence in which the factor extraction was completed and final hypothesis testing was done was, first exploratory factor analysis was conducted after the normality and factorability check. Having extracted the factors and checking their reliability through Cronbach’s alpha value, the next step is the confirmatory factor analysis (CFA) on AMOS (Analysis of Moment structure) software. The factors extracted from EFA are used here to conduct CFA. Path diagrams are drawn that display the cause and effect relationship between the latent and observed variables. AMOS generates model fit statistics to access the overall fit. Having tested the model
fit, the composite reliability, average variance extracted and discriminant validity are calculated to find out if the model exhibit validity and reliability or not. The data collected showed very good model fit. Further, structural equations modeling is conducted and the best part about it is that the final hypothesis testing can be done through it by using t-values of critical ratios and standardized regression weights. These were the major tools used. Softwares used in the whole analysis were SPSS, AMOS, Excel and Monte Carlo.

Chapter five:

Chapter five provided detailed responses of all the respondents. The final questionnaire was divided into five parts to get a detailed picture of the problem area. The first part looked into the socio-economic profile of the respondents. Majority of respondents were found to be involved in agriculture or as casual workers; of general category within the annual income of 75000-1lakh, with just primary or middle school literacy. Percentage of dropout among both girl as well as boy child were found to be quite high. Second part looks into the general perception of Muslim parents towards schooling. Majority of respondents agreed that with just secondary schooling, no decent job is possible; however, more than 50% blamed their minority status as the major reason behind their condition. Fear of educated unemployment was another fear expressed. The third part analyzed the importance accorded to education. Most felt that education is important but, they accorded high importance for male child. Job prospect came out to be the most important determining factor. In the fourth part, the respondents were asked to give their perceived returns to different levels of education in which they estimated almost similar returns from 8th to 12th level. Last and fifth part was about the driving factors towards demand for schooling. Academic reputation, educational programs, scholarships, mid-day meals and recommendations from other parents emerged out to be the most influential driving factors. Thus, these responses provided a glimpse of determinants of schooling among Muslim parents of Aligarh district.

Chapter six:

This chapter presents the results of primary data analysis and thus, helps in finding the factors that affect the schooling decisions by the Muslim parents of Aligarh district. Having run the exploratory factor analysis, the factors that were retained were
expected earnings of the parents, socio-economic conditions, job-market perceptions, example of peers and neighborhood and the apprehensions of Muslim parents regarding their minority status and fear of discrimination in job market. Reliability of all these were checked which came out to be well within the prescribed range. Moving forward with CFA on AMOS, path diagram was drawn to know the strength of association between variables. Further, the model was run to check the goodness of fit and the values pointed towards a good model fit. Psychometric properties of model were also tested to know the validity and reliability which was acceptable. Finally, under the structural equations modeling, path diagrams were drawn and model was run. Here too all nine indices of goodness of fit showed empirical support that overall, model fits the data well. The hypotheses were tested by looking at the critical ratios or t-values and standardized regression weights to test the significance.

**Chapter seven:**

Chapter seven is the final chapter of the research work. It provides with the summary of the whole work, major findings of the study and at the end in the light of all these provides useful policy recommendations to be followed.

**Major findings:**

From the comprehensive data collection and analysis of data in the light of the objectives and hypotheses that were set, the major research findings are as follows:

a. One of the most important and significant factor affecting parents decision making regarding demand for schooling is their socio-economic condition. How well Muslim parents perform on the socio-economic front clearly impacts their expectations from education.

b. Neighborhood and peers remain another important component behind formation of perception regarding education as well as job market expectations.

c. Fear among Muslims and their apprehensions about their minority status and discrimination in job market plays a significant role in affecting Muslim parents perception and then their demand for schooling.
d. From the survey and focus group discussions, it was found that separatism gives Muslim parents lack of choices, so they live in concentrated ghettos which leads to another problem of dissemination of imperfect information about various government schemes and returns to education. This also poses issues of access to schools as there are very few state sponsored schools in these ghettos.

e. Ghettoisation among Muslims takes a toll on girls access to education as, security issues emerged out to be the most important concern among parents, which further contributes to inequalities.

f. It was observed that deficits in participation in higher schooling is higher when parental education is lower and also when parents know fewer people both inside and outside their locality who have attained success through education.

g. Parents perceive a wide gap between what a male and female child can earn. The results showed clear bias in parents perceptions.

h. Regarding girls marriage, it was not marriage, uncertainty in earnings or social dogma, but, more than 60% respondents pointed out the security issue as schools were very far away and no arrangement of conveyance was available which can be one important policy recommendation.

i. Mid-day meal, government scholarships, incentives, good facilities, proper infrastructure and good sincere teachers were the most emphasized points raised by the respondents and most of the respondents did not have access to any of these.

