Globalisation and Political Economy of Education Development in South Asia
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by Jandhyala B G Tilak and Pushkarni Panchamukhi

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Abstract

Using both quantitative and qualitative indicators of a few key parameters that define educational development, such as literacy, enrollment ratios in primary, secondary and higher levels of education, out-of-school children, inequalities, quality of teachers, public funding, international aid etc., this paper analyses the status of education in South Asia and the factors that have contributed to the achievements and under achievements in school and higher education. Placed in the larger context of globalisation, this study highlights the trajectory of developments in education and the major guiding principles and factors that influence educational policies and development in the countries of the South Asian region. As an immediate and significant fallout, the general trends on how policies have facilitated the growth of certain types of educational institutions and practices are discussed, apart from discussing the global dynamics and connections that have led to distortions in national policies, shifts in principles of educational planning and developments. The paper also refers to some landmark global declarations in the field of education that have shaped national policies, leading to shifting priorities, and changing principles and practices in these countries.

Keywords

Political economy, privatisation, English, medium of instruction, colonial rule, global university rankings, foreign aid, universal elementary education, higher education, Bangladesh, Bhutan, India, Nepal, Pakistan, Sri Lanka, teachers
Globalisation and Political Economy of Education Development in South Asia

Jandhyala B G Tilak
Pushkarni Panchamukhi

1. Introduction

Given that South Asia is the most populous and most densely populated region in the world, comprising about one-fourth of the world population, it is important to analyse developments that have taken place in there as they are influenced by and in turn, influence developments in the other parts of the world. The South Asian region, also known as South Asian sub-continent, comprising Afghanistan, Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan and Sri Lanka, exhibits some important similarities and significant differences. While striking dissimilarities exist across these countries, for instance, in terms of population—the second most populated country in the world exists alongside the world’s least populated one—geographical area, social and political contexts, economic levels of development and the size of education systems, there are major similarities too. The region shares a common heritage, culture and history, starting from the ancient period; the several countries in the region are connected not only geographically sharing national boundaries and colonial legacies; but also through similar cultural practices; and religious and linguistic diversity. The countries also face comparable challenges and problems in many spheres, including in education.
Any discourse on how the landscape of education has evolved in the countries of South Asia clearly speaks of a decline of a highly evolved knowledge and educational system; a disintegration of one of the most ancient civilisations in the world that used to be rich not only in its treasure of scriptural knowledge and practices, but also one that nurtured and inspired indigenous knowledge in the fields of science, mathematics, technology, engineering and medicine. Knowledge and knowledge systems typically evolve over time implying that there is a gradual progress in not only in ways that knowledge is produced and disseminated, but also in the ontological meaning of the term, knowledge is redefined. Speaking of knowledge systems and education in the context of South Asia, one cannot but note that there has been a radical displacement of what defines knowledge and education by dominant Western systems. The region once known as Viswha Guru in knowledge development and dissemination, has become the most ignorant and illiterate society. This is attributed to the long colonial rule that most countries in South Asia endured, which uprooted ‘the beautiful tree’ (Dharampal, 1983) and transformed an advanced intermediate society of India into an illiterate society, besides converting it into a raw material appendage on the economic front. The result of sustained colonial oppression was that the region sunk into abysmally low levels of literacy with high levels of human deprivation, shattered social structures and a ruined economy. As a result of continuous efforts made by the countries since the fifties of the twentieth century when they became independent, today one notices them gradually coming back on to the path of rebuilding their nations, even though they continue to face serious hurdles in their endeavour to achieve progress. Education is one such area where one finds paradoxically impressive growth along with mounting anomalies. As is the case in most other countries of the world, globalisation, the present wave that started in the early 1980s, has dramatically impacted the landscape of education in South Asia.

Using quantitative and qualitative information on some key parameters that define educational development, such as literacy, enrollment ratios in primary, secondary and higher levels of education, out-of-school children, inequalities, and public funding, and foreign aid, the paper analyses the achievements and under-achievements in education in South Asian countries and factors that have contributed to them. The paper highlights the trajectory of
developments in both school and higher levels of education in South Asian countries in the wake of globalisation. It also discusses the major guiding principles and factors behind educational policies and strategies introduced in these countries and some paradigm shifts that have taken place in their approach towards education. As an immediate and significant fallout, the general trends on how policies have facilitated the growth of certain types of educational institutions, apart from discussing the global dynamics and connections that have distorted national priorities, policies and practices. In this context, the paper refers to some landmark global declarations in the field of education that have shaped national policies, which caused shifts in national priorities and changes in principles of educational planning in these countries. It may be noted that only a few select key dimensions of education development have been analysed as in a short article of this size a comprehensive analysis of the vast area of education cannot be made.

2. Human Development, Literacy and Education Development

Education was always placed on a high pedestal in the history of South Asia. Education has always been valued for its own sake, recognised for the value it has added to the overall dignity of life. Colonial rule devastated not only existing education systems, but also economic and political structures. Hitherto wealthy countries were transformed into less or least developed countries. The high-standing that education had enjoyed could not be restored even after independence. After Independence, the countries of South Asia struggled to revive their economies and re-build their educational systems. Economically, one can argue that all the countries in this region are still ‘developing’, though some like India have experienced high rates of economic growth over the last two-three decades, and have been aspiring to enter the group of ‘middle-income’ countries.

Countries in this region have had more than their share of strife. Political turmoil, wars with neighbours, internal civil war and unrest and coups have not been unknown. The region is marked by federal and unitary structures; multi-party political democracies, martial rule and also constitutional monarchies. It is also characterised by a high degree of religious diversity—the region has the largest population of Hindus, Muslims, Sikhs, Jains and Zoroastrians in the
world. Apart from accounting for more than 90 per cent of the world’s Hindus and Sikhs, the region is home to 31 per cent of the world’s Muslims, 35 million Christians and 25 million Buddhists. The region is also one of the most linguistically diverse areas of the world containing four major language families and more than 650 individual languages, though only a few dozens of languages remain ‘functional’. With respect to political administration, decentralisation has become an important development strategy not only in large countries such as India and Pakistan, but also in relatively smaller ones like Nepal.

The poverty ratios are high, in many countries of the sub-continent, with many countries following divergent strategies to reduce penury, with varying degrees of success. On the whole, South Asia has some of the worst human development outcomes of the poorest population quintile in the world. Except Sri Lanka and the Maldives, all the countries of this region score badly in the overall Human Development Index, though in the total list of 189 countries in the world, they are described as ‘medium human development countries’ (Table 1).

