

Details of Module and its structure

| Module Detail | |
|--------------------------|---|
| Subject Name | Education |
| Course Name | Contemporary Indian Education |
| Course Code | EDU501 |
| Module Name/Title | <i>Liberalization, Privatization and Globalization: concept, their implications on educational sector and Indian society</i> |
| Module Code | CIE004 |
| Pre-requisites | Nil |
| Learning Outcome | <p>After going through this lesson, the learners will be able to:</p> <ul style="list-style-type: none"> • Analyse the impact of Liberalization, Privatization and Globalization on educational sector and Indian society. • Recognise the negative impact of Liberalization, Privatization and Globalization on educational system and Indian society as a whole. • Participate actively in the process of Liberalization, Privatization and Globalization. |
| Keywords | Liberalization, Privatization and Globalization. |

1. Development Team

| Role | Name | Affiliation |
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1. Liberalization

Liberalization refers to relaxing certain reforms and policies. These reforms can be termed as relaxation of previous government's restrictions usually in areas of social or economic policy. Usually, the term is used in reference to Economic Liberalization.

Liberalization means “the action of setting free from any restriction” or “the act of making less strict”.

It is an immediate effect of globalization. Liberalization is commonly known as free trade. It implies removal of restrictions and barriers to free trade.

2. Impact of Liberalization on Educational sector

2.1. Positive aspect:

2.1.1. **Constant Stream of Funding:** Liberalization will bring a constant stream of funding which will also facilitate a research-based career and make it a viable option for the future of Indian teachers and students.

2.1.2. **Increase in the supply of education:** It will expand the supply which is in shortage and the competition among educational institutions will ensure that they do not charge an excessive premium for education. Increase in the supply of education will automatically result in the fall in education expenditure.

2.1.3. **Economic source:** The Indian economy which is majorly fuelled by the service industry will get a boost with the education sector becoming a large chunk of the economic source.

2.1.4. **Saving Indian immense capital:** Hundreds of thousands of Indian students study abroad at an annual estimated cost of around US\$ 1 billion and it can

even stem the exodus of thousands of students who left the country to study abroad. This will save India immense capital.

2.1.5. **Best opportunities:** Allowing corporate would ensure the development of better industry oriented graduates with specific skill sets.

2.1.6. **Rapid developments:** Increased in educated population implies rapid developments in technology and communications. It also implies the shift of society from industrialization based towards an information-based society.

2.1.7. **Solution of Brain drain:** Liberalization offers students an option of studying close to home with the added benefit of a degree which will be valid worldwide. It also curbs brain drain which is also a nation's loss.

Besides this, there are other positive aspects of liberalization of education which are as follows:

- a. Freedom of mind
- b. Familiarity with human culture
- c. Useful for adjustment
- d. Development of personality
- e. Preservation of social heritage
- f. Economic development of society
- g. Social reform
- h. Social control
- i. Modernization of education
- j. Broad based and pupil centered curriculum
- k. Liberalization and discipline
- l. National and international out look
- m. Discouraging brain drain
- n. Fulfillment of social need

2.2. **Negative aspect:**

2.2.1. **Over relaxed Primary education:** States remained apprehensive about funding. Today, 'primary education' is nobody's baby – an overextended, flailing system

2.2.2. **Poor performance:** Rise of private schools with limited sources shows poor performance in their role. Only a few (generally vocational) courses have succeeded. most courses have underperformed

2.2.3. **Poor infrastructure:** It leads to poor physical, financial and intellectual infrastructure. Less permanent teachers and more ad-hoc teachers are being recruited

2.2.4. **Research:** Due to poor funding, poor quality research work is being done.

2.2.5. **Risk of fake universities:** There is a risk of fake universities which are looking to fill their pockets whenever the opportunities arise.

Besides this, there are other negative aspects of liberalization of education which are as follows:

-
- a. Commercialization of education
 - b. Sub-standard international institutes
 - c. Fake institutes
 - d. Against interest of local institutions
 - e. Set back of reputed institutes
 - f. Costly education
 - g. Exploitation of teachers
 - h. No security of service
 - i. No certainty of qualitative education

3. Privatization

Privatization refers to a mode of working by being outside the control of the government. It may be at an individual level or at an organizational, institutional or group level. Privatization can be there in education, occupations and company matters. Our government, in the modern age, is inclined towards privatization. Privatization can be a good alternative in providing higher education in the domain of education.

