

## **Neoliberal Hegemony in Education: Higher Education Policies in India**

**V. Sivadasan**

Post Doctoral Fellow

Centre for Informal Sector and Labour Studies

JNU, New Delhi, India, 110067

E-mail: sivadasankannur@gmail.com

(Received: 12-2-15 / Accepted: 25-4-15)

### **Abstract**

The introduction of Neoliberal policies in India was a major shift from the state dominated economy to a market oriented one. In India, the state used to play an active role in the welfare interventions such as basic amenities. Education was one of the sectors where the state played a major role in ensuring equity and justice in its delivery. But the extension of neoliberal ethics in to the education sector has overturned these ideals and education has been viewed as a commodity. The economic ideology of demand and profit became the underlining ideals of education and the stepping back of state from the sector has accelerated this trend. The opening of private universities, the increasing number of deemed universities and consequent increase in enrollment in these institutions is a clear cut portrayal of how private capital has expanded its role in higher education. Against this backdrop, the present paper tries to examine the higher education policies of the Indian state in the wake of the neoliberal turn adopted by the country since the 1990s.

**Keywords:** Hegemony, Higher education, India, Neoliberalism, Privatisation.

### **Introduction**

Education which is one of the important criteria in the development of any society plays an important role in shaping a citizen. It is a force that directs the humanity to the path of progress and has spiraling impact on other sectors also. An educated population is a valuable resource of a country and the quality of which is a decisive factor when taken in to comparison with another country. The state plays an active role in education to ensure equity and social justice. If put differently; the policies of the state decides the course and purpose of education in a country. The present paper tries to examine the higher education policies of the Indian state in the wake of the neoliberal turn adopted by the country since the 1990s. It tries to analyze the perils of neo-liberalism as an ideology and its impacts on Indian higher education. By analyzing some of the recently introduced higher education bills, the paper argues that the pervasiveness of the neoliberal ideology in higher education would take away the idea of equity and social justice, the edifices of Indian education system.

## Neo-Liberalism

"Neo-liberalism" is a set of economic policies that have become widespread during the last 25 years or so. Major debates around the service delivery involve the question of state's intervention or a centralised system of governance and a decentralised system with participation of the private sector. The last two decades have witnessed a major break from the Keynesianism hitherto followed by the Indian state to a market oriented approach; designated as structural adjustment by IMF and world bank, macro- economists, especially critical economists call it the economics of neo-liberalism and in popular perception, denotes it as liberalisation, privatisation and globalisation (LPG). While descriptions may differ, it boils down to the notion of retreat of state from the welfare measures. The process is not linear but involves construction and deconstruction of various notions, creation of new images, and official coronation of new institutional actors and agents. It made operational through major change in policies by adding new jargons and intensifiers such as more democratic, effective utilisation, sustainability, etc. The projects and programmes of successive governments during the last 20 years is self-evident in reinforcing the notion that the governance is something beyond the sole responsibility of the government rather constitute a spectrum of multiple actors involving , Civil society organisations, local communities, private corporations and local self-governments. But the underpinning ethos of intervention or development per se, whatever may its structure and composition, is the notion of neo-liberalism an offshoot of the neoclassical economics that hails the "rational human being" and predominance of the market ethics in every spheres of life. The concept of neo-liberalism suggests a particular account of the development of liberal thought. It suggests that liberalism was at one point in time an influential political ideology, but that it at some point lost some of its significance, only to revive itself in more recent times in a new form (Thorsen and Amund). As it turns out, however, liberalism has dominated normative political thought as well as practical politics in the West for the past sixty years, up to the point in which it has become a shared inheritance among political theorists, professional politicians, and nearly all significant political movements in its native countries. It is not, according to another contribution to the same volume, possible to date the emergence of neo-liberalism precisely, but its foundations can be traced back to the classical liberalism advocated by Adam Smith, and to the specific conception of man and society on which he founds his economic theories (Clarke 2005). Neo-liberalism is, under this view, thought of as an entirely new „paradigm“ for economic theory and policy-making – the ideology behind the most recent stage in the development of capitalist society – and at the same time a revival of the economic theories of Smith and his intellectual heirs in the nineteenth century.

