

**TWENTY THIRD T.A. PAI MEMORIAL LECTURE**



**CHALLENGES OF HIGHER EDUCATION**

**Delivered by**

**SRI BHANU PRATAP MEHTA**  
President & Chief Executive  
Centre for Policy Research, New Delhi

**ON JANUARY 17, 2006**

**AT MANIPAL**

**T.A. PAI MANAGEMENT INSTITUTE**  
**MANIPAL**

## CHALLENGES OF HIGHER EDUCATION

It is enormously humbling to be present in this occasion and humbling for a variety of reasons. First of all see the weight of Sri T A Pai's legacy, his exemplary life of public service which I think places enormous burden and responsibility on our shoulders as much as it inspires us. The legacy of Manipal group of institutions and T A Pai institutions in particular, which are really extra-ordinary examples of excellence, and I think excellence is always humbling, always intimidating as it is going to be of excellence and I think the students here more than any other group of this community represent them. In that sense I think enormously humbling.

It is enormously humbling as it's just driving here for the first time and seeing what an extra-ordinary complex has been set up. It is both again inspiring and humbling. Given predecessors who graced this dais, really I do feel very small indeed; literally it was on the shoulder of giants. But perhaps climbing up one can see few things and I will share some thoughts with you in that respect.

Before I come to that, to talk about the challenges to higher education, just like to place on record two particular debts I owe to late Sri T A Pai. One is rather amusing sort, my grandfather who was active in Congress politics, many many years ago in 60s and so forth, one day called me, I was 8 years old, Mr T A Pai just became the minister, and asked me to write a telegram, congratulating him. Of course I didn't know good handwriting at that time. I was just learning and I protested and said I can't write. He said this is telegram. The old

style of telegram, Congratulations, stop, Sri T A Pai, stop. And I think this is the only telegram I have ever written to a politician. So it is formed edge in my memory.

My second debt to Sri T A Pai is his participation in founding the Centre for Policy Research. Mr. Pai Panandiker was founder Director and served as its President for five years. But I don't think the institution would have been possible without the foresightedness of Sri T A Pai. It is again another testament to gain the range of activities that he is borne. And I think at this juncture, it is particularly important to remember two aspects of his legacy. The first is sheer vision as Sri K K Pai said his vision was at least five decades ahead to rest of us. He saw more clearly than almost anybody else in our political aspect that education was going to be axis around which everything is going to revolve in 21st century. And I mean that phrase literally everything. If you ask where the growth is going to come from, it is education. If you ask what are going to be axis of political conflict, axis by which inequality is produced and reproduced in the society, it is education. If you ask what is going to be the vital source of threat which will challenge the 21st century, it is education. In fact I had a meeting with a very distinguished economist and he was joking about different growth theories. One conclusion is very striking. Education is not only a necessary condition for growth, it might also be a sufficient condition for growth. That is how important the education is going to be in 21st century. I cannot think of a single aspect of our social

life that is not going to be deviated by policy of education. That vision Dr Pai saw then.

The second aspect, which I think is more important now in the context of the 21st century, global economy and in the context of importance of education, is actually just the example of liberal entrepreneurship and liberal philanthropy. By the example of creating, helping and promoting institutions, I think one creates through the law of junk, of stagnation, of backward regulation much more effective than on abstract debate over regulatory reforms. I think throughout his career that was the one spirit, which he nurtured in me, that he was an institution. What India needs now at this juncture, more than anything else, is to have people with extraordinary talents building institutions across a domain of activities. Building an institution is not an easy task. For anybody who is trying to start institutions, I will tell them it is possibly one of the most difficult tasks. Institutions that survive generations, I think we owe it to ourselves to take some inspiration from his spirit of entrepreneurship and philanthropy.

We are coming to the topic of today, challenges of our Education. I want to begin with one preliminary remark. Whatever I am saying is in my personal capacity, not as a member of the National Knowledge Commission. This is not the occasion to go into technical policy analysis.

