Chapter One
INTRODUCTION

The nexus between education and affluence has teased the brains of thinkers even from Smith to Sen. Expenditure incurred in the creation of human capital has been regarded as the prominent source of growth now a days. While Smith regarded it as the acquired and useful articles of all inhabitants, Marshall viewed it as the most valuable capital, which will reduce even the unnecessary growth of population according to Malthus. In other words, since many decades, the focus has been on the issues of how the efforts of the governments to invest in education will generate more welfare to the nation. In this regard attempts of Schultz (1961)\(^1\), Blaug (1970)\(^2\), Nallagonda (1967)\(^3\), Panchamukhi (1964)\(^4\), and Rao (1966)\(^5\) were laudable. Though, there has been difference of opinion with regard to the magnitude of benefit, hardly there has been any disagreement as on the positive impact of investment on education.

The origin and growth of distance education has its roots in the familiar circle to be squared: i.e. the development imperative of providing health and education facilities to the people in the poor countries, which they can hardly afford and without which they cannot develop the economic resources. (Macmillan, 1938)\(^6\) Open and distance learning has grown within a more general expansion of education. Since 1960s there has been rapid expansion of social and educational sectors in both the
developed and developing countries. This colossal expansion of demand-driven nature had the human achievement of filling the educational cup half full. By the late 1960s it was widely felt that it would be difficult to sustain the educational expansion. According to Coombs (1985) there was a quantitative mismatch between the social demand for education and the means for meeting it, as the developing countries of the world met unprecedented set of demands. According to Perraton (2000) the developing countries needed to expand education in response to mounting political pressures and due to the growing awareness of its social and economic benefits. Then education was identified as residual factor to explain economic growth that could be explained by changes in technology and this has been profoundly influential. Although, the exact links between education and economic growth remained far from simple, the apparent success of the most developed economies of Asia with their heavy investment in education seemed to illustrate the strength of this theory.

This has wide impact on the policy of the governments globally. Increasing awareness on the part of individual as well as society regarding the value of education in one's personal life, the spill over benefits the society will be able to reap from education, the efforts by governments to popularise education and the increasing population has contributed for the phenomenal growth of educational sectors. Since 1965, enrolment of
students has increased three fold in general and that in developed countries by four times, and in developing countries, though it has been minimal, the impact has been found there also. Table 1.1 portrays this aspect during the last three decades till 1995.

Table 1.1: World Education Expansion 1965-1995

<table>
<thead>
<tr>
<th>Region</th>
<th>1965</th>
<th>1975</th>
<th>1985</th>
<th>1995</th>
</tr>
</thead>
<tbody>
<tr>
<td>World</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No of Students</td>
<td>419.9</td>
<td>569.8</td>
<td>919.0</td>
<td>1105.4</td>
</tr>
<tr>
<td>Expenditure</td>
<td>533.9</td>
<td>1002.1</td>
<td>856.4</td>
<td>1403.3</td>
</tr>
<tr>
<td>Developing countries</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No of Students</td>
<td>207.5</td>
<td>331.0</td>
<td>687.0</td>
<td>858.2</td>
</tr>
<tr>
<td>Expenditure</td>
<td>42.4</td>
<td>124.3</td>
<td>151.8</td>
<td>201.6</td>
</tr>
<tr>
<td>Developed Countries</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>No of Students</td>
<td>12.4</td>
<td>238.8</td>
<td>232.0</td>
<td>247.2</td>
</tr>
<tr>
<td>Expenditure</td>
<td>491.8</td>
<td>611.0</td>
<td>704.6</td>
<td>1192.1</td>
</tr>
</tbody>
</table>

Note: No of Students in Millions and Expenditure in Million U.S Dollars
Fig 1.1a
Global Enrollment in Education in Millions of Students 1965-1995

