CHAPTER-2

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A brief review of literature has been attempted in the present chapter. Various articles and books on the subject have been reviewed and main conclusions have been presented below. The review of literature has allowed to gain insight into various aspects of GATS related to higher education. It further allows to understand the likely impact of GATS on higher education. Further the review provides an insight of the scope and findings of similar and related research work undertaken in different countries during various periods. The review also helps to find out the concerns and issues discussed by other researchers. Thus it facilitates to identify the gaps in existing body of research and hence decides on objectives and strengthens methodology of study. The literature reviewed has been briefly presented below. It has been segregated in following broad areas.

1. Introduction to WTO and GATS.
2. Present status of Indian higher education.
3. Problems, challenges and reforms of Indian higher education.
4. Impact of GATS on universities.
5. Views/Role of higher authorities/bodies related with functioning of higher education.

2.1 Introduction to WTO and GATS

Cameron\(^1\) has written a paper about GATS and higher education in Latin America. The first part presents basic information on the GATS. The second and third parts present information on the GATS and higher education in Latin America. The fourth part presents four scenarios of higher education in the region, in order to facilitate discussion on the themes covered. Lastly, several discussion areas are identified on the possible impact that the GATS may have on higher education in the region.

Calderon\(^2\) discusses the implications for higher education of the World Trade Organization (WTO) negotiations towards the General Agreement on Trade in Services from the perspective of institutions actively involved in overseas student recruitment and offshore delivery of programmers / services. The paper also provide an overview on the current status of the General Agreement on Trade in Services
(GATS) and bilateral and regional trade agreements in the context of education services, identify emerging issues in international education.

Zodone discusses how the GATS adopted the different stages of the WTO dispute settlement procedures as foreseen by the dispute settlement understanding (DSU) to trade in services. It deals with bilateral and multilateral consultations, causes of action in the adjudicative stage, implementation and enforcement under surveillance by the dispute settlement body (DSB), and special procedures for particular service sectors. The paper discusses those legal issues and problems that are also likely to arise in future cases under the GATS.

Padayachee (2005) in his paper discusses two sides of the debate on trade in education services. Each member country now faces the task of striking the right balance. In assessing this, the report highlights some of the factors that need to be considered:

- The extent of foreign student enrolment within a particular university/country.
- Is a country/university active in delivering educational services outside of it?
- What percentage of a country's institutions is actively involved in the export of educational services?
- What are the barriers to trade in education services within a particular country?
- Are GATS limitation sector specific or are all sectors included within the national schedule of a particular country?

The 'Uruguay round and beyond' by Dunkel (1987) reviews major issues and developments in the trade area and their implications. Volume I provide an overview of the principal issues and developments in the world trading system. Volume II presents more detailed background papers on selected trade cum trade related issues.

A report prepared by world commission on the 'Social dimension of Globalization' looks at the process of globalization through the eyes of the people, rising above individual constituencies and capturing faithfully the hopes and fears of humanity. The report offers number of miraculous or simple solutions, for there are none. But it is an attempt to help break the current impasse by focusing on the
concerns and aspirations of people and on the ways to better harness the potential of globalization itself.

Goyal (2000)\(^7\) presents the status of the WTO at the beginning of 2000. New agreements such as that on information technology concluded at the end of 1996 are included. Another highlight of the book is a special report of the Seattle ministerial held on 30\(^{th}\) November – 3\(^{rd}\) December 1999. The commentary with legal text gives a comprehensive analysis and the background of each agreement. Case law is yet another key section in the book. The complete case law on 179 disputes handled by WTO till the end of 1999 is presented with each agreement. The chapter also features positions taken by key players in the trade game on key subjects like tariff, agriculture, services etc:

Gopalswamy (1998)\(^8\) gives an all uncompressing treaties on the multilaterally laid down rules and regulations of the GATT and its implications to India. It provides the complete original text of the WTO declaration concluded during the first regular biennial meeting of WTO at the ministerial level. The present text endeavors to cover and analyze literally all aspects pertaining to the conclusions of the final round of the Uruguay round of trade talks and the emergence of WTO as the new international forum for laying down trade tariff norms for its numerous member’s interest and for resolving international disputes. In the process it tries to bring forth the benefits and pitfalls that India will avail of and should be wary of.

Gelinas (2003)\(^9\) explain the global economy and globalizes world. It uncovers the facts behind the hype. The author identifies the actual institutions and people controlling the system. It explains the hidden face of the unregulated global market – its unequal trade treaties and domination by big money.

The objective of this publication by WTO is to set the entire publication in the form of report in an historical context and to relate it to the launching of the Uruguay round of multilateral trade negotiations – the most extensive and important in GATT’s experience\(^10\).

This document by GATT secretariat offers a concrete and comprehensive representation of the final global package of the results of the Uruguay rounds\(^11\).

Debroy (1996)\(^12\) provides basic information concerning the legal provisions and the procedures for initiating or effectively contesting investigations against dumps
or subsidized imports. It gives details of the tariffs and of non-tariff barriers, linking them to Indian liberalization measures. It details the market access schedule for India and other nations.

Cromme (1999) traces the history and evolution of the Uruguay rounds. It seeks to explain in an accessible and non-technical way, how the Uruguay round came about, why it covers the subjects it did, what the participants sought, and the twists, turns, setbacks and successes in each sector of the negotiations. It describes how these agreements have set in place a new WTO.

Chaudhari and Agrawal (1994) presents the agreement arrived at the contracting parties (117 nations) at the final round of the Uruguay talks. In addition to other chapters, it covers chapter on GATS. It highlights the significant features of GATS and its relevance to India.

Christopher (2000) provides in depth analysis while giving the agreements a new world context. The impact of the WTO is assessed through the medium of two of its new multilateral agreements – The GATS and TRIPs. Detailed case studies assess topics of global significance. The book assesses the WTO’s potential to move beyond laissez-faire and provide support for independent and alternative producers, providers and users. It takes account of developments up to and including the Seattle ministerial meeting.

Kirmani (1994) in his book has covered articles on three different parts (i) covering pre and post Doha analysis (ii) the international agenda for India (iii) the domestic agenda. The gist of these articles suggest that: India will have to undertake some major restructuring in current trade policy formulation process, as it is an integral component of the overall economic policy of any government. It stresses that India will have to give equal importance and pursue both international as well as domestic agenda. The international agenda essentially talks about what India should do at the international forum, in the best interest of its people and other developing countries in the context of WTO. While the domestic agenda outlines the set of actions which are required to be taken by the government at domestic level for implementing our commitments under the WTO as also to make the best out of it.