Neo-liberalism is a very important, yet often misunderstood concept. The concept has, during the past twenty years or so, become somewhat of an exhortation in many political and academic debates. The concept suggests its own definition: "Neoliberalism" is a revival of liberalism". Drawing upon principles of neoclassical economics, neoliberalism suggests that governments reduce deficit spending, limit subsidies, reform tax law to broaden the tax base, remove fixed exchange rates, open up markets to trade by limiting protectionism, privatize state-run businesses, allow private property and back deregulation. Neoliberalism has become a hegemonic discourse with pervasive effects on ways of thought and political-economic practices to the point where it is now part of the commonsense way we interpret, live in, and understand the world (Harvey 2007).

For Campbell and Pedersen (2001) neo-liberalism is:

[A] Heterogeneous set of institutions consisting of various ideas, social and economic policies, and ways of organizing political and economic activity.... Ideally, it includes formal institutions, such as minimalist welfare-state, taxation, and business regulation programs; flexible labor markets and decentralized capital-labor relations

unencumbered by strong unions and collective bargaining; and the absence of barriers to international capital mobility. It includes institutionalized normative principles favoring free-market solutions to economic problems, rather than bargaining or indicative planning, and a dedication to controlling inflation even at the expense of full employment. It includes institutionalized cognitive principles, notably a deep, taken-for-granted belief in neoclassical economics. (Campbell and Pederson, 2001, p. 5)

Adding a historical basis to Campbell and Pedersen's definition, neo-liberalism is defined here as an ideological system that holds the 'market' sacred, born within the 'human' or social sciences and refined in a network of Anglo-American-centric knowledge producers, expressed in different ways within the institutions of the postwar nation-state and their political fields (Bourdieu, 1992, 1994, 2005; Bourdieu and Wacquant, 1992). Neo-liberalism is rooted in a moral project, articulated in the language of economics that praises 'the moral benefits of market society' and identifies 'markets as a necessary condition for freedom in other aspects of life' (Fourcade and Healy, 2007, p. 287).

The result of neoliberal economic theories has been proven time and again. Countries that embrace the neoliberal pseudo-economic ideology end up with "crony capitalism", where the poor and ordinary suffer "austerity", wage repression, revocation of labour rights and the right to protest, whilst a tiny cabal of corporate interests and establishment insiders enrich themselves via anti-competitive practices, outright criminality and corruption and vast socialism-for-the-rich schemes. The next section examines the neo-liberal turn in Indian higher education.

## **Neo-Liberal Turn of Indian Higher Education**

Education is widely recognized as a potent tool for the "socio-economic mobility" of the vulnerable sections of the economy. While India is one of the few countries that officially counts education as a fundamental right, its state-sponsored educational expansion is not limited to schooling. In India after independence, Jawaharlal Nehru, initiated a massive strategy of development for a "socialistic pattern of society" by the means of centralized democratic planning which was articulated in five years plans (Goswami 2013). Beyond simply generating more income, higher education has become a target for marketization agendas since the 1980s. Universities are urged to adopt commercial models of knowledge, skills, curriculum, finance, accounting, and management organization. These measures threaten what many people value in universities (e.g., the scope for critical analysis and broad social access). (Levidow, 2007, p. 238). The first evidence of the Indian state's readiness to kowtow to the neo-liberal policy framework in education is the change made in 1985 in the name of the concerned ministry of education to Ministry from Ministry of Education to ministry of Human Resource Development (Chennai Declaration 2012). This implied a change in the very purpose of education from one of social development and preparation of citizenry as envisaged in the constitution to one of supplying skilled but slavish workforce for the global market.