Fig 1.1b
Global Expenditures on Education in Millions of U.S Dollars in 1965-1995
As they built more schools and educational institutions and enrolled more children, the developing world faced tough challenges. They have to place higher priority for secondary and tertiary sectors of education due to political pressures and bureaucratic interferences. This unprecedented expansion of schooling faced a series of constraints in 1970s. The first was the OPEC oil shock, followed by global food shortages due to disastrous harvests in 1972 and 1974. Developing countries found that they could hardly expand the education during 70s as they did in 60s due to severe constraints from various sources. The falling prices of primary products in 1980s put these countries in severe shortage of funds for development activities and they were forced to approach the international aid giving agencies, which forced them to introduce structural adjustment policies as a precondition for aid. The consequence of this adjustment, as we see now, is the rolling back of state to the age old corners with less development obligations. The worst hit of the sectors is education, where the quantity multiplication has resulted in quality erosion. Recent accounts of higher education in developing world tell a comparable story: of teaching without resources, libraries with out journals and books, of the desperate pursuit of research without equipments. No doubt, quality has inevitably suffered as education has been impoverished. (Perraton, 2000)
The quantitative advances mean that in much of the world, we had the universal primary education and have some chances of attaining universal secondary education. At the same time the budgetary constraints are holding back the expansion and improvement of education. In spite of the fact that there has been phenomenal increase in the expenditure and enrolment of students, a majority of the population in third world countries has been kept out of the formal system of education. There remained large numbers of adults who never went to school or who dropped out early; their life chances are restricted and their potential contribution to the economy and society are also reduced. It is from the failures of this mainstream educational system that the emergence of a new paradigm of education often called Distance education, Correspondence and Continuing Education and slowly to re-in the scene. (Manjulika, 1996)\(^9\). The universal demand for education, thirst for knowledge and the failure of traditional education system for catering to the increasing popular demand for higher education were the major reasons behind this process.

Apart from the twin forces like the pressures for expanding education quantitatively and improving it qualitatively, which led to the search for an alternative schooling technique, more cost effective and economical in imparting education, are the changes that come over in the frontier of education in target population, financing, content, methodology
of teaching and perspective of learners. The socio-economic as well as technological changes render today's educational philosophy incapable to meet tomorrow's requirements and demands. Education has to meet the developmental requirements of the economies, particularly in third world economies. Emergence of knowledge societies where material and physical capital is gradually replaced with knowledge capital, and the knowledge workers consisting of technically qualified people dominated the values in all spheres of life, revolutionized the concept of learning and remolded it into one that envisions learning out of the four walls of class rooms and learning during the entire life span. The social and economic environment made it an imperative on the part of the individual to update his knowledge continuously to keep up in the race for excelling in the profession and life. All these has contributed towards the legitimization of distance education and it has proved to be the right alternative to the conventional system as it has not only proved cost effective, but also has the right potential to reach out to the large segment of the unreached, marginalized and the needy.

According to Perraton (2000) Distance education has struggled to find an alternative to schools, with study centers in southern Africa running parallel to regular schools and open schools being developed in Asia. The most important development that experienced in the field of Distance education during the last couple of decades is the emergence of
open universities in some 30 countries with sizable enrollments of students. The Open universities of Cost Rica with an annual enrolment of 7000, Sabana Open University of Colombia with an annual enrolment of 2200 and some open universities in India and China with enrollment of above 100000 are some of them. Apart from this, a growing number of conventional universities are introducing or expanding distance education departments.

