

Financing higher education literature review



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REVIEW OF LITERATURE

Dunn and Sullins (1982) conducted a study on cost-benefit analysis and its applicability in Higher Education. The main objective of the paper was to discuss whether cost-benefit analysis can be applied to higher education institutions. This paper examines the problems which arise while performing cost-benefit analysis for evaluating Higher Education. The problems include, selecting the productivity index to use with a cost-benefit analysis, determining the discount rate to be used in the analysis, identifying and measuring the costs of higher education, identifying and measuring the benefits of higher education, and defining the time horizon for investments. So cost-effectiveness analysis and cost benefit analysis can be differentiated and to further highlight why cost-effective analysis may be a more useful tool to evaluate higher education. The major finding of the study was that the use of cost-effectiveness analysis could eliminate certain problems associated with cost-benefit analysis. Still the problems of identifying and quantifying relevant cost and defining the social discount rate remains.

Eicher (1998) studied the Costs and Financing of Higher Education in Europe.

The major objective of the study was to analyse optimal financing. For this the study compared Modes of Financing Higher Education in OECD Countries 1993. Evolution of student numbers in Europe from 1955-1994 and public expenditure per student between 1975 and 1992. The major findings of the study were that the financing of higher education in Europe is going through a period of confusion and change. But based on observations and economic studies, the following views were strained: Student involvement in the

funding of their educations is still lower than the optimal appears to explain in many European countries; Tuition fees are growing in different forms and procedures and this trend will remain. In relation to the evolution of fees, there is a need that in most nations the students' aid systems be reconsidered and modified. A harmonisation of fees and student aid systems is highly necessary if one needs to continue to shape a unified Europe.

Singh and Venkataramani (2012) studied Institutes of Higher Education as delivery channels. They discuss its effect on the financial welfare of the people and highlights the steps taken by numerous participants to deliver financial education with an objective of increasing the knowledge of consumers about financial services. Less than desired results have been acquired from these interventions. As it is a gigantic task to provide financial education in a country like India to a large section of the population, a necessity arises aimed at the dedicated contribution of every stakeholder and a sustainable strategy in place. The findings of the study are that it would be a sustainable and cost effective approach to engage institutions of higher education in the financial education drive.

Gupta (2006) conducted a study on Positive Action in Higher Education in India and the US. The study makes an effort to comprehend the fine distinctions of a caste-based reservation policy that exists in higher education with respect to the controversies, court judgments, a consequent amendment to the constitution in India; and positive action policies, court verdicts, and substitutes to affirmative action in some universities in the US. The major objective of the study is to make apparent the commonness and

differences among India and the US in relation to legal, political, socio-cultural, economic, and psychological viewpoints.

Chakrabarti (2009) investigated Determining factors of Participation in Higher Education and the selection of Disciplines. The major emphasis of this paper was to study the part played by economic, social and demographic features in determining the possibility of the rural and urban youths in India participating in higher education. The study used data available with National Sample Survey (NSS), the major findings of the study were that youth from schedule caste (SC) and schedule tribe (ST) upbringing have significantly lower chances of going to a higher educational institution when compared with other social groups in rural region. A significant effect on the higher educational attendance is exerted by the educational profile of the household's head. The increasing cost of higher education has a harmful impact when it comes to the participation in higher education. As compared to their male counterparts, female youths have a significantly greater likelihoods of attending a Higher Education institutions for Arts or Humanities course in urban India. However, it is found that for other streams like Science, Commerce, Medicine, Engineering and professional courses, gender bias against female is strong even after adjusting for social and economic background of the family.

