

While the Union Budget 2014-15 reads in favour of the higher education sector with a 13 per cent increase in allocation, its true test lies in implementation and delivery, say experts

AN OPTIMISTIC OUTLOOK

PREETHI ANN THOMAS | CHENNAI

The unveiling of the Union Budget 2014-15 was surrounded by a lot of brouhaha as it was the first indicator of what's to come under the BJP regime. All speculations were silenced on July 10 with debutant Finance Minister Arun Jaitley presenting a rather conservative and realistic plan. Some termed it a "no big bang" budget, while others deemed it optimistic, as opposed to the "magic pill" that was expected in line with the Gujarat Model. The budget seems like a practical response to the current needs of the country, albeit with a few hiccups and concerns.

A study by Prashant Kumar, Tanubi Ngangom and Sanat Kapur in the Observer Research Foundation titled, "2014-15 Budget: A look through graphs" states, "With the increasing demand for a skilled labour force, higher education has been accorded high priority even among various education levels. The change in the allocations over the years supports this assertion. This trend was visibly started by the NDA in the beginning of the millennium and followed by the UPA government."

The higher education sector, has reasons to both rejoice and be worried, as it received a 12.9 per cent boost in allocation for ₹24,485 crore to ₹27,656 crore. Prof P Thyagarajan, former Vice Chancellor of Madras University, says, "Higher

education experts expect a minimum of 3 per cent of GDP to be allocated to the sector, but only 1.5 per cent has been allocated. This coupled with the vast disparity in State allocation means only around 0.2-1.2 per cent of Gross State Domestic Product will be used in different states."

Major highlights

The government has recognised the need to be on par with universities abroad, as Jaitley stated that emphasis will be laid on establishing Centres of World Class Education, a move that has been welcomed in the light of dismal rankings of our institutions in global rankings. To take this vision forward, he has proposed to invest in the scale-up of proven models of apex institutes like Indian Institutes of Technology (IITs), Indian Institutes of Management (IIMs) and All India Institutes of Medical Sciences (AIIMS).

Five new IITs will be set up in Jammu, Chattisgarh, Goa, Andhra Pradesh and Kerala, while IIMs will find campuses in Himachal Pradesh, Punjab, Bihar, Odisha and Maharashtra. Four AIIMS will be set up in Andhra Pradesh, West Bengal, Vidarbha and Purvanchal with ₹500 crore. Six AIIMS have just become functional at Jodhpur, Bhopal, Patna, Rishikesh, Bhubaneswar and Raipur.

Dr Kanagasabai, former Dean, Madras Medical College, Chennai, is of the opinion that establishing many AIIMS in the country is a feasible and encouraging decision. "It will be a great motivation for research and specialisation in the less sought-after specialties. Since it is a national initiative, research grants will also be heavy and Indian localised research will improve, as opposed to depending on research from abroad." When asked about the inadequacy of teachers and doctors in the country, he says, "It is essential that with this plan to expand, they support the medical fraternity with better salaries and perks. For the sake of students, the fee structure should be revised and perks should be given to them to pursue rare specialisations, even in remote areas."

With a shortage of around 1.2 million teachers in the country already, there exists a concern about dilution of quality and massive levels of understaffing. Prof Thyagarajan, who chairs committees in the University Grants Commission, says, "Setting up of more IIMs and IITs is certainly an attractive announcement, but it won't solve the quality issue. These projects should not take off until the Ministry consolidates plans already launched, like the plan to set up 12 new Central Universities. We require systemic changes first to support more institutions of

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THE SECTOR NOW GETS
₹27,656 CRORE UP FROM
₹24,485 CRORE

5

new IIMs will be set up in Himachal Pradesh, Punjab, Bihar, Odisha and Maharashtra. Four AIIMS to be established in Andhra Pradesh, West Bengal, Vidarbha and Purvanchal in addition to the six that have just become functional. IITs are also being expanded to five more states — Jammu, Goa, Chattisgarh, Andhra Pradesh and Kerala



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higher education, which involves also having a robust teacher induction programme to update knowledge, bring them up-to-date with new technology and ensure they get hands-on experience."

Prof Atmanand, Dean of Management Development Institute (MDI), Gurgaon, concurs on the issue of quality. "Merely a brand name is not going to impart good education. We require good quality teachers for this, which the system is currently lacking. Setting up more institutes will further aggravate the situation and, in case of failure, will result in dilution of the brand name."

In answer to the concern about faculty, a ₹500 crore outlay was announced for the Pandit Madan Mohan Malviya New Teachers' Training programme (named after the Indian educationist and politician) that aims to train students of professional colleges who aspire to become teachers. It is said that nearly 20,000 teacher trainees will benefit from this plan.

Additionally, Biotechnology clusters will be set up in Bangalore and Faridabad to support advancements in Science and Technology. Given that the government is seeking to steady the boat by supporting the backbone

of the economy – agriculture, they have also decided to invest ₹200 crore in setting up agriculture universities in Andhra Pradesh and Rajasthan and horticulture universities in Haryana and Telangana. Besides, 12 more government medical colleges will be set up with dental facilities.

In response to the affordability and accessibility issues set forth, the plan also envisages setting up virtual classrooms as Communication Links' Interface for Cultivating Knowledge (CLICK) and increasing access to online courses. A sum of ₹100 crore has been set aside for this. There has also been an increase in allocation for the Rashtriya Uchchatar Shiksha Abhiyan from ₹400 crore to ₹2,200 crore for a central focus on access, equity and quality in higher education.

