## CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>ACKNOWLEDGEMENTS</td>
<td>i</td>
</tr>
<tr>
<td>LIST OF TABLES</td>
<td>ix</td>
</tr>
<tr>
<td>PART- I</td>
<td></td>
</tr>
<tr>
<td>THEORETICAL ISSUES</td>
<td></td>
</tr>
</tbody>
</table>

### CHAPTER I: INTRODUCTION

- Statement of the Problem
- Data Basis
- Methodology and Coverage
- Limitations of the Study
- Lay-out of the Study

### CHAPTER II: PUBLIC EXPENDITURE AND COST-BENEFIT

#### ANALYSIS : AN OVERVIEW

- Role of Public Expenditure in the National Economy
  - Income and Employment
  - Redistribution of Income
  - Allocation of Resources
- Social Expenditures and Economic Development
- Need for Efficiency Criteria in Public Spending
Cost-Benefit Analysis and Public Expenditure Projects
  Costs and Benefits
  Social Rate of Discount
  Risk and Uncertainty
  Investment Criteria
Distributional Aspects of CBA
Proposed Methods to Allow for Distributional Effects
  Tax Transfer Method
  Display Method
  Weighted or Trade off System
Conclusions

CHAPTER III: COST-BENEFIT ANALYSIS IN EDUCATION 113-151

Introduction
Rate of Return to Education
Objections to Rate of Returns Approach
Suggested Solutions
Practical Utility of RRA in Education
Costs and Benefits of Education
Distributional Effects of Education

PART II
EMPIRICAL INVESTIGATION

CHAPTER IV: COSTS OF HIGHER EDUCATION 153-191

Students and Their Background
Costs of Higher Education
Private Costs
Fees and Scholarships
Expenditure on Books and Stationery
Maintenance Expenditure
Public Costs
Social Costs (Private + Public)
Indirect Costs (Earnings Foregone)

CHAPTER V: BENEFITS OF HIGHER EDUCATION

Educational Development in India
Educational Development in Karnataka
Direct Benefits: Unadjusted Age-Earnings Profiles
Other Financial Benefits
Indirect Benefits: Spill overs

CHAPTER VI: REGRESSION ANALYSIS TO ISOLATE THE EFFECT OF EDUCATION ON EARNINGS

Factors (Other than Education) Affecting Earnings
Regression Analysis and Interpretation of Results
Adjusted Age-Earnings Profiles and Earnings Differentials