3.1. Types of privatization

Extreme privatization: Extreme privatization is pure or total unaided private organization. Such organizations provide financial relief to the government in providing higher education.

Strong privatization: It implies full cost recovery of public higher education from users.

Moderate privatization: It implies partial cost recovery .there is public provision of higher education but with the level of financing from non government sources .

Pseudo privatization: It is government but aided sectors . most of higher education institutions are private but aided by government .

4. Impact of Privatization on Educational sector

4.1. Positive aspect

4.1.1. **Modernization of education:** education became conservative due to lack of means and sources of education. Privatization helps in modernization of education. Modernization is the impact of globalization. Modernization is marked by westernization, industrialization, democratization, secularization, vocationalization of education, broad-based and multi-sided education, use of technology in education and study of foreign languages. Use of dynamic methods of teaching modernized role of teacher, self-discipline and international co-operation.

4.1.2. **Reforms in infrastructure:** our education was suffering from many defects of basic infrastructure of schools like lack of rooms, lack of laboratories, inadequate libraries and lack of toilets and drinking water facilities. Privatization is helping in solving all these problems.

4.1.3. **Qualitative improvement:** privatization helps in improving the quality of education. It helps in finding the ways and means for strengthening and improving the quality of education. In private institutions there is better infrastructure- building, equipment, technology, teachers and other staff and competitive spirit than government institutions.

4.1.4. **Decentralization:** in democratic set up of our country, centralization is not praised. Decentralization is the need of time. Privatization will strengthen decentralization.

4.1.5. **Expansion of education:** privatization is useful in expansion of education. It is very useful in the development and progress of nation.

4.1.6. **Increase in vocational courses:** privatization of education proves useful in increasing vocational courses. At present talented and skillful persons are in great demand. Vocational courses are needed for the development, progress and prosperity of nation.

4.1.7. **Sense of competition:** privatization of education will increase sense of competition in different institutions. Workers related to education will get opportunity to develop in this field. Management will make more efforts for improving their educational structure. Intellectual horizon of students will be widened and developed. Sense of competition becomes a source of inspiration for making more and more progress.

4.1.8. **Wider area of research and innovations:** in privatization of education more emphasis is placed on research and innovations in education system. More and more opportunities will be created for the development and progress of the nation.

4.1.9. **New areas of employment:** privatization of education creates new areas of employment. More teaching officials and other staff will be required in educational institutions. Thus many people will get employment. Moreover, students will get employment in different fields, after completing the courses from these institutions. Self-dependence will be increased and country will become prosperous.

4.1.10. **Good discipline:** privatization helps in solving the problem of indiscipline. Privatization helps in maintaining good discipline. It is essential for making reforms in education. It is the treasure which facilitates progress and promotion.

4.1.11. **Solution of administrative and financial problems:** the government has to face administrative and financial problems in education. In privatization of education the entire working of the government institutions will become responsibility of private institutions. Hence the educational system will be free from administrative and financial problems of the government.

Besides this, there are other positive aspects of privatization of education which are as follows:

- a. Promotion of technological advancement
- b. Reducing gap between Industry and Education
- c. Minimising the burden of Government.
- d. Providing education in remote area and small urban area.
- e. Generating highly skill personnel for development in India.
- f. Meet the education for International Standards.
- g. Reduce Distance of Educational Institutions
- h. Join any course irrespective of merit
- i. Regional Development
- j. Increase the Demand for higher Education

4.2. Negative aspect

4.2.1. **Costly education:** education became costly with privatization of education. For example: the fee structure of teacher education courses of private institutions is much more than of government institutions.

4.2.2. **Commercialization of education:** Education has become business with commercialization. Earning money is the main aim of education.

4.2.3. **Emphasis on money rather than excellence:** Many rich persons who do not have any knowledge of education are investing in education with the purpose of financial motive rather than providing quality education.

4.2.4. **Exploitation of students and teachers:** teachers are compelled to work on low salaries in these sub- standard institutions. Students feel that they are not able to compete in the open market system of exploitation. And all the time teachers have a fear because there is no job security in private institutions.

4.2.5. **Neglect of soft courses:** only those courses are offered for which there is great demand in the market and which are beneficial to institutions. Subjects very close to nature like arts, music, literature and languages are being neglected.

5. Globalization

Globalization is the process of interaction and integration between people, companies, and governments worldwide. Globalization refers to the increasing flow of technology, finance, trade, knowledge, values and ideas across borders. It is an extensive network of economic, cultural, social and political interconnection and process, which routinely transcends national boundaries.