Financial Express (2002) talks about India’s position on Trade in services. It emphasis to take initiatives at domestic level to make service industries
competitive, as compared to those in developed countries. It says that, for India to become a major player in global trade in services, we need to take some serious steps forward. Creation of a proper regulatory environment for better quality of services and at reasonable rates is a must. Secondly investment in infrastructure is to be made for making Indian service sector globally competitive and thirdly it says that the government should take steps to support Indian service providers in establishing their presence in other countries.

The papers included in this volume (2003)\textsuperscript{18} bring forth their best analytical rigor on diverse issues, directly or indirectly connected with WTO agreements and the likely consequences for India.

The service sector today encompasses in wide range of activities. It extends beyond the traditional areas of finances, insurance, transport, communication and tourism to new and dynamic ones such as software, electronic commerce, environment and education. This book by Chaddha (2001)\textsuperscript{19} assesses the implications of multilateral trade liberalization of services in India. It provides a comprehensive account of the country's tradable service sector, its potential and problems in the context of the on going round of service negotiations. It also evaluates liberalization strategies required to address cross-sectional and multilateral issues.

Meena (2005)\textsuperscript{20} in her paper 'Responding to GATS' highlights the rational for trade in services. She has dealt the issues about existing situation of higher education institutions in India, drawbacks where efforts from India are needed, concerns over GATS and conflicted issues.

The book by Grinwade (2003)\textsuperscript{21} contains the texts of each of the arrangements reached at the conclusion of the Uruguay Round in December 1993. It also contains the related decisions taken at the same time and those taken later at the ministerial meetings in Marrakesh in April 1994. The final act of the Uruguay round and the Marrakech agreement establishing the World Trade Organization (the WTO Agreement) were signed at the Marrakesh ministerial meetings.

The aim of the book by Mehta (2002)\textsuperscript{22} is to provide undergraduates and postgraduates, who are studying international trade as part of their degree, with an intermediate text, which provides a clear and comprehensive account of the most important developments currently taking place in the world trading system.
This book by Basvaraja (2003) is the outcome of a seminar on the theme "World Trade Organization – Regional Trading Arrangements and India" organized by the division of economics, Mysore University, Sir M. Visvesvaraya P.G. Center, Mandya during 17th and 18th April 2002. This book consists of 31 papers contributed by scholars from different universities/institutions.

Pandey V.C (2004) has written an excellent book titled ‘Education-planning and human development’ in eight different volumes. In the first volume, he has very well explained the meaning of the term globalization and its impact on education. The book has considered the role of higher education in an increasingly inter connected world. It has also sought to look at development in broader terms than just economics way that reflects higher education’s traditional roles and values. The book provides as comprehensive analysis and challenges faced by education systems in a digitized and globalize world. It provides an authentic account of elements and processes that need to be considered in this changing context.

Deshpande (2004), has presented a paper “WTO, GATS and Challenges before Commerce Education in India” at 57th All India Commerce Conference held at Indore on 26-28 December-2004. In the paper, he has given history of education in India, Provisions of GATS agreements, issues, implications and strategies to be adapted by Indian institutions specially for commerce education in GATS era.

The article by Rupa chanda (2004) in financial express discusses the concerns of opening up higher education. It emphasis that a pro active approach is required to benefit from the liberalization of these services.

Matto and Stern have written on facilitating domestic and external policy reforms that can serve to guide India's participation in the multilateral trading system and to enhance the effectiveness of India's trade and related policies in achieving developmental goals. Individual chapters address the economic effects on India, the implications of the abolition of the multiform agreement; services issues and liberalization; telecommunications policy reforms; foreign direct investment; intellectual property rights; competition policy; government procurement; standards and technical barriers; trade and environment etc.

This volume covers: - Goods: the updated General Agreement on Tariffs and Trade (GATT) that includes new rules on agriculture, textiles, anti-dumping, subsidies and countervailing measures, import licensing, rules of origin, standards, and pre-shipment inspection. (The original 1947 GATT text is also included in this

Marc Benith's analysis alters the understanding of the international economic law of subsidies and its future invocation and jurisprudence. The issue of subsidies is a predominant theme in international economic law, and a consistent approach to the legal treatment of subsidies is urgently needed. In Professor Benith's view, the answer lies in the recognition that entitlements granted to a party seeking to defend itself against the "adverse effects" of subsidies must be "attenuated" in order to avoid undesirable economic and social consequences. In the various techniques of attenuation - thoroughly described and analyzed in this book - may be found the unifying thread on which a logical, coherent law of subsidies may be strung.

Wallach and Woodall explore the real record and legacy of the World Trade Organization. WTO has extended its reach into the democratic processes of local communities, in determining what local laws - from worker protections to anti-child labor statutes - interfere with international commerce. Through a battery of new agreements and legal challenges—whose outcomes are determined in secret courts, presided over by judges partial to the industries that bring the suits—the group furthers its one purpose: spreading the corporate economic globalization trade agenda, over concerns of democratic and accountable government.

Dunkley examines the benefits and hidden costs of the WTO Agreements, their implications for weaker economies and their likely consequences in terms of environmental protection, labour standards and political sovereignty. Alternatives do exist, he argues, to an over-reliance on free trade. These include managed trade, fair trade and self-reliant trade. He also sets out a series of innovative proposals for reforming the WTO, international monetary fund (IMF) and World Bank.

Kufuor explores how the developing countries have shaped and been shaped by the GATT/WTO committees on anti-dumping, textiles, agriculture and trade and the environment, all areas of critical importance to developing countries. The author also suggests how the developing countries can improve their participation in committee meetings.

Schott discusses the Singapore ministerial meeting and its importance in starting WTO deliberations. It proposes initiatives to achieve further trade reforms
and to extend WTO obligations to other trade-related aspects of government policy, whilst exploring whether such initiatives are feasible.

This volume contains studies of investment incentives and subsidies available for small businesses, economically disadvantaged or remote areas and indigenous or minority groups in the four developed countries of the Commonwealth. They were commissioned to show the breadth and diversity of such incentives in the developed countries, and, by implication, the diversity of measures that are WTO-compatible, or at least do not infringe - or have not been charged with infringing - the rules on the investment agreed under the GATT 1994 or the GATS.

Increased participation in world trade is conventionally seen as the key to economic growth and development. Yet, Yilmaz shows through its detailed examination of contemporary world trade patterns, while developing country exports have grown faster than the world average, the rich countries have meanwhile increased their share in world manufacturing valued added. This poses the vitally important policy challenge of what poor countries, confronted by the vigorous expansion of their foreign trade but no comparable rise in income, should do. The key challenge confronting poor countries today is not more trade liberalization on their part, but how to improve the terms of their participation in world trade and to increase the still limited and unstable benefits they derive from it.

Das examines the evolution of the multilateral trading system and the outlook for the body that constitutes its institutional base and which governs global commerce, the World Trade Organization (WTO). He identifies the trends in the development of the system, from the formulation of the General Agreement on Tariffs and Trade (GATT) in 1947 through the WTO's inception in 1995 to the present day. He examines how the GATT/WTO framework has been used by the major industrial nations to pursue their own narrow interests at the expense of poor country development prospects.

