

DEVELOPMENT OF SELF- FINANCING EDUCATION IN KERALA, INDIA : PERSPECTIVES AND CHALLENGES

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Abstract

The present article is the outcome of a study conducted by the author in the context of Kerala perspective. The State of Kerala is known all over the world as an educationally advanced part of the country which has many outstanding achievements in the field of education, health, habitat, land reforms etc, generally constitutes what is widely known as ‘Kerala Model of Development’. Education has been recognized by the people of Kerala as the key stone of development even before independence. After independence the approach of state towards private education has changed considerably. The paper argues that the introduction of neoliberal policies in the state, followed by the central government’s economic reforms led to the privatization of higher education and mushroom growth of self financing colleges in Kerala. It raises several problems in professional education for example, questions of access, social equity and justice. The author conclude with the argument that political, legal and constitutional issues intertwined with the self-financing education ultimately poses questions about denial of equity and justice to the weaker sections and deterioration of quality of professional education.

Key Words: Education, Kerala, Self financing, Globalization, Government

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Introduction

Educational attainment is one of the main criteria in indexing human development. According to Amartya Sen, it helps in building up human capabilities. A number of influential experts in the field of international development regard Kerala as a unique model of development ('Kerala Model of Development'¹) because it has been able to achieve exceptional social development in such areas as health, education, and even the demographic transition, despite low economic development and low per capita income. The performance of the state in achieving high quality of life for its inhabitants is creditable and incomparable with other states. The positive intervention of the state, in response to the social reform movements and the left radical movements actually realized Kerala's high human development. Among a number of achievements the most spectacular is educational development viz., cent percent literacy and greater access to formal education for all. It places the state at a unique position in the educational map of India. The higher education sector witnessed substantial expansion in professional education institution as a result of the government's policy decision in 2000 to allow private agencies following neoliberal policies to start unaided professional colleges. The present paper is an attempt at analyzing the recent developments in the higher education sector of Kerala. The methodology used in this study is historical and analytical in nature. The data were collected mostly from secondary sources. Available primary sources were also consulted.

An Overview of Self financing Education

In the 1950s, the emergence of welfare state based on the principles of Keynesian economics paved way to greater state intervention in education. The benign objective of this was to ensure free and equal access for everyone to education. A broad consensus was also evolved about considering education as a social responsibility at the political initiative. Education policies of both developed countries and developing nations were inspired by this idea, which continued until the late 1970s. But the welfare approach to education was drastically altered with the emergence of globalization and privatization². Reduction in government subsidies negatively

¹ Kerala model is defined as the Kerala's high standard of living (comparable to US or Europe) at very low per capita income which is only 1/80th of US citizens per capita income. According to Frank and Chasin this model is "a set of economic practices developed in the state of Kerala, resulted in attaining a high level of standards in human development, despite having a very low industrial development" (Frank and Chasin 2000).

² Privatization is a process of shifting publicly controlled services and/or facilities to the private sector. It also means the withdrawal of the state from an industry or sector partially or fully. According to authors liberalization, privatization and globalization (LPG) are synonymous words. Liberalization is loosening the control of government.

affected the functioning of government education institutions causing further decline in quality of public education. Ironically, it became a shot in the arms of those who were urging for privatization of education. Currently, education is considered as a tradable commodity. Its sale and purchase is no longer to be fixed by the state, but solely determined by the laws of free market. While the higher education including professional education was commercialized, the 'non profitable' primary education was left to the public sector. It shows that the private entrepreneurs are solely concerned about investment in higher education with the sole purpose of making profit.

In India, higher education system faced a massive cut in public expenditure consequent to globalization since 1990s. A bill viz., Private Universities (Establishment and Regulation) Bill was introduced in Rajya Sabha in August 1995 (Vijender Sharma 2005). The statement of objects and reasons of the Bill clearly points out that the private universities will be "self-financing universities not requiring any financial support from the government. In 1997, the Finance Ministry proposed in 'Government Subsidies in India: Discussion Paper' that higher education including secondary education as a "non – merit good" for which the government subsidies needed to be drastically cut. The NDA government constituted a 'special subject group on policy framework for private investment in education, health and rural development'. They considered higher education as a very profitable market. As a result, only those who will be able to pay exorbitant amount of fee will be enrolled in higher education. The UGC issued a Concept Paper in October 2003 entitled "Towards Formulation of Model Act for Universities of the 21st Century in India" with a view "to prepare the Indian University system for the future (Bhupendra Yadav: 2004)." This paper advocated "commercial culture and corporate culture" for the governance of universities. The concept of the Model Act was to actually implement the plan of commercialization of higher education as proposed by the Birla – Ambani report (Madhu Prasad: 2007). All these prove that education is becoming an internationally traded commodity. Changing perspectives of the central government vis-à-vis education naturally forces the state governments to fall in line. Since education is included in the Concurrent List the states' policies