It may refer to the transfer, adaptation and development of values, knowledge, technology and behavioural norms across countries and societies in different parts of the world

5.1. Some Examples of Globalization

- a. The Olympics began in ancient Greece and continue today.
- b. The FIFA World Cup has more viewers than any other sporting event from around the world.
- c. Travel and tourism allows globalization of many things, like the exchange of money, cultures and knowledge.
- d. The United Nations is an intergovernmental organization that promotes cooperation in many areas including human rights, peace and economic development.
- e. Organizations such as the Red Cross respond quicker to disasters around the world.

6. Impact of globalization on educational sector

6.1. Positive aspect

6.1.1. **Need based education:** Students can choose from a variety of courses according to their needs and potentialities. Courses have been diversified. Thus education has become need based.

6.1.2. **Expansion of educational facilities:** access to education has increased. Foreign universities have set up offices in India and enroll Indian students. Indian students take advantage of educational opportunities abroad and enjoy financial benefits as they are employed by foreign firms.

6.1.3. **Broadening of mental horizon:** students develop positive attitude, open mindedness, deepened insight and broadened mental horizon. Global communication and networking has connected people all over the world.

6.1.4. **Sharing of knowledge:** Globalization has led to sharing of knowledge, skills and intellectual assets. New knowledge is being created all over the world.

6.1.5. **Innovations and instructional strategies:** Education has been benefitted from innovative methods and strategies of teaching. The use of technology, electronic media has brought a revolution in the field of education. For example, Faculty exchange programme.

6.1.6. **Cultural closeness:** there is a shift from mono-culture approach to multi-culture approach. Awareness is developed about the different cultures of the world. For example, Collaborations with foreign institutes

6.1.7. **International understanding:** Globalization of education has helped in promoting cooperation, collaboration, co-existence, international relations, harmony and peace.

6.1.8. **New courses in education:** now many new areas and courses have been included in education, e.g. multimedia and animation, space technology, fashion designing, tourism, archaeology etc.

6.1.9. **Modernization:** Globalization accelerates the process of modernization. Today in education, there are manifold aims of education, broad based curriculum, modern methodology, discipline and administration etc.

6.1.10. **Standard systems of quality assurance:** now there has been standardization of educational content, methods, evaluation, accreditation and accountability.

Besides this, there are other positive aspects of globalization of education which are as follows:

- a. Promotion of technological advancement
- b. Reducing gap between Industry and Education
- c. Generating highly skill personnel for survival in the international industry
- d. Meet the education for International Standards.

- e. Reduce Distance of Educational Institutions
- f. Join any course irrespective of merit
- g. Increase the Demand for higher Education

6.2. Negative aspect

6.2.1. Commercialization of education: Education has become expensive and commercialized.

6.2.2. Sub- standard institutions: There are mushroom growth of sub- standard institutions with poor infrastructural facilities and instructional material.

6.2.3. Exploitation of students and teachers: teachers are compelled to work on low salaries in these sub- standard institutions. Students feel that they are not able to compete in the open market system of exploitation.

6.2.4. Brain drain: globalization promotes brain drain which is an economic loss for the country.

6.2.5. Neglect of soft courses: only those courses are offered for which there is great demand in the market and which are beneficial to institutions. Subjects very close to nature like arts, music, literature and languages are being neglected.

7. Impact of Liberalization, Privatization and Globalization (LPG) on Indian Society

Increase in GDP growth rate: In 1990-1991, it was 1.1%, in 2014-2015 it was 7.26% and in 2015-2016 it was 7.5%. Because of the Abolition of Industrial licensing, privatization, advanced foreign technology and Reduction of taxes India's GDP is increased after 1991 reforms

Increase in foreign direct investment (FDI): India has allowed 100% FDI in medical services, Telecom sector, and single brand retail Etc. .FDI cap increased in insurance & sub-activities.

Increase in per capita income: Per Capita income is increased due to Increase in Employment, due to new economy policy of globalization and privatization many job opportunities are created so, and people's income was increased.

Privatization has resulted into reduction of the government's financial and administrative burden.

