

CHAPTER I

INTRODUCTION

1.1: Introduction-Birds eye view of BTAD

The Bodoland Territorial Area Districts (BTAD) was created under sixth scheduled of the India Constitution on 10th of February 2003. Geographically the BTAD approximately lies within 89° 46' to 92° 19' East Longitude and 26° 7' to 26° 48' North Latitude. It is bounded by the Himalayan Kingdom of Bhutan in the north, the Brahmaputra River in the south, River Paasnai in the east and the Sankosh River in the west. It covers an area of 8970 sq. Km. which is about 11.24 per cent of the total surface area of the state of Assam. The BTAD consists of four districts namely, Kokrajhar, Chirang, Baksa and Udalguri. For the administrative convenience, the four districts had further been sub-divided into six sub-divisions which are named as: Partbatjhara in Kokrajhar District; Bijni and Kajalgaon in Chirang District; Salbari and Tamulpur in Baksa District and Bhergaon in Udalguri District. Again the entire BTAD comprises of 25 Development Blocks, 13 Revenue Circles, 415 Village Council Development Committees (VCDCs) and 3082 villages (Statistical Handbook of BTC, 2014-15)¹.

The BTAD has a total population of 3150047 with 374 persons per square kilometer inhabitants as per 2011 Census. The decadal growth rate during 2001 and 2011 is 9.34 %. The sex ratio is 965 females per 1,000 males, with a total of 1600712 males and 1550335 females. Among the four districts of BTAD, Baksa district has the highest population of 950075 with a decadal growth rate of 11.17 % during 2001-11 while the Chirang district has the least population of 482162 with a decadal growth rate of 11.26. Kokrajhar and Udalguri districts have a population of 886999 and 832769 with a decadal growth rate of 5.19 and 9.76 respectively. The urban population in BTAD constitutes only 4.83 % while 95.17 % are rural population. Out of the total population of 950075 in Baksa district 98.72 % are rural population while only 1.28 % is urban population (Census of India, 2011)².

Literacy is one of the most important indicators of quality of life and human development index. The literacy rate for BTAD as per 2011 Census comes to 67.12

percent while the literacy rate for Assam comes to 73.18. The literacy rate for male and female in BTAD are 74.28 percent and 59.70 percent respectively while the literacy rate for male and female in Assam are 78.81 percent and 67.27 percent respectively. Thus, the literacy rate of BTAD for persons and for male and female are below the state's literacy rate.

The people in the BTAD region primarily depend on the agricultural products of Rabi and Kharif season. Some people are found as agricultural labourer in both the season. People also run business like tailoring shops, tea shops, vegetable vendor, cloth vendor, rice, meat, fish and others. Both male and female workers are also found engaged in road and border construction activities.

1.2: Origin and analytical framework of economics of education

Economics of Education has emerged from the Presidential Address to the American Economic Association by Noble laureate T.W. Schultz in 1960. Though other Economists like William Petty, Adam Smith, and others have examined the economic value of education; it was only after T.W. Schultz's address to the American Economic Association, the formal birth of which had taken place in 1960. Other economists like Robert M. Solow, Edward Denison and others have also contributed a lot for its emergence as a separate sub-discipline of economics. Several scholars have enriched its methodology and content. Emergence of economics of education has influenced several other branches of knowledge which gave rise to economics of human resource development and utilisation.

Cohn, E. (1979) defined Economics of Education as 'the study of how man and society choose, with or without the use of money, to employ scarce productive resources to produce various types of training, the development of knowledge, skill, mind, character, and so forth-especially by formal schooling—over time and distribute them, now and in the future among various people and groups in society.'³ It guides and modifies the activities of human beings in different ways and in diverse areas of activities. This is because education modifies human behaviour in all aspects of life by developing his mental power of thinking, planning and evaluating so that he or she is able to lead a very effective life, promoting social welfare with their progress

and development (Latchanna, G. and Hussein, J.O. 2007)⁴. The economics of education is about understanding how and why people make decisions to invest in education, the effect of education on long-term social and economic outcomes, the behaviour of those institutions that “produce” education, and how best to design and implement public policies affecting the level and distribution of educational resources. The basic tools of economics provide a framework to evaluate education policies including early childhood interventions, K-12 school finance, and college choice and financial aid (Fitzpatrick, M.D., 2011)⁵.