I think the first and most striking thing about discussions on education at this juncture i.e. in 2006, is the real paradox that being experienced by all who are in the educational institutions, private, public, schools, not for profit organizations. On one hand, there is absolutely no doubt that India is in the midst of a remarkable democratic upsurge as far as education is

concerned. Twenty years ago we used to worry about is there going to be demand for education? Who is going to demand education? Are the poor going to demand education? Are the rich going to demand education? There is evidence that all sections in the society now are clamoring for education like nothing else before, and not just clamoring for education clamoring for real education, i.e. structure and opportunities in the future world. The poorest of poor families in India are spending high proportion of their low income to send their children to private schools, so that they can learn English. We can have abstract debate about language policy and so forth, but it is manifestation of the fact that there is demand for education extraordinarily. At the top end of the scale are the best and the brightest, wanted to better themselves and will seek education wherever they get it. So there is this ground square of a demand for education and real momentum of it is actually not, I think it doesn't quiet farther than what we need in five years. On the other hand our education system at all level seems very caged, very constricted, not catering to the demand, not producing the outcome that is achieved. You can measure this as about the contraction of the education system if you like on very many dimensions. Teacher performance and teacher absenteeism whether it is in schools or universities is 40% above the average for public universities. Whether it is the quality of the average student that comes out of the Indian University system, whether it is reflected in the fact that have comparative advantage in the basic sciences is diminishing, rapidly. In 1975 if you took the top 100 journals in the world across disciplines, physics, chemistry, life sciences, India used to publish three times more

papers in those journals than China did, now the ratio is almost reverse and it is declining rapidly.

With all due respects, there are certain excellent institutions in India, but we don't have really world class institutions. In the list of top 500 whichever way we count it, yes we can put a few, but those are not universities.

Here another profound paradox that at the same time, as industry is saying again, and again look at every industry survey, rural industry, shortage of rural managers, textile industry, which is going to be the big sector absolutely render shortage of managers for textile industries, supervisors for textiles. NASCOM reported vacancies in IT sector, and nursing, medicine, every sector of economy is showing shortage of skills. And, we are worried that this will pull us back. Yet at the very same time 40% of unemployed graduates are science graduates. What explains this paradox? If there is demand for skill that is happening, why aren't these students fit there? The answer is that the students are not being given the education that puts them in the positions to take advantage of the opportunities. Complete disjuncture between higher education and what the economy is going to be? So we are living in the midst of these disjuncture, this disjuncture between the profound democratic demand for education and the mechanism we have created to supply it. The disjuncture between the aspirations in education, even our private aspirations in education. You are all wonderful example for that and the politics that always constraints us. The disjuncture between what some would argue would be a common sense in respect of education and

the regulatory systems that taught you a lesson. I think the big challenge for the times is going to be how we break this disjuncture. India is going to single largest sovereign country in the 21st century depending on an answer to this question/challenge. Think of the enormity of the challenge we are facing. Many of you know that the period between now and 2035 is supposed to be a crucial period in India's economic spree (history). Because this is the period we have so called demographic advantage. The ratio of working people and non working people is going to be at the same ratio. Roughly speaking, these are the 30 years and for which we have to lay the foundations for the prosperity that is shared by all. Now this demographic advantage will not translate into economic prosperity automatically. The mediating variable is going to be education. It is going to be education at all levels. It is going to be education that facilitates the transition from rural agriculture to rural non agriculture industry and entrepreneurship, facilitates the transition from landless agricultural labour to manufacturing labour, and facilitates the transition of India from a society that largely consumes knowledge to a society that produces knowledge. At every level this transition will have to be needed at higher education.

Now think at the enormity of the challenge. Are gross enrollments ratios in higher education at the moment are depending on, whether you count institutions, whether you count ITIs etc, is roughly 8%. China is close to 16-18 per cent, Thailand, Korea 18- 20 percent, OECD countries 40 per cent, and United States 60 per cent. Let us say, we just have to double our gross enrollment ratios in higher education over the next 10 years. Imagine

what that indicates? Doubling the size of the current education system over a 5 to 10 year period at higher quality, to do in 5 to seven years what we had 50 years to do and in much higher quality. That is roughly the scale of challenge we are facing in higher education. It doesn't matter what kind of education. Dr Mashelker is very fond of saying we need to enhance our peaks and broaden our base. We need to do both simultaneously, make our best better and an average higher. But the reason I am stressing this particular number, the enormity of the size of the problem, if you concentrate your mind in this it will become apparent to you that most of the discussions that we are having and the debates that Delhi is having, I thank god Manipal is not in Delhi. Here are some of the false choices that are being posed for us. Do we need to invest in primary education? Or do we need to invest in higher education? From every single angle this is a false choice. From the point of view of the demands of economy you will need to invest in both, as I said, you need to effect the transition at the low level of manufacturing capacity and you need to have high value added, service industry at the higher end. You cannot sustain a robust, higher education system without a strong primary system; on the other hand you will not take advantage of the levers of growth in the 21st century economy if you do not have a cutting edge higher education system. And no growth, you will not be going to get the feedback from primary education. It is completely false choice, at the margin you can quibble about where should government allocate money here and there, there is no question. We have to do all simultaneously.