- a) Globalization and Indian business: Now India is the 3rd largest global telecom market. India is likely to add over 200 shopping malls in 2010 and 715 malls in 2015. India is the world's 2nd largest two-wheeler market, 4th largest commercial vehicle market, 11th largest passenger car market and 7th largest automobile market by 2016.
- b) Technological impact of LPG in India: Scientific and technological innovations have made life quite comfortable, fast and enjoyable. Internet facility is everywhere and extension of internet facilities even to rural areas. Even in the rural areas satellite television has a grown up market. Internationalization of financial markets growing importance of MNCs popularization of mass media and

communication technologies such as cell phones, credit cards and e-commerce which has transformed the way we do business today.

- c) **Globalization and agriculture:** New farming practices and improved mechanization in agriculture such as drip irrigation, access to markets and productivity gains increased investment in sustainable agriculture and rural development. It brings farmers, researchers, scientists and administrators together by establishing "Agriculture Online" through exchange of ideas and information. The Government's digital initiatives include Agrisnet, Agris, Agmarknet, Dacnet, Fishnet, E-Chaupal, Digital mandi, Kisan call centre etc. with their independent websites.
- d) **Impact of LPG on banking sector:** ATMs, Internet banking, mobile banking and social banking have made "anytime anywhere banking". Further, in banking too India has been a gainer. Since reforms, there have been three rounds of License Grants for private banks. Private Banks such as ICICI, HDFC, Yes Bank and also foreign banks, raised standards of Indian Banking Industry. Now there is cut through competition in the banking industry and public sector banks are more responsive to customers.
- e) **Impact of LPG on import and exports:** India has the second fastest growing services sector with its compound annual growth rate at nine per cent, just below China's 10.9 per cent, during the last 11-year period from 2001 to 2012, the Economic Survey for 2013-14 said. Russia at 5.4 per cent is a distant third.

8. Summary

In the end, it can be concluded that Liberalization is an immediate effect of globalization. Liberalization is commonly known as free trade. It implies removal of restrictions and barriers to free trade.

Privatization refers to a mode of working by being outside the control of the government. It may be at an individual level or at an organizational, institutional or group level. Privatization can be there in education, occupations and company matters.

Globalization refers to the increasing flow of technology, finance, trade, knowledge, values and ideas across borders. It is an extensive network of economic, cultural, social and political interconnection and process, which routinely transcends national boundaries.

The advent of globalization as a result of liberalization and privatization has both positive and negative impact on the economy. One group of people argue that liberalization, privatization globalization provides greater opportunities, new markets, better technology etc. while other group feel that it does not protect domestic industries. From Indian prospective, liberalization, privatization and globalization improved our condition of living, standard and quality of education and open up employment in the field of IT, Telecommunication, Hospitality, Banking and others.

Quadrant-III References

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Links to web sites giving additional readings, Wikipedia, blogs, open source content etc.:

- <https://targetstudy.com/articles/impact-of-liberalization-on-education-system-in-ndia.html>
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Glossary:

- Liberalization
- Privatization
- Globalization

Quadrant-IV Self-Assessment

Description: In self-assessment Question No. 1 to 5 consist of multiple choice questions in which learners are required to select the correct one out of the four alternatives and Question No. 6 to 10 learner has to identify about true/false statements.

1. There is a shift from mono-culture approach to multi-culture approach. It is due to:
 - a) Liberalization
 - b) Privatization
 - c) Globalization
 - d) None of the above
2. Under which article of Indian Constitution, Companies Registration Act is mentioned:
 - a) Article 25
 - b) Article 29(A)
 - c) Article 45
 - d) Article 31
3. According to the Article 25 of the Companies Registration Act, educational institutes in India can be set up:
 - a) only by trusts
 - b) only by societies
 - c) only by charitable companies
 - d) All of the above
4. Educational institutes in India:
 - a) cannot take profits
 - b) the profits can be taken
 - c) all earnings have to be reinvested
 - d) No need to reinvest in education
5. Organizations such as the Red Cross, are the examples of:
 - a) Liberalization
 - b) Globalization
 - c) Privatization
 - d) None of the above
6. In democratic set up of our country, centralization is not praised. Privatization will strengthen decentralization. ()
7. Allowing corporate would ensure the development of better industry oriented graduates with specific skill sets. ()
8. Privatization is the barrier in modernization of education. ()
9. Achieving widespread private ownerships in the society reduce the burden of Government. ()
10. Because of the Abolition of Industrial licensing, privatization, advanced foreign technology and Reduction of taxes India's GDP is decreased after 1991 reforms. ()

Answer Key: 1. C, 2. A, 3. D, 4. C, 5. B, 6. A, 7. A, 8. B, 9. A, 10. B