

**PROBLEMS AND PROSPECTS OF HIGHER  
EDUCATION IN NAGALAND: A CASE STUDY OF  
TWO COLLEGES IN MOKOKCHUNG**

*Dissertation submitted to Jawaharlal Nehru University in  
partial fulfillment of the requirements for the  
award of the degree of*

**MASTER OF PHILOSOPHY**

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Date: 29<sup>th</sup> July, '09

CERTIFICATE

This is to certify that the dissertation titled "PROBLEMS AND PROSPECTS OF HIGHER EDUCATION IN NAGALAND: A CASE STUDY OF TWO COLLEGES IN MOKOKCHUNG" submitted by Sentiamong Jamir in partial fulfillment of the requirements for the award of the degree of Master of philosophy, is to the best of my knowledge an original work and has not been submitted so far in part or in full, for any other degree or diploma of any university and may be placed before the examiners for evaluation.

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## **DECLARATION**

This dissertation titled "PROBLEMS AND PROSPECTS OF HIGHER EDUCATION IN NAGALAND: A CASE STUDY OF TWO COLLEGES IN MOKOKCHUNG" submitted by me for the award of the degree of Master of philosophy is an original work and has not been submitted so far in part or in full, for any other degree or diploma of any university.

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## ABBREVIATIONS

### ABBREVIATIONS

AD - Aggregate Disbursements  
AR - Aggregate Receipts  
ATBs - Auction Treasury Bills  
BE - Budget Estimates  
BPL - Below Poverty Line  
CE - Capital Expenditure  
CENVAT - Central Value Added Tax  
CHCs - Community Health Centers  
CO - Capital Outlay  
Comm. Exp. - Committed Expenditure  
CR - Capital Receipts  
CRF - Calamity Relief Fund  
CSF - Consolidated Sinking Fund  
CSO - Central Statistical Organisation  
CSS - Centrally Sponsored Schemes  
CST - Central Sales Tax  
CT - Current Transfer  
Dev. Exp. - Developmental Expenditure  
DRE - Development Revenue Expenditure  
DT - Direct Taxes  
EFC - Eleventh Finance Commission  
ES - Economic Services  
FAC - Fazl Ali College  
F&WL - Forestry and Wild Life  
FIs - Financial Institutions  
FRBM - Fiscal Responsibility and Budget Management  
FRL - Fiscal Responsibility Legislation  
GDP - Gross Domestic Product  
GFD - Gross Fiscal Deficit  
GFD Exp. - Gross Fiscal Deficit Expenditure  
GFS - Government Finance Statistics  
GIA - Grants-in-Aid  
GoI - Government of India  
GoN - Government of Nagaland  
GS - General Services  
GSDP - Gross State Domestic Product  
GST - Goods and Services Tax  
ICUs - Intensive Care Units

## ABBREVIATIONS

IDT - Indirect Taxes  
IIFCL - India Infrastructure Finance Company Limited  
IIMs - Indian Institute of Managements  
IISER - Indian Institute of Science, Education and Research  
IIT - Indian Institute of Technology  
IMF - International Monetary Fund  
IP - Interest Payments  
IR - Interest Receipts  
IT - Information Technology  
ITBs - Intermediate Treasury Bills  
LIC - Life Insurance Corporation of India  
LR - Land Revenue  
MoF - Ministry of Finance  
MoU - Memorandum of Understanding  
NEHU- North-Eastern Hill University  
NGOs - Non-Governmental Organisations  
Non-Dev. - Non-Development Exp. Expenditure  
Non-Dev. - Non-Developmental  
NU- Nagaland University  
Rev. Exp. Revenue Expenditure  
OBCs - Other Backward Classes  
ONTR - Own Non-Tax Revenue  
OR - Own Revenue  
OTR - Own Tax Revenue  
PC - Planning Commission  
PCCO - Per Capita Capital Outlay  
PD - Primary Deficit  
PDS - Public Distribution System  
PFM - Public Finance Management  
PHCs - Primary Health Centers  
PC- People's College  
PPP - Public Private Partnership  
RBI - Reserve Bank of India  
RCDP - River Course Development Project  
RD - Revenue Deficit  
RE - Revised Estimates  
Rev. Exp. - Revenue Expenditure  
RR - Revenue Receipts  
SBI - State Bank of India  
SCs - Scheduled Castes

## ABBREVIATIONS

SEZs - Special Economic Zones

SFCs - State Finance Commissions

SPF - State Provident Fund

SSA - Sarva Shiksha Abhiyan

SSE - Social Sector Expenditure

SST - State Sales Tax

ST - Scheduled Tribe

TE - Total Expenditure

TFC - Twelfth Finance Commission

TI - Taxes on Income

TP - Taxes on Property and Capital Transactions

TR - Tax Revenue

VAT - Value Added Tax

**CHAPTER 1**  
**INTRODUCTION**

**I. Introduction:** Education is the most important means for individuals to improve personal endowments, build capability levels, overcome constraints and in the process, enlarge their available set of opportunities and choices for a sustained improvement in well being, material and non-material. It is not only a means to enhance human capital, productivity and hence the compensation to labour. But it is equally important for enabling the process of acquisition, assimilation and communication of information and knowledge, all of which augment a person's quality of life.

As the title suggests, my study is undertaken on the higher educational system in Nagaland. I take it as a great opportunity and as well, a challenging task in researching a topic which very few academicians of the state have undertaken. Why research on Higher Education and not on Primary Education? As in the case of Elementary Education, over the years, Nagaland has witnessed several achievements with respect to governance, accountability and transparency which needs to be given credit for. The Communitisation initiative has created the policy framework for bringing about substantial improvement in the quality of education. Though focus of Nagaland's endeavours should centre on providing education to all children in the State, concerns and initiatives in higher education should not be left lagging behind. Today, Nagaland has the courage and confidence to think about reaching the standards achieved by developed countries in the Elementary levels. Today, we find a good number of scholars researching in the primary education of Nagaland.

Several factors have influenced me to choose the topic on Higher Education System in Nagaland. Since the establishment of its first college in 1959, Nagaland's Higher Educational systems have witnessed a number of transformations providing a variety of scope to be researched upon. The establishments of the first college prior to Nagaland's Statehood, the inclusion of State's higher education's to North-Eastern Hill University (NEHU) in 1978, its formation of as an autonomous Nagaland University in 1994, the inter-play of private-aided and Government colleges in creating externalities to society, the gradual dominance of private institutions over the public institutions over the years, the so called being the lowest Gross Enrolments Ratio (GER) in higher education in India, and the ever increasing numbers of migrant scholars to other states, etc., have been among the good reasons for making me to choose the topic.

Moreover, empirical evidence shows that only few scholars have undertaken a research topic on Nagaland's Higher Education, and to my knowledge only one researcher (from North Eastern Hills University) on Economics of Higher Education.

The macro objective of my study is to examine the scenario of higher education in Nagaland. From an economist's perspective, *pricing* of any good or service is an important entity to understand quantity transacted in that sector. It therefore provides insights into how resources are allocated. This is equally true for education. Allocation of resources to consume a product (education) is decided by the stakeholders (students). As producers, various institutions, both public and private, also need to cope with various planning, implementation and actions to make education available to the consumers (students). For both the consumers and the producers, i.e., the education providers, the funding remains an important issue. How do the students fund their education determine their decision. Similarly it is equally important for the education providers as it determines the pricing and the extent of subsidisation and the mode of delivery. And to deal with these decisions, *pricing* is, therefore, at the centre of analysis. Market, as generally understood in common parlance, is an institutional arrangement to facilitate transactions between two sets of economic agents with conflicting objectives, the consumers and the producers. Since freedom to choose depends primarily on command over resources and "market capacities", a student with adequate resources will gain access to any institution of her choice, while the most deserving one may not get similar access due to inadequate resources. Here, the payment of the *price* to consume education reflects the *cost* of various educational items. It could be the college fees, costs on textbooks, clothing, stationeries, transportation, computer related items, and the cost of other monthly and yearly items. A student also has to calculate *the implicit cost of education* as this, with the addition of *explicit cost*, would augment in establishing the total private cost of education. Therefore, a student decides his commitments on education keeping in mind the opportunity cost. Cost of education could also be related to various issues like migration of students to other states, in choosing institutions that provide more quality education, and choosing of courses/stream that offers maximum job opportunities, etc.

In the private sector, there is some regulation over price. Capitation fee reflects super-normal profit as it is much higher than the *cost* of education offered. In practical, almost all the private institutions determines price of education by its *cost* as those who cannot afford to

pay would be left out of the market, bypassing merit in the process. These institutions use *cost* as an important tool to maximize the total profits. In the case of government institutions and government aided institutions, the price is generally subsidised other than for self-financing courses. Hence, price is determined mainly by the institution rather than by cost. The price of education should not be determined by its cost as those who cannot afford to pay would be left out of the market, bypassing merit in the process. But, for a clearer understanding of whether an institution is allocating various resources efficiently, undertaking of cost analysis even of such institution is necessary. It is important to know the basic questions of how education is being provided to society and at what price.

In my study, Cost Analysis is the primary tool that would help find various analytical insights of higher education in Nagaland, the problems and prospects. North-Eastern region is abundantly endowed with several natural resources and has the prospects for rapid economic development. Geographically, Nagaland is similar to some of her neighbouring states, particularly in terms of natural resources. But, today, complications of various categories compound with each other and deter its development. One major problem in the region is its remoteness which adds to its cost of importation and exportation. Major share of consumption products are imported from other northern states, and exporting of domestic products to more developed states gets costlier. A higher transportation cost, disparities in price-level (compared to other north Indian states), and lesser channel of marketing are some of the hindrances to the regions' economic development.

What role is being played by higher education in solving these developmental issues in Nagaland? Like her neighbouring states, employment generation in Nagaland is very limited. The ever increasing rate of unemployment accompanied by the failure of state government in absorbing the educated unemployed to the total workforce hinders the progress of the states' economy in absence of a thriving private sector. The frustrations of the unemployed in the state has led to some visible negative externalities like an increase in the numbers of drug abuses, of alcohol users, increase in the number AIDS patients, and an increase in the enrolment to various insurgency groups, etc., which in a way complements to these externalities. Naga society is faced with dilemmas and insecurity because of these unwanted social externalities. Drug abuse cases and its connections leading to the infections of AIDS, and the growing numbers in the enrolment of insurgencies could be found abruptly between



the age groups of 15 to 30 years of age. This age group of youth could be motivated and trained for the development of society cohesively. The role of education in this context is to reduce the incidence of unemployment by responding to the market demand. Education, particularly higher education would help people to be self-employed, to develop skills and making themselves get absorbed in various entrepreneurships, of individual or co-operatives, and other small scale-industries. Right kind of education would meet the needs of domestic market demands which in a way would help generate more employments in the state. Every society prefers peace, freedom and development. And education plays a vital role in helping achieve these aims and objectives.

The aims and objectives of my research topic are to be discussed ahead. But, before we go further, it would be advisable to study how we apply economics to the study of education. The analogies of economics for economics of education are being discussed for a better overview of my researched chapters ahead.