Privatization means that the government tries to do less in the world of business and allows citizens to own their own factories and businesses. Whereas, Globalization describes the process by which regional economies, societies, and cultures have become integrated through a global network of communication, transportation, and trade.

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are to be in compliance with that of the centre. It makes privatization of higher education a national phenomenon. No state government can keep away from this

Education Scenario in Kerala

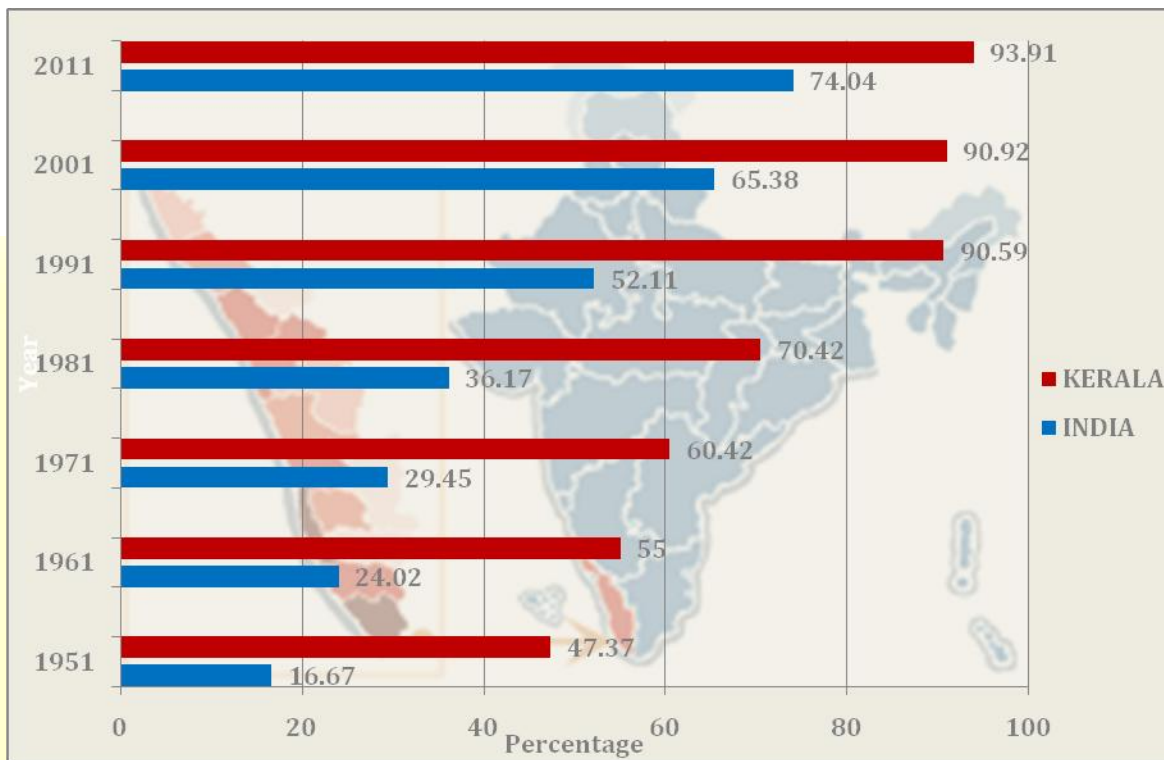
Kerala is one of the smallest states in the Indian union. It occupies 1 per cent of the total land area of India with a population of 3.33 Crore, which is 3 % of the total population of India at the 2011 census. The land of Kerala comprises the narrow coastal strip bounded by the Western Ghats in the east and the Arabian Sea on the west. Kerala has had a vibrant history springing from the ancient times flowing down the mediaeval and running to the present. Modern Kerala came into existence on 1st November 1956, by amalgamating the states of Travancore-Cochin and Malabar on the basis of the State Re-organization Act.

