

Market and state in higher education sector in Punjab (India): costs, exclusion and public policy implications

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The higher education sector witnessed remarkable changes by the adoption of new economic policy by India. The sector has been opened to large variety of service providers. The role of the state and market has gone through new sort of mutual adjustments, competition and replacements. It has raised number of issues pertaining to the costs of education delivery by different modes, affordability of education and exclusion. The study provides the detailed estimation of the level and composition of unit cost separately for rural and urban areas and for different modes of ownership like government colleges, aided colleges, and private colleges. Teachers' cost and administrative cost constitute the overwhelming proportion of the recurring cost. Unit cost was highest in government colleges, followed by aided colleges and private colleges. The cost of education manifests strong association with average level of salary, strength of teaching staff, administrative staff, and number of students, staff deployment practices, and teacher-students ratio. The exclusion has been examined by assessing the relationship between the unit costs, per capita income and consumption expenditure. The wider access and equity require the regulation of private sector, and massive involvement of public resources.

Key words: Cost, Exclusion, Public Policy, Affordability, Access

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