Sharmila and Dhas (2010) studied Progress of Females Education in India. The major objective of the study was to examine the trends in females' education, the investments in education and infrastructural provisions in India. The findings of the study were that from the female literacy levels and its variation over time revealed a noteworthy progress in the performance of

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women's education. Another finding was that the gaps among rural and urban literacy rates for women are coming down. Rather than being a hindrance to women's education poverty in rural India acts as a thrust factor for females' education. Urbanization improved attainment of females' education in India. It showed that the decrease in girls' drop-out rates is essential for realizing women's education. The study further calls for an increase in women centered educational infrastructure so that women's dropout rates can be studied and female literacy levels can be improved in India

Rani (2014) studied Fairness in the circulation of government subsidies on education in India. The main objective of the paper was to estimate how uniformly the public expenditure is dispersed by levels of education throughout different states in India, by means of the benefit incidence analysis. The study found out that there exists a difference between the circulation of government subsidies at elementary levels of schooling and higher levels of education. At elementary levels the subsidies are pro-poor, but as they go to higher levels of education the benefit to them decreases. The study suggested a two-way approach of guaranteeing the quality of learning outcomes amid government financed schools and differential user fees at greater levels of education.

Pilkington and Nair (2013) examined Global tendencies in higher education and an unanticipated convergence among France and India. The major objective of the study was to inspect an unanticipated convergence among the higher education systems of two diverse countries, to be specific France and India. The study addresses the matter of the commodification of higher
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education in order to ascertain if the later progression has been accepted, stimulated or opposed by governments. This is done after making a brief comparative survey. The study found that it is the GATS rules that regulate the global trade in higher education services partially determine the modern settings in which the higher education organizations function, through the improvement of new modes of transfer such as e-learning and distance education. The investigators then spread their focus to reduce the gap between France and India. They say that the convergence of academic, economic and institutional factors helps push the new idea of an Indo-French knowledge-based triangle.

Kaul (2006) conducted a study on Higher Education in India and about seizing the available opportunity. The paper analyses the current policy environment to assess its competence in ensuring that India remains ahead of the curve in the information segment which in recent year is growing exponentially. In the delivery of higher education and technical training the part of the private sector has been highlighted. The study found that in order to sustain the trend of increased technical manpower and the big boom in the BPO/KPO sector it is necessary that India continue to produce greatly skilled manpower at a speeded pace. The suggestions made in the paper is that India requires to have a active demand based strategy in the direction of private higher education comprising foreign institutions/universities eager to set up a campus in India or engaging into joint-ventures.

Gupta (2005) studied Global Trends in Higher Education and the Indian Situation. This paper focused the political, economic, socio-cultural, ethical, philosophical, legal, and practical facets of the widespread subject of <https://assignbuster.com/financing-higher-education-literature-review/>

worldwide trends in private higher education, overall. The further focus is on the driving forces, reasons and consequences of the rise of private higher education in India throughout the last three decades. The paper further discusses the role of courts in private higher education in India.

Mamoon (2005) explored planning a creative approach towards Safeguarding Economic Efficiency of Higher Education Improvements in Pakistan. The paper proposes that the government of Pakistan's policy of current higher education is being followed at the cost of elementary education. This paper also points out that the bias in higher education is shared among countries that are developing, since the growth and processes of growth are much more receptive to higher education than elementary or secondary education. The major cause as to why disparities are growing into one of the fastest growing economies of the world, specifically India and China are the unequal education policies of these governments.

Mishra (2003) examined self-financing of establishments of higher education in India. The paper discusses the possibility of self-financing institutions of higher education the higher education system which is mostly government supported and funded is in deep financial strain as the costs are increasing and the budgetary resources being limited with increasing needs. The paper suggests that it is necessary to devise means to self-finance the institutions of higher education. The study further found that as long as the government funds higher education the private costs will be low. If the government stops funding, then it will have an adverse effect on the demand for higher education. This paper recommends that there is a need to restructure India's

higher education system from academic to a more of professional and technical.