The state moved vigorously towards the policy of disengagement from areas where it had ventured as part of its Keynesian orientation from the early 1990s onwards. It has been this disengagement that has impacted on higher education adversely when it comes to ensuring equal access for each and every individual in the country (Kumar 2012). In an antithesis to the notion of socialistic collectivism of Nehruvian times and varied populism of post Nehruvian era, neo-liberalism viewed private enterprise and market as the key to prosperity against the ideal of social justice. Synchronizing with the opening up of markets the state engineered a new political economy of education and gave shape to an educational reform package comprising ideas and strategies, arbitrarily borrowed from the western neoliberal educational

paradigm displacing egalitarian commitments in education. Consequently, the neo-liberal agenda radically redefines the character and purposes of education particularly higher education in India.

India signed the World Trade Organization (WTO) Agreement including General Agreement on Trade in Services (GATS) in 1994 as part of a single undertaking, which came into force in 1995. Therefore, WTO has an important impact on the higher education system in India. The policy prescriptions of the WTO argued against the use of public funding for an expansion of higher education. The quality of the higher education in public institutions has started deteriorating given the fiscal constraints upon state governments, arising from the plethora of neo-liberal fiscal “reforms”, and fiscal concessions to capitalists. Universities are expected to supply skilled manpower for the global market. Not surprisingly this pathetic state of higher education in public institutions has led to a mushrooming of private institutions (Patnaik, 2014). The World Bank’s report –“Higher education: Lessons of Experience” - termed higher education as a private and quasi- private good which allows students-consumer to command a better market for their skills. These are not private institutions in the sense of private philanthropic institutions which have functioned with a relative autonomy from state control; they are private profit-making institutions, which are in the business of education for making money.

The Private Universities Act (1995) was a boost for the neoliberal turn of higher education. The opening of private universities, the increasing number of deemed universities and consequent increase in enrollment in these institutions is a clear cut portrayal of how private capital has expanded its role in higher education. Following these, subsidies in higher education were reduced in 1997. It was proposed that over a period of five years subsidies should be brought down from 90% to 25%. This proposal was boosted by Ambani-Birla Report in 2000, which recommended complete retraction of the subsidized system by 2015. Privatization is promoted at different levels even inside the Universities such as contractualisation of the teaching force and the non-teaching force apart from the pressure to muster more and more resources from non-state actors. The role of the intelligentsia becomes significant here. They become significant instruments that create consensus in favour of capital (Kumar, 2010, p.258). Neoliberal capital has invariably penetrated the intellectual spheres. This role of intellectuals and all those who are keen on ensuring that higher education remains an arena of autonomous and critical thinking will have to be subverted.

## **Impact of Neoliberal Hegemony in Higher Education**

The impact of neoliberal hegemony in higher education can be seen from multiple perspectives. Firstly, it is the question of equity and justice. Secondly, it is a question of state’s duty and citizen’s right. Thirdly, it is the question of academic freedom and fourthly the generation of market oriented knowledge. It is a fact that, unlike the public educational institutions, the private institutions are only concerned with their profit. The concept of equity and justice is not applied to the profit motive private institutions. In India, public educational institutions are the only means to fulfill the higher education aspirations of the poor students. The high fees and other expenses would ultimately exclude the poor and make education a privilege of the rich. The students who are out from these private institutions would adorn the key posts in the bureaucracy and their social concerns are under a question mark. The weaker sections of the society are the ones who bear the maximum brunt. Students from the scheduled castes and scheduled tribe category would be completely excluded from a market oriented educational system. Their social positions would deteriorate further as there would be little chance for higher education and subsequent Job opportunities. It is a fact that, even our premier institutions such as IITs and IIMs are accessible, to a great extent, to the upper class only owing to the huge expenses for the coaching classes for the entrance examination

to these institutions. The students from the weaker sections and from poor families are left to fend for themselves or resort to petty jobs with least social security measures.

Here, the debate is about the state's role and its duty to its citizens. Education which is considered to be a prime concern and duty of the state has been transferred to the citizens. It is the main agenda of Neo-Liberalism that the minimum state intervention in to the welfare sectors. The budgetary allocations to the welfare sectors such as health, education etc. are being gradually squeezed and the involvement of the market is getting increased in a fast pace. The funding to the higher education sector in India is either gradually cut down or putting a rider for releasing the funds. For example, NAAC accreditation has become a priority for funding to the higher educational institutions. The NAAC accreditation is given on the basis of infrastructure and academic performance. Obviously, with meagre funds from the government, the government institutions may not possess quality infrastructure. The private institutions with quality infrastructure can get the accreditation and consequently the government funding.