The immediate consequence of these developments is that the Distance education has acquired a new legitimacy. It has outgrown the traditional mainstream education in all aspects like variety of subjects offered, content of the curriculum and the number of intake etc. Correspondence education, which developed in the 19th century and remained in the educational margins till the half of the 20th century, was regarded as a route to social mobility by the socially and educationally disadvantaged. In Britain, correspondence-learning centers functioned as staple vocational training centres in the professions like accountancy and surveying. In the colonial world, distance education and correspondence courses served as an important route to educational qualifications. Soviet Union used distance education to increase the stock of trained labour in the 1930s. To be brief, it was an area of education which neither attracted government support nor regulation, which had little public esteem.(Forbes, 1996)
But the situation has changed a lot as the Governments have invested heavily in open and distance learning and a new academic literature has grown up as a protective thicket around it, observes Perraton (2000). The international agencies like European Commission and UNESCO have generated policy statements and World Bank and other development agencies have began to provide support to Distance education. Increasing volume of expenditure on Distance education, the proliferating academic literature on it, its appearance in legislation and its universal acceptance are the markers of a new legitimacy it has achieved.

The unexpected expansion, distance education has achieved and the legitimacy it has attained is due to the reasons economical, ideological and technological in nature. The powerful motivator has been the promise that open and distance learning could extend educational opportunities at lesser costs than conventional education, which led to the unexpected expansion of it. The latest thoughts in educational philosophy supported and justified its expansion and reform. While in Britain, the ideological motives influenced the decisions in investing in Distance education; in China it was with the sole purpose of expand the trained workforce required for nation building that Distance education was resorted. (Wei, 1997) Technology, as well as ideology and economics, has spurred the development of open and distance learning. Advances in technology have always powered paradigmatic shifts in education. In both industrialised
and developing countries there have been waves of projects that have responded to the potential of advancements in information and communication technologies to the extend they have attempted to solve educational problems. Computer and Satellite technologies are offering new ways of extending the range of education and so providing new opportunities to open and distance learning.

The Concept and Philosophy of Distance education

The conceptual cobwebs of distance education firmly rest on two important hypotheses. First, education is a life long process and second, it should not be confined to the classrooms, but should cater to the requirements of the learners. Really this is a paradigm shift from the teacher-centered education to the new learner-centered education. The advent of distance education has been sowing the seeds of a silent revolution, perhaps the blood less and calm revolution, which has deep and wide impact in almost all frontiers of human life. It has opened the floodgates of wisdom to the once marginalized, destitute, the poor, the un reached, those who are left at the waysides of mainstreams of education. Driving support from various theoretical positions of philosophy, education, sociology, it has opened the new worlds of knowledge and reasoning which hitherto kept away from those who are keen to learn, for reasons no ideology can firmly support. This section attempts to examine
the basic theoretical underpinnings of this innovative attempt of dramatic change that it treasures for the future generation.

A System, which fails to knit a well-woven philosophy that has deeper implication for mankind, can hardly sustain. Distance education and open learning presents a different picture of endurance and sustenance, which proves that it has been enriching human life since its emergence. In other words, it has successfully woven out a philosophy of its own which stands closer to the human endurance and civilized life. As Bomanii (1982)\(^{12}\) puts it, distance education actually extends the pursuits of formal system of education to the adult learners. Patricia Cross (1978)\(^ {13}\) argues that it is the education for all and education for each. The challenge of modern life has placed innumerable pressures on updating and acquiring fresh knowledge for bettering their life and opportunities as the initial education attained during adolescent years hardly enables the modern man to have a better life and facilities. The imperative for replenishing our knowledge continuously throughout our life for discharging our official and professional functions efficiently adds to the relevance of distance education system. The theoretical perspective of distance education also places its foot on the de-schooling arguments of Ivan Illich(1971)\(^ {14}\) accepting the idea that what, where, when and how to study are the issues which ought to be decided by the learner and not by anyone else. This has given the perspective of learner
centeredness to distance education. From the classical traditional approach to teaching and learning, it has shifted the whole system to a paradigm in which it places the learner at the centre and redefines and redesigns educational methodology.