Kerala is the first state in India which has achieved universal literacy. Kerala stands miles ahead among the other states in social indicators like literacy rate, higher enrolment of students, higher percentage of girl³, SC and ST students in schools (The percentage of SC students in government schools, private aided schools and private unaided schools are 14%, 10.8% and 3.9% respectively), schools and colleges even in remotest regions - low dropout rate among students. The drop-out ratio in Lower Primary Section, Upper Primary Section and High School Section were 0.38%, 0.32% and 0.85% respectively) etc. Kerala's literacy rate is comparable to the most advanced regions of the world. Kerala's literacy rate which was only 47.18% in 1951 has almost doubled to 93.91% in 2011. The male, female literacy gap which was 21.92% in 1951 has narrowed down to 4.04s% in 2011. The figure below shows growth trends in literacy of Kerala and all India.

³ Girls constitute 52% at the plus two level, 76% at the graduate level and 74% at the post graduate level (K.P. Kannan 2012).

Figure 1

Trends in Literacy -Kerala and all India- 1901-2011



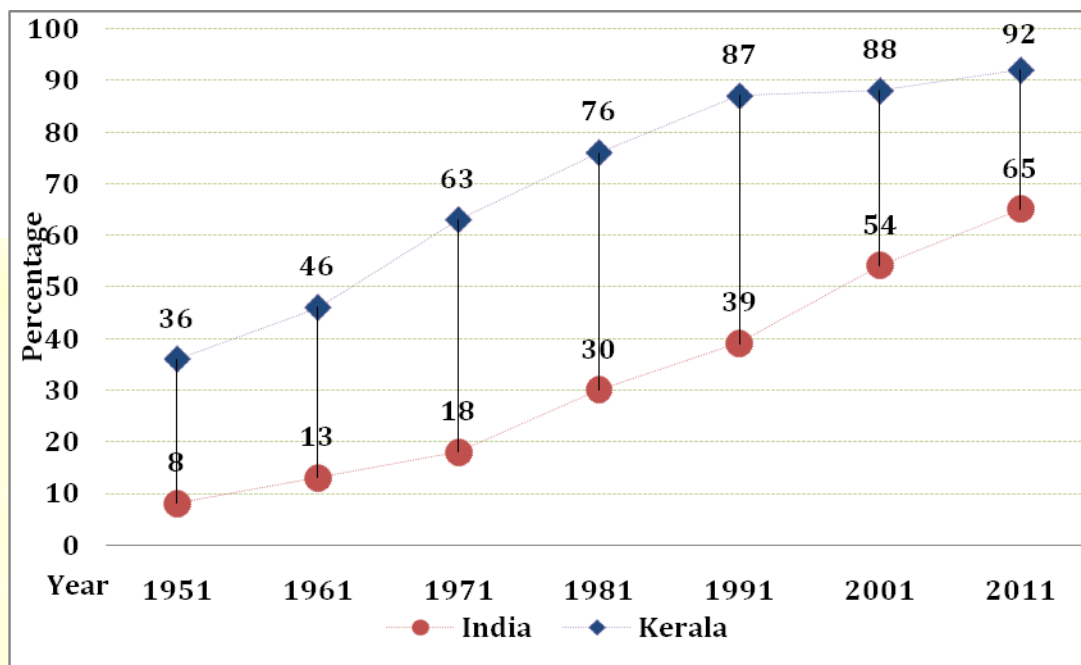
Source: **Census of India**, Various years

As in the case of literacy, there is only marginal rural-urban and gender difference. The literacy level of females in Kerala⁴ was 36.43 per cent in 1951 while that of the national level was 8.86 per cent. It increased to 91.99% and 65.46% in 2011(Figure 2).

⁴ Kerala has often been referred to as the “land of women” (52%). Historically the state has been quite different from the rest of the country in terms of the indicators of women’s development. Women education was a part and parcel of Kerala's effort in human development.

Figure 2

Growth Trends in Female Literacy-Kerala and India



Source: **Census of India**, Various years.

School education in Kerala, in terms of quantity, physical facilities has been consistently much higher than in any other state. In fact, the girls outnumber boys from the secondary school level onwards due to their lower dropout rates. The number of girls entering higher education except technical/professional education is much higher than that of the boys. The impressive achievement of Kerala over the past one century in education was a resultant of various social and economic struggles which constitute a unique experience. The contribution of rulers in pre modern Kerala was also unique compared to other regions of the country. The evolution of education in general, and higher education in particular were greatly due to the influence of western education introduced by the missionaries and the progressive rulers of the native states – Travancore and Cochin. The contribution of Christian Missionaries is worth mentioning (Nair 1983).