Policy recommendations:

Thus, from the whole study it can be deducted that the issue is not just Muslims education but, a whole lot of complex multi-dimensional issues involved to it. Muslims perceptions interact with supply side constraints and conditions, various opportunities, attitudes and endowments to give rise to a whole new and different pattern of participation in education.
Now, to ameliorate such perception based conditions, a totally different set of policy status is required. Some of the policy recommendations are as follows:

a. Replacement of formal education at the secondary level by vocational training which may counteract the economic disincentives of seeking education by preparing Muslim boys and girls to be self-employed.

b. As the situation is pretty complex, so, actions have to be so strong that they strike at the perceived notions of Muslim parents directly and changes their trajectory of perception towards education and against biases in general.

c. Evolve an acceptable, transparent diversity index which may include Muslims status, gender and other elements depending on the context

d. The educational infrastructure of many schools is in an abysmal state and needs urgent attention

e. School within a reasonable distance of Muslim dominated habitations and by removing gender, socio-economic and disability barriers to education.

f. Special focus on micro planning and preference in opening schools in areas with concentrations of Muslims esp. in urban and rural ghettos.

g. Undertaking a special enrolment drive for the weaker sections, providing more female teachers in schools and separate toilet blocks for girls are some of the significant strategies

h. Outlay on education should be raised to a minimum level of 6% of GDP with immediate effect.

i. The separate needs for vocational/skills training, in large scale, are also imperative; additional financing, outside the 6% referred esp. for Muslims

j. Extension of mid-day meals and other incentives; accountability and teacher absenteeism check through ICT; conveyance and security issues to be targeted

k. The issue of extension of Clause 12 (1) (c) of RTE Act to minority institutions needs a review; the larger national obligations to meet the rights of economic weaker sections should extend to all institutions including minority (religious and linguistic) institutions
l. Timely interventions to ensure access of educationally deprived categories esp. Muslims
m. There must be greater co-ordination between different departments of government on school education policy, even while ensuring more autonomy to the local community in matters of day to day management of schools.

n. There is need for a national body to monitor the quality of both government and private schools, to ensure that minimum standards are met in terms of learning outcomes

o. The dignity of school teaching as a profession must be restored, and at the same time there should be transparent systems for ensuring accountability of school teachers. The training of school teachers is extremely inadequate and also poorly managed. Pre-service training needs to be improved and regulated, while systems for in-service training require expansion and major reform in all states.

p. Special strategies are required to ensure greater access to schools in backward regions, remote locations and difficult terrains

q. There is a need for durable changes. Firstly, are cognition that deprivation amongst the minorities exists due to systemic causes which can be set right only through broad based public policy initiatives, not entirely through special purpose vehicles such as the minority/Muslim/Christian oriented programs

r. By assisting Muslims to strive to access their share within the mainstream such as the regular ministries, departments and programs of government of India and many major states. Both union and state governments concerned and Muslim community can work in tandem to remove the situation of educational backwardness. As a matter of fact, Muslims have to reconcile themselves to the fact that there would exist some degree of discrimination against them despite the constitutional professions of equality of opportunity. They themselves had took some independent steps to ameliorate the situation, with opening of community schools being be one such step (Ahmad1981, 1457-1465)
**Future research scope:**

As a broader implication, this work suggests as to how much perceived returns to education comes into picture when making schooling decisions among Muslims. The work also looks into whether imperfect information exists regarding returns from education or not. As suggested in Foster and Rosenzweig (1996), market interventions to raise the market returns to education may be very effective in increasing education.

But still, there are several caveats and as yet unexplored issues that need to be addressed in further upcoming researches. One main caveat is that the results presented here shall reveal only the determinants of schooling decisions and the factors that finally affect the demand for schooling among Muslims. It will also present as to whether information gap is present or not regarding returns to different levels of schooling. However for further researches, It will be useful to follow the students in my sample to see if their enrollment in later school years increases because of the treatment provided in the study through statistics or a role model, and if they will complete the primary cycle and go on to secondary school after Grade 5. Collecting outcome data for other children in the same school would also shed light on spillovers of information. Given the strong direct effects of statistics, it is important to investigate in future research whether and how strongly such information spreads to affect schooling decisions of other children in the same family, and of those in other families through teachers or parents’ social networks. This important step could not be followed in my research due to time constraint.

This research work is relevant not just from the economics point of view, but also from several other social sciences such as sociology, social psychology, science etc. The field of education deals with efficient and effective delivery of education in order to ensure educational attainment outcomes. Earlier, the problem of education was understood to be a supply side mechanism and research was focused in that direction. Over the past few years, however, an emerging body of evidence indicates that the education demand function is more important than previously thought of. Studies have shown that the returns to education are the biggest determinant of the education demand function. Researches have also shown that it is often the case that the perceived return to education is different (usually less than) from the actual returns to education. In such a scenario, it becomes imperative to address the information
asymmetry due to which this misperception arises, in order to boost the education demand function and match it with supply. This should be responsibility of public policy in its endeavor to achieve higher educational attainment. A vivid understanding of how perceived returns to education influence the demand for schooling and how information asymmetries can be addressed; public policy can be made more effective for achieving educational goals.

In the context of the research topic, sociological processes manifest in mainly two ways. Firstly, it impacts how the returns to education are determined in the social context. It must be mentioned here that these returns are not just influenced by labor market outcomes, but also by other social factors such as marriage market outcomes. Secondly, the development of a perception regarding the return to education is a social phenomenon, totally non-pecuniary in nature, which is influenced by the transfer of information and presence of several influencers, particularly within the family and the neighboring society. This research would attract more researches and investigation of these sociological processes to study them as part of the overall scheme. This will make the research work of interest to sociologists as well.

The way in which households perceive the returns to education and how it influences their decision-making processes falls under the domain of social psychology as well. It involves group dynamics and influence of multiple individuals on the perception formation and decision-making processes too.

Thus, this work is just the first step in this direction. The scope for future research in this direction is enormous and hopefully this work will provide an impetus to many more works that can fill the gaps that this work couldn’t due to time and many other constraints.