**II. Analogies of Economics for Economics of Education:** Education also interacts with other investments to raise productivity. For example, education helps make health and nutrition investments more effective. Female education yields some of the highest returns, as it is inversely related to infant and child mortality and is associated with lower fertility rates. Every additional year of schooling increases a person's productivity and increases earnings.<sup>1</sup> Human capital formation includes health and welfare activities, as well as informal education and labour training.

All these examples on human capitals externalities, prescribes us, to look at the analogies of "normal" economics that have been brought to the economics of education because it is only through this that we understand the differential views between the conventional economics of physical capital and the proclaimed human capital.

**1. Human capital/physical capital:** Schultz proposed that investment in education be looked upon as a major form of investment in human capital. Ever since, the great analogy between investment in education and investment in physical capital has continued. In the first

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<sup>1</sup> Schultz 1997, 2002; Psacharopoulos and Patrinos 2004

place, a machine will necessarily wear out and depreciate not merely with the passage of time but with use. The educated mind on the other hand, can behave quite contrarily because it can, in favourable circumstances, enrich itself merely through continued use.

- Secondly, the social profitability of investment in education is, on the whole, an imputed profitability and is not based on the generation of resources or a transferable surplus, at least in the short run.<sup>2</sup> The larger part of the surplus generated by investment in education is outside and not within the source of primary activity, which is quite unlike profit (even social profit) generated through investments in physical capital by the activity of a normal economic enterprise. Similarly, barring a complicated, uncertain, and arbitrary set of imputation, it would be equally difficult to devise a system of taxation and bounties that could repay the investment decision makers responsible for an educational activity for the surplus they helped create.

- Moreover, the process of education depends on investments made in two complementary parts and decided in two domains.<sup>3</sup> Students can invest their time and money in their own education in a particular field only if somebody else, an institution or, perhaps, society as a whole, also invests in providing them with that education. In turn, the institutional or societal investment can be meaningful only if there are students who will invest their own time and money to get that education.

**2. Education as Investment:** There can be no quarrel with the basic proposition that investments in education are to be viewed as deliberate, optimizing decisions. In the first place, the alternatives available in educational investment cannot easily be placed in the same category as alternative investment opportunities in the usual sense. For one thing, investments in education are generally one-shot: a student cannot stay back in primary education and spend more time on it after seeing that secondary education is less remunerative, for example: For another, investments in education are generally structured sequentially.

- Secondly, the two domains of investment in education - individual and institutional or societal – have two sets of investors who have different sets of objectives, time horizons, and purposes. A rate-of-return approach that obscures some of this essential distinction between

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<sup>2</sup> Majumdar, 1983, Pp.6-8

<sup>3</sup> Majumdar, 1983, Pp.6-8, Khadria, 1982

the choice situation in the normal capital market and that in education thus necessarily remains inadequate.

**3. Education as Production:** As Blaug and Woodhall observe: “The first problem is considering the education industry is to define output. What is the end-product of a period of schooling? One of the peculiar features of universities is that they represent a vast multiproduct industry, providing teaching and research in a wide range of subjects at different levels. All these elements have to be combined and expressed in equivalent units. Furthermore, the final product is intangible, and at first sight, incapable of being quantified.<sup>4</sup> It cannot be justified to take numbers of diploma holders as output. We can connect to the relations between private benefits Vs social benefits also.”

- The unit costs are intended to be used as efficiency indicators. The usual proxy for the unit cost in the field of educational economics is the cost of education per student. But it is very difficult to calculate implicit costs in educational productions. Moreover, the group effect on the quality of education invalidates the normal economic enterprise.

- The translation of the optimum-input coefficients to the field of education has proved to be quite a different matter as compared to conventional economic theory. The student-teacher-books-buildings ratio enjoys a greater sanctity in the bureaucracy of educational planning than main-line economists had ever intended for the points on the production possibility curve that are revealed as the optimum points under the appropriate relative input prices. This is presumably because the coefficients’ often regarded as ideal by educational planners are not the outcomes of the relative-prices situation at all but some implicit, and possibly unfounded, “technological” consideration in education. And then, the analogy begins to disintegrate completely because within the input mix is visualized one input, namely, students, who are the decision makers in their own domain of investment in education. Finally, we are confronted with the most incongruous aspect of the analogy between the factory and the school i.e., both students and institutions are inputs as well as outputs.

**III. A Need for New Economics of Education:** A need for a new economics of education doesn’t mean we disregard any of the following;

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<sup>4</sup> Woodhall and Blaug, 1965

- The concept of human capital itself
- The presentation of the process of learning as a conscious optimization process; and
- The idea that the organization of education produced a recognizable outcome or output even though what was being produced could be subject to both uncertainty and controversy.<sup>5</sup>

These are the three themes that underlie the three propositions concerning the formation of human capital, education as investment, and education as production. The difficulty in economics of education has been the assumptions of homogeneity – whether of the structures of investment in education, of the domain and category of decision makers in education investments, or of the class of the beneficiaries of the decisions.

As such, Majumdar suggests the elaborations of the basic themes of economics of education along three lines;

- To spell out the nature of heterogeneity in the structure of investment decisions in education, i.e., one part in the domain of the learner, the other in institutional, societal hands. They should be visualized as two separate, complementary, and not always matching components of what otherwise described as simply the investment in education
- The second line of elaboration is called micro-macro argument. This is used to describe the heterogeneity of investment decisions of individuals from yet another angle contrasting investment decisions of individuals based on legitimate micro economic logic with the institutional or societal investment that often must take into account the microeconomic considerations of individuals and aggregate macroeconomic considerations.
- Finally the plead for an understanding of the social-choice dilemmas that inevitably surface as soon as it is recognized that society's judgments on investment decisions in education must be represented basically as collective judgments and that social choice must be represented as collective choice.

**IV. Macroeconomics of Higher Education:** Among various levels of education, higher education has a pervasive and influential impact on development. Higher education empowers the individual with necessary skills and competence for achieving important personal and social goals and thereby contributing to the social development. It is widely

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<sup>5</sup> Majumdar, 1983, Pp.16

believed that the state of higher education in a country is an index of its future well-being. Higher education is indeed a vital tool for intellectual, cultural and aesthetic development and a means for achieving wider social aspirations. It also has an increasingly crucial role to play in producing agents of change for moving the country along the development continuum.<sup>6</sup> In recent times the magnitude and pace of changes taking place the world over in economic, political technological and social environments have necessitated the need for changes and improvements in the system of higher education. The National policy on education, India (1986) observes that higher education provides people with an opportunity to reflect on the critical social, economic, cultural, moral and spiritual issues facing humanity. It contributes to the national development through the dissemination of specialised knowledge and skills. It envisages, therefore, that the state has the primary responsibility to promote higher education.

Higher education has been the object of much new thought and research all over the world in recent decades. The ever-increasing budgets of higher education and the continued demand for more and more places in higher educational institutions have accelerated research activities in this field of higher education.<sup>7</sup> The realisation of the fact that education can accelerate the process of economic development has also accentuated the importance of higher education and a host of economists have started to demand more resource allocation for the development of higher education. Economists in their analysis of education are raising questions such as “how much should a country spend on education and how should expenditure be financed? Is education mainly ‘investment’ or mainly ‘consumption’?”

If the allocation of resources on education entails investment, how large is its yield compared to other forms of investment in people and material equipment? If it is consumption, what are the determinants of the private demand for more/better education? What is the optimum structure of the educational pyramid that is the number in the different levels and channels of the educational system? What is the optimum mix of formal education within the schools and colleges and informal education outside them? Lastly, what contribution does education make to the overall development of human resources and how far can we accelerate economic growth particularly in low-income countries by controlling the expansion of educational system?”

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<sup>6</sup> Dickens, et al., 2006

<sup>7</sup> Birdsall, 1996

An ever-increasing demand for higher education sets free a number of forces leading to their ultimate consequences of decline in quality of higher education on the one hand and emergence of alternative institutions catering to the surplus demand for higher education unmitigated by the institutions run by the government on the other.<sup>8</sup> The decline in quality is partly explicable by the ever-widening hiatus between a tardier supply of capital (both human and physical) in comparison with the optimal requirements of capital in the institutions of higher education. However, the gap is covered up due to *credentialism* on the one hand and poor possibilities of controlling moral hazards in providing educational services on the other.<sup>9</sup> It is natural that when good ones and bad ones are equally acceptable to the market, the bad ones overtake the good ones. Alternative institutions took a full advantage of this situation.<sup>10</sup> Political forces either fuelled up or failed to arrest the process. The law of cumulative causation worked in a full force and quality took the way to its nadir.

The economics of providing higher educational services was largely ignored for quite some time because such services comprised a relatively small part of the gross national product and used small proportions of the nation's resources. In addition, it was somehow thought that education was above mundane things like economic benefits and costs. The burgeoning enrolments in the institutions of higher education changed all that. Those responsible for decision making with regard to higher education - legislators, administrators, faculties, students and concerned citizens - can no longer ignore the economic consequences of their decisions. The provisions of higher educational services require the use of large quantities of resources, and the resources so used are not available to produce other goods and services (the opportunity cost of providing higher education). Higher educational services represent one of a great many competing uses for resources.

**V. Microeconomic Aspects of the Economics of Education:** The issues enlisted above mainly relate to those at the systemic level. However, the educational services are provided at a 'micro-level' and educational institutions provide these services. It is needless to stress on the fact that the efficiency of a system at macro-level cannot be achieved without achieving the same at the micro-level. This fact necessitates a study of the educational system at the level of institutions that impart educational services.

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<sup>8</sup> Deer, 2002

<sup>9</sup> Collins, 1979

<sup>10</sup> Ghose, 1998

A micro-level study of the institutions of higher education would be furthermore important because higher education aims at skill formation (while lower education is mainly for literacy or making the inputs to higher education). An analysis of operation, efficiency, productivity, structure, pricing, etc. of the institutions of higher learning such as the colleges is, therefore, meaningful.

These issues of operation, efficiency, productivity, structure, pricing, etc. of the institutions of higher learning were never less important. However, in the last two decades, while the government is gradually receding from financing the institutions of higher learning and the private enterprises are coming up to meet the demand for higher education, an in-depth study of these issues has assumed evermore importance. This is so because private institutions must work and charge prices on market principles.

In this milieu, a micro study of the institutions of higher education will be of great importance to analyse their operation, efficiency, productivity, structure, pricing, etc. Logically, an institution of higher education, say a college, acts as a mill in which the parents bring in the raw material (the students) to be shaped for the future benefits. In doing so the college charges necessary fees for the services rendered to the student. Like any producing units in the economy, colleges use resources and technology to turn out something of benefit to individuals and to society. This “something” can probably best be characterised as educational services. To get at what comprises educational services, we can pose the question: Why is one attending a college? There are at least three answers to the question. First, one expects education to improve one’s capacity to produce and to earn income, that is, to augment the quality of one’s labour resources. We call this development of human capital. Second, quite apart from improving the quality of one’s resources, one derives immediate satisfaction from one’s present participation in college process and activities - it is in this respect a direct consumption service. Third, one may expect that in addition to the benefits that accrue to one-self from obtaining education, there will be some benefits to the society as a whole.