Correa seeks to cut through the daunting technicalities of one of the most important of these agreements: TRIPS - the Trade-Related Intellectual Property Rights Agreement. It clarifies what the TRIPS Agreement is about, explains its main provisions, and shows the significance of the treatment of these rights as internationally tradable commodities.

The failure of the Seattle trade ministerial in December 1999 to launch a new round of multilateral trade negotiations dealt a major blow to the World Trade
Organization (WTO). The Seattle meetings exposed significant policy differences among the WTO member countries as well as shortcomings in the manner in which the WTO conducts its business and interacts with other international and non-governmental organizations. This text analyzes the problems and challenges facing the trading system in the aftermath of the Seattle ministerial.

Moore explores key challenges between developed and developing countries, and the demand for increased transparency. All in all, this volume offers an excellent summary of key issues facing the WTO as it moves forward.

This book contains a selection of reports that were originally published online by the Observatory on Borderless Higher Education in 2002 and 2003. The reports were commissioned from acknowledged experts from the United States, the United Kingdom and Canada, to contribute to understanding of the broad range of developments encompassed in ‘borderless higher education.

This collection by Pierre chronicles a decade of original thinking by one of the world’s leading trade policy experts on some of the forces that are shaping the evolution of trade rules and institutions in a world of deeper integration. Rooted in the author’s unique hands-on experience as a negotiator, international civil servant and academic, the essays provide readers with a clear road map of where we’ve been and where we’re heading on the new trade agenda, particularly in the areas of services and investment.

This annual report contains a series of critical reviews, an analytical overview that is both qualitative and quantitative, and a discussion of current policies, programs, and issues concerning different aspects of basic education in India.

This international handbook by Altbach combines a rich diversity of scholarly perspectives with a wide range of internationally derived descriptions and analyses. Chapters in the first volume cover central themes in the study of higher education, while contributors to the second volume focus on contemporary higher education issues within specific countries or regions. Together, these volumes provide a centralized, easily accessible, yet scholarly source of information.

This volume by Bhaumick is essentially an inquiry into the prospects of the much-debated WTO negotiations. It assembles, in one place, various points of
view from different thinkers on the issues currently under negotiations, chiefly that of trade and development.

Siqueria (2005) focuses on the growing interest of ‘entrepreneurial groups’ in the field of education. It refers to the large amount of resources involved in education, and critically analyses the inclusion of education as a ‘service’ on the current agenda of the General Agreement on Trade in Services, as a World Trade Organization directive. To this end, the paper analyses the WTO and GATS’ documents, as well as proposals presented by various countries, demonstrating their interests in eliminating “barriers” to “free trade” in education.

Unlike official claims to the contrary, India’s achievement at the recently concluded WTO’s ministerial conference in Hong Kong are fairly limited. This article by Muchkund (2004) analyses the official claims to show that some are only partially true, some grossly exaggerated, while others are patently false.

Tilak (2004) has written about education in the UPA government common minimum programme. He writes that on the whole there is very little that is new on education in the CMP and hence it does not really contain an exciting set of proposals. But since it outlines the priorities of the UPA government, one has to take serious note of it.

Vaid (2004) highlights the causes for the inequality in educational transitions in India. The aim of the paper is two fold. Firstly to highlight the factors responsible for this inequality for both boys and girls from socially deprived origins and secondly to highlight in particular the inequality faced by girls at each educational transition stage.

Bhusan (2004) has written a paper on implications of GATS on higher education in India. He emphasize that while universal elementary education is the states constitutional obligation, development needs require that the skills of a nations human resources are constantly updated and renewed, with increasing access to the wider knowledge society, skills, knowledge and information are exchanged between countries which are thus partners in a process to optimize gains. Understanding these and several other implications for India in the context of GATS poses not only a challenge, but also an opportunity to formulate new strategies with regard to domestic regulations.

The problems with the structure of public spending on elementary education are threefold: high share of teacher salaries in recurring expenses, higher fiscal
priority accorded to secondary education at the state level, and sustainability. The paper by Mehrotra (2004) examines the scope for reform in the pattern of education spending and considers ways to mobilize additional resources for elementary education, including earmarking funds for the same.

Concentrating on education sector, the paper by Tilak (2004) reviews some of the well known arguments in favour of and counter arguments against public subsidies. Since much of the controversies are around subsidies in higher education, the paper focuses on the same, though discussions on lower levels of education are also included. The paper reviews the recent trends in public expenditures on education in India, and the available estimates on the rates of subsidies and cost recovery. Distribution of some specific subsidies in education such as free education, fee exemptions, textbooks, noon meals etc is also briefly analyzed. Some of the important issues on, for example, the size of the subsidy, targeting versus universalism, and methods of cost recovery are also briefly discussed.

Economic and political weekly has published a special issue entitled “Globalisation: new politics and old dilemmas” (2004). The issue covers several articles related to the phenomena of globalization and its impact.

Sahni and kale (2004) discussed the present system of higher education and attempts to find the possible implications for India in being a signatory to GATS. It analyses the broad structure of GATS.

This book ‘International trade and WTO’ (2005) is a unique collection of articles on international trade and WTO. This is sorted in such a way that it not only captures the traditional views but also highlights the contemporary perspectives. It explores various issues of international trade, liberalization in general and in Indian context. The book is divided into four sections (i) International trade evolution and growth. (ii) International trade and regionalism. (iii) International trade issues with WTO. (iv) International trade of India.

2.2 Present status of higher education in India

Ahmed Nighat (2005) has written a paper “Cross Border marketing of Higher Education’. The paper highlights the points of commercialization of Education. He has given data related to leading exporters of education, origin of foreign students in leading export countries, Export earnings from foreign students as
percentage of export earnings from society. He has given details regarding foreign students studying in India and suggested important measures apart from government action for attracting foreign students in India.

The debate on privatization of higher education is mainly revolving around two main issues, viz. ‘Trading on education’ and ‘Role of education’. Chaturvedi (2005)\textsuperscript{56} has analyzed both these arguments at length.

Pratibha khanna (2005)\textsuperscript{57} has given a picture of changing scenario of higher education. She differentiates between internationalization, globalization, and privatization and emphasizes on improving quality of higher education. Along with other suggestions, she suggests creation of an all India higher education service which will facilitate movement across state boundaries and will curb inbreeding and nepotism and lead to cross fertilization of ideas in an open and congenial atmosphere, leading to quality in higher education.

Pratibha khanna (2005)\textsuperscript{58} gives a picture of transnational education. The paper is about concept of transnational education, modes of providing transnational higher education. The data regarding international student enrollment in various countries, international student mobility to and from India, International student enrollment by the field of study in U.S etc are provided in the form of tables.