Second false choice, should education be primary, secondary, higher, the public, private or not for profit, I use private instead of for profit, it is technically not allowed in India. If you look at the enormity of the investment we need in this sector, here in the fortunate position, that is win-win situation, this is the sector that can absorb every kind of investment. Look at all the great education systems around the world. There isn't a single great education system that does not use some kind of synergies between all three sectors. They don't undermine each other, rather they reinforce each other. We will have a flourishing private sector, only if we have a robust public sector. And absolutely no doubt about it, that we need a strong public sector system in education, especially in higher education, public universities. United States has, which is the epitome of private entrepreneurship. But the enormity of challenge means we should be scrambling for investment wherever we can get it.

Third false choice, should we create a few islands of excellence or should we invest in the basic education? Obvious answer is we need to do both. What we need at this juncture, given this enormity of challenge especially in higher education is really a form of radical experimentation in all kinds of institutions. Just think of the last education revolution we have in higher education, which I take to be the period between 1930 and 1950, without much government help we brought into being some great universities. Delhi University is the Federation of Private colleges put together, Jamia, AMU, BHU, Shantiniketan. I can assure you none of these universities were possible under current regulatory regimes. We will need all kinds of universities, we will need

universities that frankly are for profit, there is simple calculation, and will the job market be able to absorb certain number of students. We will need a good deal of a traditional liberal arts universities to articulate and think through the kinds of communicating skills, the kinds of discussion about values, citizenship, the modern society needs. We will need the universities that perhaps deal with the traditional knowledge only. In the United States, there is famous Liberal Arts College, St. Johns College, four years of just reading classics, and graduates are very well employed. What I don't understand frankly in our current condition why is it that we are to inhibit ourselves. Why not let a new era of really radical experimentation in education begin, invite all kinds of ideas and cut them loose. If we have higher education system base now it is precisely because we came to higher education with an open mind in the previous I was mentioning. We didn't worry about foreign collaborations then, IITs wouldn't have been possible. We didn't worry about private money there; none of these great universities would have been possible. We did not worry about curricular uniformity there. We needed both BHU and Shantiniketan and Delhi University, with three completely different curricular philosophies. Whenever I have discussions on education in India, this is the first session I want to share with people. I almost come to the conclusion that the real problem is not technical policy analysis, between us, we can come up with 100 recommendations, that could strengthen our education system. We could probably even through consensus in what the content should be, autonomy to the institution, so on and so forth. The basic challenge lies one step before that policy analysis, that is where you as future leaders

I think you have a critical role to play. The basic step is the following.

If you ask me what is the single biggest problem in the way we think about higher education in the country, that we let our mistrust about ourselves. Get the better of our aspirations. What does it mean? We don't trust any institutions, public or private, that institution in turn doesn't trust its Vice Chancellor supported by the court of 50 people in Executive Council of 25 people governance impossible. The Vice Chancellor in turn does not trust the teachers. So teachers can not create their own curricula in most universities. There are only 3 or 4 Universities in India where professors make their own courses. Absolutely astounding, every single American University professors make their own courses. Teachers are not trusted, so teachers therefore don't trust students. When teachers don't trust students you get these type of standardized exams at undergraduate levels, for 150 thousand students. What is the art of recipe for? Mediocrity! When teachers are not trusted by the higher authorities, they don't trust themselves. When they don't trust themselves, they don't trust students, when students are not trusted by the teachers they don't trust themselves either. Believe me this institution you are in, is an exception. 75% of Indian students in higher education are enrolled in public universities of Basic arts, basic science and basic commerce. Under graduate education which is corner stone of higher education in any system in the world, you get employment immediately after undergraduate education is arguably the most neglected and the least innovative of all aspects of higher education. Professional Education to be honest is not very bad. The

management has broken the mould and in part the challenge is simpler with management, in the sense that this is the simpler market structure. If employers are willing to hear you students can pretty much make some reasoned estimates about it and that is the good challenges with broader university system you need different kind of challenge. But unless we reverse this presumption and say that we trust ourselves as we have begin to trust ourselves in industries, commerce and other area, unless we overcome the fundamental existential and philosophical approach we have to ourselves, we are not going to excel in higher education.