**VI. Aims and Objectives:** The Indian higher education system is the largest in the world in terms of the number of institutions. India has 17,973 institutions of higher learning as compared to 2,500 in china. The number of institutions in India is more than four times the total number of the institutions both in the US and Europe. However, the average size of an

Indian education institutions in terms of enrolment is much smaller (500-600) compared to that of Europe (3,000-4,000) and China (8,000-9,000).<sup>11</sup> It is estimated that even after having the largest number in higher education institutions, India needs at least 3,000 more universities each having the capacity to enrol not less than 10,000 students to meet the increasing demand for higher learning.<sup>12</sup>

Meanwhile, the demand for higher education increases tremendously due to population growth, urbanization, technological change and improvement in standard of living. It may be noted that resources available for higher education are far more adequate and total public investment is still regarded as much below the optimum. In order to meet the increasing demand for higher education with available limited resources at the disposal of public authority, educational planners and policy makers need to work out definite plan of actions to improve the efficiency of the system.

While reviewing growth in Nagaland, one sees that over the last few decades private providers of higher education have expanded rapidly, while the number of government institutions has remained by and large the same. It is primarily the subsidized/affiliated private institutions that have responded the demand for new kind of knowledge and skills required in the region that is now closely connected with the rest of the country. Private institutions in Nagaland have attracted many students with their offered courses in vocational and non-formal courses. The state of Nagaland experienced a steady growth of Private colleges till the 1980's. It was during the 1990's that the state experienced a rapid growth of private Colleges. Till the year 2006-07 there were 31 private colleges as compared to only 13 Government colleges.

Like any other region, Nagaland too is in a transition, a shift in development paradigm. Markets, more clearly the private sector, now hold the centre stage. It is argued nowadays that it is not the government, but the market that can do everything for everybody. Primarily, the State government's answer to this is the increasing resource crunch and education is viewed as one sector, where state can withdraw rather relatively easily.

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<sup>11</sup> Agarwal; 'Higher Education in India', 2006

<sup>12</sup> Bhargava; 'Knowledge and National Development', 2006



**Table A 1. Growth of Government Colleges and Enrolment in Nagaland**

Year of establishment	No. Of Colleges	No. Of students in the session 2003-2004 (Cumulative)			Cumulative percentage		
		Boys	Girls	Total	Boys	Girls	Total
1959	1	263	264	527	12.43	18.50	14.87
1961	2	983	784	1767	46.46	54.94	49.87
1966	3	1476	969	2445	69.75	67.90	69.01
1973	4	1729	1136	2865	81.71	79.61	80.86
1974	5	1829	1249	3078	86.44	87.53	86.88
1980	6	1954	1337	3291	92.34	93.69	92.89
1981	7	2032	1385	3417	96.03	97.06	96.44
1983	8	2116	1427	3543	100	100	100

Source: S.K. Mishra and Temjenzulu Jamir, 2005

**Table A 2. Growth of Private Colleges and Enrolment in Nagaland**

Year of establishment	No. Of Colleges	No. Of students in the session 2003-2004 (Cumulative)			Cumulative percentage		
		Boys	Girls	Total	Boys	Girls	Total
1967	1	1205	996	2201	13.17	13.06	13.12
1970	1	1205	996	2201	13.17	13.06	13.12
1973	1	1205	996	2201	13.17	13.06	13.12
1976	2	2112	1683	3795	23.08	22.07	22.62
1979	2	2112	1683	3795	23.08	22.07	22.62
1982	5	2931	2296	5227	32.03	30.11	31.16
1985	8	4799	3275	8074	52.45	42.95	48.13
1988	9	4884	3323	8207	53.38	43.57	48.92
1991	12	5775	4608	10383	63.11	60.42	61.89
1994	22 (20)	8113	7006	15119	88.67	91.87	90.12
1997	28 (25)	9150	7626	16776	100	100	100
( ) - responded colleges							

Source: S.K. Mishra and Temjenzulu Jamir, 2005

Like any other region, Nagaland too is in a transition, a shift in development paradigm. Markets, more clearly the private sector, now hold the centre stage. It is argued nowadays

that it is not the government, but the market that can do everything for everybody. Primarily, the State government's answer to this is the increasing resource crunch and education is viewed as one sector, where state can withdraw rather relatively easily. Literally, the socio-economic and political situations in Nagaland are like hot potatoes in hand, most beauracrats involves on passing it to the unknown, making every excuse to calm the situation with false propaganda. Potential for market failure is as much in primary education as in higher education.<sup>13</sup> A recent phenomenon in the world of higher education, profit-making institutions in the private sector have the same mission as a private business firm: to make profit while meeting the customer demand for higher education.

The problem of asymmetric information, moral hazards and adverse selection plays a big role in the formation of negative externalities.<sup>14</sup> Risk associated with human capital investment could be difficult to diversify and could be very high to the society. Education is a sector, which is subject to economies of scale, or increasing returns to scale. Average costs of providing education declines as enrolments increase. University systems, scientific equipment, libraries, etc, cannot be used on a small scale. Therefore, for equity and accessibility, Nagaland government's monopoly of higher education is viewed desirable.

The present study is mainly empirical taking into consideration the historical development of both Public and Private Colleges (offering general education) in Nagaland. My general research paper would contain to study the gradual development of higher education in Nagaland. This would cover the trends in growth of both public and private colleges in the state, the increase in enrolments of students to these colleges and their examination results over the few years. Expenditure on Education by the State Government (Plan and Non-Plan) for both public colleges and private colleges would also be undertaken in my study. General awareness on division of Class workers under various Districts, and also the distribution of State Government Employees by status and department are also to be studied as it would give a clearer picture of the number of educated Nagas under different work status, and under different (rural and urban) regions. The research would also contain the status and scenario of higher education in Nagaland in comparison to other North-Eastern states. Total budgeted expenditure of various states would provide a sense of awareness about the funding of higher

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<sup>13</sup> Chattopadhyay, 2007

<sup>14</sup> Arrow, 1993

education in Nagaland. Major problems arising in higher education are the declining rate of expenditure by the state government, the rise of privatisation, increase in enrolment in private institutions, and underdeveloped industry-higher education interlinks' in Nagaland.

Besides these, my primary research would be a case study of two colleges in Mokokchung Town (one Government and one Private). Questionnaire for students were formulated on a separate schedule to collect information on different components of private costs, i.e., monthly expenditures and yearly expenditures. But though my primary topic encircles around cost analysis, I made sure to include quality aspects of higher education in the region. My study would cover private cost of students from both the colleges, their household financial status and its influences on choice of college, choice of courses, migrations to more developed regions for quality education, and gender issues in the context of higher education in Nagaland.

Study of private cost would include explicit costs like academic fees, transportations, clothing, computer related items, canteens, and other study related yearly and monthly expenditures. Questionnaire on monthly items and yearly items are calculated separately. Those items given on a monthly basis were adjusted per year at the tabulation level and were added to the yearly expenditure, which later the overall grand total expenditure (yearly calculation + monthly calculation) was aggregated and expressed as costs per student per year.

In order to make a qualitative analysis of the institution, studies are being conducted from the student's responses about the college infrastructures, curriculum, library, co-curricular activities and staff's teaching/interactions, and some important suggestions on changes being needed to improve the quality life of students in their respective colleges.

One point I want to make clear is that my intention and purpose of study on cost analysis does not follow from the perspective of conventional economic theory where production is specific and measurable, and where cost is used as a tool for further profit-making. To measure efficiency in education is next to impossible and to apply cost analysis as the only tool to efficiency is not recommended (remember quasi-public good). As mentioned above, the references of Majumdar(1983) on *Group Effect and the optimum-input coefficients* specifically advocated the immeasurable and implicitly profound externalities of education to

the society. Therefore, the study advocates that both cost and benefits be increased to attain higher level of accessibility and more quality education. The cost analysis is just another tool for a better understanding of the higher education scenario in Nagaland.

**VII. Area of the Study:** Nagaland is situated in the North-eastern Corner of India. It was carved out in 1957 from the Naga Hill district of Assam and Un-administered areas of Tuensang, part of the then North-Eastern Frontier Agency (NEFA). Subsequently on 1<sup>st</sup> December 1963 it was created as the sixteenth state of the Indian union with the capital at Kohima. It lies between 25°60 and 27°40 Latitude north of equator and between the longitudinal lines 93°20 E and 95°15 E having an area of 16,579 sq. km. It is bounded by Assam in the North and West, by Burma and Arunachal Pradesh in the East and Manipur in the South and runs more or less parallel to the left bank of the Brahmaputra. The altitude varies between 194 meters and 3048 meters. The state is divided into 11 districts, namely Kohima, Dimapur, Mokokchung, Phek, Zunheboto, Tuensang, Wokha, Mon, Longleng, Kiphiri and Peren.

The case study of Fazl ASli College and People's College covers Mokokchung Town, under Mokokchung District of Nagaland. There are only two secular colleges in this town, a private and a public. Therefore, attempts have been made to compare the student's costs as well as the quality aspects of these colleges. The public college, Fazl Ali College in Mokokchung district is the oldest college in the state established in 1959. The private, People's College was established in 1984.

**CHAPTER 2**  
**REVIEW OF LITERATURE:**  
**COST ANALYSIS OF EDUCATION**

**I. INTRODUCTION:** What are the costs of education? What are the major determinants of educational costs? In what ways can cost analysis improve policymaking in education? And what are the informational needs for cost analysis in education? These are the key questions to be considered in this chapter. These questions are important to address in light of the major challenge for educational decision-makers in developing countries today, that is, improving education under tight budgetary constraints.

The important role of education in national development is widely recognized. Education brings numerous economic and noneconomic benefits to both individuals and society. Studies have shown that expenditure on education in developing countries is a very profitable investment and that rates of return to education are higher than for physical-capital investment.<sup>1</sup> Education is also seen as a basic human need.<sup>2</sup>

However, the future prospects for education do not look promising. Faced with sluggish education growth and intense population and fiscal pressures, developing countries find it difficult to increase or even to maintain their current level of expenditure on education. Thus improvements in education, in both quantity and quality, have to be made under very tight budgetary constraints, not to mention other political, cultural, and human-resources constraints.<sup>3</sup> Policies that promote the efficient use of existing resources for education are an obvious necessity.

Analyses of the costs of education can reveal the cost implications of an educational policy, provide diagnosis of past cost patterns (such as the determinants of costs and sources of variation in costs) and prognosis of future cost requirements, and assess the relative cost-efficiency of alternative educational policies or interventions. Cost studies in education can thus contribute to improved policymaking in education. This paper provides a review of these studies in developing countries.

These reviews of various literature on cost analysis is relevant to my research topic because apart from the important topic on trends in growth of higher education in Nagaland in

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<sup>1</sup>Psacharopoulos, 1985

<sup>2</sup>World Bank, 1980

<sup>3</sup>Windham, 1986

Chapter III, my primary study focuses on the case study of higher education in Mokokchung Town, and I use cost analysis as one of the important tool to compare and find relationships between the two colleges (private and a public) and their respective college students.

For a better understanding of the cost analysis in the realm of education, I would like to briefly summarize how cost is treated in economics of education. I give a brief overview of the area to begin with.