<p>| Table 1 |</p>
<table>
<thead>
<tr>
<th>Human Development Index of the Countries in South Asia</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td><strong>High Human Development</strong></td>
</tr>
<tr>
<td>Sri Lanka</td>
</tr>
<tr>
<td>Maldives</td>
</tr>
<tr>
<td><strong>Medium Human Development</strong></td>
</tr>
<tr>
<td>Bhutan</td>
</tr>
<tr>
<td>India</td>
</tr>
<tr>
<td>Bangladesh</td>
</tr>
<tr>
<td>Nepal</td>
</tr>
<tr>
<td>Pakistan</td>
</tr>
</tbody>
</table>

* 2005

Source: UNDP (relevant years)

Though, as has been stated earlier, South Asians have had held education in high esteem from the ancient period onwards, that regard was lost till it was
partially revived by the famous ‘human investment revolution’ propounded by Schultz (1961) in the 1960s that led many countries, both developing and developed, to re-recognise the undisputed role education has in the socio-economic development of a nation, and accordingly to invest in education, and to build or revisit their education policies with the objectives of improving access better quality and more equitable education. It has been clearly recognised that human capital produced through investment in education (and training) is an important factor in the economic growth of South Asia countries, along with physical capital and technology. Estimates of growth accounting between 1981 and 2010, suggest that human capital has contributed directly as a productive input to about 22 per cent of the annual gross domestic product (GDP) per worker in India. During the same period, it has contributed around 21 per cent in Bangladesh and 16 per cent in Sri Lanka (Asian Development Bank, 2017). Even though the momentum that was created by ‘the human investment revolution’ in economic thought suffered a break in the 1970s, the following decades witnessed the emergence of ‘new growth theories’ (in the 1980s) that have stressed again the role of human capital in economic growth. As a result, public interest in education increased significantly, along with a rise in the universal commitment to education. This was also partly attributable to the various global initiatives of the United Nations and others and the new thinking that has crystallised in the name of human development. Education’s instrumental role as a means to socio-economic development, and its constitutive role as a measure in itself of development has been recognised (Sen, 1999). All this has led to a colossal explosion of education in the South Asian countries as also in a few other developing nations.

Beginning with literacy rates, all major indicators of education development point towards progress in all the South Asian countries after independence. It may have to be underlined that progress was made and the structures were built mostly on the firm base established by colonial rule. Indigenous systems have been completely lost or are at best existing as fringe elements in certain parts. Modern education having replaced the traditional ones, and began to grow fast in all the countries of the region. South Asian countries truly witnessed in general an ‘education explosion’. Adult literacy in the region almost doubled from 36 per cent in 1970 to nearly 73 per cent by 2020 (Figure 1).
Enrollments in every level of education have grown exponentially over the years. However, the growth has not been uniform, as shown in Table 2. Forty per cent of adult population in Pakistan are still illiterate. Enrolments increased by 2-5 times between 1981 and 2018 in all countries except in Sri Lanka, where the growth has been modest, having large numbers in the base year itself.

3. Universalisation of Elementary Education

Post-World War II, education was envisaged as a universal fundamental human right according to the Universal Declaration of Human Rights (1948). Article 26 of the Declaration made it clear that elementary education was to be free and compulsory and education, including higher education, was a human right.
<table>
<thead>
<tr>
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<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Adult Literacy</td>
<td>35.32</td>
<td>74.68*</td>
<td>40.76</td>
<td>74.37</td>
<td>20.57</td>
<td>67.90</td>
<td>25.72</td>
<td>59.13</td>
<td>86.98</td>
<td>91.71</td>
</tr>
<tr>
<td>Rate (%)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Enrollments in Education (millions)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Primary</td>
<td>8.29</td>
<td>17.34</td>
<td>73.87</td>
<td>120.06</td>
<td>1.39</td>
<td>3.97</td>
<td>5.47</td>
<td>23.56</td>
<td>2.13</td>
<td>1.73</td>
</tr>
<tr>
<td>Secondary</td>
<td>2.35</td>
<td>15.71</td>
<td>32.75</td>
<td>130.93</td>
<td>0.32</td>
<td>3.46</td>
<td>2.17</td>
<td>13.86</td>
<td>1.29</td>
<td>2.73</td>
</tr>
<tr>
<td>Tertiary</td>
<td>0.244</td>
<td>3.695</td>
<td>3.545</td>
<td>35.148</td>
<td>0.051</td>
<td>0.438</td>
<td>0.157</td>
<td>1.878</td>
<td>0.044</td>
<td>0.326</td>
</tr>
<tr>
<td>Total</td>
<td>10.88</td>
<td>36.15</td>
<td>110.17</td>
<td>286.18</td>
<td>1.76</td>
<td>7.87</td>
<td>8.00</td>
<td>39.30</td>
<td>3.46</td>
<td>4.79</td>
</tr>
</tbody>
</table>

*Source: World Bank (2021)*
Among the South Asian countries, India, Afghanistan and Pakistan (that included the present Bangladesh) were signatories to this Declaration, along with 45 other countries. The 1990 Convention on the Rights of the Child went a step further and imposed a legal obligation on this right. Colonial India, which then included Pakistan and Bangladesh, attempted as far back as 1910 to make primary education free and compulsory throughout the country. But this assurance could only be implemented after Independence when it was incorporated in the Constitution of India in 1950 as a Constitutional Directive which, after a constitutional amendment, was made a Fundamental Right in 2002. This right was incorporated into an Act in 2009 under the name of the Right to Free and Compulsory Education, briefly known as the Right to Education. Today, all of the South Asian countries recognise education as a fundamental right: Sri Lanka declared education as a fundamental right in 1945, years before Independence; Bangladesh in 1993; Nepal declared it in its Constitution of 1990 and via the seventh amendment in 2001; India did so in 2002 and Pakistan in 2010. The Directive Principles incorporated in the Constitutions of Bangladesh and Pakistan, like the Constitution of India 1950, aim at free elementary education but it does not carry any legal compulsions or implications. Other global initiatives, such as the World Declaration on Education for All (EFA), a UNESCO-led movement in 1990, followed by the Millennium Development Goals (MDGs), and Sustainable Development Goals (SDGs) have had an important effect on the growth of elementary education all over the world, including in the countries of South Asia.

Historically, Sri Lanka was way ahead of other countries in the education sector. As a result of early initiatives, it has achieved impressive enrollment levels in primary education. The most striking aspect seen in Sri Lanka, which like Kerala in India, is, despite a low per capita income, it could universalise basic education, ensure equity in education and better its performance with respect to indicators in human development (Tilak, 2001). India has also been able to raise its net enrollment ratio in primary education to above 90 per cent. Measures of affirmative action implemented by governments, for instance, programmes like the mid-day meal scheme and the Integrated Child Development Scheme (ICDS) in India have proved strong incentives for children to come to school, helping them improve their academic performance. After the launch of the Education for
All movement in 1990, between 1990 and 2000, ‘countries in the region have made good and also rapid progress on many fronts in quantitative terms—in terms of literacy, increase in enrolments, enrolment ratios (gross and also net), retention rates, gender parity, teachers and public expenditures’ (Tilak, 2000). Further, as the South Asia Sub-Region Synthesis Report (Tilak, 2000) stated, overall the South Asia has shown remarkable progress in achieving the millennium development goal of universal primary education; and much of the credit for this goes to India as, enrolments rose in South Asia from 72 per cent to 89 per cent over the period 1990-2010, largely as a result of progress India made.

### Table 3
Net and Gross Enrollment Ratio (%) in Primary Education in South Asian Countries

<table>
<thead>
<tr>
<th>Country</th>
<th>Year</th>
<th>Net Enrollment Ratio</th>
<th>Year</th>
<th>Gross Enrolment Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh</td>
<td>2010</td>
<td>91</td>
<td>2018</td>
<td>116</td>
</tr>
<tr>
<td>Bhutan</td>
<td>2018</td>
<td>88</td>
<td>2018</td>
<td>100</td>
</tr>
<tr>
<td>India</td>
<td>2013</td>
<td>92</td>
<td>2019</td>
<td>97</td>
</tr>
<tr>
<td>Maldives</td>
<td>2017</td>
<td>95</td>
<td>2019</td>
<td>98</td>
</tr>
<tr>
<td>Nepal</td>
<td>2017</td>
<td>96</td>
<td>2019</td>
<td>142</td>
</tr>
<tr>
<td>Pakistan</td>
<td>2018</td>
<td>68</td>
<td>2019</td>
<td>95</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>2018</td>
<td>99</td>
<td>2018</td>
<td>100</td>
</tr>
</tbody>
</table>


Certainly, enrollment figures in primary education in South Asia have been impressive with an above 90 per cent net enrollment ratio, except in Pakistan, where it has been below 70 per cent in 2018 (Table 3). All South Asian countries, with the exception of Pakistan, certainly seem to be moving towards universal primary education.

