
PRIVATE UNIVERSITIES BRING COMPETITION AND END TO MONOPOLY

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Private universities, although new to India, exist in the US from hundreds of years. Almost half of the 3500 US universities are private. They are managed and maintained either by the church, industry, or philanthropic organizations. The standard of education in them and the quality of research output vis-à-vis that of the state controlled universities is superior. The best university like MIT Boston is private. The US has progressed well and due share of credit goes to private universities. Many important inventions and innovations have taken place in them. Human civilization would not have advanced so much, if there were no private universities. Today, private universities in the world earn a large proportion of patents and IPR.

Entry of Foreign University – Competition Begins

The proposal of private universities being discussed and debated needs to be examined in the light of arrival of foreign universities from U.K., USA, Australia are invited to enter India for quality up gradation. Special counseling sessions are being held in metro cities. Foreign universities although costly, are attracting students in a big way because the demand in terms of quality any quantity by Indian universities is not satisfied. **More is expected from local universities, but they are not able to give.**

With the coming of foreign universities, monopoly of government universities is coming to an end. Soon Indian people will have three

choices. A. foreign university B. private university and C. Government University. Competition, which is considered as fuel for growth, is deliberately being encouraged between the three. Enough of the education loan to students have become available. India has signed an agreement in W.T.O. according to which from 1st January 2005 foreign universities are permitted to come in WTO provides an opportunity to Indian universities also to go out in the whole world. Following factors explain the need and importance of establishing private universities.

WHY PRIVATE UNIVERSITIES?

1. Private universities enable Indian education environment to be qualitative

Government universities, so far have rendered very valuable service. All universities in India are state funded and hence state controlled. They enjoy monopoly. Students have no option. Their performance, by global standard is however far below. Neither the students nor the employers are happy. They are over centralized, bureaucratic, and monopolistic, thwarting and impeding ideas of students and professors. They kill the innovative talent of students and faculty. They care only for their bosses, ignoring the needs of students and industry. They are far too behind their counterparts in the developed world. It is because of their poor performance that many students go abroad for higher education. Indian universities are using outdated structure of affiliating colleges. The multi faculty

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system is also an old outdated system, with too low efficiency. They are giving admission, and degrees but not latest knowledge. Therefore they appear cheaper but truly not. The limitations of government universities lie in their government structure. They are managed and maintained by people in government who are qualified to run government departments. If India wants to give better higher education, it must create competition. Indian economy is suffering from the deficiency of competition. Monopoly of present universities must come to an end. Private universities will mark the beginning and provide cheaper and better model. This will bring talent and finance available in private to national good.

2. Private universities are inherently more enterprising – create new business opportunities.

The organizational innovations like research parks, innovation centers, incubators, campus companies, venture capital companies etc which exist from almost 50 years in universities in advanced countries have not yet reached the Indian soil. They continue to offer only irrelevant courses. Consequently, the educated unemployed are growing. There are six lacks in Maharashtra alone. The competition in the Indian economy, although increasing is far too low mainly because of mediocrity in state universities. The students are still required to go to UK and US for higher studies. How long they will have to keep going? They are going from Gandhi Nehru period. How long we should fill the coffers of foreign universities? ***The answer lies in setting up private universities, and bringing competition to the state controlled universities.*** Private universities are cut for entrepreneurship. India will miss opportunities in patents and starting of New Technology Based firms, if private universities are not started or delayed. India is suffering badly from the deficiency of innovation skills, mainly because we do not have private universities.

3. Private Universities Are More Responsive to Market changes. They cater efficiently to the rising demands in terms of quality and quantity. State universities need to be supplemented by private universities.

Neither private universities nor government universities in isolation can achieve peak performance. The two together are badly needed to make most of abilities in people. Both have strengths and limitations. In the newly emerging knowledge society, the need and importance of efficiency in higher education needs no emphasis. The proportion of students taking to higher education in India is only 6% but it is rising fast at the rate of 12% per year. In the US this proportion is more than 50%, Korea has 37% and Thailand 12%. In the fast paced globalization, if India has to compete the only option is to augment its private universities. This is the only way to get a competitive advantage. State Universities are subordinates to Government. They often play the tune of political masters, who keep changing.

4. Private Universities take long-range view

Because the government is elected for a short period of five years, it does not pay the required attention to higher education, which essentially demands long range planning. Most of the times, the vice chancellors are appointed on political consideration. They bring politics in universities and the scholarship is driven out. Research is given a back seat. Private universities, if installed, will break the monopoly of the present universities, which is so essential for progress.