Self Financing Colleges in Kerala: Influencing Factors

Self financing colleges are institutions established under the auspices of registered societies or trusts with their own funds and without any financial assistance from the government. The

capital of the running of the institution is raised mostly in the form of fees collected from students who opt to get admission there. The major influencing factors are:

1. Declining Share of public Expenditure on Education

Kerala's development experience, used to be described in the past as the paradox of high degree of social development despite low rates of economic growth. But when the economy started growing, the state shifted its priorities away from education. As a result, the state reduced the share of education in its total expenditure (revenue and capital) as may be seen from Table 1. The share of education came down from 27.4% during the Fifth Plan period to 18.6% during the five-year period ended in 2006-07.

Table 1
Share of Education, Art, Culture and Scientific Research in Budgeted
Expenditure (from 1992-93 to 2006-07, figures in percentages)

Plan Periods	Revenue Expenditure	Capital Expenditure	Total Expenditure	Plan Expenditure	Non-Plan Expenditure
VIII Kerala	25.20	5.70	23.61	6.55	28.64
All States	19.74	2.56	17.92	8.66	21.16
IX Kerala	21.72	3.32	20.67	5.65	25.14
All States	20.31	1.98	18.56	10.04	21.01
X Kerala	19.24	3.64	18.60	4.58	22.02
All States	17.75	2.00	15.60	8.34	18.06

Capital outlay is taken as capital expenditure. It does not include loans and advances by the state government.

Source: **Computed from State Finances**, various issues, Reserve Bank of India.

The reduction in government expenditure affected all types of expenditures, particularly the plan expenditure and the capital expenditure. This drastic reduction in plan expenditure as well as capital expenditure prevented the government from expanding capacity of government owned and government aided institutions in the higher education and technical education sectors when the demand for them was growing. This vacuum was filled initially by the self-financing institutions in other states to which there was a massive exodus of students from Kerala. \

2. Influence of Neighbouring states

After 1990s the demand for professionals in all fields registered new heights. Coupled with this, the need for doctors, IT professionals and nurses in advanced counties opened new avenues of opportunities. Kerala could not arrest the unprecedented flow of students to professional education. On account of this shortage of professional colleges in the state, the neighbouring states like Karnataka, Tamilnadu and Andhra Pradesh took up this opportunity and allowed individuals and various communities to start professional colleges in the self financing sector. Encouraged by this circumstance, there was an outflow of students to professional colleges in the neighboring states. Such an exodus of students to the neighboring states caused huge drain of money from Kerala as capitation fee and various other fees in professional colleges outside the state. In these circumstances, the public opinion was strong in favor of establishing professional colleges in large numbers in Kerala in the self financing sector.

3. Influence of Middle Class

The expansion of unaided/self-financing system can be traced partly to the emergence of a new middle class⁵ in the state. This emerging middle class is both prepared for and is capable of buying its space in the educational sector. Most of the middle class think about making his/her children a doctor or an engineer. Therefore, they are ready to spend huge amount of money for a medical or an engineering seat. Many of the less educated but rich members of this class find education as a means for social mobility and respectability. There is a growing tendency for the middle class to opt out of the government-owned and aided educational system avowedly because of its low quality, but also due to social reasons. This tendency to quit the government system of education by the vocal and influential middle class, in turn, has led to further deterioration of the system and the expansion of the unaided sector.

4. Influence of Caste/ Communal Organizations

Due to historical reasons, both the demand for and supply of educational opportunities were created largely by religious groups and community organizations. The educational development in the state was spearheaded by Christian missionaries, local parishes, Nair Service Society (NSS), Sree Narayana Dharma Paripalana Yogam (SNDP) and the Muslim Educational

⁵ The broadest classification of "middle class" suggests the middle class comprises anyone who is not poor, which according to the World Bank means those who earn an income in excess of \$2 a day after adjusting for purchasing power (Chen and Ravallion 2010).

Society. Those agencies were guided by the educational and social needs of both their own communities and the society around. Some of these private agencies were instrumental in taking education to backward regions, castes and socially and economically disadvantaged groups. The resources for starting schools and colleges were mobilized from the locality or from within the community using a variety of very ingenious techniques. In other words, Privatization did not lead to commercialization of education. The state supported these agencies in a number of ways. All the religious and caste organizations in the course of time developed into pressure groups. From the very beginning, they had developed a strong clout in Kerala politics. In fact, new political parties have been formed, largely to protect the interests of some of these communities.

