

State vs Foreign

Recently, representatives from the information technology (IT) industry as well as industry association heads aired their concerns about the impending skill shortage in India, of the demand for highly skilled personnel in the knowledge industries not being commensurate with their availability in the country. A McKinsey-Nasscom study in December 2005 warned that India's position as a preferred offshore outsourcing location could be threatened by 2010 due to a shortage of IT skills and poor physical infrastructure.

Concomitant with such concerns is the widely acknowledged fact that higher education in India is currently in a morass. Historically, the state played a dominant role as a provider of higher education services, but the last few decades have seen a dilution of its role. With the entry of private players and the setting up of private aided or unaided institutions, the state has striven to establish regulatory frameworks to monitor these institutions. The role of the foreign players was till recently collaborative or restricted to the low-end of the sector. The present demand for skilled, high-quality personnel, as also possible commitments at the World Trade Organisation after the conclusion of the Doha round talks, make it imperative for the government to devise norms for foreign providers of higher education.

This will be a challenge because any new norms for foreign universities to set up shop in India will very likely have a far-reaching impact on the future course of higher education in the country. To begin with, an inter-ministerial battle has to be sorted out: the commerce ministry, for reasons best known to it, recently set out a consultation paper on the subject. The motivation no doubt was to facilitate a public debate on the position India should take at the Doha round, where the "service"

of education is up for negotiation and India is under pressure to open its education sector to foreign providers. Yet, the move by the commerce ministry has pushed the bill drafted by the human resource development (HRD) ministry (which is the nodal agency), the Foreign Education Providers Regulation Bill, to the back-burner. The commerce ministry proposals in the consultation paper are for more flexibility on issues such as fee structure and course content. For its part, the HRD ministry wants regulation on these core matters, besides insisting that such universities must comply with University Grants Commission regulations and the national policy on reservations.

There have been other proposals as well. For instance, the Planning Commission has proposed a graded system of regulation based on certain quality parameters for foreign universities. In May 2006, a report submitted by the National Institute of Educational Planning and Administration warned against a "commodification" that could lead to "lopsided development of higher education". It also warned of the neglect of traditional knowledge and other adverse implications such as excessive importance to information technology related sectors at the cost of the social sciences and the humanities. Lastly, there has also been the proposal, placed before the HRD ministry, for special education zones, with flexible norms and regulations, catering to these institutes of learning, similar to the controversial special economic zones.

While the HRD ministry has strapped its bill with regulations, the approach of the commerce ministry focuses on short-term market concerns. The immediate need is to plug the gap between opportunities in industry and the availability of matching skills. The state has been casual in taking steps to meet the shortfall in qualified teachers and to address the lack of financial assistance that impedes poorer students in their pursuit of higher education. To address the wider crisis in higher education, a clear course must be mapped between areas that need a collaborative effort and areas where state support still matters or is essential. **EPW**