Upadhyay (2008) conducted a study on the Economics of Higher Education in India, while keeping women as the prime focus of the study. The paper examines the part played by the economic aspects in the enrollment choice at the higher education level in India. The major finding of the study was that the degree of participation of female in the post reforms period is in a disadvantaged position. As a determining factor of economic progress, the women's education has started to lose its importance. The determinant factors in women's enrollment decision in the post reform period were considered to be the relatively low probability of getting jobs, the unfavorable prospect for lifetime earnings of different female degree holders at higher education levels.

Sethi et al. (2011) examined Higher Education and Economic Development within a Globalist Era in India. The paper focuses on the in's and out's of higher education in India in the context of India's education system and why India is still a developing country. They said that education which is the basic for any economies development is in a bad shape in India. So, there must be some changes. These changes primarily include the change in the education system. They further suggested certain changes, these changes primarily include changes in India's education system.

Joshi (2012) studied Sustainable Development of the Higher Education Sector in India. They say, given that higher education is important, economic progress of India in current years is driven by mainly the services sector

especially by IT and ITES the sustainable improvement of higher education becomes crucial. The paper raises the question as to where India's higher education stands today and further the challenges that are confronting this sector. It also studies the proposed reform measures in this sector. The study found that the demand and supply in higher education sector is seriously mismatched. It is therefore crucial to reform higher education system and enhance Indian talent pool so as to maximize the potential of IT and ITES on the one hand and to catalyze the countries growth which is driven by the services sector on the other hand. The extension of the higher education sector and enhancement in its quality can assist India in avoiding the unemployability of graduates on the one hand and the phenomenon of 'missing teachers' on the other. Further it can make higher education affordable.

Basant and Sen (2014) looked into the Parental Education as a Criterion for Affirmative Action in Higher Education. Use of reservation policies as affirmative actions, to address the issues of inclusion has been in place in India for a long time. With inclusion of new social groups, the policies scope has increased, but the efficacy can be debated. The paper inspects if parental education is a suitable measure for positive action. The study used three rounds of National Sample Survey data. Empirical results suggest that parental education as a determinant of participation in higher education not only transcends the impact of caste, religious, and economic status, it is also very attractive for the ease of implementation.

Agarwal (2006) examines funding needs in higher education in India. The paper relates the growth of higher education in India to the changing funding

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pattern. Further the paper suggests ways to ensure that higher education remains affordable and accessible to all. The author stresses the need for greater adaptability in the higher education system so that it continues to provide the needed skills and trained workforce to the economy as it integrates with the world economy. Policy measures required to promote, sustain, and enhance world-class research are also included. Considering the weaknesses in the prevailing regulatory and quality assurance environment, the paper provides a roadmap for reforms towards improved accountability of the system.

Nair and Kumar (2005) talked about financing of higher education. The article also talks about the development of higher education in India. They discussed current educational system in the country and the concentration by the State on higher and technical education is looked at. The article further says that the financing of Higher Education in the country by the State, is a drain on its exchequer and that more methods have to be found out to move the financial obligations outside the State coffers. The experience of other countries is looked at briefly. For better money flow to this sector, it is very important, to look at providing adequate legislative protection to these self-financed universities, which attract funds from sponsors, financing agencies and corporates. The need for adaptability to the job market and the synchronization between job creation and higher education has been explained in detail. Various development models are hinted at with concentration on specific parameters. The article suggests that once the ground rules are clearly laid down, it may become possible to

develop several models, which may be accepted by the financial agencies, for funding higher education in India.

Patel (2009) examined Private higher education in India. He says Education is one of the dominant sectors of the Indian economy in terms of enrolment of children, employment of adults and investment of financial resources. While school education has a broad base, higher education suffers from a narrow base covering only about 7% of the relevant age group population. With the expansion of school education, the pressure on the higher education system to expand is expected to continue in India. In this context, two criteria of efficiency and mobilisation of resources are put forward in justification of privatization of higher education. When higher education is left to the market forces, it results in 'elitisation' of a basic need; it puts higher education firmly out of reach of the millions of under-privileged of India who dream of going to the university one day.