Who will provide remedies to remove the weaknesses in state universities? Only private universities can come to rescue. They can bring improved methods of work and capital investment from the world over especially from NRIs. Any delay in such timely intervention would pass our

huge education market in the hands of foreign universities. Autonomy to colleges is prescribed by National Education Commission way back in 1986. But it is not yet implemented. The Government is not willing to part with the powers and pass them to colleges.

5. Private Universities avoid political intervention.

They keep pushing forward their academic missions and visions regardless of the political party that comes to power. The vice chancellor is not appointed by the Government but by the universities board. With a humanistic aim they admit meritorious students from anywhere in the world. They bring about a cultural exchange between the nations and enrich the human civilization. Most of the private universities abroad are reputed to be making more productive utilization of resources. They get donations, so much so that every year they start new research projects and new courses. Almost only 50% of the university budget is met out of student fees. The rest is met out of donations and patent IPR royalties.

The fees prescribed by private universities are much higher. It is because they maintain a high standard of laboratories, library and education. They do not get financial aid from the Government. The students get loans from the banks and scholarships from philanthropic organizations. In India too loans are now available.

6. Private Universities make private college scheme more successful.

In India there are private self-finance colleges affiliated to state controlled universities. This is a case of partial privatization; the final responsibility of quality rests with the university. Colleges many times tend to play mischief and follow unethical means to encourage students to copy in examinations and even buying degrees like the episode of the Nagpur University. This cannot happen in a private university, as it may effect reputation so much

that the university stands the risk of closure.

However, a fear prevails that the private universities may indulge in malpractice and sale of degrees. This has not happened in the US or anywhere else. The system of controlling academic standards of the university, world over, has now changed to the scientific method of accreditation adopted nationally and internationally.

7. Private Initiative makes research and education more productive.

As per the Bush Commissions report 1945, "**Science – The Endless Frontier**" US universities have been strengthened for research. They are primarily knowledge generation centers, where students learn by researching. In this system quality of education is found to be the best, so also the research aspect. Cost wise, research subsidizes education and education subsidizes research. **Institutes are granted status of university only if they have a proven ability of knowledge generation and not merely teaching.** India will have to install such systems for innovation. There are associated risks, like in any good project, but the gains are tremendous.

8. Private universities inherently are more enthusiastic and co-operative to industries.

Private universities are friendlier with industry. If private universities are started bond between industry and institutes will become thick. Flow of technology will take place to industry and national productivity will increase. The expected synergistic relationship between the two will happen. Brainpower of Indian students will be used in India to solve Indian problems. Patent culture is more likely to pick up.

9. Private universities promote export and reduce import.

We have been buying technology and goods from foreign countries and they are selling from many years. Now the situation is proposed to

be reversed. This cannot happen without starting of private universities. There are greater risks in not starting private universities. *Indian universities can reach out to foreign, only if they are private.*

10. Private universities take away poverty from poor.

They can bring vibrancy to rural areas. Some people are making hue and cry that the private universities will educate only rich. And gap between rich and poor will widen. Poor and deserving students need not hesitate to take loans for paying fees. They will get proper education like in foreign, worth the fees. Government has liberally started education loan schemes. This is the way for poor to become rich. When students go in private universities many seats will become free for poor people in government universities. Is this not a benefit for the poor?

Private universities will have many other sources of income, for ex. Earnings from patents, donations, consultancy, research projects. Many campus jobs become available to students. The turnover in campus goes several times more, bringing income, scholarships to students. The students from poor family background are in fact better attended in private universities.

To win in global competition and to fulfill rising aspirations of the people, ***India cannot afford to ignore the proven model of private universities.***

11. Private Universities produce more leaders.

India is rich in resources yet we get goods from foreign countries. We have abundance of manpower yet the wanted cutting edge technologists are not available. There is a huge population but enterprising leaders are not available. Our conventional universities are producing followers and leaders of mediocre quality. They bring technologies from abroad and

teach here as traders. They do not have wellsprings of new knowledge, new technology and patents. They are like departmental stores or Relay centers. *India needs private universities to create leaders, who create new theories, new technologies patents and IPR.*