Since the process of education involves the use of a substantial amount of scarce resources, a number of questions spring up, such as:

- (i) What are the processes of educational production?
- (ii) How are education distributed among competing groups and individuals?
- (iii) How much should be spent by society or individuals on educational activities?
- (iv) What types of educational activities should be selected?

The answers for the above questions can be sought within the domain of economic analysis. Originally, economists were concerned with the contribution of education and health to economic development. Education is a key to human capital formation. Quality of human resources depends upon the quality of education of a country. Sustainable economic development needs skilled manpower which is raised through efficiency and productivity of individuals that is only possible through education (Nasir, Z. and Nazli, H., 2010)⁶. For the analysis of economics of education at global level, the following five parameters were considered: (i) Economic analysis of education interventions, (ii) Finance and expenditure in education, (iii) Public-Private Partnership in the education Sector, (iv) School-based management, (v) Impact evaluation, and (vi) Quality of education (World Bank, 2005)⁷. However, recent studies in this area deals with the issues like man power forecasting and planning, correlation between education and earnings, estimation of the demand and supply of education, criteria for investment in education, cost-benefit analysis of education and so on.

The observations and the recent fact that encouraged the necessity for an intensive study is most important to uncover the reasons of mushroom growth of Private schools(owned by private trust or organisation) and its differences with the Public Schools (owned by government) in the entire BTAD area from Primary standard to the Senior Secondary standard. Therefore, the present study is an attempt to make a comparative analysis of the private and public schools up to senior secondary level of BTAD in Assam.

1.3: The systems of private schools and its features

Private schools are those schools which are owned and managed by private individuals, private partnership, religious body or society, etc., with the twin objectives of providing quality education and maximisation of profits. In the case of “private partnership” more than one person is involved in the process of administration, decision-making, policy-making. Mutual consent and voluntary agreement keeps binding upon them for smooth running the system of administration. They agree to share the profits though the joint capital is not a norm of partnership. Another form is the “sole proprietorship” in which single individual is the sole owner of the school. The system of administration, policy-making, decision-making, lies with the owner and gets the reward for that. Further, there may be the schools run by the religious body or community which aim at providing maximum services to all the student community and not to make profit.

Considering ‘quality education’ as ‘brand of products’ private schools or any private institutions can be considered as an economic organisation for producing and supplying particular products (educational services) for which it can be rightly considered as a firm in economic sense. One of the basic objectives of the firm is the maximisation of profits by charging higher admission fees, tuition fees, hostel fees and even fines though it may have other objectives like providing quality education, raising the standard of education, expansion of education, etc.

Observing the demand for quality education such institutions has emerged in a large number, each catering to the needs of small segment of the consumers of educational services. Each firm compete with each other by devising strategies of its

survival and growth, to command larger and larger segment of the consumer, improving the quality of its services and meeting its objectives of profit maximisation. Thus, in an economic sense, a collection of such institutions form an industry.

To summarize, the systems of private schools catering to the demand of educational services has all the major economic characteristics, such as investment for the expansion of education, hiring factors of production both skilled and unskilled, infrastructure like land and building, product differentiation, advertising, pricing policy, competition and so on. Therefore, any system that exhibits the above characteristics could be analysed within the domain of economics in general and within the economics of education in particular.

1.4: The systems of public schools and its features

Public schools are those schools of state and central government. These schools are controlled and administered by School Managing Committee (SMC) in the lower primary and upper primary level and School Management and Development Committees (SMDCs) in the composite schools (schools with primary, high school and higher secondary) abiding the rules and regulations imposed by the government from time to time. Public schools or government schools charged fixed and negligible fees as mandated by the SSA Policy for free education and RTE Act, (2009)⁸ of government of India for free and compulsory education up to the age of 14 years and therefore, normally does not refuse new admissions, they receive grants from the government; if access demand develops, it is typically controlled by compromising education that follows from overcrowding leading to insufficient number of classrooms and teachers.