**II. Economics of Education:** The late 1950s and the early 1960s marks the dawn of a new sub discipline called “Economics of Education”, and more than half a century has passed, and yet still, the subject matter has consistently influenced scholars even from other disciplines in contributing to various valuable academic insights as well as debates on many developmental issues related to human capital in the contemporary knowledge economy. Studies on economic growth in advanced countries revealed the important role played by non-material investment especially human resource. It was found that growth of capital stock was relatively minor importance in accounting for the growth of total output.<sup>4</sup> It was further realized that investment in human resource was a critical factor in the development process of a nation and that investment in human beings had been a major source of economic growth in advanced countries. Economics of Education has emerged as a separate sub-discipline of Economics on account of the efforts of a few American economists like Theodore W. Schultz (1959 – 1963), Robert M. Solow (1956, 1957), Becker (1960, 1975), Edward Dennison (1962) and others.

Since the latter half of the last century, a large corpus of literature has grown on the relationship between human capital and economic growth. Recent studies in this area deal with many diverse questions such as the concept and formation of human capital, the residual factor in economic growth, manpower forecasting and planning, correlation between education and earnings, estimation of the demand and supply of education, criteria for investment in education, cost-benefit analysis of education, education and equality of opportunity and so on. A number of seminars, discussion groups and conferences have also been organised, with ‘economics of education’ as the central theme by UNESCO, OECD, International Economic Association and other national and international organisations. There

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<sup>4</sup> Abromovitz, 1956; Solow, 1957.

has indeed taken place what may be described as 'the investment revolution in economic thought'.<sup>5</sup>

Economic development of a nation has always been associated with knowledge and, in turn, knowledge with education whether formal or informal. However, at the lower stages of economic development human labour pre-dominates human capital. As a nation moves up along the ladder of higher stages of economic development, human capital gains relative importance over human labour. A thrust on human capital formation formalises education increasingly, and as a result, formal education predominates informal education in the commensurate proportion. Finally, *credentialism* (an officially accepted general practice of reliance on educational certificates issued by state recognised institutions for imparting formal education as the basis of judgment of educational competence of a person) rules the decisions of those who employ labour as well those who seek employment. It goes on and *credentialism* reinforces itself pushing up the need to further horizontally and vertically differentiated formal education.<sup>6</sup>

In spite of all these, the economics of education has remained somewhat amorphous component of the economics of development. The reasons for this amorphousness are manifold. First, the economics of development by itself became a separate branch of economics only after the World War-II largely due to the politico-economic interests of the developed nations in exhorting the nations of the third World to gear up as well as the desire of the latter to foster development by design. In the beginning, physical capital as a major determinant of economic development was in the limelight and in due course, technology became the buzzword. Technology combines physical capital with a specialized knowledge and therefore, economics of education was only a natural offshoot of economics of development. Additionally, education is perhaps a necessary means to make a 'modern man' and inculcate 'modernization ideals' in the people considered as a pre-condition for development.<sup>7</sup> Therefore, economics of development begets economics of education. However, primary and often exclusive importance given to investment in physical capital for

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<sup>5</sup> Dickens, et al, 2006

<sup>6</sup> Collins, 1979

<sup>7</sup> Myrdal, 1972 pp. 33-45



development is grossly responsible for rendering economics of education only loosely knit with the economics of development.<sup>8</sup>

Secondly, empirical studies in relationships among economic variables began only after the Great Depression and gained an impetus only after World War-II. It was empirically found that (in developed countries) there was a 'residual' in the capital/output model that could not be fully explained by physical investment. That 'residual' was imputed to education considered as a non-economic factor. However, unwilling to abandon the traditional instrument of capital/output ratio in the development models, economists widened the concept of capital investment to include, besides physical investment, the 'investment in man' or 'human capital formation'.

Thirdly, the said amorphousness is best explained in the words of Myrdal: "*The situation is, indeed, somewhat paradoxical. While most of the planning in South Asia and other underdeveloped regions, and most of the economic literature on development, is continued to be based on the notion that physical investment is the engine of development, there are today an increasing number of economists who denounce that view and who regard development, particularly in underdeveloped countries, as primarily an educational process.*"<sup>9</sup>

Fourthly, economics has a tradition to consider consumption and investment as the two distinct and mutually exclusive categories of expenditure. It has always been inconvenient to consider an expenditure that, in an unspecified proportion, could obviously be consumption as well as investment. In case of education and health at least, consumption plans and investment plans are not only mutually interlinked and determined simultaneously, they are often grossly overlapping. Traditional theories are inept to deal with this situation.<sup>10</sup> In the traditional theory, investment builds up capital, but human capital built up through expenditure on education (and health) is hard to impute clearly to either consumption or investment. A lack of firm integration between economics of development and economics of education is, at least partly, explained by the said fuzziness that traditional theories are inept to deal with.

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<sup>8</sup> Myrdal, 1972 pp. 359-361

<sup>9</sup> Myrdal 1972 pp. 360

<sup>10</sup> Morishima, pp. 124-125

However, it is a ground reality that individuals as well as nations employ a sizeable amount of resources on education whether on account of consumption or that of investment. Higher education acquires a lion's share in that. When we recognise the principal motivation of an individual's demand for education in developing countries as desire for economic improvement by means of access to better-paid jobs and remuneratively attractive professions,<sup>11</sup> we must understand the economic processes through which such aspirations are either realised or frustrated. In the same manner, an ever-increasing burden of higher education on the public exchequer must be a matter of concern. It must be evaluated for its effectiveness in promoting welfare as well as efficiency in accelerating the process of economic development through increase in output.

**III. Review of Literature: Cost Analysis:** In the following, we give a brief overview of cost studies in education under the titles (1) International Experience, (2) National Experience, and (3) Regional Experience, and then present a comparison of various cost analysis findings, and in conclusion, synthesizing the methodology of my research work.

**1. International Experience:** Schultz (1960, 1961, and 1963) was perhaps the first to estimate factor cost of education, including forgone earnings of students. In USA, the total costs of education, measured in current prices, increased from \$400 million in 1900 to \$28.9 billion dollar in 1956. The real cost of education in percentage term rose about three and a half times as large as consumer income, suggesting a ratio of 3:5 for an income elasticity of educational expenditure. Educational costs also rose about three- and half times as rapidly as did the gross physical capital formation in dollar. In 1956, resource cost per student per year was worked out to be \$280 for elementary, \$ 1,420 for high school and \$ 3,300 for higher education. In high school, earnings foregone constituted 60 per cent of the total resource cost while it was 59 per cent in higher education.

Schultz (1964) brings out clearly the extreme unevenness of education among white and non-white workers in rural and urban areas in the United States over the period 1940-62. Participation in higher education over this period is found to be significantly lower than average in the rural areas, particularly in the southern states. College enrolment in 1960 indicated that 48% of urban high school graduates attend colleges, whereas only 32% of rural high school graduates attended colleges. Schultz hypothesis is that these differences followed from the difference in the quality of education imparted in the respective areas. For example,

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<sup>11</sup> Menon, 1997

he would argue that there was underinvestment in education in poorer states and in rural areas because farm people generally lacked the means, the necessary information, and therefore the incentive to make untried investment decisions on the quantity and quality of further schooling that might be available for themselves or their children. A relatively low-quality primary education prevented them from making what could have turned out to be the correct optimum investment decisions concerning further education.

Vaizey (1958) made an attempt to analyse the pattern and trend of education expenditure in Britain. Vaizey defined educational expenditure as the sum of current and capital expenditure at current prices excluding transfer payment such as student grants. Vaizey showed that the ratio of educational expenditure to National Income at factor cost rose dramatically from 3.4 in 1952 to 5.4 per cent in 1955. Even after deduction of all outlays on non-educational functions which were discharged by schools such as catering, boarding and health services from educational expenditure, the ratio was still over 5 per cent. Vaizey (1972), however, objected forgone income of students being included as one of the components of educational cost since, according to him, students do not evaluate their time spent in learning in terms of forgone earnings.

Hallak (1969) examined the problems related with the concepts, the estimates, the analysis and the uses of unit costs in educational planning. The cost of education to the community was decomposed into expenditure on public and private education and opportunity costs. He categorized educational cost analysis into two aspects—overall analysis, designed to define the place of education in the national economic context and the detailed analysis which defined total and unit costs by type and level of education and by purpose and of expenditure. Total public educational expenditure is classified into recurrent, capital expenditure and debt services. Recurrent expenditure includes instruction costs like salaries and allowances of teaching and non-teaching staff, school textbooks and other instructional expenditure materials and supplies, etc. And other such as scholarships and grants, welfare services, canteens, transport, boarding, sport, maintenance of building and equipment, operations of building (fuel, light, water and gas) etc. Capital expenditure covers purchase and development of land, school buildings, classroom, laboratories and fixed equipment, welfare services, residents' hall, etc. Hallak showed different ways to estimate unit cost of education such as cost per student, cost per average daily attendance, capital cost per place, average cost per class and average recurrent cost per teacher. TH-17333

A noteworthy point according to Hallak is that the division of total world expenditures on education between developed and a developing country has all along been extremely lopsided. In 1980, for example, the developed nations, with only 37 percent of total world enrolments, accounted for 88 percent of total public educational expenditures, whereas the developing nations, with 63 percent of total world enrolments, accounted for only 12 percent of total world expenditures. This partly explains why comparative studies of student achievement in mathematics and reading comprehension have shown much lower levels of achievement by primary and secondary students in developing countries than in the industrialized countries. Yet ironically, the cost per pupil measured in terms of average per capita income, is generally higher in developing countries than in the richer developed countries, especially at the secondary and postsecondary level. This means that the citizens of developing countries-including many whose children never get to school or drop out early-are sacrificing more for education than the citizens of developed countries. It also means that developing countries can extremely be cautious in allocating any scarce educational resources. The global picture sketched above of the remarkable quantitative growth of education in recent decades tells only one side of the story-the bright side. We must also reckon with the dark side. For one thing, these composite figures conceal wide differences between individual countries and regions, and large disparities within individual countries between urban and rural areas, between different socioeconomic groups, and between the sexes.

Coombs and Hallak (1972) conducted a study on the cost of education at the international level for some of the developed and developing nations. The major objective of the study were to have cost analysis for assessing the feasibility of educational projects, to know the cost and consequences on introduction of educational reform, to draw up a programme of expenditure over the planning period and facilitates decision making when several alternative possibilities exist for the allocation of funds. According to them, educational system has five elements:

1. Objectives
2. Outputs
3. Benefits
4. Internal process, and
5. Inputs.

Coombs and Hallak emphasized the role of educational cost analysis within the framework of 'system analysis'. They developed different ways of measuring and expressing educational cost such as: (a) resource cost Vs money cost, (b) capital Vs recurrent cost, (c) unit cost per student, and (d) factor cost of education. The factors affecting educational costs were classified into two-external cost determinants that lie outside the educational system and internal cost determinants which are closely allied to the technology adopted by the educational institutions, and to the policy employed regarding the payment, deployment and utilization of teachers. The external factors affecting educational costs are inflation, rising educational demand, factor costs of education, educational revenue and foreign aid. They observed that a substantial part of the impressive rise in educational expenditure from 1950 to 1970 was not "real" reflecting the inflation prices and wages. Apart from inflation, the cause of the sharp rise in overall educational expenditure was the explosive increasing demand for education. According to them, there were four main factors underlying demand forces:

1. Rapid increase in youth population
2. A 'revolution of rising expectation' on the part of millions of families long deprived of educational opportunities and who now regarded education as the key to individual advancement;
3. Widespread adoption of public policies aimed at democratizing educational opportunities, i.e. adoption of the goal of universal primary education in the developing countries and compulsory attendance into secondary education and encouragement to higher participation rate in post secondary education in many industrialized countries;
4. The rapid expansion, upgrading and diversification of manpower requirement due to technological advances in the economy, emphasis of public policy on the economic development and a clearer recognition of education's role in economic growth.