5. Influence of Media

Media, which is the major influencing part of the civil society to create public opinion, widely support the privatization and commercialization of higher education in Kerala. The major Newspapers and channels played a major role to create public opinion in favor of the self financing professional colleges and attain soaps from the government's policy for opening more professional colleges in the self financing sector. The growth of self financing sector within the state is believed to be helpful to check the flow of money from Kerala to its neighbour states, for instance, Karnataka, Tamil Nadu and Andhra Pradesh. The self financing professional education is also considered as having potential to create more job opportunities for the Malayalees. In a highly media literate society such a public opinion has greater acceptance among the people.

6. Political Factor

Like socio-economic factors, there are some political reasons behind the origin of self-financing professional colleges. Unlike Indian political system, Kerala witnessed a strong bipolar coalition system since the formation of the state and it continued thereafter. The bipolar coalition system was led under the leadership of Congress and the CPI (M)'s respectively. Besides the two big political parties, there are also powerful regional political parties, which have been using the minority politics fanning communal sentiments for their electoral success. Except on two occasions, the education department was fully under the control of regional political parties, who were acting on the basis of minority politics.⁶ This kind of administration

⁶ P.P. Ummer Koya in 1960-64 (congress) and M.A. Babby since 2006 (CPI-M) are the exceptions. Joseph Mundassery, the first education minister of Kerala was an independent candidate supported by CPI.

of education led to the development of private sector, including self-financing sector, under the label of 'minority rights' (J. Prabhash :2004) .

Government Policies on Self financing Education

Kerala politics is noteworthy for the ideological divisions prevailing among the political parties. Political parties in Kerala are divided into two coalitions, United Democratic Front (UDF) led by Indian National Congress and Left Democratic Front (LDF) led by CPI-M. Since the early 1980s, when the two fronts were formed, they have been alternately coming to power in the last two decades. Muslim League and a few Kerala Congresses, which are known for their communal background and direct link with private managements, are the constituents of the UDF. Obviously, the fact that their support is crucial to the existence of UDF is a reason for the soft approach of the united front towards the private managements. Since class politics has strong base in Kerala ideological politics has also been very strong (T. T. Sreekumar: 2004). Naturally, this peculiar feature of Kerala politics is reflected in the debates over the self financing education also.

The United Democratic Front (UDF) Government

United Democratic Front in Kerala is a coalition of Indian National Congress and communal (regional) political parties, mainly Muslim League and factions of Kerala Congress. This front functions as the right wing in Kerala politics. Indian National Congress doesn't have ideological issue vis-à-vis the self financing education. Therefore, it shows little hesitation to succumbing to the pressure from Kerala Congress and Muslim League as well as the dominant pressure groups. It is worth mentioning that the Congress party in Kerala was a coalition of various social pressure groups from the origin itself. Therefore, compared to the CPI-M, it has no ideological inhibition to consult the caste/communal pressure groups in policy making.

The first instance of establishing a self financing professional college (in the co-operative sector) was initiated by the UDF government of 1991-1996. The government gave permission to a co-operative self financing medical college at Pariyaram in North Malabar. However, when the LDF came to power in 1996 CPI-M shifted their earlier position on self financing education. The Left front gave green signal to self financing education on the conditions that preference should be given to governmental and semi governmental agencies, for instance, universities and cooperative bodies, and that the self financing education should be under 'Social Control'. The

UDF government (2001-2006) of A. K. Antony gave Non- Objection Certificates to everyone who sought for government's permission to start self financing colleges. But after receiving the NOC, the managements changed their attitude. The LDF government (2006-2011) was also struggling with this issue which is entangled in legal controversies. The UDF leadership justified the policy by a couple of arguments: Firstly, it would help to check the flow of money from Kerala to its neighboring states, which is spent by the parents of Malayalee students to get admission in self financing colleges outside the state. Secondly, the government maintained that professional colleges are necessary to resolve unemployment. The policy was also justified on the ground of social justice because reservation of 50% of seats in self financing colleges under government quota would help the poor students to get professional education at reasonable fees.