Teacher has always been regarded as the pivot of an education system. Globally, school systems employ trained and qualified teachers. But over the years, particularly since the beginning of the 1990s, when most countries adopted
structural adjustment policies, constrained by budgetary resources and unavailability of qualified teachers, almost all South Asian countries resorted to recruiting teachers who had been under qualified and under trained. Such a practice was also influenced by managerial advantages of recruiting such teachers.

Table 4
Proportion of Teachers with the Minimum required Qualifications in Primary Education (%)

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh</td>
<td>..</td>
<td>47.6</td>
<td>50.4</td>
<td>50.4</td>
<td>..</td>
<td>..</td>
<td>..</td>
</tr>
<tr>
<td>Bhutan</td>
<td>..</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>100</td>
<td>..</td>
<td>100</td>
</tr>
<tr>
<td>India</td>
<td>..</td>
<td>..</td>
<td>69.5</td>
<td>69.8</td>
<td>..</td>
<td>73.1</td>
<td>..</td>
</tr>
<tr>
<td>Maldives</td>
<td>86.1</td>
<td>82.8</td>
<td>85.7</td>
<td>90.1</td>
<td>91.9</td>
<td>88.8</td>
<td>..</td>
</tr>
<tr>
<td>Nepal</td>
<td>93.6</td>
<td>94.4</td>
<td>97.0</td>
<td>97.3</td>
<td>..</td>
<td>97.3</td>
<td>..</td>
</tr>
<tr>
<td>Pakistan</td>
<td>84.0</td>
<td>82.5</td>
<td>..</td>
<td>..</td>
<td>78.0</td>
<td>76.9</td>
<td>..</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>..</td>
<td>86.3</td>
<td>85.0</td>
<td>85.5</td>
<td>83.1</td>
<td>..</td>
<td>..</td>
</tr>
</tbody>
</table>

Source: UNESCO Institute of Statistics (UIS) (2021)

Though over the last couple of decades, efforts have been made to improve the situation resulting in a slight increase in the proportion of qualified teachers available in primary schools, the improvement still remains far below the needed requirement, except in Bhutan (Table 4). Sizeable numbers of teachers in countries like Bangladesh remain under-qualified.

While the improvement in literacy levels, enrollment figures and accessibility in primary education is certainly no mean achievement for South Asia, countries in this region have responded differently to meet the challenge of universal primary education. For most there have been challenges on the social, cultural and political front resulting in a lacuna in the progress in the case of a few key indicators. Maldives, Sri Lanka and Bhutan have shown exceptional progress in most indicators; India, Bangladesh and Nepal have shown moderate progress while enrollment and literacy levels in Pakistan have been alarmingly low. Further, research points to glaring failures in the efficiency and quality of
educational progress; one still notices continuing numbers of out-of-school children, high drop-out rates, low completion rates and poor age-specific educational outcomes. The outcomes and progress of the educational sector as a whole and specifically primary education in South Asia leave a lot to be desired.

Out-of-school children is a phenomenon that plagues countries in this region acutely with approximately 22 per cent of the world’s out-of-school children living here. These children, in the age group 6 to 14, have never even been enrolled in elementary education, or have been absent from school without prior intimation for 45 days or more in a year. Out of the 12 million out-of-school children in South Asia, ten million are in India and Pakistan. Post-2000 there has been about a 56 per cent decline in such school children in South Asia. There has been a decline in primary school age children, from around 43 per cent in the 1970s to seven per cent in 2019. This decline has been pronounced beginning 2000 when the ratio was 21 per cent and declined to eight per cent in 2007. In 2020, in India and Pakistan, as many as 17 per cent girls in the age-group 10-17 were not in school (Béteille et al. 2020).

Table 5
Completion Rate in Primary Education (%)

<table>
<thead>
<tr>
<th>Country</th>
<th>Year</th>
<th>All</th>
<th>Males</th>
<th>Females</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh</td>
<td>2010</td>
<td>68</td>
<td>64</td>
<td>72</td>
</tr>
<tr>
<td>Bhutan</td>
<td>2017</td>
<td>100</td>
<td>96</td>
<td>104</td>
</tr>
<tr>
<td>India</td>
<td>2019</td>
<td>92</td>
<td>90</td>
<td>93</td>
</tr>
<tr>
<td>Maldives</td>
<td>2019</td>
<td>92</td>
<td>90</td>
<td>93</td>
</tr>
<tr>
<td>Nepal</td>
<td>2019</td>
<td>120</td>
<td>118</td>
<td>123</td>
</tr>
<tr>
<td>Pakistan</td>
<td>2019</td>
<td>73</td>
<td>79</td>
<td>67</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>2017</td>
<td>102</td>
<td>103</td>
<td>102</td>
</tr>
<tr>
<td>South Asia</td>
<td>2019</td>
<td>90</td>
<td>90</td>
<td>91</td>
</tr>
</tbody>
</table>


The primary completion rate, another standard indicator, which is defined as the number of students in the last grade of primary school minus the number
of repeaters in that grade, divided by the total number of children who are of an official graduation age, is widely considered as a measure of efficiency of primary education. Interestingly, the ratios are high in the region, except in Bangladesh and Pakistan, and are higher in the case of females except in Pakistan (Table 5).

While many indicators show that there has been reasonably good to impressive progress in terms of accessibility to education, increased schooling has not translated into any significant improvement in learning. Learning outcomes are hugely unsatisfactory with more than 50 per cent of pupils in Bangladesh, Pakistan and India recording below minimum reading proficiency levels even after completing primary school education, as the annual reports of Pratham Foundation in India and citizen-led assessments in South Asian (and other) countries reveal. The citizen-led assessments indicates that only 46 per cent of children in Pakistan’s public schools and 48 per cent in India’s public schools can read a Grade II level text by the time they reach Grade V (ASER Pakistan 2015, ASER India 2016). In India, Pakistan, Afghanistan, Bangladesh, and Nepal, less than half the number of students who leave primary school are equipped with the basic foundational skills that one would expect them to acquire by the end of primary level. Summing up available evidence, the Asian Development Bank (2017) has stated that a large share of primary school graduates in South Asia lacks basic numeracy and literacy skills; and the World Bank (2018) has estimated that about 120 million youth (age 15-24 years) in South Asia lack foundational learning skills. In short, South Asia is in the midst of a learning crisis: with over one-third of its students having no grade-level competencies which is a serious challenge.

4. Secondary Education

With the rapid growth in enrollments in primary education and improved efficiency rates, secondary education can be expected to grow fast. So obviously there is an impressive growth in enrollment ratios in secondary education. The gross enrollment ratio in Sri Lanka was above 100 per cent in 2019. At the regional level, the corresponding ratio is lower when it is compared the world average of 76 per cent, with Pakistan having the lowest enrollment ratio at 44 per cent. But
other countries are catching up with the world average and are even performing better (Figure 2).