The study revealed that educational costs varied not only from one country to another but within one country from one system to another, and also within educational systems. Unit cost of education also showed a rising trend in the long run while unit costs increased with each successive educational level is costlier than general education. Educational cost structures however remained stable over time. The study also pointed out that economies of scale were an important factor in improving efficiency. Cost per unit could be reduced by

raising the enrolment to an optimum size. But this optimum size of enrolment will be different at different levels of education in different institutions.

Psacharopoulos (1972) in his study of return to education at the international level made a comparison of the ratio of total costs per student per year by education level for a group of developed and developing countries. The data collected by him revealed that in the developed countries (viz. USA, Great Britain, New Zealand) the ratio of total per pupil costs of secondary to primary education was 6.6:1 and that of higher to primary education was 17.6:1; while in less developed countries (viz, Malaysia, Ghana, South Korea, Kenya, Uganda, Nigeria and India) these relative costs were 11.9:1 and 87.9:1, respectively. In other words, taking the 87.9:1 figure, for the equivalent cost of educating one university student for a year, 88 primary school children could have a year of schooling. In many African countries, like Sierra Leone, Malawi, Kenya and Tanzania, cost ratio per pupil between higher and primary education ranged as high as 283:1. Since in over half the world's developing countries, the ratio of students in primary to students in higher education is above 100:1 (the ratio is less than 10:1 in developed countries). It follows developing countries spend a large proportion of their educational budgets on a very small proportion of students enrolled in universities and professional schools.

Psacharopoulos (1972) findings of economic returns to higher education suggest the following:

1. The average level of the returns to higher education seems to be above the returns to investment in physical capital. The general policy implication of this finding is that priority should be given to investment in higher education versus other forms of investment that yield lower returns.
2. The returns to higher education in less developed countries are higher than the returns to university education in more advanced countries. The policy implication of this finding is that the former group of countries has still unexploited opportunities for increases in national income via educational investment.
3. Developing countries seem to subsidize their higher education systems more heavily than more advanced countries. The implicit distortion of the price system tends to generate intellectual unemployment in these countries. However, the dilemma for the policy-maker is whether he should reduce the public subsidy or spend more on a profitable investment opportunity.

4. As economic growth takes place the returns to investment in higher education decrease. However, one should not yet worry about overinvestment in higher education as university graduates seem to be a complement to the high level of technology employed in more advanced countries.

Becker (1975) studied the rate of investment in college and high school education in USA. He estimated costs of education classifying them into private and social costs, further subdividing each of these into direct and indirect, by direct private costs, Becker included cost of tuition, books and supplies, transportation, and capital (e.g. typewriters) used by students in school works and additional living expenditure. By indirect private cost, he meant income forgone by students. Similarly, social costs have two components- direct and indirect cost. Becker defined direct costs as 'the sum of educational expenditure incurred by colleges and the social costs of books and additional living expenses'. His estimates showed that net tuition payments were \$112 per student in 1939 and \$242 per student in 1958. Books and supplies were 22.5 per cent of tuition, travel 23.9 per cent, and capital 7 per cent. Becker calculated the average outlay on books and supplies, etc. on the basis of the survey conducted by the US department of Health, Education and Welfare in the year 1952-53. Becker set the high school tuition as zero. Other direct cost of high school students – transportation, books etc. were estimated by assuming the ratio of these costs to expenditure per pupil equal one-half of the observed ratio for college students. The earning forgone of the student was estimated by assuming that college students earned about one-quarter of the amount earned by high school graduates of the same age and that high school students earned one-quarter of the estimated earnings of elementary school graduates of the age, 14 to 17. Current educational expenditure was estimated by subtracting non-educational expenditures from total education expenditure, i.e. expenditure on extension, organized research and activities relating to department. Capital per student was obtained by dividing the amount per school by the number of students per school. Becker obtained the expenditure of high schools and elementary school published by the US Office of Education by using the formula  $wx + (1-w)ax = y$ , where 'x' is expenditure in high schools, 'y' is the combined expenditure for high schools and elementary schools, 'w' is the fraction of students in high school and 'a' is the ratio of the expenditure per student in an elementary school to the one in high school. Opportunity cost of capital was assumed to be 10 per cent of its value per year and by taking the implicit annual property tax on educational capital as 1.5 per cent of its value, the value of

property tax forgone was estimated to be \$18 per student in 1939 and \$21 per student in 1949.

**2. National Experience:** Blaug, et al., (1969) examined the relation between the supply and demand for educated manpower in India. These authors observed that the persistence of educated unemployment in India could be explained by the resistance of educated people to the fall in the earnings, which according to the economic theory should accompany the increase in their relative supply. Private rates of return to primary, secondary and higher education, as calculated by them, showed that, even with unemployment, the pursuit of higher education is financially profitable investment for the individual. The social rates of return, however demonstrated that from societies point of view, primary education had been under-invested while higher education sector had been relatively over-invested.

The authors estimated costs of education in India for the year 1960-61 and 1965-66 in order to calculate rates of return on investment in education. The rate of return to educational investment is obtained by comparing age-education-earnings profiles with relevant costs of education at that level, either to the individual or to society. Accordingly, they made calculation for social costs and private costs separately. Social costs comprised all current expenditures on educational institution by various societies plus private expenditures on book and earnings forgone. Private costs refer to fees minus scholarship, as well as private expenditure on books and earnings forgone. The data from the Education Commission (1964-66) and the I.A.M.R studies together with official educational statistics were used to estimate the total cost of education at each level of education. The imputed rent per pupil on educational capital was estimated by calculating the current replacement cost of all buildings and equipment and amortizing at a constant rate of interest. The average length of life was assumed to be forty years. The earnings forgone during education were estimated directly from the age-earnings profiles available in India. It was also pointed out that the earnings forgone of even six-year olds had some significance as they helped to explain the high drop-out rates in the early years of primary schools. The study provided four estimates of direct social cost of education in India, namely, (i) social costs of educating assuming successful candidates; (ii) social costs of education assuming average levels of wastage and stagnation; (iii) private costs of education assuming successful students; and (iv) Private costs of education assuming average levels of wastage and stagnation.



Rudder Datt (1969) studied unit cost of education in Haryana colleges for the year 1965-66. In this study, he made a clear distinction between cost of creation of seat and cost of operating it. The important factors affecting the variations of unit cost were age of the college, enrolment, average pay of teacher and ratio of non-teacher cost to total costs. The study found that unit cost of education defined in terms of per student cost in Haryana colleges varied between Rs. 311 and Rs. 337 during the period under consideration. The unit cost of education was the highest in the case of state colleges ranging from Rs. 403 to Rs. 424 per student while private women colleges had the lowest unit cost ranging from Rs. 252 to Rs. 268 per student.

Again, Datt (1988) made a comparative study of unit costs in the school of correspondence courses and colleges affiliated to Delhi University. The study revealed that in the conventional education systems, not only the unit costs but also state subsidy were substantially higher than the distance education systems. The analysis showed that for the year 1984-85, the average costs per student in the colleges under study was as high as Rs. 3,516 per student while the average fee charged was as low as Rs. 257. The element of state subsidy was Rs. 3,259 per student. In relative terms, fee component was merely 7.3 per cent of the total cost whereas the share of the state support was 92.7 per cent. As against it, the data relating to the school of Correspondence Courses showed a declining trend of cost per student as enrolment showed an upward trend. Average cost per student declined from Rs. 628 with enrolment rising to 18,520 students in 1984-85. Fee income as a proportion of costs was as high as 42 per cent in the school of Correspondence Course.

Kulkarni (1969) studied the cost of education in commerce colleges in Bombay covering the period between 1962-63 and 1966-67. He found that unit cost at current prices increased from Rs. 316 to Rs. 453 during the study period while pupil-teacher ratio went down from 33:1 to 25:1. Teachers' salaries also accounted for 40 to 50% of the total cost. The main items of colleges' expenditure were teachers' salaries, furniture and library, rent, scholarships and miscellaneous items. The author noted that despite the decreasing trend in the pupil teacher ratio, many of the teachers in the commerce colleges left the profession due to the fact that alternative jobs available in other sectors of the economy offer better conditions and pay and other facilities. The study showed that the workload of teachers increased tremendously during the period under study.

Mridula (1982) examined, based on the data available during 1973-74 to 1976-77, the pattern of resource allocation with reference to Hindu college, Delhi. The authors estimated the unit cost of providing graduate education by subjects and courses of studies. The cost components taken into account were salaries of teaching and non-teaching staff, cost of library services, cost of student services, laboratories expenses and cost of maintenance and repair. The study revealed that the salary of the teaching staff accounted almost two-third of the college budget. The salary of supporting teaching staff accounted for nearly 5 to 7% of the total budget. In general, salary costs of teaching and non-teaching staff constituted 70 to 80% of the total cost. Nearly 10% of the total expenditure was spent on subsidies, namely for concession and scholarship while the amount spent on laboratories and science contingencies was about 1% of the total budget. Total expenditure per student ranged between Rs.1879 and Rs. 2448 during 1973-76. Total recurring expenditure varied between Rs. 1615 and Rs. 2248 per student and non-recurring expenditure between Rs. 216 and Rs. 57 per student. The item wise cost analysis showed that the college spent Rs.1095 to Rs.1541 per student on teachers' salaries. While the college spent nearly Rs. 32 per student annually in providing sports facilities, about Rs. 40 per student was spent on fee concession and between Rs. 22 and Rs. 46 while per student expenditure in buying apparatus and equipment for science faculties varied between Rs.31 and Rs. 52 during 1973-76. The unit cost for graduating a student for all courses/subjects for three years duration was estimated at Rs. 5145 per student. However, due to failure and dropout, Rs. 952 per student was lost. The effective cost of producing a graduate was estimated at Rs.6097 per student.