The Left Democratic Front (LDF) Government

While the concerns of students in general, and poor students in particular, were brought to the centre stage of debates by Left political parties (Communist Party of India and Communist Party of India Marxist) and their student's organizations (Student Federation of India and All India Student Federation), the Congress and its allies, for instance, Muslim League, Kerala Congress etc. are adopting a wavering stance vis-à-vis the defiant private managements, and they are eager to protect the interest of the poor on several instances. However, the division between these two political groupings is diminishing day by day with the Left abandoning their staunch opposition to self financing education and the UDF slowly paying heed to the mounting pressure from the student organizations as well as the progressive sections of the civil society to implement provisions of social control. This indirectly shows that while the self financing education has been recognized by the Left as a reality, equally important is the fact that their demand for social control is gaining currency across the political parties of the right wing.⁷⁸

Moreover, the left parties, which have been arguing against the privatization and commercialization of education in the earlier phase of the 1990s have now recognized that the self financing institutions are necessary for the development of higher education sector.

⁷ The LDF government of 1996-2001 faced criticism due to its indiscriminate allocation of Plus Two schools to the private managements. Actually, the same government also showed inordinate interest to give NOCs to start self financing colleges. But a close review of the policies of the LDF and UDF reveals that there are subtle differences in their approach to self financing education.

Ironically, the left's conditional approval of self financing education is well manipulated by the right wing political parties and the right wing media. It is a part of the large propaganda of the vested interests aiming at creating public opinion in favour of the self financing professional colleges in private sector. The number of self financing professional colleges has increased manifold in recent years. The trends in growth of self-financing professional colleges in Kerala during the LDF and the UDF Governments are given in following table (Table 2 and 3).

Table 2
Growth Trends in Self-financing Professional Colleges in Kerala:
LDF and UDF Governments

Colleges	LDF Govt. (V.S. Achuthanandan)	UDF Govt. (A.K. Antony & Oommen)	LDF Govt. (E.K. Nayanar)
Source: Economic Survey of Kerala, 2006-2011, New Various Years and other sources	2006-2011	2001-2006	1996-2001
Engineering	54	32	26
Medical	8	6	3
Dental	11	7	
Ayurveda	3	6	2
Pharmacy	5	11	2

Source: Compiled from Various Sources

If we look at the growth trends of professional colleges during the last 15 years we can see that LDF is more responsible for strengthening self-financing professional education in Kerala.

Table 3
Growth Trends in Professional Colleges in Kerala

Sl. No	Types of Institution	1991-2000				2000-2012			
		Government	Aided	Unaided	Total	Government and aided	Government Self financing	Unaided	Total
1	Engineering Colleges	5	2	0	7	12	25	116	154
2	Medical Colleges	5	0	1	6	5	2	16	23
3	Nursing Colleges	5	9	0	14	9	10	62	86
4	Dental Colleges	3	0	0	3	3	0	22	25
5	Pharmacy Colleges	3	0	0	3	3	1	26	30
6	Ayurveda Colleges	3	2	1	6	3	2	13	18
7	Homeo Colleges	2	0	0	2	2	3	0	5
8	B-Ed Colleges	4	17	40	61	4	17	147	168

Source: **Compiled by the Researcher from various sources**

We can see from the table that after 2000 no single professional colleges were started by the government.

State Legislation vis-à-vis Self-financing Education

The first law brought by the Kerala government to control and regulate the self-financing professional colleges in the state was “The Kerala Self-financing Professional Colleges (prohibition of capitation fees and procedure for admission and fixation of fees) Act, 2004. The managements challenged this law in court and finally they obtained favorable verdict. It was rightly found that the law had no statutory relevance since the Supreme Court had explicitly

opined in the T M A Pai case ^{8,9} in favour of the private managements. The second law passed by the Kerala Legislative Assembly by the LDF in July 2006 is known as ‘The Kerala Professional Colleges or Institutions (Prohibition of Capitation Fee, Regulation of Admission, Fixation of Non-Exploitative Fee and Other Measures to Ensure Equity and Excellence in Professional Education) Act. Interestingly, the law was passed by the unanimous support of the house. It indicates that, both the left and right political parties arrived at a consensus about the political control of the self-financing institutions. There was also the public opinion in favour of the legislation which forced the UDF to support it. The different sections of the Kerala society supported the new bill, except some caste-communal groups.