**Figure 2**

*Gross Enrolment Ratio in Secondary Education in South Asia, 2019*

![Gross Enrolment Ratio in Secondary Education in South Asia, 2019](source: UIS (2021))

The net attendance rate is a better indicator of access to education as it measures the total number of students in the given official age group for a given level of education who are attending the given level of education, expressed as a percentage of the corresponding age-group population. Net enrollment rates in the lower secondary level are higher than in the upper (higher) secondary level in all countries of the region, as shown in Figure 3. Both Nepal and India are ahead of Pakistan. A drop in net enrollment ratio is evident as we climb from the lower secondary to the higher secondary level in India, Nepal and Pakistan. In addition, Figure 4 highlights gender differences which are anyhow, not very high, except again in Pakistan.
Recognising that secondary education has failed to provide any job-relevant skills, and has served only as a transitory phase toward higher education, it is not considered a viable terminal level of education in these nations (Tilak, 2020), many countries have planned for significant expansion of vocational education streams at the secondary education level. While secondary education has expanded somewhat impressively in South Asia, the attempts to expand vocational/technical education at the secondary level have not been successful, with only 3.5 per cent of upper secondary school students of South Asia being enrolled in vocational programmes as against the 21.7 per cent world average. Vocational and technical education has failed to attract students in good numbers as policy plans have projected vocational and technical education programmes as cheap alternatives essentially meant for poor and academically less meritorious students. In fact, meagre investments have been made on vocational secondary education in South Asian countries (Tilak, 1988a, 2003b). Some countries like
India have started vocational educational programmes as add-ons in higher education.

5. Higher Education in South Asia

For a long time, the discourse on strong linkages between education and economic development, reflected in the estimates of rates of return to education, has poignantly been argued, for raising priority for primary education especially in developing countries, relegating secondary and higher education to the background. As a result, secondary and higher education have severely suffered for several decades although ironically primary education too did not receive adequate funding. It is only recently that some changes have been observed. The importance of human capital has been recognised as an essential element in developing a knowledge economy which relies on the creation and use of intellectual capital, a specialised human capital, which in turn depends on higher education, including technical and professional higher education. This form of human capital is believed to be a significant determinant of economic output and growth, arresting diminishing returns to scale. As a result of this new understanding, since the late 1990s, higher education has grown substantially in South Asian countries as it has been recognised as essential for any country to be successful with globalisation policies.

The higher education landscape in South Asia has been marked by a number of varying trends, perhaps under pressure from globalisation. Tilak (2006b) has identified six global trends in higher education: (i) the rapid expansion of higher education; (ii) a decline in public subsidies for higher education; (iii) an increase in cost-recovery, particularly through student fees and student loans, and the generation of funds from the corporate sector and other non-State segments of the society; (iv) a neglect of the liberal arts and humanities, sciences and social sciences, (v) the large-scale adoption of new market modes of higher education including privatisation, commoditisation and commercialisation; and (vi) internationalisation of a new type. South Asian countries have also experienced similar trends in varying degrees.
5.1. Growth of Higher Education

There has been a significant rise in absolute numbers in South Asia especially with regard to enrollments, the increased number of colleges, universities, and in teachers available for higher education. As Béteille et al. (2020) have estimated in South Asia, enrollment in higher education has grown at a staggering 387 percent over the past 15 years—from 11 million students in the early 2000s to 42 million students in 2019/20. The average annual growth rate over the period was 14 per cent. The Maldives has experienced the highest rate of growth (35 per cent), while Sri Lanka and Bhutan, the lowest (6 per cent).

Figure 4
Growth in Gross Enrolment Ratio in Higher Education in South Asia

The growth rate was steepest in the first decade of the twenty-first century, but even today the higher education is growing rapidly and trends indicate that it is unlikely to slow down. The gross enrolment ratio in higher education in the region as a whole has increased remarkably by six times from four per cent in 1970 to 25 per cent in 2019. In 2019, the corresponding enrollment ratio in the world is 39 per cent. While the ratio is above 20 per cent in India, Bangladesh and Sri Lanka, Pakistan, with an enrollment ratio of 8.9 per cent, is almost at the bottom. However, these figures given in Figure 4 relating to South Asia are much lower than the corresponding figures of other Asian countries like China (50 per cent) or South Korea (95 per cent). India, it can be argued, has been a champion in this area, having developed the second largest higher educational system in the world, with nearly a 1000 universities, 40,000 colleges and 37 million students; the gross enrolment ratio in 2019 was 29 per cent (Figure 5).

**Figure 5**

*Growth of Higher Education in India*

| Source: Education in India 1950-51, Statistics on Higher and Technical Education in India (1990-91) and All India Survey on Higher Education, 2019-20 (Ministry of Human Resource Development, Government of India, New Delhi) |
Bangladesh and Pakistan stand at a distant second and third positions with regard to the size of the system and enrollments. Student numbers are very small in Sri Lanka and Nepal. Bhutan has only just two universities, one of which is a medical one and the Maldives has none. As a result, hardly 0.4 per cent of the Maldives’ adult population has completed higher education. The percentage of population aged 25+ years with tertiary education varies between 9.5 per cent in Sri Lanka, and 6.1 per cent in India, on the one side and 2.3 per cent in Nepal and 0.4 per cent in the Maldives on the other end as shown in Figure 6. On the whole, the ratio is very low in South Asia as compared to other advanced regions of the world.

**Figure 6**

*Rate of Higher Education Attainment in South Asia*  
(Percentage of Population aged 25+ who have completed tertiary education)

*Source: World Bank (2021)*
The expansion of higher education in South Asian economies however, has been more in the area of general higher education. Bangladesh, for instance, in 2019 has 88 per cent of its graduates in fields other than science, technology, engineering or mathematics. The figure for India is 68 per cent and for the Maldives, 95 per cent. This does not however imply that a higher value is placed on streams of education such as humanities or the liberal arts; the reality is that the exorbitant cost of acquiring professional education means that only certain privileged sections of society are able to access it and many from lower strata end up in general higher education.

Globalisation, which ushered a revolution in information and communication technologies (ICTs) as its prodigal offspring, has successfully packed the markets with educational courses offered in different forms and modes, with or without instructors and physical campuses. Internet-based study programmes and distance education have further helped the massification of higher education with students competing to acquire degrees that they hope will get them some jobs or others, irrespective of considerations like graduates’ interest or merit. Most of South Asia is also facing a demographic dividend also known as the demographic bonus which refers to the likely economic growth that results from a significant increase in the skilled working-age population (age 15-64). For example, 30 per cent of Indians are under the age of 19 while Pakistan reports that 64 per cent of its population is below the age of 30, and 29 per cent between the age of 15 and 29; Bangladesh, Pakistan and Nepal have all the indications of a ‘youth bulge’ (Ahmad, 2018; Trines, 2018). In the face of a severe resource crunch and demographic pressures to meet the rising demand for higher education, governments have resorted to open and distance learning modes. Massive open online courses (MOOCs) have not only allowed access to higher education being provided by universities within the country at a cheaper cost, but have also enabled students to access universities abroad from any part of the country, without the hassle of travel and associated expenses, as long as their location, however remote, has internet access. Around 16,000 MOOCs have been launched by 950 universities all around the world (Shah, 2020), barring China. Distance education accounts for 11.1 per cent of the total enrolments in higher education in India in 2019-20 (MHRD, 2021). India is having the world’s largest open university, the Indira Gandhi National Open University with a student
population of about ten million that far exceeds the population of some European countries. In addition, there are 15 state open universities and 110 dual mode universities. The questionable quality of the courses, however, implies that dreams of better prospects do not necessarily materialise into decent employment options for the marginalised. The disadvantaged often fail to catch up with the privileged who enjoy a better standard of education and have a natural advantage in terms of their social capital. So there is a crisis of graduate unemployment in South Asia. According to World Bank data, around 15 per cent of the total labour force in India with advanced education is unemployed (2019); in Bhutan the figure is 18 per cent (2013) and in Bangladesh, 11 per cent (2017).