Tilak (1985) suggests taxonomy for organizing different kinds of educational costs. The taxonomy begins with an institutional distinction (costs by sources) between public costs (referred to as institutional costs by Tilak) and private costs. Institutional costs consist of direct (visible) institutional costs and indirect (invisible) institutional costs (referred to as opportunity costs by Tilak). Visible institutional costs are divided into two categories: recurring costs and nonrecurring costs. Recurring costs consist of teachers' salaries, salaries of other staff, scholarships and stipends, depreciation, and other expenditures. Nonrecurring costs include costs for buildings, furniture, equipment, and others. The invisible institutional costs are not specified. On the other hand, private costs are costs borne by individuals. They consist of direct (visible) private costs and indirect (invisible) private cost. Visible private costs consist of tuition cost (tuition fees plus other fees) and non tuition cost (maintenance cost related to individual spending on books and stationery, hostel, transport, uniforms, and

others). Invisible private cost is the earnings foregone by individuals. There are two distinguishing features of this taxonomy. First, it is suitable for measuring the real or social costs of education. Second, it focuses on both the sources of educational costs and the costs of various input items to education. But there are also some deficiencies. It ignores other sources of support for education, such as contributions from private organizations and industry, as well as external aid. For some developing countries, external aid may account for a significant portion of public expenditure on education (Coombs & Hallak, 1972, pp. 106-107; World Bank, 1980, chapter 8). Also, there is no consideration of how institutional costs are utilized technically; thus information is not provided about the functions of the inputs in educational production.<sup>12</sup>

Based on the data available in 1975-76, Tilak (1990) had done unit cost analysis of higher education in India. The unit cost of education related to direct public expenditure on 3 major heads such as salaries of the teaching staffs, salaries of other staffs and expenditure on equipments and other appliances. The study found wide disparities in the unit cost of education between different states and union territories and also between different types of higher education - general, professional and other types. Regression analysis indicated that size of the institution was not a dominant variable in explaining differences in unit cost while student – teacher ratio and average salary of teacher were the significant variables.

Tilak's (1985) study of the costs of education in India indicates the large amounts of both direct and indirect private costs. For 1979-80, public educational expenditure was found to be about 3.9% of GNP, indirect private cost (foregone earnings) was estimated to be 4.2% of GNP, and household expenditure on education (mostly direct private cost) was as high as 1.9% of GNP. Thus the real cost of education in India in 1979-80 was about 10% of GNP; more than half of it was private cost. The study also computed the share of public educational expenditure for both the central government and state governments. For 1976-79, the central government contributed to less than 10% of public educational expenditure. This underscores the large contributions by non central governments (state Governments), especially for countries with a decentralized system of educational finance.

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<sup>12</sup> Tsang, Pp. 190

Again, Tilak (1994) examined the experiences of some major Asian nations in their efforts to develop the educational sector. He gave a broad overview of the contribution of education in various facets of development in Asian countries. The study observed that education improves the productivity of the labour force, enhances individual earnings, raises national income, reduces poverty and improve income distribution. His analysis of educational investment in Asian countries revealed that public expenditure on education increased 32 times in current prices in 25 years between 1965 and 1990. The rate of growth in Asia is the highest among the world regions. As a proportion of GNP, total expenditure on education increased from 3.4 percent in 1965 to more than 4 percent in 1990. In 1990, Asia invested about 70 per capita on education which was the second lowest in the world, being higher only than Africa. Among the Asian countries, the rates of growth in south Asian countries were relatively low, the lowest being 22.2 per cent in Sri Lanka, followed by 3.9 per cent in India.

Prakash (1996) had done a study of unit cost of college education in Punjab as well as cost of elementary education in India. The analysis revealed that cost of specialized instruction in education, science and commerce far exceeded the unit cost of arts and humanities courses. Education in science at the college level was the costliest. The study also revealed that unit cost of education was higher in public than private sector. Furthermore, the exercise highlighted the following characteristics of unit cost of college education in Punjab:

1. Inverse relation between unit costs and enrolment size
2. Direct relation between costs, quality of education service and number and nature of courses serviced
3. Domination of unit costs by recurring unit costs and domination of unit recurring costs by salary cost, and
4. Approximation of overall and item-wise unit costs by U-shaped curves.

Prakash (ibid.) further observed that educational development in India reflects the following growth profiles:

1. Enrolments have grown much more rapidly than total population and population of educable age-groups, raising gross and net enrolment ratios steadily.
2. Total nominal and real expenditure on education have increased much more rapidly than GDP and NNP, resulting in consistent rise in the proportion of income spent on education.

3. Total nominal and real expenditure on education have grown ahead of enrolments, leading to steady growth of nominal and real unit costs of education.
4. Nominal unit cost has increased much more rapidly than real unit cost, highlighting the inflation effects on cost. Though the inflation effect on unit cost has varied between educations of different levels, yet price effect varies with the structure of unit cost of education of different levels.
5. The structure of cost depends mainly upon the share of the cost of teacher inputs in total costs.
6. The highest growth in unit cost has been registered by middle level education. Unit costs of primary and elementary education have, however, grown more rapidly than the unit cost of higher education, invalidating the common postulation that higher education has been given precedence over school education.

**3. Experience in North-East India:** Baldev, et al. (1994) had done a survey on school education in Mizoram. Attempt was made in this study to estimate per student expenditure from a sample of 72 schools belonging to urban and rural areas in Lunglei district. The survey found that per pupil expenditure was the highest in the Government Middle School followed by Primary Schools. In the government aided middle schools and the government high school, the expenditure was equal. In the government aided high schools, however, the per pupil expenditure was marginally higher than that in government higher schools

Lalliani (1990) conducted a study on the growth of primary education in Mizoram during the post-independence period in which she analyzed the growth of enrolment, expenditure and other infrastructural facilities at the primary level. The study found that the share of public expenditure on primary education increased from 34.5 per cent in 1953-54 to 50.7 per cent in 1971-72 but later on, it gradually declined. The ratio of plan outlay on primary education to total education outlay also showed a declining trend. From 36 per cent allocated for primary education in the Fifth Plan (1975-80), the allocation came down drastically to 12 per cent in 1977-73 to 95.7 per cent in 1982-83. The annual non-teacher cost per pupil was Rs. 75 in 1986-87. The cost of physical formation like buildings etc., constituted just 1 per cent in 1986-87. The study clearly revealed that infrastructural facilities at primary education level were extremely limited and inadequate.

Perna (2002) draws upon the final report of the National Commission on the Cost of Higher Education to explore (a) the cost of higher education at selective private colleges and universities, (b) public concern about the rising costs of higher education, and (c) the shift in financial aid policy from access to affordability. It also discusses implications for selective private institutions, the broader goals of access and choice, and higher education professionals.

Mishra and Rio (2003) studied the micro-economics of 30 private schools in Kohima, Nagaland. It is an abridged and somewhat preliminary version of the contents of Rio (2004). Rio found that the private schools in Kohima make up an industry and operate under monopolistic competition. He used the marginal analysis as well as the kinked demand curve method to analyse output (no. of students) and price (fees charged) determination. Using cluster analysis, Rio showed how these schools form groups around a few leader firms (schools) and fix prices (fees). These findings, albeit concerned with the case of lower (school) education, corroborate Joshi (2000) on higher education. Rio also found that teachers in these schools receive salaries that hardly go above the subsistence wages; the share of wages in the total revenue is about 41 percent, the overall profits (at the industry level) are as high as 42 percent of the revenue, while the share of capital is only 16 percent or so. Thus, the private schooling industry is grossly labour intensive. Although Rio's work is related to the microeconomics of school education, it has methodological contents that may be used to study the microeconomics of higher education as well.

S. K. Mishra and T. Jamir (2004) examined the microeconomics aspects of private colleges in Nagaland in terms of their size, location and organisation pattern. The focus of their study was on the interplay of teachers, patrons, technology and finance towards the development of privately-run college and their optimal functioning. Analyses of operation, efficiency, productivity, structure, pricing, etc. of all the then 27 private colleges were undertaken. Their findings are summarized below:

1. Private colleges serve over 4/5th of the consumers (students). The market share of private colleges is increasing over time, while the market share of govt. Colleges is decreasing over time. Among the private colleges, older colleges command larger market share. Crowding is also observed in larger colleges.
2. Private colleges employ 461 teachers and 226 non-teaching staff. They are the largest employment generators in the higher education sector

3. Private colleges earned revenue of Rs 9.7 crore and spent Rs 7.6 crore (during the session 2002-2003). Thus, they generate income of a sizeable amount. Overall, they earn a little over 27 percent profits over the cost.
4. Production function of private college industry indicates that it is a labour intensive industry with some substitutability of labour for capital.
5. Private college industry is not competitive, but it has a monopolistic competition (or somewhat oligopolistic) market. Several bands of prices (fees charged) are observable.
6. In general, colleges use mark-up policy for fee determination. There is some evidence of leadership and barometric pricing also.
7. Charging of prices is not dependent on academic performance.

Vanlalchhawna (2004) analysed the unit cost of higher education in north-east India, particularly in Mizoram state. During 1972-73 to 2001-02, public expenditure on education in nominal terms increased annually at the rate of 8.1 per cent and real expenditure at the rate of 3.75 per cent. The share of education in total revenue expenditure varied between 11.55 per cent and 18 per cent during 1972-2001. The pattern indicated that elementary education got maximum share followed by secondary and college education. The share of elementary education increased from 37.8 per cent to 50 per cent while the share of secondary education declined from 47.8 per cent to 27 per cent. The share of expenditure on college education increased from 4.8 per cent to 12 per cent. Expenditure on college education has recorded the highest growth rate while secondary education the lowest. Between 1972 and 2001, nominal public expenditure on elementary education increased by 126.2 times whereas it grew by 11.8 per cent in real terms. Expenditure on secondary education increased by 55.2 times in nominal terms and increased only by 4.4 times in real terms. Expenditure on college education increased by 243 times and 19.8 times in nominal and real terms respectively. This showed that a large proportion of increase in public educational expenditure had been accounted by inflation.

He found that the trend on unit institutional cost in current prices between 1983 and 1984 and 1993-94 in nominal terms increased consistently. However, real institutional cost recorded a very low increase. Recurring cost varied between 80 and 88 per cent, while expenditure on capital formation varied between 12 and 20 per cent respectively. The share of teaching and non-teaching staff claimed the major share of institutional resources. It was found that there

exist an inverse relationship between enrolment and unit cost of education. The Ordinary Least Square (OLS) regression technique had been used to determine the relationship between enrolment and cost per student.

The private cost indicates that at the degree level, the average private cost of education for commerce student was found to be the highest. The estimates of private costs by family income showed the cost of education was progressively increasing with the increase in the level of family income.

The total unit cost was estimated at Rs. 14582 per student per year. The cost of education was the highest in the university college and lowest in the private colleges. The total cost of completing the two-year Pre-University and the Three Year Degree course was estimated at Rs.96152 per student in the university college while the same course required Rs. 71084 and Rs. 65063 per student in the state and private colleges. The cost of education in the university college was 1.35 and 1.48 times higher than the costs of education in the state and private colleges. Contrary to the general belief, the institutional cost of education formed relatively a small part of the total cost of education. Institutional cost constituted 27.14 per cent of the total costs while private cost had accounted for 72.86 per cent of the total cost of higher education in Mizoram.

Previous experience indicates that there is no single response to the question of what the costs of education are. In practice, what educational cost to measure depends on the decision context in which the cost analysis is performed. In general, cost estimation is influenced by two issues: the cost to whom, and the choice between average-cost analysis and marginal-cost analysis. For both accounting and analytical purposes, educational costs are usually classified into distinct categories, such as recurrent costs and capital costs, as well as personnel and non-personnel costs. To reflect changes in the price level, educational costs are usually expressed in both current rupees and constant rupees. Also, educational costs are often compared on a per-unit basis. The choice of educational unit depends on the purpose of the comparison. The most common basis is the cost per pupil enrolled. In short, considerable progress has been made in our conceptual understanding of educational costs in the past two decades.