I always like saying in most policy debates that if the State takes it upon itself to ensure that every last person is honest. The only thing you can guarantee is that it will turn every person into a dishonest one. Reason I am saying this is that is the single refrain used in any discussion of higher education. We just had discussion of the finance of the higher education for non-profits. In India, under the current laws governing non-profits, you could not create the kind of universities like Harvard, and Oxford. Their investment restrictions on the growth of endowment, their revenue restrictions in how much you can spend, why aren't we changing regulations governing non-profit sector, only answer you get is people might misuse it. If this fear of worse element in our society prevents us from doing well, I don't think they are going to get anywhere. I think with that philosophical orientation, we prepared to trust ourselves to innovate as we wish?. Are we willing to have regulatory structures that allow us to do that?. If you say no to this question, then all the debates are

irrelevant. All you then get is more control and more supervision.

The second philosophical aspect, I appreciate this policy discussion, we talk about globalisation. But I don't think in the education sector again couple of institutions are exceptions. You are really conscious of what globalisation is. What is globalisation for in a higher education?. I can think of four elements.

First of all, we have to recognise the market for the best talent is now global. 130 thousand students are leaving India every year. Somebody says why should we care about that. Fine, in a way it is true, some go abroad, some come back. The reason it matters is not the point to be joked about, the most breakthroughs come for the actually top one percent. If you are letting the top one per cent to slip away your economy is going to be in serious trouble. To put it in purely economic terms, Indians are consuming higher education. It is Indian money being spent on higher education, roughly to the tune of 3.6 billion dollars per year. It is the most conservative estimate that the commerce ministry gives. India is now next subsidizer of British higher education. University of Wales recruits 100 MBA students a year. Why can't India be the global education hub for the 21st century? We have the human resources. Why can't our institutions capitalize this market? We are thinking globally. World market for talent has become global, how do we structure our institutions.

Second, look at what the competition is doing. I don't like to talk in terms of Sino-Indian rivalry. But people talk a lot about it, China's major rivalry. China has licensed 14 hundred Universities, most of them private, it has invited American

citizens, Deans of Conell and so forth to come and head its' faculties. It has gone on the biggest talent recruiting drive, amongst Chinese be Americans, any countries ever seen, what ever it takes to get the best back, If China, a closed society can have an open mind, why can't we as an open society?

Third aspect of globalisation is that it is required that the institutions are in nimble. What do I mean nimble. One they do not have rigid structures. Their decision making process is too slow. We have to now change discipline of curricula every six months. Delhi University just had its undergraduate course revision after about 16 years. I was just down in Kerala and Kerala is a great advantage nursing, it is impossible to bring their courses upto date in the requisite time. We need nimble institutions. Only we can get nimble institutions by decentralizing power. You need institutions that are de-deciplinised. We have been talking of multi disciplinary institutions. But multi disciplinary institutions work only if each of the constituent disciplines are also willing to think outside of its box. If you are setting up a centre for Nano technology, it will matter less whether you have mathematicians, physicists, engineers, you need all of them. Use of approach to content in our curriculum global. Do you have the ability to say yes. This is going to be in the next three years, we go for it.

Finally, globalisation means global aspirations; there is no contradiction between seeking to conquer the globe and serving them locally. In fact, they mutually reinforce each other. You serve your local needs better. If precisely you have the ambition to say you are going to be the best

in the world, J J Tata used to use a phrase 'making the best better' when the TATA Foundation was set up. Finally, it is going to be not that difficult in the next 4 or 5 years. I think the change will happen, set up new institutions. The problem is what we are going to do with the existing ones. As I mentioned 300 universities which house 6-7 billion students at the moment. What do we do with Patna, Allahabad? What do we do with Rajasthan? Do we as a society have the will to hold our politicians accountable? But more than our politicians, I am saying this very candidly as a teacher, as a professor, as a member of teaching faculty, politicians stepped in only because we let them step in. I think the greatest abdication or responsibility has been found in the community of educators. Will we have the will to overcome that? My anxiety is given the demographic challenge I mentioned, each year we lose, on any of these fronts, regulatory reform, reform of public universities, strategy for thinking of globalisation, each year we are going to lose millions of students, confine them to second rate institutions and third rate opportunities. That is literally education policy sounds abstract, but it is matter of opportunities for further improvement

My optimism, as I said, comes from the fact that there is this immeasurable momentum, something has got to break. It is already breaking in the fields like management. My pessimism comes from the fact that unless we learn to Step up this demand, this democratic upsurge, it might express itself in all kinds of misdirected forms. How do we, in a sense, close this gap? Worse thing is that late shri T A Pai would have liked us to remember, that the nation that does not trust itself, is never going to have high aspirations. You should