5.2 Inequalities in Higher Education

The higher education system in South Asia is also characterised by a high degree of inequality. As Tilak (2003a, p.2274) notes, ‘the regional, social and economic inequalities that are a glaring feature in the societies of South Asia, are reflected in the educational systems, with the poor and socially backward areas suffering a severe degree of exclusion from education.’ The enrollment and attendance figures in higher education reveal high levels of inequality across gender, income groups and rural and urban backgrounds. For South Asia as a whole the gross enrolment ratio for females was 3.5 per cent in 1990 while for males it was 7.2 per cent. The gender gap has narrowed over the years in favour of females with a gross enrolment ratio of 25.5 per cent as against 24.4 per cent for males in 2019. But the disparity against females continues and is pronounced in countries like Bangladesh where the gross enrolment ratio for males is 24 per cent and for females is 17 per cent in 2019. Pakistan also shows low and unequal enrollment figures in higher education in stark contrast with the Maldives which shows the highest gross enrolment ratio in South Asia with 60 per cent among females, much higher than that of males at 16.6 per cent. Indeed, the progress of the Maldives on certain socio-economic indicators have been impressive. This tiny island nation has achieved five out of the eight Millennium Development Goals and today has achieved a MDG + status. However, the Education Sector Analysis Report (Government of Maldives, 2019), shows that the apparent gender parity level achieved in higher education could be misleading: a high number of females have enrolled in hairdressing and beauty courses introduced in polytechnic
colleges and in online nursing programmes. Further, the overall enrollment has increased due to the introduction of multiple modes of delivery initiated by the private sector.

When one examines gender-wise ratio by economic classes and by rural and urban regions, inequalities sharpen. For example, in all countries of the region the enrollment ratio is highest for urban males belonging to the richest quintile and lowest among rural females belonging to the poorest quintile. The difference between these two groups is as high as 198 times in Pakistan and 108 times in Bhutan, while it is only 8.5 times in Bangladesh as depicted in Figure 7.

**Figure 7**

*Inequality in Gross Attendance Ratio in Higher Education in South Asian Countries (Ratio among urban richest male versus rural poorest female)*

![Diagram showing inequality in gross attendance ratio](image)

*Source: World Bank (2021)*

Such a disparity reveals a gross neglect of higher education as a means to achieve equitable development levels. Examining the problem of unequal access to higher education in South Asia and Sub-Saharan Africa, Ilie and Rose (2017, pp. 446-47) have observed:
‘...while gender inequality continues to be a cause for concern, the magnitude of gender gaps is smaller than that of wealth-driven gaps. However, given that countries with higher rates of higher education participation also tend to have wider gender gaps amongst both the rich and the poor, there is a danger that as higher education systems expand in countries with lower levels of access, so could the gender gaps. This suggests the need to put in place strategies to address gender and wealth inequalities early on. As such higher education attendance rates are overall very small, the focus should be on measured expansion that is pro-poor and tackles any gender imbalance from the very beginning.’

Despite high rates of return (Table 6) to higher education, in comparison to the other levels, there has been an insufficient expansion of higher education, specifically seen in the low participation of females and disadvantaged sections of the society, like the rural and poor, in higher education.

Table 6
Average Returns to Education in South Asia
by Level and Gender

<table>
<thead>
<tr>
<th></th>
<th>Primary</th>
<th>Secondary</th>
<th>Higher</th>
</tr>
</thead>
<tbody>
<tr>
<td>All</td>
<td>6.0</td>
<td>5.0</td>
<td>17.3</td>
</tr>
<tr>
<td>Males</td>
<td>4.7</td>
<td>3.9</td>
<td>16.6</td>
</tr>
<tr>
<td>Females</td>
<td>4.8</td>
<td>6.2</td>
<td>23.3</td>
</tr>
</tbody>
</table>

Source: Montenegro and Patrinos (2014)

6. Policy Dynamics: Grappling with Globalisation

The current wave of globalisation which began in the 1980s, saw an important phase in the reform of different kinds of education in South Asia. Here countries have been compelled to grapple with forces at the political, economic and cultural levels that have pushed them to ‘adjust’, ‘readjust’, ‘adapt’ and ‘innovate’ in the policy space. Globalisation and associated market forces have raised a few basic questions such as: is education a public good or a private good? Who should take the responsibility of providing education—the state or the
market? Why should education be provided free? What is wrong with profit-making in education? How much should students be charged for their education? At what level can education be largely driven by market forces and at what level is it necessary for the government to intervene? While some of these questions have never been asked for centuries, if not millennia, some issues have been settled, but they have re-emerged again. Generally as no clear answers could be found, governments have tended to adopt *laissez faire*ism in education which has been marked by non-intervention and an absence of public policy (Tilak, 2005).

One can identify four major trends that have either originated or been accentuated with the adoption of the policies of globalisation. They are: privatisation of education; emergence of English as a medium of instruction; internationalisation of higher education and emergence of ranking systems; and changes in the financing of education, including the entry of foreign aid into the education sector. These are briefly discussed here.

### 6.1 Privatisation of Education

Globalisation has meant the large-scale entry of the private sector into the area of education which hitherto had been almost a state monopoly, or had insignificant levels of a private presence. Privatisation, which originated as a charitable initiative in the field of education, gradually became a natural consequence of globalisation dovetailing with simultaneous cuts in the education budget by governments. The private sector has projected itself as a rescuer of the education system from this resource crunch. The deficit in public expenditure on education, attributable to a lack of resources in general and more importantly a lack of political will, on the one hand, and a rising private demand for education on the other hand, have provided enough space for the private sector to enter and exploit the situation to the maximum. Soon a huge number of private players entered every level of education in almost all countries, more so in developing countries; and the nature of private involvement changed dramatically. Philanthropic principles were being replaced by purely principles of profit (Tilak, 2006a). These new ‘principles’ did help education to grow enormously, albeit in different forms.
The private sector is a major player in every level of education in many countries, including specifically India, Bangladesh and Pakistan, as shown in Figure 8. According to World Bank estimates, private schools account for 44 per cent of enrollments in primary schools in India, 36 per cent in Pakistan, and 24 per cent in Bangladesh. In a study undertaken on the growth of private education in India, Kingdon (2017) shows that almost 50 per cent of primary school-going children in urban India and more than 20 per cent in rural India go to private schools. Public Private Partnership (PPP) also emerged as a strong presence in India when the Right to Education Act (2009) made it mandatory for all private schools to give a minimum of 25 per cent of admissions to disadvantaged children against a compensation of fees by the state to the schools.

**Figure 8**

*Percentage of Enrollments in Private Institutions by Education Levels, 2019*

*Note:* Some figures refer to different years. Maldives: Primary (2017); Pakistan: Primary (2018); Sri Lanka: Tertiary (2013); Bhutan: all levels (2018)

*Source:* World Bank (2021)
Table 7

<table>
<thead>
<tr>
<th>Year</th>
<th>Primary</th>
<th>Secondary</th>
<th>Higher</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>95.7</td>
<td>62.7</td>
<td></td>
</tr>
<tr>
<td>2005</td>
<td>41.7</td>
<td>96.0</td>
<td>46.8</td>
</tr>
<tr>
<td>2009</td>
<td>41.0</td>
<td>95.3</td>
<td>43.0</td>
</tr>
<tr>
<td>2016</td>
<td>21.4</td>
<td>94.0</td>
<td>35.5</td>
</tr>
<tr>
<td>2019</td>
<td>23.9*</td>
<td>87.6</td>
<td>36.5</td>
</tr>
</tbody>
</table>

* 2018

Source: World Bank (2021)

Secondary education is heavily dominated by the private sector in Bangladesh with 88 per cent of secondary school students going to private schools. The corresponding ratio is 58 per cent in India. Though relative numbers tend to decline in Bangladesh at every level of education, they still remain high (Table 7). Further, the share of private enrollments are highest in tertiary education (except for Bangladesh where secondary education has the highest private enrollments) and the trends continue upwards.