### III. Comparing some major findings of the Literature:

SL. NO	AUTHORS	PERIOD/ AREA OF STUDY	COVERAGE OF COST ANALYSIS		
1	Eicher and Orivels	Studied in 1980 of about 140 developed and developing countries for 1960-76,	Public educational expenditure	FINDINGS	In both developed and developing countries, public educational expenditure increased faster than GNP. The upward trend continued in the 1970s. Between 1970 and 1974, the rate of increase of the indicator slowed down, and the indicator reached an average of 4.3% in 1976. But in the 1970s, especially after 1974, the patterns between countries began to differ.
				REMARKS	The lack of information on private costs of education makes any attempt to compare private educational expenditure difficult. Central-government accounts sometimes provide data on private educational expenditure, but such data are problematic in that they often include other private consumption expenditure or are unreliable.
2	Chesswas, Coombs & Hallak, Eicher, Tibi, and Wolff.	1972-1986 (for all together) in developing countries	factors affecting unit costs in developing countries.	FINDINGS	A major factor affecting educational costs is the technology of educational production. In countries across the world, education takes place predominantly in the traditional school and university, with similar organization, curriculum, pedagogical methods, management, and monitoring procedure. Changes in educational production in terms of the staffing pattern, class size, school organization, and other actions will affect unit costs. The labour-intensive technology of traditional education explains the dominance of teacher costs. Expenditure on teacher salaries depends on a number of factors. These factors include the salary structure, the current pattern of qualifications of teachers, the age composition of the teaching force, the average salary of teachers, and the pupil-teacher ratio.
				REMARKS	They failed to study why the rates of utilization of educational inputs in schools have direct implications for unit costs and educational efficiency. Several observations can be made from these utilization studies. By revealing costly wastage practices in schools and universities, a careful examination of resource utilization can lead to significant cost savings. Universities, in particular, should receive close scrutiny because of their high unit costs. Economies of scale of schools/higher education could not be properly analysed.
3	Psacharopoulos	1985, analyzed the results for more than 60 developing countries.	Major findings of cost-benefit studies in education in developing countries.		(a) Investment in education is very profitable, with rates of return to investment in education well above the benchmark (10%) rate of return to investment in capital; (b) the social and private rates of return to primary education are highest among all education levels; (c) private rates of return are higher than social rates of return at all levels of education, particular at the university level; (d) in developing countries, the average return to a given level of education is higher than that in developed countries; (e) the rates of return to investment in women's education are higher

				FINDINGS	than those for men in developing countries; and (f) at the secondary level, the average return to the traditional academic curriculum (16%) is higher than that of the vocational-technical curriculum (12%). At the higher education level, rates of return for programs in humanities and social sciences are higher than those for technical subjects.
				REMARKS	Its results have explicit economic interpretations, and it is grounded in conventional economic theory. First, the results are based on past conditions; they may not be reliable predictors of future rates of return in dynamic settings. Second, most studies use cross-sectional data instead of longitudinal data in assessing the earnings level of an individual over time. Third, most studies use the quantity of schooling as a measure of human capital and ignore issues of educational quality and relevance, thus creating difficulties in interpreting the findings. Fourth, most studies ignore significant noneconomic benefits of education and factors other than education that influence an individual's employment and earning opportunities, resulting in biased estimates of the rates of return to education. Although some studies have tried successfully to resolve these methodological problems, most of the rates-of-return studies, especially those in developing countries, have not. And fifth, in using earnings as a proxy for productivity, rates-of-return studies assume that the labor market is perfectly competitive. This is not likely to be true in developing countries where governments are big employers. It seems unlikely, however, that these methodological problems will invalidate the conclusions of the rate-of-return literature.
4	Rudder Datt	1988, Delhi university (Correspondence)	Unit cost in the school of correspondence courses and colleges affiliated to Delhi University	FINDINGS	In conventional education system, not only the unit costs but also state subsidy were substantially higher than the distance education systems. In relative terms, fee component was merely 7.3 per cent of the total cost whereas the share of the state support was 92.7 per cent.
				REMARKS	Analysis of institutional cost only. The author failed to calculate private cost, which would have altered the total costs of correspondences education as a whole. Estimation of explicit institutional cost only.
5	Tilak	1979-80 costs of education in India  1985 private cost in rural and urban areas	Public educational expenditure/ private cost (explicit and implicit cost)	FINDINGS	For 1979-80, public educational expenditure was found to be about 3.9% of GNP, indirect private cost (foregone earnings) was estimated to be 4.2% of GNP, and household expenditure on education (mostly direct private cost) was as high as 1.9% of GNP. Thus the real cost of education in India in 1979-80 was about 10% of GNP; more than half of it was private cost
				REMARKS	He provided evidence of disparities in unit costs between rural areas and urban areas for several levels of education in the state of Andhra Pradesh in India. But, Besides geographical variations, cost disparities also exist for different types of schools even within a particular region. It ignores

		of Andhra Pradesh			other sources of support for education, such as contributions from private organizations and industry, as well as external aid. For some developing countries, external aid may account for a significant portion of public expenditure on education. Also, there is no consideration of how institutional costs are utilized technically; thus information is not provided about the functions of the inputs in educational production. Nevertheless, his analysis covers both the public educational expenditures and private costs. Cost studies of schools/higher education's in rural areas in developing countries are few.
6	Mishra and Rio	2003, Nagaland.	Studied the micro-economics of 30 private schools in Kohima,	FINDINGS	Teachers in schools receive salaries that hardly go above the subsistence wages; the share of wages in the total revenue is about 24 per cent of the total revenue, while the share of capital is only 16 per cent or so. Private schooling industry is grossly labour intensive.
				REMARKS	Rio used only marginal analysis and kinked demand curve method to analyse output of students and price (fees charges) determination. Basically a quantitative micro economic approach only, and misses out qualitative analysis. Externalities of education was not emphasised.
7	S. K. Mishra and Temjenzulu Jamir	2004, Nagaland	Examined the microeconomics aspects of private colleges in Nagaland in terms of their size, location and organisation pattern.	FINDINGS	Private colleges serve over 4/5th of the consumers (students). The market share of private colleges is increasing over time, while the market share of govt. Colleges is decreasing over time. Among the private colleges, older colleges command larger market share. Crowding is also observed in larger colleges. Production function of private college industry indicates that it is a labour intensive industry with some substitutability of labour for capital. In general, colleges use mark-up policy for fee determination. There is some evidence of leadership and barometric pricing also.
				REMARKS	Coverage of study area impressive as they covered all districts of Nagaland. Purely micro economic analysis. Missed out public institutions contribution as the title itself suggests. First major works done for higher education in Nagaland. Both primary and secondary data's. Only explicit calculations.
8	Vanlalchhaw na	2004, Mizoram	Analysis of unit cost of higher education in north-east India, particularly in Mizoram state.	FINDINGS	He found that the trend on unit institutional cost in current prices between 1983 and 1984 and 1993-94 in nominal terms increased consistently. However, real institutional cost recorded a very low increase. The private cost indicates that at the degree level, the average private cost of education for commerce student was found to be the highest. The estimates of private costs by family income showed the cost of education was progressively increasing with the increase in the level of family income.
				REMARKS	Calculations of both institutional and private cost. Only explicit costs calculated. Under private cost, division of various categories of costs and also the sources of these finances neglected. Study covered the whole North-East region, specially focussing at Mizoram.

A multitude of factors affect educational costs. Analytically, we can divide these factors into two groups: factors that determine the total amount of resources devoted to education and factors that determine expenditures within education. Total public educational expenditure represents a large portion of the total amount of resources devoted to education. In general, it is influenced by factors that determine the supply of and demand for education. Supply factors include the rate of inflation, the range of competing demands of other public services, the rate of growth of the economy, tax revenues for education, the impact of foreign trade, as well as the availability of foreign aid to education. Demand factors, on the other hand, relate to the growth in population and its age distribution, the importance of education for social mobility, concern for equality of educational opportunities, the choice and development of technology for economic production, and others. These supply and demand factors are very complex and they are often beyond the control of educational decision-makers. It does not imply, however, that all these factors are equally important in all settings. Their relative importance is likely to vary over time and among regions.

The other group of factors is concerned with the internal operation of education. Expenditures within education are strongly influenced by the technology of educational production, compensation for teachers, the extent of utilization of educational inputs, as well as rates of dropouts and repetitions. These are the factors over which educational decision-makers have more control and thus are the targets of educational policies. With the current tight budgetary constraints and unmet demand for education in developing countries, the need to control costs and improve efficiency is obviously very pressing in these countries today. Since the amount of discretionary recurrent expenditure in a given year is usually small, educational policymakers will do well to be aware of the cost implications of past and present decisions, and to adopt a long-term perspective in their plan to control costs and improve efficiency.

Our review has also documented the range of applications of cost analysis which can contribute to better policymaking in education. Cost estimation has been applied to a wide range of situations, from the costing of an educational project to the costing of a national education plan, and from the costing of a pedagogical intervention in the traditional classroom to the costing of out-of-school distance education. For a given educational intervention, cost estimation informs the policymaker about (a) the total cost required, (b) the economic feasibility of the intervention, (c) the short-run and long-run cost implications, and

(d) the distribution of the cost burden. A sound cost analysis may also reveal serious policy errors that have to be dealt with.

It also pays to understand the behavioral characteristics of educational costs by regularly constructing and examining educational cost indicators and by studying resource utilization in schools. A close examination of the patterns of educational costs can uncover opportunities for improving the efficiency of educational investment. An awareness of the disparities in educational costs in different settings is necessary for decision-makers to design proper policies applicable to diverse settings. And the disclosure of areas of excessive underutilization of educational resources may lead to actions that reduce educational costs without affecting school quality or actions that increase school output without incurring additional cost.

Moreover, the applications of cost-benefit analysis and cost-effectiveness analysis address directly the concern about inefficiency in education. Cost-benefit analysis can be used to assess the external efficiency of education, whereas cost-effectiveness analysis deals with issues of internal efficiency. Prominent applications to date include the estimation of the rates of return to different levels and types of education, as well as the evaluation of new educational media. But cost-effectiveness studies of the traditional school are still lacking. Efforts should be made to improve the research basis of cost-effectiveness analysis and its utilization in educational policymaking.

Previous experience indicates that the practice of cost analysis in educational policymaking often falls short of its potential usefulness. There are "political" barriers that may not be easily penetrated, yet there are "technical" difficulties that are amenable to change. For example, efforts can be made to incorporate cost analysis in educational policymaking, to train competent cost analysts, and to improve the data base for policy analysis. In short, sound economic research and evaluation can improve the efficiency in the allocation of resources in education.

Finally, analysis of education in developing countries is often plagued by unreliable and incomplete data. In many developing countries, central-government budgetary data are what is available and accessible for cost analysis. Data are often not available on private costs, on

costs at the school level or other levels of government, and on the relevant categories of costs. Efforts to collect these data should be encouraged.