Due to lack of democratic governance in the private universities, faculty members are often scared to practice their academic freedom. The academic careers of the teachers are at the whims and fancies of the management. Their Often the academic decision is made by the board of trustees. It is dangerous on the part of higher education to generate market-based knowledge that hampers the academic freedom of the faculties. Basic knowledge is not generated through higher education in the private sector. Social knowledge, ideology, and the future structure of the society are reconstructed according to market based subjects. While education is becoming market-oriented three things are happening in society: education is becoming expensive, market-oriented subjects are getting priority, and universalities are generating market -oriented knowledge. The Supreme Court has observed that private medical institutes are encouraging the commercialization of education, and admission to these colleges is not transparent.

The quality of education is also at stake. The private institutions are often appointing teachers of low academic qualifications and quality. The work pressure of the teachers is also high as there is lack of required number of teachers. Another trend is the poaching of quality teachers from the premier government institutions. Now a days, the trend is prevalent that big corporate who runs the universities in the private sector lure the quality faculties from premier institutions such as IITs, IIMs, JNU. This will aggravate the faculty crunch of the government universities and quality of academics over there. The trend of privatization is happening in government universities also. Many of the central universities and state universities have started self-financed courses and giving higher facilities to these students. Public private partnership is another trend in education. In India, till date there has been no systematic evaluation of successful PPP implementation in any sector. Rather, PPP experiments in sectors such as basic services such as water and electricity have proven anti-people repercussions. In countries with a weak or non-existent regulatory regime, there have been disastrous consequences. In Africa, Latin America, Eastern Europe and south Asian countries the process has been often chaotic and counter-productive.

Lands are given to the private managements at throw away prices. These private management institutions are charging exorbitant fees from the students. But there is no mechanism to control the private management. Crass privatization of education further divides the society in terms of quality. The government is always lamenting about shortage of money for education. But the magnitude of the serial corruption scandals during the UPA regime tells a different story. For example, the initial allotment for the Common Wealth Games was 5000 crores. But it ended up with a total expenditure of 75000 crores. The depth of corruption is evident while comparing the gap between the initial allotment and final expenditure. The government has cut short 20% budgetary allocation in the Rajeev Gandhi scholarship for Dalit students citing shortage of money. The corruption in allotting 2G spectrum cost rupees 175000 crores to the

public exchequer. It amounts more than the total allocation to the education sector of India. It is clear that the propaganda of shortage of money is a big lie. The corruption in allotment of coal fields amounts to rupees 2 lakh crores. At the same time, thirty percentages of the education institutions in India do not have its own building. Students are being taught under trees or under the open sky. The government is turning a blind eye to these realities and is acting as the agent of the corporate.

The latest declaration of the government about the implementation of Rashtriya Uchchar Shiksha Abhiyan (RUSA) is also a continuation of this policy. It does not require much cerebration to see that it is a pot of sweetened poison. The document of RUSA contains a poignant portrayal of the problems of Indian education but the solutions it attempts to promote could be perilous to the public character of higher education in India. The federal nature which was considered as an important feature of the Indian education sector would be totally destroyed by this bill. "Total implementation of our suggestions would be the basis of the financial assistance" is the critical clause of the RUSA given by the central government. It is a clear violation of the federal principles. It is highly contradictory that those who are vocal on the self-governance of universities are putting a rider through RUSA curtailing their financial autonomy. Not only of the universities but also it steals the rights of the states to plan and implement education projects. The state and central governments are completely destroying the democratic elements in education through RUSA. They have suggested a project approval board for the running of RUSA. With all its ten members to be selected from the bureaucracy, this is a completely undemocratic move.

Further, the erosion of democracy is happening parallel to the process of privatization. The right to collective bargaining is denied to the teachers and students of private institutions. The management can terminate the service of a teacher or a student. Students are silenced through disciplinary measures if they protest against the fee hike or low quality education. The decisions are taken by the autocratic managements and participation of the students and teachers is only nominal. Elitism is the mantra of such educational institutions.