In the area of higher education, most South Asian countries, except for Sri Lanka, have shifted a substantial part of the responsibility from the state to the private sector. During the first two decades of the twenty-first century, the percentage of enrollments in private higher education has grown from seven per cent in Pakistan (in 2003) to 35 per cent; in Nepal from 26 per cent to 37 per cent; in Sri Lanka it has doubled from six per cent to 12 per cent in five years between 2014 and 2019. It is only in Bangladesh that one notices the proportion significantly declining from 63 per cent to 37 per cent between 2000 and 2019. In India, it has been high at around 58 per cent. Some of these zig-zag trends can be noticed in Figure 9.

The ‘laissez-faire’ policy of the governments, or policy absence, and/or pro-private policies explain the growth of private education in the region. Taking advantage of the absence of or the presence of weak regulatory systems, private players have opened so far as many as 385 private universities in India a kind of which were completely absent until the end of the 1980s. In 2019, 78 per cent of
colleges were in the private sector. In Sri Lanka there was widespread popular resistance to the establishment of private universities and it was only legitimised as late as 2013.

Figure 9

Percentage of Enrollments in Private Institutions of Tertiary Education

Source: World Bank (2021)

Ever since the trend has been changing. Currently along with the recognised private higher education providers there is a sector of unrecognised providers that is flourishing. Affiliated with foreign universities, as permitted by Sri Lankan law, they offer degree programmes jointly with foreign providers.

On the whole, South Asia has suffered from a lack of well-defined government policy in these dimensions. In the absence of a clear government vision and directives, the private sector has expanded recklessly and created a system that is infested with a dubious quality of education, exorbitant fees, rogue institutions providing fake degrees and a neglect of certain streams in the liberal arts and the need for developing ‘holistic’ global citizens. All this weakens the linkages with the employment market. Yet they survive and even flourish by
adopting cheap and dubious marketing strategies. These private institutions almost exclusively rely on student tuition fees not only for their operating costs, but also for their development needs. The almost extortionist fees charged by these institutions result in an unequal access to education. For instance, in Pakistan the highest fees charged for a semester by private higher educational institutions can be as high as US $3,106 as against the US $310 to US $585 charged by public institutions (Hunter, 2020). Similarly, in India the cost per student varies between US$ 4,520 to US $90,400 for a 2-4 year, ‘self-financing’ professional degree course in public universities that are comparable to the fees charged in private institutions (ADB, 2012). For comparable programmes, public institutions charge a fraction of these figures. Nepal’s higher education system had until 1986 one state university, Tribhuvan University funded by the government. Universities that have been established subsequently in Nepal are also owned by the government, but the major difference is that the new universities are required to charge high fees to cover their operating expenses; thus they function de facto as private institutions. Nepal also has an unusual system of public universities with privately owned campuses or affiliated colleges. In 2015-16, they numbered 777 as compared to community campuses (532) which receive some grants from the government or constituent campuses (98) that are entirely government funded.

An important dimension of private higher education institutions, apart from the fact that they treat education as a private good like any other commodity in the markets and charge exorbitant fees, is the questionable quality of the education they impart. Many private institutions don’t comply with state rules and regulations in terms of quality assurance, transparent admissions and the fair recruitment of faculty. Since making profits is the primary goal of private providers, and in the absence of any proper strong regulatory mechanisms, the foremost goals of equity and quality are relegated to the background and all other educational considerations including most importantly the public good characteristics are completely overlooked.

6.2 Globalisation and Medium of Instruction

Globalisation has also meant setting global uniform standards for education and moving away from local and regional knowledge systems. For
instance, English as a medium of instruction in schools has become extremely popular and there has been a sharp and steady rise in private schools in South Asian countries offering English medium education. Of course while the roots of ascribing a higher value to the English language can be seen in the colonial regime, these tendencies have become more entrenched with increased international interaction through globalisation. English language skills have been viewed as a powerful tool of globalisation, growth and prosperity by individuals as well as collectively, by the nations. It is assumed that language not only increases the ‘cultural capital’ (Bourdieu, 1986) of a person but also reduces social inequalities and poverty by increasing the overall employability, productivity and efficiency in a globalised labour market. Modernisation, employment in white collar jobs, and high wages are regarded as correlates of knowing English language. As a result, instruction in English in schools and colleges has become a dominant cultural paradigm (Sah, 2020) in South Asian societies. The discourse of a neoliberal language policy has led common people to perceive that an English medium education as the ideal one they aspire for their children in order to help them attain fast upward socio-economic mobility (Bhattacharya and Mukherjee, 2013; Erling et al., 2016).

South Asian countries like India, Pakistan and Nepal facilitated instruction in English soon after Independence, adopting a multi-lingual or a bilingual educational policy according to which education was to be provided in both local languages and in English. In India the medium of instruction in both languages is offered in schools, while in colleges and universities the medium used to be English only for a long time, until the local language was introduced as an option. In most private schools, English is the medium of instruction while government schools use the local language. However, with globalisation, many state governments have felt pressurised to offer English as a medium of instruction, along with the local language as an option to the students. Though UNESCO’s and UNDP’s policy programmes like the Education For all, and the Sustainable Development Goals (SDG 4.5.2) and constitutional provisions in countries like India, e.g., the Right to Education Act, clearly state that the local language/mother tongue/home language should be the medium of instruction at the primary level, many countries have ignored this noble vision. Though the non-availability of trained and qualified teachers in English is an important constraint
many countries in the region face, they still seem to prefer a system with poor quality English teachers to one which has better qualified teachers proficient in local languages. It has been widely acknowledged that private schools thrive essentially because the medium of instruction is English. Sri Lanka introduced English as a medium of instruction only in 2001, viewing it as a means to prepare the younger generation to face ‘globalisation’ effectively (Wijayatunga, 2018). Similarly, Nepal has also seen an increasing trend in the growth of English medium schools, but in the absence of qualified teachers there is increasing criticism that students have not been able to develop sufficient skills either in their home language or in English, or in the subject (Sah, 2017). The emphasis given to English language is at the cost of local languages as an increasing number of students do not feel the need to learn local language or any other language. As Mehendale (2020) observes, “These shifts and the ensuing challenges need to be seen within contrasting forces of globalization and nationalism where policies aim at accommodating diverse imperatives while simultaneously aiming to develop a national identity through use of a common language such as English. Given the linguistic diversity and the pressures of globalization, maintaining a multilingual balance challenges the national education systems.” While in the post-colonial societies, the adoption of English has emerged as a form of neo-colonialism, in other countries, the adoption of English has become a neo-liberalist market response under globalisation.