Arusa (2005)\textsuperscript{59} says that present status of higher education has the following characteristics. It gives more emphasis to deliberation of information. It is at present a teaching centered system. It is more concerned with the mode of knowledge delivery system. It is a system confined to a static and rigid mode of learning. It stresses more on what is delivered. It is streamlined with emphasis on examination based system having no concept of continuity. It concentrates more on present day needs of learners rather than tomorrow.

Kundaswamy (2005)\textsuperscript{60} has given comparison of higher education in terms of population of the country and number of universities. It covers comparison between India, Japan, USA, UK, and Germany. He has also provided information about proportion of population entering higher education. In general, the advanced countries have more than 50% of the population of relevant age group entering higher education. In India this figures are only 07%.

Periyaswamy and venkatesh (2004)\textsuperscript{61} in their article have highlighted India’s position in the current global marketplace and international influences in Indian higher education. They say that detractors of global higher education raise the specter
of western universities dominating the education landscape in the way that McDonalds has come to dominate the global fast food industry. With foresight, Skill and determination, today’s leaders of Indian universities have it within their power to craft a different kind of globalization, one that affirms and values cultural differences and encourages greater mobility for all students.

Supreme Court of India made judicial history when the court constituted a 5 judge bench to interpret the judgment of an 11 bench judgment on private higher education delivered on October 2002. The issues to be discussed were admission policy, fee structure, the constitution of governing body, the appointment of staff and action against a delinquent employee. Gosai (2004) has analyzed in detail this supreme courts interpretation of judgment.

Dutta (2005) has written about challenges and opportunities for higher education in 21st century. He has given data regarding present status of higher education which provides information about number of universities, colleges and students in 1947 and 2004-05.

Ashish Kumar and Arun Kumar (2005) have given classification of universities. It gives description about unitary, affiliating, deemed universities and institute of national importance.

Shah (2005) has given comparison of private professional education of India and USA. He emphasizes that there is need of number of dedicated educationists and intellectuals who fruitfully and doggedly devote their energies for the betterment of education at all levels especially at professional level so that right kind of experience could be provided to the students.

Bhaduria (2005) has given details of access of women in higher education. It gives details from the year 1995 to 2002. Apart from numerical figures for total enrollment, it also provides details for faculty wise enrollment of women. Highest enrollment is in arts faculty (1820134) and least is in veterinary (3163) in 2001-02.

Power et.al (2005) has given following account of student mobility from and to India in 2000-01. Highest number of students went to USA (47144). Highest number of students also came from USA to India (240).

2.3 Challenges, Problems and Remedies

Discussing about the affiliating system Stella Antony (2000) tells that whether we like it or not, our system has grown so big that till we change the existing
model, we have to function within a bureaucratic set up. Even the model of autonomy is supposed to be a transitory system to be followed until the affiliating system is replaced by a free and more creative association of universities with colleges. However, in the present context there are only two options—either accept autonomy and try all innovations or within the affiliating structure do your best.

Speaking at the 87th Convocation of Nagpur University on June 9, 2001 Prof. A Gnanam (2002) said that in the new era universities should take following new responsibilities. Providing educational programmes of new models based on flexibility and learner choice, preparing the students for the information era by developing the skill for information processing, preparing the students for life long learning by developing appropriate learning style among them, providing for adult and non formal education to an increasing percentage of mature learners, providing for specialized skill oriented courses of different levels, catering to the demands of the international market, maintaining quality in all endeavors, optimizing the available resources to facilitate quality output.

Pillai (2003) has written about emphasizing upon improving the Science Education in the country in the coming years. He says that the university system in the country should ensure that science education in colleges and universities in the fundamental areas is revamped to match the international trends.

Mishra (2005) says that University Courses should change from time to time in order to enable the students to convert information into knowledge. There should not be a rigid course programme. As has been done in most of the developed nations, there should be a flexible structure, which will allow the students to select courses from a wide range of options. He says that time has come when teaching has to shift from teacher oriented to student oriented courses.

Virdi (2004) says that in future teaching would also become international and more competitive as students would compete more and more globally for admissions and job placements. Thus, the syllabi should guarantee internationally competitive quality. According to him, as the time gap between the acquisition of new knowledge is becoming increasingly shorter, the teaching curricular should be revised more often than in the past. He further suggests that teaching must be undertaken using the most modern and efficient methods using an array of multimedia tools available at hands.
As only 6-7% of India’s population in the relevant age group of 17 to 23 is getting the benefit of higher education Power (2000)\textsuperscript{73} says that it is necessary to ensure that a much larger number of young people and especially those belonging to the under privileged classes or living in the rural areas, get the benefit of higher education. Otherwise there is the real danger of an increased socio economic stratification with the gap between the ‘haves and have not’ increasing. In order to promote equity it may be necessary to substitute the word ‘merit’ by ‘minimum merit’ while dealing with applications from extremely under privileged.

Hussain Shamshad (2000)\textsuperscript{74} highlights the problem of preservation of our own socio-cultural heritage along with acceptance of international exposures and technological advancements. He says that emphasis on composite culture is to be given but individual identity is to be preserved. Further, higher education is to be studied in the light of its relevance to social needs and manpower requirement. Education should be given after the assessment for requirement of engineers, doctors, teachers, technicians, unskilled workers at a given time. This is to be done by studied planners otherwise the unrealistic planning will not meet the demands of the society. He says that these challenges are to be met by broadening our vision, developing skill and integrating all those aspects which have their direct or indirect bearing on human resource development.

Ravindra and Kalpana (2004)\textsuperscript{75} have compared the affiliating and autonomous systems of colleges to improve the quality of higher education. They make it clear that it is the august and pious responsibility of the state, parent university, college management, teaching and non teaching staff and students not only to continue to maintain quality/standards of education but also make sustained efforts to improve the same by plugging the lose ends.

Aruchami (2004)\textsuperscript{76} has given some common causes of quality failure in education. To overcome the causes and maintain quality, specific role to be performed by the management, principal and teachers are also suggested in the article.

Powa (2000)\textsuperscript{77} says that in order to meet the requirements of modern industry, business and society, it is necessary to develop effective quality assurance and assessment systems that are internationally standardized. According to him for effective quality assurance the aspects that need to be monitored and assessed are-
Infrastructure and learning resources including student support, Curricula-design, content and development, Teaching and learning methodologies, Evaluation mechanisms and student progression, Linkages with research and community.

To remain competitive in GATS era, Suryanarayana (2002) emphasizes that universities should focus on quality. He says that quality in higher education can be assured through an intense drive to bring about a change in the outlook of all those concerned with education—students, teachers, educational administrators, politicians, promoters and the public. Quality assurance is possible by holding everyone in the educational system accountable. The institutions and people who fail to conform to quality standards and meet the expectation of the stakeholders in GATS era may withdraw from the system.