One can easily see that both these principles of distance education appear to have its foundation in the deepened roots of democracy. According to Myrdal (Myrdal 1971) 15, so far education, from the very beginning, has been driven by undemocratic filthy interests to maintain the public away from it making the whole system rigid. The cleft between the rich educated and poor illiterate has been sustained providing all the required philosophic, ideological and scientific support. The proponents of the traditional system of education artificially erected several entry barriers. The advent of modern democratic values and egalitarian thoughts has created a feeling that it hardly permits those feudalistic notions of education and arguments for declaring education as the fundamental right. It is in this way that distance education further deepens and strengthens democracy and democratic values.

Apart from the change in the basic framework of education, distance education has enabled to revolutionise the role played by the learner in acquiring knowledge and information. In distance education, it is the responsibility of the learner to learn himself by using the support devices provided by the distance education agency. Distance education,
also, shares the perspective that one may have as much as education as far as possible as one can accept it. Nothing stands in between these two: the learner and the knowledge. Age, place, qualification and factors like those rose as barriers by traditional education are pulled down and there are hardly any restrictions placed on the learner regarding the opportunities he can avail.

Unlike the traditional education distance education absorbs the achievements of science and technology, particularly, the information and communication technology in an unparalleled manner. No other branch of human creativity has put these facilities in such an innovative way to update the delivery system. This has been so since the inception of distance education. Creative and innovative attempts and related outcomes are naturally the byproducts of efforts to overcome the age-old barriers and obstacles. Distance education has to be viewed as a creative human endeavor to overcome the man made obstacles to reach the unreached.

Apart from the demolition of the school walls and delivery of study materials at the doorstep of the learner, the distance education adds to the already existing flexibility of traditional education system. Flexibility of distance education can be interpreted in terms of two aspects. Flexibility of duration of study and flexibility of choice of subjects, duration of time for a course of study as well as the choice of subject for study by the
Thus it can be concluded that flexibility and openness are the most important corner stones of distance education system.

The Student population catered by distance education and traditional education are entirely different from each other. In the case of traditional education, the students are generally of a particular age group, unemployed, youngsters being directed by their parents, with or without the full intention to study the subject they are assigned to study. But distance education caters to a different set of students. The students coming under distance and open stream are mostly adults, elders, employed, people with greater enthusiasm and eagerness to learn. They are highly motivated and devoted towards their learning ambitions and as a group hardly exhibit any common character with the mainstream learners.

Apart from the divergence these systems of education has each other, they generally function as complementary to each other, giving strength and support to one another. The divergence and conflict in Philosophy, methodology and approach get diluted as it enters the operational phase. The traditional mainstream education catering to the primary and secondary education leaves the adults and grown up to the care of the distance education. In other words, distance education begins where the conventional education has left over. There fore, it can be concluded that, no society can afford to discard with either of the
components, that are mutually reinforcing and self-supporting. This fact has been accepted and appreciated by developed countries and several universities which were well established in providing on campus education in Canada, Australia etc. have opened their gates to distance learners also. In India, in 2001, we have 74, 10 open and 64 conventional, Universities providing distance education.

The Emergence and Evolution of Distance education

It may be interesting and useful to examine the emergence and evolution of this stream of education historically. The roots of this system lie at the isolated efforts in the early 19th century and the pragmatic educationists and policy makers who supported these efforts. The early beginnings of these attempts can be traced in the correspondence courses of U.S.A, Australia, Great Britain, which sprang up from the inherent desire to learn more by a few determined individuals. According to Danniel (1982) correspondence courses were developed during the beginning of the 19th century to allow young people to continue education who had finished elementary education at schools. When there are no secondary schools and for allowing secondary schools students where their preferred subject are offered in schools.

The post war period has seen amazing developments in the area. The educationists and policy makers who identified the potential of this
system supported it and various colonies which experienced independence during the post war era, out of high ambition and heavy resource constraint, they faced in their war tone economies, adopted this system for popular education. The end of the 19th century and dawn of the 20th century had seen many of the developing and developed economies resorting to this stream of education largely for the creation of human capital on a large scale.