6.3 Internationalisation and Ranking of Institutions

A natural consequence of globalisation has been the internationalisation of higher education. Collaborations with universities worldwide and the exchange of students and faculty for teaching and research have been in practice for a long time essentially with a view to enhance the quality of the education learning environment in university campuses. The same model, along with a few new ones like the setting up of campuses in foreign countries under new trade agreements, have made the internationalisation of higher education a game changer in the global arena of education. The transformed models have altogether different objectives.
The inclusion of education in the General Agreement on Trade in Services (GATS) has opened up new avenues for better interconnections among universities world-wide, by trading education. For developing countries of South Asia, however globalisation has meant a strong influx of things and ideas from the global West; internationalisation of universities has been more about emulating western standards, and grappling to survive in the global education market. Taking a ‘peripheral’ role, universities in South Asia have been importers of education and the mobility of students has been predominantly one-way, from South Asia to the rest of the world.

Trade in education as defined by GATS occurs in four modes (Tilak, 2011): in the first mode, cross-border supply of education takes place without any movement of consumers or providers which includes all ‘e-learning’ courses. As mentioned earlier, India has the second largest market for distance education after the United States. With increasing access to the internet, other countries like Nepal and Bangladesh have also sought refuge in foreign distance learning to increase access to higher education with limited resources. Private providers from the U.S, such as Coursera and edX, have colossal markets in these countries and local providers in South Asian countries are still way behind in competition. With respect to the second mode, viz., student mobility, one notes that the diaspora of South Asian students is one of the largest with the outbound mobility ratio, defined as the number of students studying abroad as a percentage of the total tertiary enrollment is 1.5 per cent against the inbound ratio of 0.12 per cent for the whole of South Asia. The highest outbound ratio in South Asia is 38 per cent in the case of Bhutan, followed by Nepal, 20 per cent and Sri Lanka, eight per cent. However, in absolute numbers, India is the second largest country after China with 753,000 students studying abroad in 2019 as reported by the Ministry of External Affairs, India. At the same time India is a popular destination for other South Asian students, as one can note from Figure 10, and a sort of a leader in providing higher education as they constitute 57 per cent of the entire inbound student population from Asia in 2014-15 (AIU, 2017).

The third mode enables the commercial presence of universities in foreign countries and is by far the most contested one. On the one hand, it might limit the number of students travelling abroad and the expenses incurred therein, but on the other hand it may wipe out domestic universities which will find it hard to
compete with international brands. In the context of India, Sahni and Kale (2004) argue that ‘the opening up of the domestic market for such branches however, would intensify the level of competition in India as an internal level of ‘brain drain’ of academicians may also occur in this field.’ Finally, the last mode focusses on the temporary cross-border movement of researchers and teachers as service providers. Most developing countries, including India, have been lobbying for the removal of barriers in this mode owing to the comparative advantage that they possess in terms of abundant and specialised service providers in the areas of information technology, medicine, engineering, entertainment and hospitality to name a few (Sahni and Kale, 2004).

**Figure 10**

*Country-wise Distribution of Inbound Students from Other South Asian Countries to India, 2014-15*

*Note: Legends include: name of the country, number of students and their percentage. Source: Association of Indian Universities (2017).*
An important outcome of globalisation is global competition along with internationalisation. Every country wants to compete with others in attracting students, foreign students in particular. Global university rankings, which is also an offshoot and also a strengthening feature of globalisation, have further accentuated competition, and every country wants to have its universities appear in the top positions in the global rankings. They are also keen on developing world class universities. For example, India at some point had planned to establish high quality research and innovation universities which might come close, in nature, to the world class universities. To this end, the government has planned to identify universities of eminence and strengthen them further to become world class universities. India also developed its own national university ranking systems to improve competition.

On the whole, as per the current situation, South Asian universities rank poorly in international rankings. Except for a handful of institutions in the region, no higher education institutions in South Asia figures in any of the global rankings of the universities. Only eight South Asian universities, of which six are in India, one in Pakistan and one in Sri Lanka, have featured in the top 500 world universities in 2020 as ranked by the Times Higher Education (THE) World University Rankings. In the 2021 rankings, only four from South Asia figured among the top 500 (Table 8). Even in the QS Asia University Rankings (2021), only seven Indian institutions and the National University of Science and Technology, Pakistan appears in the top 100. None from South Asia figures in the top 30.

The poor position of universities in global rankings reflects the poor quality of higher education in South Asia. The quality of education is a highly contested area covering a wide array of parameters ranging from graduate output, graduate attributes, employability of graduates, and so on. These are clearly related to the quality of teaching programmes the universities offer, the research practices in the institutions and the performance of the institutions in social relevance and service. Both in terms of inputs, such as the quality of teachers, infrastructure, and outputs in terms of quality of graduates and research publications, many universities in South Asia fare very poorly.
Table 8

South Asian Institutions of Higher Education in Top 500 Institutions in Times Higher Education Ranking (2020 and 2021)

<table>
<thead>
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<th>Rank</th>
<th>Name of the Institution</th>
</tr>
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<tbody>
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<td>2021</td>
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<tr>
<td>301-350</td>
<td>Indian Institute of Science (India)</td>
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<td>351-400</td>
<td>Indian Institute of Technology Ropar (India)</td>
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<tr>
<td>401-500</td>
<td>Indian Institute of Technology Indore (India)</td>
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<td>University of Peradeniya (Sri Lanka)</td>
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<td>University of Peradeniya (Sri Lanka)</td>
</tr>
<tr>
<td>401-500</td>
<td>Quaid-i-Azam University Pakistan</td>
</tr>
</tbody>
</table>

Source: The World University Rankings

and https://www.timeshighereducation.com/world-university-rankings/2021/world-ranking

Though there are certain limitations with such rankings, they are useful at least for certain limited purposes as they highlight the gaps in some key indicators on research performance and also on performance in teaching, highlighting wide gaps that exist between different countries, apart from many other aspects, which may or may not necessarily be considered relevant by all countries (Tilak, 2016). Such information the ranking systems provide may be helpful to the governments and universities in taking appropriate policy initiatives and interventions.
6.4 Globalisation and Public Funding of Education

Among many aspects of globalisation, the most noticeable one is the funding of education. Public funding reflects the priority that the state accords to education. The proportion of GDP allocated to education is an important standard indicator of the priority a nation gives to education.

Figure 11
Public Expenditure on Education as a Percentage of Total Public Expenditure and GDP in South Asia

Source: World Bank (2021)

On an average, South Asia spent around 2.5 per cent of its GDP on education as a whole as against a world average of 4.5 per cent in 2016. With quite a few ups and downs, including a peak of 3.4 per cent in 2010, a dip of 2.4 per cent in 2012, and a peak again of 3.4 per cent in 2014, the GDP on education in this region has finally plateaued to 2.5 per cent in 2016, that is marginally less than the level spent in 2000 (2.6 per cent). The zig-zag trends of expenditure on education as a proportion of the GDP or of the total public expenditure shown in Figure 11 reflect the wavering priority governments have accorded to education. These fluctuating trends also reveal an underlying instability, disparity, lack of...
vision for the future and an absence of clarity in the state’s commitment to education.

Among all the South Asian countries, Bhutan accords the highest priority to education by allocating 7.2 per cent of its GDP in 2017. This is also one of the highest figures in the world. The corresponding figure in Bangladesh is the lowest at 1.5 per cent. According to 2017 data, Pakistan and Sri Lanka apparently devoted similar percentages of their GDP to education at 2.9 per cent and 2.8 per cent respectively. However, one needs to note that Sri Lanka has a historical advantage in terms of public spending on education and a well-established robust system; and these figure reflect mostly current expenses. On the other hand, Pakistan is still groping to set up its educational system; and its current levels of spending are the second lowest in the region (after Bangladesh).