Aruchami (2002) says that the challenge facing higher education in global era primarily revolves around Providing wider accessibility, Ensuring continuing relevance of courses and quality assurance by educational providers.

Sindhwani et.al (2003) have emphasized the need for collaboration between universities and business organizations. They say that notwithstanding many successful alliances between universities and corporations in the west, it seems we are still skeptical about such associations in India. Perhaps this may be due to historical cultural reasons, or the work culture difference between universities and corporations, or it may be our failure to see synergistic options or economic gains from such alliances. They say that by effectively using information and knowledge creating bases at their disposal, universities and business organizations can effectively meet challenges of the emerging WTO regime in a pro-active way.

In the opinion of Patil et.al (2002) every university and institution in our country should have effective extension system and should forge links with peasantry.

Patil (2002) says that the challenges and opportunities of global competition in the emerging knowledge economy have placed a major task before the nation. In a fast changing, resource-starved scenario there is a greater need of collaboration among the Agricultural Universities, traditional universities, Central Research Institutes and industries. The collaboration among these organizations will lead to emergence of a dynamic, flexible and diversified system having better linkages with agriculture, industry, trade and commerce. This will be more result oriented in a
rapidly changing scenario which is characterized by unprecedented explosion of knowledge, fast technological developments, free market economy and globalization.

Bhunia (2003)\textsuperscript{83} says that better infrastructure needs better funding. Both the issues can be tackled by converting the conventional educational institutes into an I-C-I (Institutes-Cum-Industry). State funding of higher education is becoming difficult day by day in poor countries like ours. I-C-I can solve the funding problems. In I-C-I, there shall be two sections: Institute and industry. Industry section will earn money for the I-C-I. What is wrong if faculty members, as they do consultancy work presently outside the institutes, can do the same in I-C-I? What is wrong if the students do project work and laboratory work in the industry section of I-C-I in an environment of “Learn while doing and by doing”? We badly need to change our educational structure from the copied system of western countries to our friendly system of I-C-I, which shall give a solid structure for quality education.

Thomas (2002)\textsuperscript{84} argues in favor of providing subsidy to higher education even in gats era. He says that the argument that middle and upper income groups apportion most of the subsidies in higher education is no justification for denying subsidies in education. It is estimated that only about 14 % or the Indian Households can afford to meet the full cost of the higher education of their wards. In a country, where about 40% of the population still lives below poverty line and a majority of the population belongs to the socially backwards sectors and lives in villages where facilities for higher education are lacking, all avenues for upward mobility for first generation learners will be decided if subsidies for higher education are withdrawn. Moreover, it has been pointed out that about 70% of the subsidies in higher education reach the target groups. Thus if the Government is serious, it may not be difficult to reserve the entire benefits of subsidies to those who really deserve them by making a provision for admission according to merit and payment according to means.

Venkatasubramanium (2004)\textsuperscript{85} speaks about importance of higher education and also warns about poor financial grants by government. The developing countries including India should also face the challenge if they want to climb into a developed status. But today based upon narrow and in his view, miss leading- economic analysis has contributed to the view that public investment in universities and colleges brings meager returns compared to investment in primary and secondary schools and that higher education magnifies income inequality. Thus public funding has decreased leading to miserable conditions of universities.
Jeremiah (1998) has written a book, "Deteriorating Quality of Higher Education- Owing to Poverty of Resources". The book is a complete case study of South Gujarat University based upon the study he has given several recommendations to improve financial stability and quality of education of a university.

Peerzade (2005) has written about some economic issues in financing higher education. He has discussed the role of governments towards financing higher education after adopting new economic policy in 1991. He has provided valuable suggestions and says that it is now high time to realize that all the levels of education are complimentary and derive and extend support to one another. One particular level of education should not be made to suffer simply because the other is to be promoted. According to him investment in higher education is an instrument in generation next. It is necessary that the state should bear its cost to ensure country's competitiveness. A lethargic attitude on the part of government would result in devastating consequences.

The article by Welukar et.al (2004) offer some suggestions for resource mobilization for the higher education system in the country. The schemes suggested are: Creation of deposit funds, Collection of registration charges and miscellaneous schemes. A few suggestions about the creation of corpus for the funds collected under the above schemes and utilization of funds so collected are also offered in the article.

Paliwal (2002) says that to meet the challenges offered by globalization of higher education, our country requires the introduction of certain reforms to bring some changes in education policy. He has classified these reforms into two categories: Category I include the reforms wherein the action is to be taken by the government or its bodies responsible for coordination and maintenance of higher technical and professional education and regulation of foreign exchange. Category II includes the reforms, which are to be carried by the educational institutions.

Prasad et.al (2003) gave following pitfalls and guiding principles for higher education in 2010. The pitfalls are- complacency, self-centeredness, muddling through, Bureaucratic overload, failing our students. Being unresponsive to growing social and cultural diversity, and making false promises. They say that in some sense, the observe of our potential pitfalls could serve as principles to guide us. Thus they offer seven possible principles. They are building on success, experiment-innovate but evaluate, trust and respect, firm but fair, opportunity and encouragement, valuing different strengths-roles and purposes.
Chauhan (2002)\textsuperscript{91} throws light on the challenges of higher education in India. According to him, although at present, we have one college for every 11,000 and one university for every 4.7 lakhs of persons in the relevant age group (18-23 years) but in real terms, only about 6-7\% of the eligible age group are getting the benefit of higher education. This is insignificant compared to other countries. (50\% for the countries belonging to the organization of economic cooperation and development and 30\% for same other developed countries). This is real challenge and therefore according to him the first and foremost task that India should undertake is to expand higher education system further in a planned way so as to cover as large a portion of the eligible age group as possible. According to Chauhan, privatization of higher education which is inevitable is also a challenge as because of that poor and deprived sections of the society will be further marginalized we have to safeguards the interests of the poor people through an adequate state policy. Chauhan has also rightly pointed out that globalization is also going to pose serious threat before our universities. The situation calls for improvement in quality of education imparted so as to make it comparable to international standards, failing which their very survival will be in danger.

Based upon the current economic scenario and the acute challenges being faced by the universities, Suryanarayana (2002)\textsuperscript{92} says that it demands urgent attention of the policy makers. He has identified thrust areas for action by the government which are as follows: Excellence in higher education, Making higher education relevant on context of changing socio-economic scenario, integrated approach to higher education, Expansion of education in an equitable and cost effective manner in the process making higher education system financially self supporting, promotion of value education, strengthening of management system in the universities.