Naturally, the managements did not accept this bill and they dragged the issue in to the court in the name of constitutional validity and minority rights. The history repeated and the court declared vital provisions of the bill as against constitutional provisions and minority rights. In fact, the managements obtained a more favourable verdict ever than before, which made them more powerful in the matter of admission and fixation of fees. Obviously, the verdict rendered the government defensive. After the failure of this legislation, the self-financing college problem became more complicated and legal disputes continued. Though the UDF and LDF are seemed to be committed to the cause of state control in self-financing education, a detailed study of their legislations shows differences between these two fronts. A comparison of the two legislations is provided in the following table.

Table 4
Legislations of UDF and LDF Governments: A Comparison

Comparing Factor	UDF’s Legislation in 2004- 05	LDF’s Legislation in 2006
Allocation of Seats	Government Seat – 50% Management Seat – 50% (including 15 seats	Different way in Majority Institutions and Minority Institutions. Majority Institutions: Compulsory Reservation – 37%, The Reservation Through Negotiation – 15%, Merit Seat – 18%, NRI Seat – 15%, Management Seat

^{8.} T M A Pai Foundation Vs State of Karnataka (2002), argued that “reasonable surplus to meet the cost of expansion and augmentation of facilities, does not however, amount to profiteering.” This verdict was supportive to the managements. Another important provision in the new verdict was that it gave permission to self financing colleges’ consortium to conduct entrance examination for admission in these colleges. Consequence to this the power of the government was reduced in relation to supervision of the admission procedures.

	for NRI	– 15%. Minority Institutions: College Owned Community – 50%, NRI – 15%,
Admission	A Common Entrance Examination in Government Seat. A Separate Entrance Examination Conducted by Managements' Consortium in Management Seat. (Vacant Government Seats for Managements)	Single Window System; The Admission is only on the basis of Common Entrance Examination except in NRI seats.
Fees	No Capitation Fees Government Fees in Government seat and in Management Seat, Fees as they like	The Committee to be appointed by the Government will decide the Fees in whole seat; with in this in reservation seat fees concession/government fees, high level fees in NRI/management seat, KT Thomas Commission fees in general merit seat. Don't receive advance more than one year fees, The fees will re allot in every 3 year.
Reservation#	No Provision	SC/ST – 10%, Socially and Educationally Backward – 25%, Arts/.... – 2%, PH – 3%, Other than above mentioned – 12%*
Scholarship/Free ship	No Provision	Provision for both. Scholarship – Higher Education Scholarship Fund for Socially and Economically Backward students. Free ship – Full/partial Fees Concession for Reservation category students.
Punitive measures	Fine up to 5 lakh and Withdrawal of institutions' recognition	Three kind of Punishments: Violation of law relating to admission: Fine up to 10 lakh rupees and withdrawal of recognition Common violation of law: 1 – 3 year imprisonment and fine up to 50 lakh rupees Bureaucrats: the bureaucrat, who is

		making corruption in giving income certificate and the student, who is taken admission through this will get same punishment as above.
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Not Applicable in the case of minority institutions.

* In accordance with the consent of managements because of no constitutional validity

Source: **Legal and Constitutional Digest**, Vol.20, No.3, Kerala Legislative Assembly Library, Trivandrum, 2006, pp. 81-92, Government of Kerala, *Gazette – Extra Ordinary*, Trivandrum, 2004, pp. 1-6

The Present Scenario: Problems

Kerala's education is now confronted with a number of problems.

1. Commercialization of Education

Education in the States sprouted in the 'public sphere' and was considered a 'merit good'. But no one can discern various degrees of 'commoditization' in this sphere, from 'self-financing' to outright profiting. When education is administered as a business, then the various participants in it become business stakeholders. It leads to individualization and creation of selfish creatures. In this milieu, educational agencies are perceived as capitalists, teachers as workers, and students as inputs to be transformed into outputs or finished commodities. Much of the social and human element of education is eroded in this process.

1. Capitation fee and its Social Costs

Most of our private educational institutions forcefully collect capitation at the time of appointment and admission. This gives birth to a number of unhealthy practices. Once money becomes a privileged criterion, 'merit' will definitely be pushed back. The mass failure of students in most of the engineering colleges in the State in recent times is definitely an eye-opener of this phenomenon. In order to favour the resourceful clients, the managements would be forced to resort to unethical practices.