In India, the government schools viz., the public schools are indeed doing a commendable job of making education available to a greater number of people and are normally doing it for free and compulsory education up to the age of 14 or for fees that are really within the reach of everyone as per the provision of RTE Act, 2009. The “Sarva Siksha Abhiyan” the flagship education project of Government of India has been implemented effectively in Assam since 2001. All these steps have

helped the state to raise its literacy percentage from 63.25 % in 2001 to 73.20 % in 2011 leading to 9.95 % increase. In addition, these schools also see the wards dropping out a few years after starting with their education. The reason is that despite the provision of free and compulsory education, a noticeable number of children are forced to work as in the agricultural fields or as labourers to support their family. Under the formal system of education structure, the main categories of schools in Assam and that of the BTAD are:

1. Lower Primary School: The schools which run up to class V are called Primary School. The lower primary school education starts from class 1 to class 5, viz., for children between 5- 10 years.

2. Upper Primary School: The schools which run up to class VIII are called Upper Primary School.

3. High School: The schools which run from class IX to class X are called High School. It acts as a link between Primary and High School. In this high school level state board examination (HSLC) those affiliated to state board (SEBA) or central board examinations (AISSE) those affiliated to central board (CBSE) are conducted. The results of these board examinations reveal the performance of the schools.

4. Higher/Senior Secondary School: This level serves as a link between and High School and pre-university or college. The level of teaching in this school is from class XI to class XII. After class X, a student is admitted to Higher/Senior Secondary School which has three streams, viz., Arts, Science and Commerce. At this level also, the state board (AHSEC) and central board (AISSCE) are conducted. The results of these board examinations reveal the performance of the schools and quality of the school education.

In the public/government run schools, Assamese in the Assamese medium schools and the Bodo in the Bodo medium schools are followed as medium of instructions where English is preferred as the medium of instructions in the private schools and those affiliated to CBSE. English is also used to teach at almost all higher educational institutions in Assam (www.assamportal.com)⁹. Often, in few private schools of Assamese and Bodo medium, Assamese and Bodo are followed as medium of instructions.

1.5: Rationale of the study

The following are the main points which justify the rationale of the study:

- (1) Performance of educational institutions in the BTAD region was always lower than the state and national level.
- (2) There are glaring differences between the growth of private and public schools, their performance and the factors determining it.
- (3) The systems of administration, the structure and pattern of expenditure, the sources of funding and even their problems and prospects too differ in one way or the other way.
- (4) A number of socio-economic variables also affect the education in private and public schools in different ways.
- (5) Both private and public schools offer employment opportunities to the educated people solving the general problem of unemployment to a certain extent; and
- (6) There is an element of profit motive behind the social welfare motive with the promotion of quality education in the private schools in contrast to the social welfare motive of public schools. Therefore, it is in need and justifiable to have a comparative economic analysis of private and public schools in the BTAD region.

1.6: Operational definitions of the key terms in the present study

(1) Private Schools: Private schools, in the present study are meant to include those schools which are owned and managed by private individuals, private partnership, religious body or society. It may be the government aided or un-aided as well as it may also be the recognized and unrecognized by the government. But in this research work, private un-aided and recognized by the state government are considered. These schools will include those either affiliated to state board (SEBA) or central board (CBSE) or board of diverse. OECD (2012)¹⁰ adopted the definition of privately managed schools as “This is a school managed directly or indirectly by a non-government organisation e.g. church, trade union, business or other private institution”⁷.

(2) Public Schools: In this study, the public schools would mean those schools of state government affiliated to state board (SEBA) and central government affiliated to (CBSE). These schools are controlled and administered by the headmaster or principal who were the state or central government employees in coordination with School Management Committee (SMC) in the primary level and School Management and development Committees (SMDCs) in the high school and senior secondary level, abiding the rules and regulations imposed by the government time to time. The government salaried teachers cooperates the headmaster or principal in many matters for smooth functioning of the administration. OECD (2012)¹¹ referred publicly managed schools as “This is a school managed directly or indirectly by a public education authority, government agency, or governing board appointed by government or elected by public franchise”.

(3) Primary/Elementary Education: Primary education, in the present study would include both lower primary and upper primary, comprising of classes I-V (for children of 6-11 years of age) at lower primary school level and classes VI-VIII (for children of 11-14 years of age) at upper primary school.