Speaking at the UGC Golden Jubilee Lecture series, Prof. Takwale (2003)\textsuperscript{93} specified the following major problems before the Indian higher education: co modification of education, global competitiveness, concerns of weaker institutions, developments disparities, weak linkage of education with developmental process, high cost of higher education. He has highlighted the use of E-education to solve the problems.
According to David Arnold Institute of International Education\textsuperscript{94} the new environment of higher education holds both threats and opportunities for India. The threats are obvious: As more and more Indian students go abroad for higher studies, India will suffer. Even institutes like IIMs and IITs will find it increasingly difficult to attract and retain world-class faculty members in the face of attractive offers from foreign universities. But there are also real opportunities for India to benefit significantly from the global revolution in higher education. To do so it will require major policy reforms in the way Indian Universities are structured, funded and regulated. It will require a new globally oriented, entrepreneurial style of leadership by Indian Vice Chancellors and other top-level administrators.

Srinivas (2003)\textsuperscript{95} has suggested some internal strategies to be taken up by universities to face the challenges of globalization. He says that every university has to develop its own vision documents, annual achievements plans. They have to define their mission and achievement strategies. A university teaching department should plan the student demand for a particular course, resources at its disposal and how to enhance the access of the course. The universities have to develop concern for cost analysis, input/output factors and productivity. They should analyze the academic programmes and resultant benefits and how to accelerate these benefits into tangible achievements. There is need of strategic human resource planning in both teaching and administrative sectors. Educational programmes are to be made elastic and offered at any time and place rather than a calendar programme facilitating differential learning needs of the students. Healthy practices such as human resource accounting, academic audit and internal quality assurance should become compulsory internal activities in universities. Thus improvement in the overall governance of the universities is very important.

Deodhar (2003)\textsuperscript{96} says that India should commit all modes of trade as suggested in GATS, however India should ask for phased liberalization as at least six years lead time is required to upgrade our existing systems bring our university/priority institutions at par with foreign ones. He says that following items need to be addressed if the infrastructure of our universities has to be of international standard

\begin{enumerate}
\item University course schedule must be available through Internet
\item Automated telephone course registration for every term must be available to students
\end{enumerate}
Payment of fees by credit card should become a standard option.

Classrooms, libraries, dormitories, and sports facilities should be of international standards.

Off-Campus housing arrangements must be facilitated through private sector for faculty, staff, and students.

According to University grants Commission, the educational authorities must study the system of regulation and accreditation of educational institutions in foreign countries. Indian accreditation system and laws for foreign institutions must be developed taking into account the treatment given to them in their respective countries. As far as the presence of foreign higher education institution in India is concerned, India should allow it, but the process of liberalization must be gradual so that domestic educational institutions are capable of effectively competing with the foreign institutions.

Pandey (2003) writes that Globalization and technology cut advancements are delivering and increasing access to the world and subsequently subjects should reflect this global outlook as we combine knowledge, creativity, and intelligence through electronic connection spanning time and distance. Subsequently, there is a demand for graduates who are highly proficient in dealing with the dramatic scientific, technological, and cross-cultural changes occurring throughout the world. Globalization will further drive these changes, presenting new options and challenges to both students and teachers and revolutionizing the delivery of education. However, as the world becomes further and further bifurcated, it will be a challenge for education systems to keep up with the development and economic implications of technology, and in particular for developing and third world to introduce technology and communication systems into their education infrastructure. However, any changes in education through technology and communication will also impact on its delivery and thus have an effect on the receiving culture.

Naik (2003) has given a solution for technological innovation in higher education institutes for global competitiveness. He says that a new entrepreneurial society in the world is coming into being. Universities should focus their attention on re-orienting students towards the same, without which graduates cannot be diverted towards self-employment. There are plenty of innovative people, but they cannot rise for want of facilities. India, in globalization, should deviate from traditional methods of learning and take in lead in sharpening the innovation potential of students.
Education and training in universities have a major influence on the nation capacity for innovation. The new dimension of ‘Technological Innovation’ needs to be added, forthwith to make technical institutes, qualitative and competitive in the global context.

While writing about privatization of higher education, Shaikh (2003) highlights the Constitutional provisions of higher education, the Governments responsibility to provide higher education to masses, UGC’s role, the south asian association for regional cooperation (SAARC) declaration and the Supreme Courts judgment in this regard.

Writing about Universities in the new millennium, Singh and Saurav (2002) tells that a strong adherence to resource dependence approach continues to be a major threat to higher education. Admitting the fact that functional education is conducive to market and necessary for sustainable development, the demand for socially relevant information and technology oriented and diversified high quality education is the need of the home for strengthening the newly emerged identity of India in the world.

Periyaswamy and Venketesh (2004) has pointed out threats and opportunities for Indian Universities due to globalization. The threats they have referred are movement of faculty along with movement of students to other countries. At the same time they say that India can also utilize the phenomena of globalization as an excellent opportunity. For this, they have suggested three pathways. The first path is of policy reforms by opening up space for private universities, easing or eliminating research restrictions on foreign scholars and encouraging foreign collaboration in the university sector. A second pathway is of doing partnerships with industry and the third pathway is to focus on innovations and leaderships.

Pannerselam (2004) has emphasized on impact of globalization on teaching. He says that through globalization, multiple services of teaching will be available. Through participation in international development and research programmes, teachers can achieve global outlook. Their teaching can become networked teaching. According to him globalization will definitely make education interactive, self-actualizing discovery, enjoyable and self-awarding.

The spirit of Academic inquiry, micro studies on specific aspects of higher education, experiments and innovations carried out in the classrooms and in the field, and external experiences from foreign countries. Lateral networking and interaction should result in a post of collective experience, leading to the development of a
paradigm, which in turn could give rise to a proposal. The proposal on analysis, evaluation, discussion and criticism, could lead to the generation of a policy, which on administrative scrutiny, may result in a reform.

Gupta (2004)\textsuperscript{105} has discussed about challenges and remedies of higher education in India in the new millennium. He says that with the advent of the twenty first century, the center of focus of our nation's development is on placing a premium on knowledge and richness of human capital. According to him the future belongs to those countries, which are able to release, the infinite potential locked up in their people.

Manjulla (2004)\textsuperscript{106} has written a paper "Excellence and International Competitiveness: A futuristic model for colleges". In the paper, the author has stressed for creating capacities by colleges so as excel in international competitiveness. The capacities cited are, creation of capacity for Research and enquiry, for absorption of technology for entrepreneurial abilities, for creativity and innovation, for moral leadership.

Maske (2004)\textsuperscript{107} in his paper "Globalization and its impact on higher education' said that the traditional notion of university dedicated to pursuit of knowledge for its own sake has undergone a sea change. The task before the universities is to create competitive advantage and place them within the effective, cultural and academic framework.