12. If India does not start private universities, Will it cause any damage?

Certainly Yes. Many students will miss opportunity to take higher education. The overall intellectual capability of India in world comparison will remain low. The existing universities due to lack of competition will not improve. More and more students will go abroad for higher education. It will be a big drain on financial resources, besides brains. Universities abroad will flourish, and Indian universities will sink. Money from people in India instead of coming to our universities will flow out. Poverty in India will tend to increase. There will be plentiful manpower in India but unemployable. *India's position in world instead of improving is likely to deteriorate.* India is destined to miss vast opportunities if starting of private universities is delayed. The employment and income generation in India will get a setback. The present rising wave in software will also be adversely affected. If the above damage is to be avoided it is urgently necessary to start private universities. It is no more an option but compulsion. There are almost no risks in starting private universities. There are much greater risks in not starting private universities.

13. Private Universities Enable India to Excel

It is believed, the world over, that universities are international organizations. Although they get grants from Government yet what to teach and how to teach is not the business of Government but that of the university. University should render academic advice to Government and not the other way round. Private universities in industrially advanced countries were the first to give Philip to scholarship and they are rewarded. Nations like USA and Japan came

forward to start private universities. It is these private universities, and not the state universities, which have become a moving force, in their economies.

14. Starting private colleges is good but not enough. It is essential to start private universities

Government universities are not able even to declare the results of examination for three months. Now in WTO regime monopoly enjoyed by the universities in India and elsewhere in the world is being abandoned. They are being exposed to competition not only domestic but also international. This is the beginning of worldwide improvement. Internationalization of higher education is taking place. This is too good for the younger generation. Private universities from abroad and from India in this will play important role, which should be viewed as a positive sign. Private universities alone can take India on top of the world. This is the only way. Private universities in USA have taken their universities ahead of European universities, so are the findings of an evaluation report. In India too private universities will take us ahead of our counterparts elsewhere in the world. They will bring professionalism faster. Debureaucratization and depolitisization will improve the quality of education.

PRESENT STATUS

Maharashtra Government have issued the ordinance No. XXII of 2004 on 16th August to provide for establishment of self Financed Universities in the State, to regulate their working and functions and for matters connected therewith or incidental thereto. The bill is yet to be presented in state assembly. The select committee is examining it.

The private university bill was presented in Parliament in August 1995. It was passed by Loksabha but unfortunately rejected by Rajya Sabha. The Supreme Court has already given green signal.

Supreme court in the case of Chattisgarh

has given stay in the matter. The Government of India is re-examining the proposal. This is with a view of better implementation. Private University is a worldwide trend with high merits. However, it has to be implemented carefully. Otherwise a good scheme is likely to go in disrepute.

Universities, in India unfortunately are tending to become pawns in the hands of bureaucracy. Universities tend to become slaves of the Government. It is only on account of this that there are many ills in higher education. **More is expected from universities, which they are not able to give. Because most of the times bottle necks are at the top like** appointment of vice chancellor is not on fair considerations. The common man is unhappy. Blame for ills in higher education is passed on to teachers wrongly. Appointment of a non-academician like Divisional commissioner or Police commissioner as V C is against the fundamental principles of management. Such persons are experts in their fields but do not and cannot understand the pulse of academics. What will happen in match if government officers and ministers instead of cricket control board do selection of cricket team?

Private universities, which do not have interference from government, provide a cure to the problems in higher education. They attach more value to academics. Government should however fix stringent norms and standards for private universities. Discovery, creativity should be the prime consideration. Discovery and Innovation skills are the distinguishing features of university organizations from other government departments. But government treats higher education like any other government department. Consequently the nation is being left behind in brain race. These are the things, which are damaging public interest. This should be stopped forthwith.

CONCLUSION

India needs to provide greater access from 6% to 10% in higher education. Prime minister

Man Mohan Singh in his speech on 15th August 2004 said, I quote,

“Higher education should not be the prisoner of either bureaucracy or ideology. It must develop on the foundations of professional excellence and intellectual integrity.”

These are the words of wisdom, which need to be remembered and acted upon by the educationists and education administrators.

Bureaucracy is hi-jacking the interests of higher education. This in public interest. Is not desirable. Dr. Radha Krishnan as chairman of UGC in 1948-49 wrote, “We must resist, in the interest of our democracy, the trend towards the governmental domination of the educational process.”

University system, in public interest, need to be pulled out of monopoly. It is necessary to expose it to international competition. India

needs foreign, private and government universities, and a combination of them.

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