In most countries in the world the universities have remained relatively elite institutions. What has come to pass in the early 21st century is that that elitism is being reinvigorated as marketisation and commercialization are taking hold. Correlatively what is happening in the Universities is that they are being asked to produce commercially oriented professionals rather than public-interest professionals. While this may seem like merely a change in form rather than substance, the danger with this advancing marketized individualism is that it will further weaken public interest values among those who are university educated. Yet a welfare-oriented democratic State depends on the realization of such values to provide.

## **Conclusion**

In India Neoliberal policies have been growing in strength since the 1990s. The liberalization policies have caused to intensify the disparity in income, opportunity, and the overall quality of education that students are receiving. Not only this, but we see, the demonization of the public higher education system and its teachers, the weakening of unions and parental voice and the increasing turnover of education to the corporates who hold billions of rupees. With the disparities in income, wealth, and power intensify, the unchecked political and cultural influence of the ultra-rich in shaping educational policies becomes more strident and dangerous. These policies and the influence of the wealthy are quite damaging because they are enacting a series of measures to ensure that education becomes more privatized and more standardized. The introduction of free-market logic in education would result in a complete lack of creativity and imagination for both students and teachers. The allotment for higher education is insufficient to meet the recruitment of our country. Apart from this, the centre is trying to privatise the existing resources in the educational sector. High quality government

universities and institutions support critical educators and critical educators teach in a way that requires finding ways to connect the practice of classroom teaching with the operations of power in the larger society. But the unruly intrusion of privatization will reduce the education to a process of mere examination and result. Quite frankly, the goals of neo-liberalism and the goals of good, critical education are at odds.

## References

- [1] H. David, Neo-liberalism as creative destruction, *The ANNALS of the American Academy of Political and Social Science*, 610(1) (2007), 21-44.
- [2] J.L. Campbell and O.K. Pedersen, *The Rise of Neoliberalism and Institutional Analysis*, (2001), Princeton, NJ: Princeton University Press.
- [3] P. Bourdieu, *The Logic of Practice*, (1992), Stanford, CA: Stanford University Press.
- [4] P. Bourdieu, Rethinking the state: Genesis and structure of the bureaucratic field, *Sociological Theory*, 12(1994), 1-18.
- [5] P. Bourdieu, *The Social Structures of the Economy*, (2005), Cambridge, UK and Malden, MA: Polity Press.
- [6] M. Fourcade and K. Healy, Moral views of market society, *Annual Review of Sociology*, 33(2007), 285-311.
- [7] T.D. Einar and L. Amund, What is neoliberalism? (2007), Accessed from, <http://folk.uio.no/daget/What%20is%20Neo-Liberalism%20FINAL.pdf>, 12 January (2014).
- [8] S. Clarke, The neoliberal theory of society, In: A. Saad-Filho and D. Johnston, *Neoliberalism – A Critical Reader*, (2005), 50-59, London: Pluto Press.
- [9] M. Goswami, Neo-liberalism and higher education in India, *Journal of Research in Humanities and Social Science*, 1(3) (2013), 32-37.
- [10] L. Levidow, Neoliberal agendas for higher education, In: A. Saad-Filho and D. Johnston (eds.), *Neoliberalism: A Critical Reader*, (2005), 156-162, Pluto Press: London.
- [11] Chennai Declaration, *All India Conference for Abolishing Commercialization of Education and Building: A Common School System*, 30th June-1st July (2012), Chennai, India.
- [12] R. Kumar, The charge of neoliberal brigade and higher education in India, *Journal of Critical Education Policy Studies*, 10(2) (2012), 258-281.
- [13] P. Patnaik, Neo-liberalism's assault on education, *Peoples Democracy*, XXXVIII(30) (2014), 1-5.
- [14] R. Kumar, Education and the politics of capital: Perspective and agenda for resistance against neoliberalism, *Social Scientist*, 38(9-12) (2010), 51-59.