GATS\textsuperscript{108} would open India's education sector to foreign universities. India will have to respond in a proactive manner by adopting an open and flexible structure letting students to combine traditional, open and skill oriented education and allowing private providers. At the same time, it will also have to export higher education. Government rules and regulations will, therefore, have to be more conducive for easy export. GATS are a challenge which is to be met without compromising on considerations of equity and access to Indian students. UGC would identify and fund universities and colleges which have 'potential for excellence'.

Bhattacharya and Bhunia (2005)\textsuperscript{109} have done careful analysis of opportunities and threats of higher education in GATS era for future planning. According to them GATS will provide students of the developing countries who could not study at the universities of the developed countries due to financial crunch, as universities of developed countries will open their branches in developing countries. At the same time the social appeal of higher education must be belied with GATS adoption of the higher education. This is a major threat.
Singh (2005)\textsuperscript{110} has written about major challenges and required responses for universities of India. He says that the Indian universities many of which at present have been reduced to the level of degree/certificate selling centers need radical overhauling which is possible only when their vital role in shaping and moulding the personality and creating competent manpower is recognized by both the government and the people in society and both of them mentally prepare themselves to make determined efforts to permit the universities to function in autonomous manner.

Narayan and Mohan (2005)\textsuperscript{111} have conducted a survey to know the awareness about emerging challenges to higher education institutions. Teachers from 46 higher education institutions have responded to their survey. The findings of the survey are depicted in the form of various tables.

Paul (2005)\textsuperscript{112} says that to play constructive role in ushering a knowledge based society, we have no other way but to put higher education system in proper order even though it is not a very easy task. For creating and securing a better future for umpteen numbers of student aspirants, we need to give a hard look at the accreditation parameters for lifting higher education in our country with a social audit system in place. It would go a long way in shedding many deficiencies piled up over the years including the outdated syllabus and courses offered in many Indian universities.

Reddy et. al (2005)\textsuperscript{113} have written about opportunities and challenges for Indian management institutes in GATS era. After discussing the aspect at length and providing valuable suggestions to government and management institutes, they conclude by saying that Indian universities and management educational institutes must realize the impending threats from the global counterparts in educational services and try to convert the weaknesses to opportunities. They say that with many more countries waiting to tap this lucrative sector, India has to take the lead on behalf of the developing countries by using WTO as a forum and a world class management education sector as the weapon to demand its due share of the huge education market.

'University news' a weekly journal of higher education has published following special issues related to university administration\textsuperscript{114}.

(i) Challenges of higher education in agricultural sciences and knowledge management.

(ii) Financing of higher education.
(iii) Private participation in Indian higher education: contemporary issues
    challenges.

(iv) Engagement of universities with society.

    Sharma (2005)\(^{15}\) has compared private professional education of India and
    United States. The article discusses the rational for privatizing professional education
    in present times at the same time suggests means for proper privatization considering
    socioeconomic factors in India.

    Pillai (2006)\(^{16}\) has written about stakeholders of higher education and their
    role in quality assurance. The stakeholders are government/management, principal,
    students, non teaching staff, parents, alumni.

    University News\(^{17}\) has published a special issue titled ‘Education and Indian
    cultural heritage’. The issue contains several articles on the theme. Many articles
    focus on the issue of attack on our cultural heritage through globalization.

    Weisskodff (2004)\(^{18}\) e has written about impact of reservation on admissions in
    higher education. The article sums up by saying that reservation tend to benefit a
    creamy layer of scheduled caste (SC) and scheduled tribe (ST) students does not
    mean they are failing in achieving their objectives. They should be understood,
    instead as an effort to promote integration of the upper strata of society by increasing
    the access of highly disadvantaged and under represented communities to elite
    occupations and decision making positions.

2.4 Impact

    Khor (2003)\(^{19}\) said, the developing countries are facing some serious
    problems relating to the WTO’s General Agreement on Trade in Services (GATS)
    and the current negotiations. Firstly, there is the lack of data on services trade,
    especially as they pertain to the WTO services framework. He said the lack of data
    also made it impossible to fulfill a GATS condition, that there be a proper evaluation
    of effects of services liberalization, before embarking new negotiations. It also
    hinders efforts to develop safeguard mechanisms against the negative effects of
    liberalization on developing countries. He pointed out that GATS is inherently
    imbalanced as developing countries have far less capacity for services production than
    the developed countries. Even if market access was increased, most developing
    countries could only benefit little due to supply constraints as well as anticompetitive

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and monopolistic structures that act as barriers to entry to the developed countries service markets, a point brought out in the UNCTAD secretariat documents before the Commission. On the other hand, inappropriate and over-rapid liberalization could cause a range of problems for developing countries, such as financial instability (resulting from opening up financial markets to the vagaries of capital flows and speculation), displacement of local firms and net job losses by the entry or expansion of foreign service providers, and significant net foreign exchange outflows due to profit repatriation of foreign firms (which also mainly provide for the local markets and thus do not earn much foreign exchange for the host countries).

Rose p et.al\textsuperscript{120} in his document reports discussion summaries on a range of topics, including an assessment of the benefits and disadvantages of trade in education, the responses of South Africa and Mauritius to GATS in education, and the implications of GATS for countries of the South.

The Association of Universities and Colleges of Canada (AUCC)\textsuperscript{121} has informed its members that “while the benefits are limited, the potential risks posed by the GATS to higher education systems are considerable”. Among others, it mentions:

- The little jurisprudence with respect to the interpretation of this type of agreement,
- The limits on a government’s ability to determine its own public policies,
- The difficulties in discriminating between public and private funding, a mix often found in institutions,
- Governments’ decision to include public education on the table for negotiations,
- The increasing pressures facing institutions due to the commitment to progressive liberalization.

To understand the dynamics of the globalization process and its implications for universities in countries of both the North and the South, Gilles Breton and Michel Lambart\textsuperscript{122} have asked fifteen international experts to consider how universities can meet these new global challenges. Authors, depict a universe characterized by discontinuity and uncertainty in a rapidly changing environment in which the state is not anymore the exclusive focus. Henceforth, knowledge is not merely a public good but is also a service bought and sold within an emerging regulatory framework (GATS). It is no longer produced only in universities, but is now sold within an
emerging regulatory framework (GATS). It is no longer produced only in universities, but is now increasingly distributed. How can emerging countries be protected against the abuses of the new providers of knowledge that they so vitally need? Who will be the new actors on the scene to meet these challenges, or will they be marginalized by the arrival of new, more effective actors? These are the questions that the authors attempt to answer. The result is a fundamental questioning of the institution: both of the place of universities on the world scene and their social relevance in the knowledge-based societies henceforth driven by innovation.