(4) High School Education: In the present study, high school education means school education consisting of classes IX to X. The term high school is a school where teachers are directed to teach and instruct the pupils attending the classes and prepare the students for matriculation or High School Leaving Certificate (HSLC) examination.

(5) Higher/Senior Secondary Education: The present study would use Higher/Senior secondary education to mean plus two level educations after matriculation in higher/ senior secondary school consisting of classes XI and class XII.

1.7: Statement of the problem

The research problem undertaken is entitled as, “Economics of Education: A Comparative analysis of private and public schools up to senior secondary level of BTAD in Assam”. There is a slow pace in the growth of public schools both in the rural and urban areas of BTAD in particular and of Assam in general, despite the rapid increase in school age population and enrolment rate. There are also huge

financial resources devoted to the administration of public schools. Even then, there is an emergence and rapid growth of private schools. This study makes an endeavour to examine the pattern of growth of private and public schools operating in the BTAD and the factors determining their growth. Again, the central government has made an elementary education free and compulsory up to the age of 14. However, there is an increase in the rate of enrolment in the private schools. There are regional and social inequalities in the provision of private and public schools which are to be examined. There are also differences in the size and magnitude of employment opportunities created by both private and public schools. They have differences in the sources of funding and structure of expenditure, also private and public schools have different problems and prospects.

1.8: Objectives of the study

The main objectives for which the study is undertaken are:

- (1) To examine and compare the growth pattern of private and public schools, performance and their determinants.
- (2) To make a comparative investigation of the sources of finance, structure of expenditure and optimum utilisation of the private and public schools.
- (3) To evaluate and compare the size and magnitude of employment generation by the private and public schools.
- (4) To make an assessment of the government policies, diverse problems and prospects of the study and their impacts on the society.

1.9: Hypotheses

The study aimed at testing the following hypotheses:

- (1) H_a : There is a difference between the growth of private and public schools in the study area.
- (2) H_0 : There is no difference between the performance of private and public schools

(3) H₀: There is no difference in the generation of employment between the private and public schools.

1.10: Delimitations of the study

(i) The present study is limited to the study up to senior secondary level in the BTAD which are run and managed by the private sector and the public or the department of education of the state government.

(ii) The study is delimited to the principals or to the head of the institutions, teachers, and students.

(iii) It does not include pre-primary schools, unrecognised, junior college and institutions of higher education.

(iv) No division of rural and urban is made as 95.17 percent of population in BTAD lives in rural areas (Census, 2011).

(v) Quality issues have not been covered in the study.

1.11: Area of the study

According to the NEUPA (2013)¹², School management in the state of Assam may be categorised in to Department of Education, Private Aided, and Private Unaided. There are also a good number of schools which are not applicable and unrecognised according to the norms of the state government. The literacy rate in the BTAD is 67.11 percent while that of the state of Assam is 73.18 percent according to the census of 2011. One important fact is that though Baksa district has the maximum rural population which is 98.72% but this district has the highest literacy rate of 70.53 % compared to other three districts. The Chirang district has the lowest literacy rate of 64.71 %. In the state of Assam Kamrup Metropolitan has the highest literacy rate as per 2001 and 2011 Census while Dhubri district has the lowest literacy rate as per 2001 and 2011 Census.

The four districts of BTAD have a total of 786 private schools imparting primary education to higher secondary education. Out of this aggregate, the Chirang district has 55 lower primary schools, 79 upper primary schools, 36 high schools and

3 higher secondary schools comprising 173 schools from lower primary to higher secondary schools. The Kokrajhar districts has 62 lower primary schools, 86 upper primary schools, 37 high schools and 3 higher secondary schools consisting of 188 schools up to higher secondary schools. The Baksa district has 76 lower primary schools, 134 upper primary schools, 31 high school and 8 higher secondary schools giving out the total of 249 schools from lower primary to upper primary schools in the district. The Udalguri district has 80 lower primary schools, 71 upper primary schools, 25 high schools and this district has no private higher secondary schools. The Udalguri district has a total of 176 schools from lower primary to higher secondary schools. Over all the entire BTAD have 273 private lower primary schools, 370 private upper primary schools, 129 private high schools and 14 private higher secondary schools. It is to be noted that the Baksa district has the highest number of private schools while the Chirang district has the lowest number of private schools.