Perhaps no other field of human endeavor might have got revolutionized to this extend due to the advent of the development in Science and Technology. Each and every stage in the development of communication has deeply affected the functioning of distance education. In the beginning, postal department and their facilities were tremendously used for meeting the requirements of distance learners. The introduction of Radio and invention of television made the things easier and distance education has made a quantum jump. The emergence of net-based communication and digital based storing and retrieval has provided a different plane to the distance learning. Perhaps, no other branch of human activity might have been put the development of communication technology this much. Now we have reached in the field of collaborative Net worked learning, in which the learner-teacher-computer interactions are redefined. More and more attempts are now geared towards digitalizing the knowledge adventure through web-based learning.
The Indian Scenario

The origin of distance education in India can be traced to early 1960's during which the school of correspondence and continuing education was established at University of Delhi. The anticipated unprecedented demand for higher education, lack of resources on the part of the government and the imperative of funding an alternative for the mainstream education have encouraged the establishment of promotion of this institution. The experiment proved to be a success and now we have 10 open universities and 64 conventional universities engaged in this area. All these institutions cater to the requirements of about half of a million of students, (Bhatnagar 1997) which constitute 10.5 per cent of the total student population. According to the estimates, it is expected that by the turn of this century, this system would absorb one quarter of the total number of 6.9 million higher education students.

It may be interesting to examine the growth and evolution of this segment of education sector during the last decades. Impressed by the success of pioneering institution, the Punjab University and Merrut University set up directorate of distance education, adding new dimension to the conventional universities. The grand success of this experiments motivated two types of institutes. i.e. those who are genuinely interested in fully exploiting the potential of education portals, and secondly those who are motivated by the lucrative profits of these ventures. During the

Two important developments were experienced in the 80s in the distance education scenario of the country. First, it got spread to several other universities, providing therein a number of study programmes, making stream of education accessible to needy population and proving that it is relevant to the growing needs of the nation. Secondly, it was during the 80s that the establishment of Open Universities was materialized. The first Indian Open University, B.R.Ambedkar Open University in Hyderabad, was started by the year 1982 in Andhra Pradesh, following which the IGNOU was established in 1985. According to Agarwall and Ansari (1995)¹⁸, the legitimacy it rightly deserves in the national education system of the country has been provided to this system by the emergence of IGNOU. Within a short span of 15 years, 8 more open universities were started, totaling the number of open universities to10. In India, the institutions imparting distance education
falls into two categories i.e. open universities and the Directorates/Institutes of correspondence courses. The open universities are exclusively devoted to the cause of distance education, with their exclusive curriculum and syllabi and organizational framework developed for their needs. The distance education institutes or correspondence courses are really the traditional institutions or universities that has got motivated by the popularity of distance stream of education and started distance education courses. They are really the traditional institutes or conventional universities. Unlike the open universities, they are part of these institutes and hardly enjoy any autonomy what so ever. The entire decision-making power rests with the parent organization and this has to a large extend affected their efficiency. The model, widely accepted for its flexibility and viability, has its strength and weaknesses.

The distance education scenario of India that has attained nation wide recognition, has failed to distribute evenly, and there is glaring regional imbalance, according to Bhatnagar (1997)\textsuperscript{16} There are States with out any distance education institutes, while there are others with as many as 6 institutes. The regional picture of distance education institutes makes out a clear portrait of the regional imbalance. Eastern Region covering 10 states has only four institutes, whereas the Southern Region, with four states, possesses 15 institutes. The spread of students enrolled is also quite uneven. The density of distance learners is the thickest in
Southern region and the thinnest in the Central and Eastern Region. The share of distance education in the total enrolment in higher education is the highest in the Southern Region, and this is followed by the Northern Region. The total picture that emerged from the distribution of distance education institutions in India is that in case of number of institutes and enrolment of students, it can be found that there is maximum concentration in the belt running from North to South. The central region has much concentration in terms of both these aspects. Table 1.2 and fig 1.2 show the region wise distribution of the distance education system in the country.