2. Eroding Quality in Education

The unbridled expansion in the field of self-financing professional education has affected its quality greatly. The faulty selection procedure of students in self-financing colleges is the first reason for the decline of quality. In addition to this, in the Inamdar case⁹¹⁰ the managements

9 The seven-judge bench of the Supreme Court delivered its verdict in PA Inamdar Vs State of Maharashtra case on 12 August 2005. In Inamdar case, the Court had struck down existing reservation by state governments in private,

were given the right to conduct separate entrance test. The admission procedure based on self conducting entrance examination leads to corruption and low quality of students getting admission fully upon their ability to pay huge fees. In several self-financing colleges there is a dearth of qualified and experienced faculties. Are the students of the self-financing professional colleges eligible and able to compete in national and international market? The self-financing professional colleges are not producing that much of quality students. It is well ascertained that it may also cause to educated unemployment. NASSCOM has revealed that more than 75 per cent of engineering graduates in the country have poor knowledge and skill.

3. **Lack of Academic Freedom**

In the present educational system there is little space for students and teachers to express their innovation and creativity. In most cases the parents choose the courses for their children. Most of the middle class think about making his/her children a doctor or an engineer. Therefore, they are ready to spend huge amount of money for a medical or an engineering seat. The talents and potentials of the children are not taken into account.

4. **Exclusion of marginalized sections**

The state had been taking legitimate pride in the fact that its educational system provided equal access irrespective of gender, social class and income. But now, this concern is being replaced by their concern for the aspirations of the growing middleclass in the state. Therefore it is doubtful whether Kerala's educational system now provides equal opportunities for quality education any longer. The emergence of self-financing education and the withdrawal of state from the higher education sector, leads to the exclusion of those disadvantaged social groups who do not have money to compete with the rich.

5. **Minority rights issue**

Protection of the reasonable rights of minorities is the duty of a civilized society and it is essential for the working of a democratic system. On the basis of this idea, the Constitution of India provides some special rights – cultural and educational rights – to the minorities.¹⁰¹¹ In

unaided medical and engineering institutions. The court declared that the State can't impose its reservation policy on minority and non-minority unaided private colleges, including professional colleges.

10 Article 29 and 30 of the Indian Constitution deal with this right and it was realized after a lot of discussions and debates in the Constituent Assembly. Article 29 is related to the right to protect the language, script and culture, and Article 30 ensures the right to establish and own the educational institutions.

course of time, Article 30 has been misused to protect the personal interest of a few and to escape from socio-political control in the case of self-financing issue in Kerala. In the case of educational institutions, especially in the case of professional education, above 70% is under the control of the two minority communities. They are not necessarily furthering the educational interests of the minority communities. Most of them are accepting capitation fee and are not giving any weightage to minority candidates to absorb in faculty.

6. Lack of broad policy of Government

A significant problem is that there is no clarity yet on the broad policy, law, admission procedure and fee structure in self-financing colleges. The UDF and the LDF government introduced two Acts to regulate self financing colleges in 2004 and 2006 respectively and this led to the series of conflicts between the government and the private managements. The governments in our state cannot do anything because it depends largely on vote bank.

Summary and Conclusion

Education is a powerful tool of social change in a society in which the majority of the population is poor. It is the duty of state to ensure the equality of opportunity for poor people in the education sector. But the state policies are in support of commercialization of education and it amply protects the interest of managements. This kind of situation favours only the affluent sections and the private managements. In short, the whole philosophy of the self-financing policy is that education is a commodity to be purchased in the market. Those who have no purchasing power have no right to receive it. Market is exclusive and the poor are being excluded from professional and higher education. Technological growth does not automatically bring justice in society. There has to be societal intervention in science, technology and culture. In the process outlined above there will be technological momentum, but no social justice. Unless Kerala's higher education is revamped, the entire edifice of 'social development' by the State will falter.

The following measures can be considered for bringing phenomenal change in the self financing sector of Kerala.

- State funds for higher education have been on decline in the recent years, though it is increasingly stated that state financing of higher education is important, and the state should make firm commitment to finance higher education.
- The growth of private higher education has to be regulated. A detailed regulatory framework has to be developed that would allow only genuinely interested private sector that has philanthropy and education and not profit as the main consideration to enter higher education sector.
- A vibrant and critical civil society is necessary to control the self financing management. As the fourth estate, the media should play an effective role in exposing the commercialized nature of professional education.
- Commercialization and privatization of education and profiteering from education should be stopped forthwith and all steps in this direction be withdrawn.
- The selection procedure for professional colleges should be based on merit. There should be firm regulation to prevent practices such as donation, corruption and capitulation for recruitment and admission of students and teachers in self financing colleges.

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