People and planet, an Oxford-based campaign group, is warning students that the new GATS trade agreement presents a real risk to the quality of higher education in the UK. It says that the WTO points out that no country is forced into committing any particular service industry if it functions "neither on a commercial basis, nor in competition with one or more service suppliers". As UK Universities combine a mixture of fees, public and private funding, this exemption probably won't apply. Many fear GATS presents a real risk to state funded universities, as state support could be seen as discriminatory to other institutions. According to people and planet, "this would force the government to either subsidize private institutions, or end state financial support altogether. Even though as the WTO feels such concerns are unfounded... there has never been any proposal in the WTO concerning the abolition of Public funding." Critics argue that it may prove difficult for government to fund their own public services when many foreign-based corporations will claim equal rights to that money. There would be no shortage of transnational companies willing to get involved in the education sector, which worth $2 trillion worldwide.

Ziguras (2001) examines the impact of the General Agreement on Trade in Services (GATS) on transnational higher education in four countries – New Zealand, Australia, Singapore and Malaysia. Two of the countries considered, New Zealand and Australia, have made commitments under GATS to allow relatively unrestricted cross-border provision of education in their countries, while the other two countries, Singapore and Malaysia have made no such commitment. This paper examines the practical impact that GATS has had on these two countries that made commitments regarding educational trade, and the likely impact that similar commitments by the governments of Malaysia and Singapore would have on the higher education systems in those major importing countries.
There has been much public debate surrounding the General Agreement on Trade in Services and the World Trade Organization more generally. Of specific importance for higher education has been the debate surrounding the effective privatization of public services. In the contemporary domestic political climate of the private finance initiative and public private partnerships and a context of relative decline in the employment structures of higher education this debate is central to an understanding of the future of employment, academic freedom, student access and the social role of higher education in the future. This report reveals that the General Agreement on Trade in services may well pose a significant threat at all these levels. Specifically, this may impact on the following seven policy areas: decreasing public funding, casualisation, decreasing professional autonomy, quality, academic freedom, intellectual property rights and student access. It presents a summary of the agreement itself and the debate surrounding it before conducting an in depth impact analysis of the agreement with regard to higher education in the United Kingdom.

Bolashetty (2005) has presented implications of GATS on Indian education as per the various articles of GATS. It suggests what India has to do to meet the need of guidelines suggested in each article. He has also given the impact of liberalization, privatization and globalization (LPG) on Indian higher education. He suggests that LPG for the welfare of all and harm of none should be the guiding spirit.

Asit Kumar et al. (2005) have conducted a research study to know the attitude of students towards privatization of higher education. The study is helpful to point out the drawbacks of the privatization of higher education with reference to the economic situation of the country, unemployment, quality education, corruption in government sector, and the administrative process carried out at present. The study is important to know the perception of graduate and post graduate students on privatization of higher education in India and find out direct ways to make the education system more functional.

2.5 Views and action taken by the Higher Authorities/statutory bodies

Prof. Arun Nigavekar (2004), Chairman, (UGC) emphasized the need for a global authority consisting of United nations educational scientific and cultural organization (UNESCO), World Bank and International Standards Organizations to
play pro-active role in the global markets of higher education. He pointed also to the necessity for evolving a healthy self-controlling mechanism in the higher education trade so that it does not get drifted into a sheer commercialization with profit motives.

In National Convention of Vice Chancellors of National assessment and accreditation council (NAAC)- Accredited Universities held in New Delhi on 21st-22nd May, 2003 it was resolved that Ministry of human resource development (MHRD) and UGC should include accreditation as one of the pre-requisites for funding under various schemes. One of the resolutions include NAAC be legislated as an autonomous statutory council and Foreign Universities in India be accredited and NAAC should publicize their credibility.

According to the Report of a “Policy Perspective Seminar on Internationalization of Higher Education and Operation of Foreign Universities in India” organized by National institute of educational planning and administration (NIEPA), in 2000, education should be seen from the point of view of “promotion of knowledge and development of knowledge and skills among the people which are mutually beneficial and oriented towards development of mankind and also reducing the gap or the factors which cause the gap in knowledge and skills among people. If this point of view is accepted then it is necessary to allow free flow of knowledge cutting across the geographical boundaries of nation states. Though this idea sounds well and high, but in practice it might as well result in selected flow of information/knowledge and skills from one set of countries to another set of countries in one direction whether in a single or multi-disciplines subjects. If this happens then it might as well result in draining of resources of receiving country as well as strong cultural and political influence by one set of countries on other set of countries.”

Some of the recommendations made in the Report are:
- Setting up of a “national level mechanism” for registering foreign universities in India and promote Indian Higher Education abroad.
- Clear guidelines and laws about “VISA” infrastructure facilities, social and welfare Programmes and accommodation facilities for students coming to India and students going abroad.
- An “Ordinance should be passed” to allow universities to open their campuses abroad.
The acceptance of the "certification/credit given by the respective institutions should form the part of agreement".

The accredited Indian universities or Institutes of higher education should have "15-20 percent full payment seats for foreign students in every subject/Programme as a supernumerary position not cutting into the available seats of Indian students."

In order to have an international context in education, the course content should "focus on requirements of job market and should have provision for innovative and flexible programmes."

Indian universities should be "allowed to offer programmes through twinning, franchisee as well as distance mode."

Foreign students studying in India should have "work permit for a period of three months per academic year. Total duration of work permit would not exceed one year six months."

A national level meeting of Vice Chairperson of State Council of Higher Education, Vice Chancellors and Experts on "Trade in Education Services under WTO Regime " was organized by NIEPA on September 11, 2001. The meeting constituted several committees for in-depth studies on the issue. It however considered Higher Education as the only sector for trade under WTO regime. The meeting expressed concern that "the socio-economic implications of opening the education system globally and making education service for profit needs to be carefully examined. Even making it a full cost paying service has caused social and cultural trauma in many countries including developed countries. Making it open to world competition with high cost of education might cause further social-cultural problems. These may be un-manageable in the developing countries and particularly in India. Global competition, full or profit cost pricing of education has several socio-cultural implications and may adversely affect the Constitutional obligations of equity."

A task force was constituted by Prof. K. Mohancan, President, Association of Indian Universities under the Chairmanship of Dr. V.M. Pawar, Vice Chancellor, Marathwada Agricultural University, Parbhani with Prof. Pravin Patel, Vice Chancellor, Sardar Patel University, Vallabh Vidyanagar, Prof. B. Coutinho, Vice Chancellor, Gulbarga University, Gulbarga and Prof. Dayanand Donganankar, Secretary General AIU as its member. The member of the task force studied the issue
of 'GATS and its implication on higher education'. After having thoroughly examined the strengths and weaknesses of Indian Higher Education, and also the opportunities and threats to the Indian Higher Education under the GATS, the task force thus came to the conclusion that it is not in the interest of the country at this stage to open up its higher education system for global competition under GATS, and suggests an all persuasive and exhaustive National Debate, involving all the stack holders in the country on the issue of liberalizing higher education, to arrive at a final decision for its acceptance or otherwise.
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