<table>
<thead>
<tr>
<th>Regions</th>
<th>No of Institutions</th>
<th>Distance education</th>
<th>Enrolment Percentage</th>
<th>Enrolment of Higher Education other than Distance education</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>North</td>
<td>11</td>
<td>1,18,845</td>
<td>28.3</td>
<td>5,86,766,</td>
<td>7,05,509</td>
</tr>
<tr>
<td>West</td>
<td>7</td>
<td>20,575</td>
<td>7.43</td>
<td>7,47,401</td>
<td>7,67,986</td>
</tr>
<tr>
<td>South</td>
<td>15</td>
<td>3,02,168</td>
<td>67.7</td>
<td>10,11,623</td>
<td>13,1379</td>
</tr>
<tr>
<td>Central</td>
<td>4</td>
<td>8,36,031</td>
<td>2.5</td>
<td>8,36,031</td>
<td>8,41,103</td>
</tr>
<tr>
<td>East</td>
<td>4</td>
<td>7,66,091</td>
<td>2.7</td>
<td>7,66,091</td>
<td>7,36,676</td>
</tr>
<tr>
<td>Total</td>
<td>41</td>
<td>Total</td>
<td>100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: Ruddar Datt(1991) *Indian Journal of Distance Education, Vol.IV.*
The analysis of region wise imbalance clearly indicates that there is ample scope for expansion of the distance education stream in order to achieve the target of 20 per cent by the next century.

**The Kerala Scenario**

Similar developments in this sector can be traced in Kerala also. The state had for historical reasons shown a high demand for education. Changes in land relations, the social and economic mobility of the population, the response of public administration, especially the native States and the impact of social reform movements such as Ayyankali, Sree Narayanan Dharma Paripalana Sangham etc. are cited as contributive factors for this high demand. The universal adult literacy has also in a big way contributed for high demand for education at various levels.
But it was a fact that the formal system of university stream could not accommodate the increasing aspirants for higher education. Hence, based on the national and international scenario of new developments in the modes of higher education, the State of Kerala also started permitting liberal facilities for higher education granting private registration was provided as an immediate solution to the problem of higher education. The three major affiliating universities, universities in Kerala, viz., Kerala University, University of Calicut and Mahatma Gandhi University have started private registration in the years 1971, 1976 and 1991 respectively.

The next important phase in the liberal higher education policy of the State is related to the establishment of correspondence education institutes in the conventional universities. The initiatives in such a direction was started when the Kerala University established the institute of correspondence courses in 1976, followed by opening one such institute under the university of Calicut in 1981. The Mahatma Gandhi University set up its own correspondence education unit in 1989. All these conventional university correspondence education centres provide higher educational facilities to thousands of students. IGNOU set up its Regional Center in Kerala at Kochi in 1988 to provide liberal education. There is also a proposal to establish a State Open University in Kerala. Along with these, a number of other universities extend distance education facilities in Kerala through their study centres. Important
among them are Annamalai, Madhurai Kamaraj, Bharathiyar, Alagappa, Pondicherry, Sri Venkiteswara and Madras University. All these indicate the acceptability of distance education as an alternative to the conventional system in the State. The Cochin University of Science and Technology has also in their efforts to enter in to the field of distance education.

The distance education scenario unfolding in Kerala from the strength of student’s enrollment is provided in the Table 1.3 and Fig 1.3.