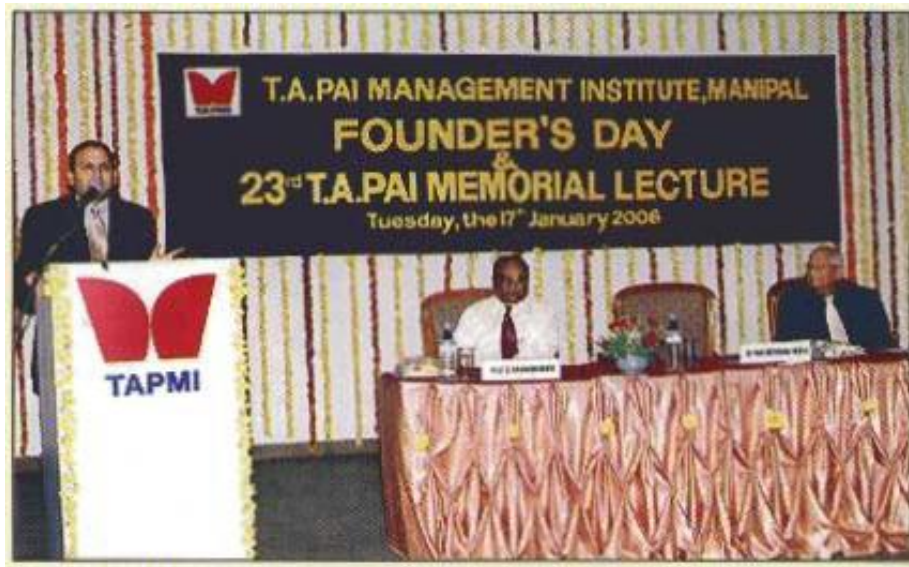


not let the fear of the bad dominate the passion for excellence and good. These legacies are presented; there is lots of bad

stuffs I can compare about, but what is the legacy that presented was most of all just do it by example.

Thank you very much

## About The Speaker: Dr. Bhanu Pratap Mehta



Dr. Pratap Bhanu Mehta is an Indian academic. He is currently the president of the Center for Policy Research in New Delhi. The Centre for Policy Research is one of India's most distinguished think tanks. He is also been appointed to NYU Law School's Global Faculty. He was previously Visiting Professor of Government at Harvard University; Associate Professor of Government and of Social Studies at Harvard, and for a brief period, Professor of Philosophy and of Law and Governance at Jawaharlal Nehru University.

Dr. Mehta obtained a B.A. from St John's College, Oxford in Philosophy, Politics and Economics (PPE) and a PhD in Politics from Princeton University. Mehta has also done extensive public policy work. He was Member-Convener of the Prime Minister of India's National Knowledge Commission; Member of the Supreme Court appointed Lyngdoh Committee on Indian Universities and has authored a number of reports for leading Government of India and International Agencies. He is on the Board of Governors of IDRC, and other academic institutions. He is member of the World Economic Forum's Council on Global Governance. He is also on the Editorial Board of numerous journals including the American Political Science Review and Journal of Democracy.

Mehta has published widely in the fields of political theory, intellectual history, constitutional law, politics and society in India and international politics. His scholarly articles have appeared in leading international referred journals in the field, as well as numerous edited volumes. His early work was on eighteenth century thought, particularly on Adam Smith and the Making of the Enlightenment. He has also written on issues of Cosmopolitanism, Liberalism, Rights, Judicial Review, International Governance and Democratic Theory. His most recent publications include, The Burden of Democracy and an edited volume India's Public Institutions. His forthcoming work includes a book a Constitutionalism in Modern India and a book on India's Great Transformation. He is also co editor (with Niraja Jayal) of the Oxford Companion to Politics in India.

Mehta is a participant in public debates in India and abroad and has written columns for national and international dailies,

including the Indian Express, Hindu, Financial Times. He is an Editorial Consultant to the Indian Express. He resigned from the National Knowledge Commission following a disagreement over reservations for socially disadvantaged sections of society.

#### **Selected works**

Public Institutions in India: Performance and Design edited by Devesh Kapur & Pratap Bhanu Mehta, Oxford University Press (2005)

Hindu Nationalism and Indian Politics: An Omnibus Comprising The Emergence of Hindu Nationalism in India; The Saffron Wave: Democracy and Hindu Nationalism in Modern India; The BJP and the Compulsions of Politics in India Introduction by Pratap Bhanu Mehta, Oxford University Press (2004)

The Burden of Democracy by Pratap Bhanu Mehta, Penguin India (2003)