Contrary to the number of private schools, the BTAD have a total of 5909 public schools imparting the education from primary level to the senior secondary level. Out of this total, Chirang district constitutes 837 lower primary schools, 120 upper primary schools, 49 high schools and 9 higher secondary schools. Over all the Chirang district have a total of 1015 public schools from the primary level to the senior secondary level. The Kokrajhar district comprises 1314 public lower primary schools, 139 upper primary schools, 106 high schools and 14 public higher secondary schools. Over all the Kokrajhar district have 1573 public schools from primary level to the higher secondary level. The Baksa district has 1466 public primary schools, 392 upper primary schools, 80 public high schools, 11 public higher secondary schools. As a whole, the Baksa district has 1949 public schools from primary level to the senior secondary level. Again, the Udalguri district has 1095 public primary schools, 208 public upper primary schools, 56 public high schools and 13 higher secondary schools. Over all the Udalguri district has a total of 1372 numbers of public schools up to senior secondary level. In the public sector also, Baksa district has the highest number of public schools while that of the Chirang district has the lowest number of public schools.

The study area is highlighted in the given below map of BTAD segregated from Assam and India.

Figure-1.1: Map of India

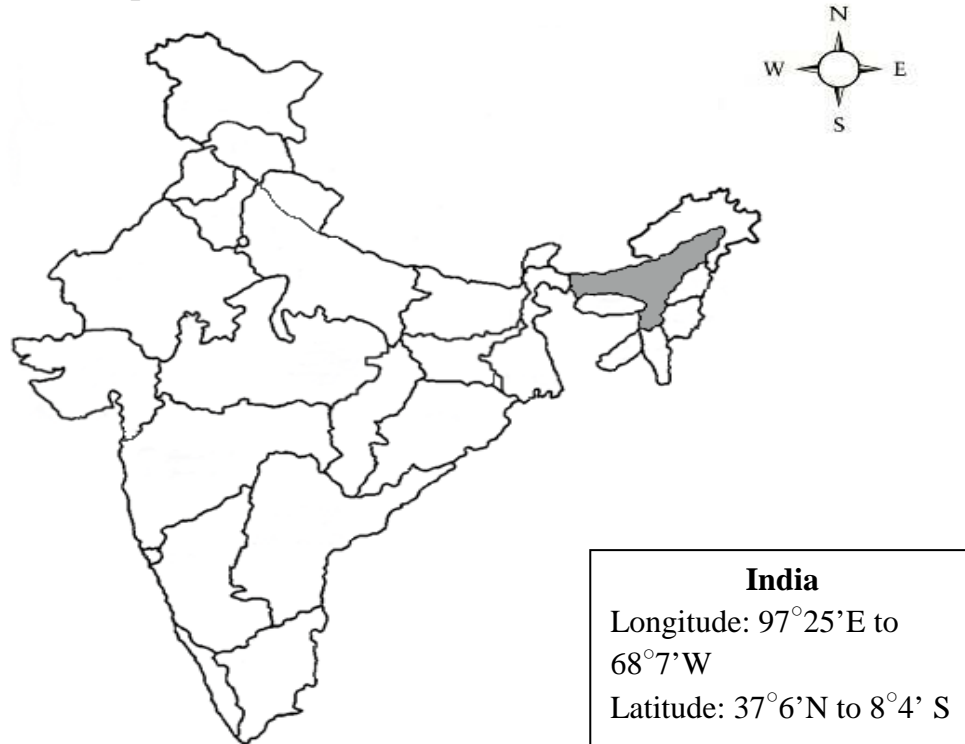


Figure-1.2: Map of Assam

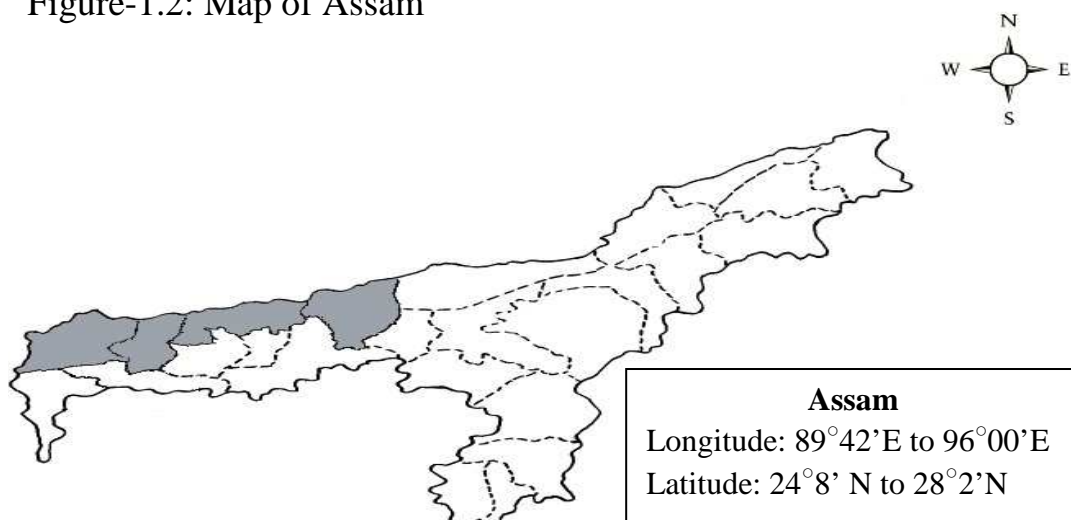
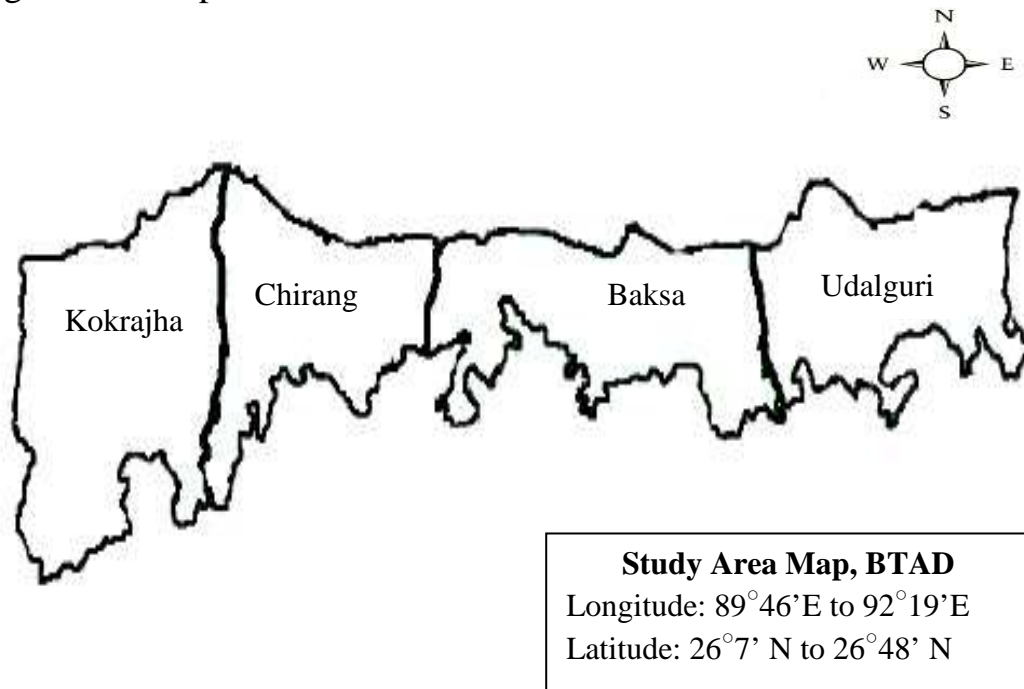


Figure-1.3: Map of Bodoland Territorial Area Districts



1.12: Chapterisation

The study has proposed the following tentative chapters:

Chapter-1: Introduction

Chapter-2: Review of Literature

Chapter-3: Methodology and Data Sources

Chapter-4: Growth Pattern of Private and Public Schools, Performance and their Determinants

Chapter-5: Sources of Finance, Structure of Expenditure and Optimum Utilisation

Chapter-6: Employment Generation of Private and Public Schools

Chapter-7: Assessment of the Government Policies, Diverse Problems and Prospects of the Study

Chapter-8: Summary of findings, Suggestions and Conclusion.

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