Between elementary, secondary and higher levels, the share of higher education in GDP is the lowest in South Asian economies (Table 9). Except in the case of Nepal, intra-sectoral allocations do not significantly favour elementary education, as elementary education, an apparent priority sub-sector in education, does not account for even half the total allocation to education, though this is a stated goal in countries like India.

During the past three or four decades, the education sector has been subjected to severe cuts in public budgets in many countries, including in South Asia, which is also partly the result of adopting the adjustment policies that require the downsizing of budgets in all social sectors. These policies also required the introduction of user charges and cost recovery methods which are heavily resorted to in education, particularly in secondary, and more clearly, in higher education. According to the national Constitutions and international commitments, primary education is to be provided free. Though some nominal fees are charged in some countries, and high charges in private primary schools, public education at the primary level is not much subjected to cost recovery measures.

Most public universities in South Asia that have functioned hitherto with government support have also had to resort to ‘alternative’ means of financing themselves in the face of severe cuts in state funding.
Table 9
Expenditure on Education (by levels) as a per cent of GDP

<table>
<thead>
<tr>
<th></th>
<th>Bangladesh</th>
<th>Bhutan</th>
<th>India</th>
<th>Maldives</th>
<th>Nepal</th>
<th>Pakistan</th>
<th>Sri Lanka</th>
</tr>
</thead>
<tbody>
<tr>
<td>ALL</td>
<td>2.1</td>
<td>1.5</td>
<td>4.9</td>
<td>6.0</td>
<td>4.3</td>
<td>3.8</td>
<td>4.1</td>
</tr>
<tr>
<td>Elementary</td>
<td>1.0</td>
<td>NA</td>
<td>1.1</td>
<td>1.9</td>
<td>1.6</td>
<td>1.1</td>
<td>1.8</td>
</tr>
<tr>
<td>Secondary</td>
<td>0.8</td>
<td>1.0</td>
<td>2.7</td>
<td>3.4</td>
<td>1.7</td>
<td>1.6</td>
<td>1.0</td>
</tr>
<tr>
<td>Higher</td>
<td>0.2</td>
<td>0.5</td>
<td>NA</td>
<td>0.6</td>
<td>0.9</td>
<td>1.1</td>
<td>0.3</td>
</tr>
</tbody>
</table>

*Source: World Bank (2021)*
Apart from raising student fees significantly, they have started offering ‘self-financing’ courses in many subjects and diplomas or ‘executive’ programmes, sometimes of dubious quality, provided at exorbitant fees (Asian Development Bank, 2012). User charges have been introduced for a variety of items and services which earlier were provided either free or at nominal charges. Student loan schemes have been introduced or restructured in India, Pakistan, Bangladesh, Nepal, and Sri Lanka, though they appeal only to a small proportion of students. Because of the increase in fees and associated expenditure in public and private institutions, household spending on education has become very sizeable. As UNESCO (2015) has concluded, the proportion of a private household spending on education as compared to total spending on education in South Asia is among the highest in the world and continues to rise further. The dominance of the private sector and high levels of private expenditure have created problems of inequitable access, poor quality and an uneven growth of higher education. High levels of private/household spending represent high levels of inequalities in education. Theoretically, private expenditure may complement public expenditure raising the overall level of expenditure on education, but as Tilak (2001) points out, the assumption of a complementary relationship between public and private expenditure on higher education can be erroneous, especially in the case of South Asia where they have been substituting each other. It is also important to note that there is a very strong correlation between educational attainment and government expenditure on education (Siddiqui, 2006; Tilak, 1999).

The large-scale growth of the private sector and the associated growth of private expenditure on education are occurring because essentially education, particularly, but not just higher education, is increasingly being viewed as a private good, and the cost of losing the public good nature of education is not understood (Tilak, 2008b).

6.5 External Aid for Education

One particular aspect that perhaps needs to be mentioned in the present context of funding is foreign aid for education. Programmes like Education for All, the Millennium Development Goals and the Sustainable Development Goals
that aim to achieve universal primary education serve as the rationale for foreign aid in the area of education in developing countries, including South Asia. Initially, the presence of the international community in the context of domestic education was more in the nature of aid in the form of grants and technical support. During the phase of adjustment, however, aid has taken on the form of loans. Realising that ‘aid to education is unlike aid to other sectors because education is most susceptible to charges of interventionism, dependence and cultural domination, etc’ (Tilak, 1988b), many countries have not been receptive to the idea of aid, particularly in the form of loans for education. But soon almost all countries in the region, India, Pakistan, Bangladesh, Bhutan, Sri Lanka and Nepal have resorted to the new mode of educational aid from multilateral organisations like the World Bank and the International Monetary Fund.

It is rather hard to make definite conclusions about the effectiveness of such aid in the educational sector. A lot of research has analysed the impact of foreign aid on education. Foreign aid has improved quantitative indicators of educational development that were in alignment with the goals of Education for All and the Millennium Development Goals for achieving universal primary education by 2015. While its impact on the physical expansion of education, in terms of enrollment or provision of educational infrastructure has been positive, the impact of aid on sustainable development in education in terms of providing quality education, in improving the quality of teachers, by providing high quality training and by bettering the learning outcomes of children has been rather disappointing. Aid has produced several desirable and not so desirable effects on educational policies in developing countries. The latter have been significant in some South Asian countries: some effects that aid has produced include a distortion in priorities and policies, a substitution of public funds and creating a culture of donor dependency (Tilak, 1997, 2008a). The perceived benefits of greater international interactions, an exchange of ideas and extension of financial aid have not all been achieved in South Asia. With a staggering 11.3 million children in the primary school-going age and 20.6 million children in the lower secondary school-going age in South Asia not going to school (UNICEF, 2018), there is enough reason to question the paths treaded by countries of the region to borrow for primary education. Therefore one can conclude that there is much scope for improvement in the aid mechanism (Riddell, 2012).
7. Concluding Observations

The introduction of new policies and policy reforms in education are certainly influenced by political economy factors in almost every society. In fact, no policy reform takes place in a vacuum. Severely affected by a long period of colonial rule, many countries in South Asia have been struggling to reform their education systems. Though they have not been able to develop their own indigenous systems replacing the colonial system of education, a phenomenal expansion has taken place in education mostly on the lines of the colonial model. Alongside, it has been crippled with a plethora of problems, partly accentuated by globalisation.

Education development may be evaluated in terms of the quantity, quality and equity dimensions that form a triangle, an ‘elusive triangle’ (Naik, 1979). In terms of all the three dimensions, South Asian countries have fared poorly in comparison with the more advanced regions of the world and they have a long way to catch up. Even within South Asian countries, there exists wide variations in education development. Education in many South Asian countries also suffers from a policy crisis which can also be described as policy paralysis (Tilak, 2015). A coherent education policy, formulated based on a long-term vision for the development of society, is an important pre-requisite for building a strong education system that will help in the social transformation, economic progress and nation-building. Of all the necessary requirements, a nation’s political will is an important determinant of the nature, kind and pace of growth in a country’s education framework and the public investments made in it. Unfortunately, most South Asian countries, with the exception of Sri Lanka, have shown a lack of public commitment towards education (Haq and Haq, 1998. The complex challenges facing South Asia require exploring creative policies in education, by learning from each other’s present and past, including ancient experiences and from other countries of Asia and the rest of the world.
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Apart from assessing, based on data on a few key dimensions of education, the achievements, failures, and the overall current status of education in the South Asian countries, the working paper presents a critical political economy analysis of changing education policies, shifting priorities of the governments, and the national and global factors that influenced them, in the larger backdrop of globalisation.

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