Skill Development

HRD Minister Smriti Irani went on record to

CRDRE SET ASIDE TO GIVE ENTREPRENEURS A BOOST UNDER THE STARTUP VILLAGE ENTREPRENEURSHIP SCHEME

10,000

state that the focus of the budget has been on education and skill development. In this light, a national multi-scale programme called Skill India will be introduced to bridge the skill gap in our workforce, which will have a direct impact on the economy. Most welcome this move as the quality of graduates has deteriorated, with no skills to match the demands of the industry. But again, the concern is of effectiveness.

Prof Atmanand says, "This plan was visualised to impart employability and entrepreneurship skills to the youth by merging various schemes from across ministries. It has also been proposed to change apprenticeship law that governs the on-the-job training scheme to make it more responsive to industry and the intended beneficiary. The existing National Skill Development Corporation has utterly failed thus far in achieving its purpose. The need of the hour is to implement the intent." Another exciting move planned is to set up the Young Leaders Programme (YLP) with ₹100 crore. Although details aren't available yet, YLP was envisaged with the objective of promoting young talent in the country in various spheres.

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200

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Alert for entrepreneurs

It is also a time of firsts, as the budget plans to give a fillip to small-scale entrepreneurship in the tech industry in the form of the Startup Village Entrepreneurship Scheme. A whopping ₹10,000 crore has been allocated for the same. According to Sijo Kuruvilla George, Founding CEO of Startup Village, Kochi, India's first PPP model technology business incubator, the budget has for the first time identified the challenges faced by Indian startups, which is a "great opportunity". "What is also interesting is to note is that ₹10,000 crore has been earmarked to serve as a catalyst to attract private capital and is aligned with the intent of providing a conducive environment for startups. If properly implemented, this will result in large inflows into the startup ecosystem and will result in multiplier effects in the economy."

Not one to mince words, George says that more than the money, what is required is also the right policy environment to support startups and the mindset to promote talent among youngsters. "One can only hope the government succeeds in this. The eBiz platform that was talked about in the budget would help India improve its rankings substantially in the Ease of Doing Business indexes. As with entrepreneurship, it's all about execution, and the impact of these programmes will depend on effective and timely implementation."

He adds, "It's the first time that words like software product startup, accelerators and incubators are being heard in a budget speech. Jaitley has put a lot of emphasis on promoting entrepreneurship, fostering skill development and empowering the youth. That I see as a positive sign, a much needed one in the right direction."

Prof Atmanand also says, "It is good to see the government encouraging the entrepreneurship spirit of its people which, so far, was being tapped by venture capitalists in the private sector. This will provide for money creation not only for originators of ideas but will also generate jobs and result in overall development of the economy. However, what the government is required to ensure is that this money is properly channelised. Further, the government has financial stake in startups, it should provide functional autonomy; they should do away with the red tape."

Removing roadblocks

The budget has envisaged making technology available at a cheaper rate – tablets, smartphones and computers – which addresses the need for affordability, innovation and an inclusive kind of growth. George says, "We are a country of a billion people. The budget rightly stresses on the issue of digital divide and the critical infrastructure gaps that exist in the country. Affordable and innovative service delivery can only be achieved by leveraging technology, and in that regard, it's imperative that the means of digital production and consumption (computers and smart phones) and the right support environment (smart cities) are encouraged. Cheaper phones and smart phones will definitely aid adoption of technology and smart cities will facilitate urbanisation."

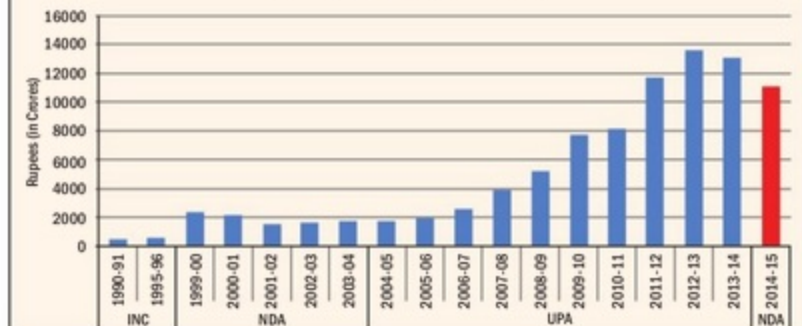
To also ease the minds of worried parents and students about affordability of education, the government also plans to ease and simplify norms to facilitate education loans for higher studies.

Increasing the overall outlay in higher education and pinpointing key areas that need to be addressed have been the biggest takeaways from the budget. Proactive, attractive and optimistic in its intent, support in the form of Central grants, good roadmaps for implementation, methods for monitoring and evaluation can see the plans through to success.

—preethi@newindianexpress.com



University & Higher Education



Graph courtesy: 2014-15 Budget: A look through graph – a study by Prashant Kumar, Tanubi Nigamom and Sanat Kapur in the DIPP



IT'S THE FIRST TIME THAT WORDS LIKE ACCELERATORS AND INCUBATORS ARE BEING HEARD IN A BUDGET SPEECH. JAITLEY HAS PUT A LOT OF EMPHASIS ON PROMOTING ENTREPRENEURSHIP — **SIJO KURUVILLA GEORGE**, FOUNDED CEO, STARTUP VILLAGE, KOCHI