Table 1.3: Enrolment of Distance Education Students in Kerala – 1999-2000

<table>
<thead>
<tr>
<th>Institutes</th>
<th>Distance education Students</th>
<th>Percentage to total Students in Distance education</th>
<th>Total Number of Students of higher education</th>
<th>Percentage of Distance education Students</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kerala University</td>
<td>4940</td>
<td>12.13</td>
<td>94757</td>
<td>5.2</td>
</tr>
<tr>
<td>M.G.University, Kottayam</td>
<td>2689</td>
<td>6.59</td>
<td>89262</td>
<td>3.01</td>
</tr>
<tr>
<td>Calicut University</td>
<td>24429</td>
<td>59.94</td>
<td>81622</td>
<td>29.92</td>
</tr>
<tr>
<td>IGNOU R.C., Cochin</td>
<td>8697</td>
<td>21.34</td>
<td>N.A</td>
<td>N.A</td>
</tr>
</tbody>
</table>

Source: Compiled from the office records of Universities
Note: N.A = Not applicable

Fig 1.3

Distance Education Students in Kerala, Calicut, Mahathma Gandhi and Indira Gandhi National Open University Cochin Regional Centre 2001.
The table 1.3 shows that around 60 per cent of the students of distance education are from the jurisdiction of Calicut University and more than 37 per cent of the students in Kerala are catered by distance stream of education.

**Significance of the Study**

The present policy of both the central and state governments make it imperative on the part of the universities to find out their own operational finance to meet their requirements. The universities in Kerala State have been turning towards distance education for generating more operational finance at their initiation. In this context, the present setup in distance education institutes in the universities in Kerala provoke certain interesting questions. What are the sources of financing for these institutions? How far these institutions are able to meet their recurring financial requirements from the revenue they are generating? How far cost effective are these programmes? What is the trend in the revenue and expenditure of these institutions? The present study is an attempt in this regard.

**Objectives of the Study**

The present study is taken up with the following specific objectives

1. To examine the sources of revenue and heads of expenditure of the distance education Institutes in the Universities in Kerala
2. To make an inter institutional comparison of these aspects
3. To analyse the variation of cost and revenue in these institutes during the last decade

**Scope, Methodology and Database**

The study is conveniently confined to the distance education institutes operating in the area of Kerala State and administered by Kerala, Mahatma Gandhi, Calicut Universities. The study has made use of both primary and secondary data. The primary data were collected from the offices of these universities and regional center of IGNOU, Cochin. The official reports of these universities like Annual Reports, Budget Estimates and Annual Accounts were also made use of. The heads of the institutes as well as experts and researchers in the area of distance education were consulted to incorporate their views in this regard.

Since the study is an analysis of financial performance, analytical tools in that area are used. The computer software for data base management like FoxBASE, FoxPro, Excel, and statistical packages like Mstat, Stata, and SPSS 6.5/10.5 were used for statistical analysis and Office 2000, Office xp were used of word processing and report preparation.
**Scheme of the Study**

The thesis is presented in 5 chapters. The first chapter serves as an introduction to the area of study and examines the role of education as a strategy of human development, significance of education in the current knowledge based economies and the emergence of alternate media of distance education. In addition, it presents a profile of global educational scenario, the educational scenario in India, the emergence of distance education and the evolution and dispersal of it in the sub continent of India and Kerala. The Scope of the study, the methodology, the data, the objectives and the tools of analysis are also explained in this chapter.

The second chapter is devoted for the evaluation of the works so far conducted in the area of distance education with special reference to the works in cost and financing of distance education institutions.

The third chapter gives a detailed profile of distance education in the global context. Emergence of distance education, the historical evolution, various stages of the evolution, the conceptual cobwebs, the global scenario of distance education, history and development of distance education in India and Kerala etc are the various other aspects treated in this chapter.

The fourth Chapter, the core of the thesis, examines the finances and costing aspects of the distance education in Kerala. It also presents the profile of the sources of revenue, comparative picture of the source
of financing, pattern and trends in the last ten years, cost and revenue functions, and productivity and efficiency in distance education Institutions. The fifth chapter sums up the conclusions and provide suggestions for further research and policy formulation.
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17. Bhatnagar,S (1997) *Distance Education: A System Under Stress: An In-depth study of the Indian Institute of Correspondence Courses*. Concept, New Delhi