Given the wide range of applications of cost analysis, it is impossible to specify fully the data needs of cost analysis. But for most applications for educational planning and policymaking, we can identify five kinds of educational data that are often required.

1. *Data on educational costs.* The costs of education are supported by public, private, and foreign sources. They can be classified into institutional costs and household costs. Institutional costs are divided into recurrent costs and capital costs. Recurrent costs are broken down into a matrix of input items and input functions. Household costs include direct and indirect cost items. Time-series data on institutional and household costs are to be collected for various levels of education, types of institutions, various levels of government, and in current and constant dollars.

2. *Data on educational quantities.* These refer to the quantities of inputs to and outputs of education. They include data on student enrolments, graduates, repetition and dropout rates, number of teachers and other school personnel (by age, experience, and qualification), and physical inputs. They are used in costing educational interventions. Also, they can be combined with cost data to construct indicators of educational costs (e.g., unit costs) for diagnostic purposes.

3. *Data on educational prices.* These refer to the prices of school inputs. They include information on the salary structure and other compensations for teachers and other school personnel and prices for various school inputs. They are needed in educational costing and in the construction of educational price indices.

4. *Data on educational norms.* These refer to the various norms or standards used in school. They include information on class size, the physical specifications of a school, staff-student contact hours, the ratio of senior staff to junior staff, and so forth. They are needed in the estimation of recurrent and capital costs.

5. *Socioeconomic data.* These include data on national output, cost-of-living price indices, and public expenditures. They are used in constructing educational indicators and educational indices. Data for quantities, prices, and norms are to be provided in sufficient detail to match those of the cost data. Figure 2 summarizes the inputs to and applications of a data base for cost analyses.

*Estimation of Cost per Student:* Analytical approach to estimate cost per student as presented by the Kothari Commission for the 11<sup>th</sup> Five Year Plan can be analysed as follows.

Cost per student =  $\frac{a(1+r)}{r}$

t

where,

a = average annual salary of teachers

r = ratio of all non-teacher cost to teachers salary

t = pupil teacher ratio (PTR)

Given the cost per student, the existing enrolment in the base year 2007 and additional enrolment during the 11<sup>th</sup> Plan period, the required additional expenditure can be projected. The method of projection will be multiplying base year enrolment with the recurring expenditure and the additional enrolment with the capital expenditure. For base year projection, the cost for differences in the quality will also be taken into account.

**VI. Methodology of Research:** The present study is mainly empirical taking into consideration the historical development of both Public and Private Colleges (offering general education) in Nagaland.

Presently, Nagaland has 31 private and 13 government colleges. But due to the absence of latest data, most of the resources could be availed of only 28 private and 8 government colleges (prior to 2006). For the secondary data source, the collection of information is based on the review of relevant literature, journals, research and survey conducted by various organisations, viz. the Census Report, Statistical Handbook of Nagaland, Directorate of Higher & Technical and School Education, Nagaland University and University Grants Commission publications. Basically, research on higher education in Nagaland is very few and therefore materials were few, but due to many researches done economics of higher education both international and nationally, I could construct myself with strong baseline on the research topic of Nagaland too. For secondary data's I really had to depend primarily on Nagaland Governments Statistical Books of various years.

Since the case studies of the two (one private and one public) colleges are *mainly* based on the primary data's, all the research work done for chapter 4 were based on the questionnaire. Interviews were carried out to the respective institutions, teaching/non-teaching staffs, ex-students for their feedbacks on the earlier years. The numbers of students included in the sample study were 180 students in total, both from Fazl Ali College (Public) and People's College (Private) under Mokokchung Town. The primary data collected were very substantial due to my familiarity with the respondents. Commonness of being same tribe with the

respondents, same local dialect for communications, same tribal area, recommendations from village elders (this is very important for a researcher in Nagaland), and personal interactions with students. For the purpose of comparison, data were also collected from both the higher educational institutions.

Questionnaire for students were formulated on a separate schedule to collect information on different components of private costs, i.e., monthly expenditures and yearly expenditures. But though my primary topic encircles around cost analysis, I made sure to include quality aspects of higher education in the region. In the questionnaire, question 1 to 7 deals with personal questions about gender, age, course of study, and previous schools (whether private or Government secondary schools), question 8 to 11 deals with the socio-economic conditions of those students households. This includes parents/guardians income, scholarships if any from the central/State government, and whether parents are in financial pressure for their education. Question 12 to 15 deals with the calculations of their cost on education, both on monthly and yearly basis. Yearly expenditure includes costs on college fees, textbooks and clothing's, and the sources of financing these items may be divided into four categories, i.e., (i) Own finances through part-time jobs, (ii) parents support, (iii) P.M.C.S from the State Government, and by (iv) borrowing from relatives and family friends. Monthly expenditure includes costs on food/canteen, transportation, photocopying, computer related, stationeries and other study related items. Here, in monthly expenditures, sources of finances are same as that of yearly sources of income except that of scholarships. It is because of the inclusion of scholarships on yearly basis earlier. On the sources of finances I included *Owns Income* because of a genuine reason where I could notice students working part-time jobs apart from attending classes. Those items given on a monthly basis were adjusted per year at the tabulation level and were added to the yearly expenditure, which later the overall grand total expenditure (yearly calculation + monthly calculation) was aggregated and expressed as costs per student per year.

Question 16 to 20 deals with college curriculum, teacher/student relationships, personal development, library, college management, infrastructure, and co-curricular activities, etc. question 21 to 22 deals questions on the students awareness and suggestions on what Nagaland University could do to improve the quality of campus life for students in the respective colleges. Here also, question includes regarding gender discriminations in the region.



I would like to mention that under my study, I have included my samples only for the B.A I, B.A II, and B.A.III, and B.Sc I, B.Sc II, and B.Sc III (both Honours and Pass Course Students). But information's about ClassXI and XII have been provided as a result of the resources from the respective institutions.

Data is being tabulated, processed and analysed systematically by applying appropriate statistical tools and diagrams. Among the statistical methods, regression analysis, principal components analysis, etc. were applied.

## **CHAPTER 3**

# **HIGHER EDUCATION IN NAGALAND**

**I. A Salient Feature of Nagaland:** Before focussing on the scenario of higher education system in Nagaland it would be relevant to encapsulate the geographical, socio-economic, and political characteristics of the state. All these are connected like a web of links that an outcome of one emerges as a result of its interactions with the others. Likewise, the development of higher education system is also a response to the policies, customs, sociological behaviours of people and the existing economic and political environment of the state.

If India is a country that boasts of 'unity in diversity', then the North-East is its most visible embodiment. Among the North-Eastern states, Nagaland stands out as a land of diverse tribes, systems of governance, cultures, sheer colour and variety. As its 16 major tribes hold their festivals each calendar month of the year, Nagaland is often referred to as the 'land of festivals'. Nagaland represents sociological and anthropological gold mines because it is still scientifically unexplored.

Nagaland, part of Assam and North East Frontier Agency (NEFA) in 1947, became the 16th State of India on December 1, 1963. Statehood came as a result of a political agreement. The present administrative framework in Nagaland is essentially similar to that in other states of the country. However, within this larger framework, Nagaland has distinct characteristics, imparting uniqueness to the governance experience in the State. Article 371 (A) of the Indian Constitution remains a cornerstone to policy making in the State, and has ensured protection and preservation of the unique traditions and customary laws of the State. On the other hand, it has also contributed to depriving the State of economic benefits of institutional credit, inflow of private investment, etc. Nagaland thus became one of the rare examples in India of a state formed after independence as a result of peoples' struggle. Although some areas where the Naga people reside were left out of the new state (as some fell in the adjoining Manipur and in nearby Myanmar) the birth of Nagaland represented the assertion of a tribal identity. This logic was taken forward in the formation of districts as well, so that now the state has a fairly clear demarcation of districts and the tribes that dominate each.

Total Area	16,579 sq.km
State capital	Kohima (1,444.12 meters above sea level)
State Boundaries	East – Myanmar, West – Assam, North – Assam & Arunachal Pradesh, South – Manipur
Population	19,88,636 (2001 census)
Rural Population	16,35,815 (82.26%) (2001 census)
Urban Population	3,52,821 (17.74%) (2001 census)
Density of Population	120 per sq.km. (2001 census)
Sex Ratio	909:1000 Female : Male (2001 census)
Literacy Rate	Persons: 67.11%
Male :	71.77%
Female :	61.92%
Districts with HQs	(1)Kohima, (2) Mokokchung (3) Tuensang (4) Mon (5)Wokha (6) Zunheboto,(7) Phek (8) Dimapur, (9) Longleng (10) Kiphire (11) Peren (9,10,11 created in January 2004)
Number of Villages	1286 (2001 census)
Number of Census towns	9 (2001 census)
Biggest Village	Kohima village (3965 households; 13,705 persons)
Official Language	English
Average Rainfall	2500 mm
Highest Peak	Mount Saramati, 3840 metres (Tuensang district)
Other Important Peaks	Mount Japfu, 3015 metres (Kohima district), Mount Zanubou, 2750 metres (Phek District), Mount Kupamedzu, 2650 metres Phek district)
Forest Cover	13,345 sq. km (80.49% of State's Geographical Area)
Main Rivers	Dhansiri, Doyang, Dikhu, Tizu Melak
Railway Head	Dimapur
Airport	Dimapur
Commercial Centre	Dimapur

Source: Directorate of Economics and Statistics, Govt. Of Nagaland, 2007

Nagaland is one of the 'seven sisters' of the North-East. The State is bounded by Assam in the west, Myanmar on the East, Manipur in the south and Arunachal Pradesh and part of Assam on the north. It lies between 2506' and 2704' northern latitudes and between 93020'

and 95015' eastern longitudes. The State has an area of 16,579 sq. Km (which constitutes 0.5% of the country's geographical area) with a population of 19, 88,636 (0.2% of the country's population) as per 2001 Census. The number of households in the State was 1.49 lakh in 1981, which increased to 2.17 lakh in 1991. The State is predominantly rural, with 82.26 percent of the population living in villages, generally situated on high hilltops or slopes overlooking verdant valleys.

Till January 2004, Nagaland consisted of eight administrative districts, with 52 blocks, nine census towns and 1286 inhabited villages. Each district generally has predominant concentration of one of the major/ minor tribes of the State, making the districts distinct in their socio-political, traditional, cultural and linguistic characteristics. Of the eight districts, Tuensang is the largest, occupying 25.5 percent of the total area of the State, followed by Kohima with 18.79 percent. In January 2004, three new districts were inaugurated by the State Government, viz., Longleng, Kiphire and Peren. Longleng and Kiphire were sub-divisions of Tuensang district and Peren was a sub-division of Kohima district. Therefore, the analysis prior to 2004 for the districts of Tuensang includes information/statistics for Kiphire and Longleng and that of Kohima includes the data of Peren.

The total population of Nagaland as per 2001 Census is 19.88 lakh, of which males form 10.42 lakh and females 9.47 lakh. Among the various districts, Tuensang has the largest population (4.14 lakh), followed by Kohima (3.14 lakh). The least populated district is Phek (1.48 lakh). Nagaland witnessed the highest growth rate in population over the last decade. This unprecedented growth rate of population is a cause of serious concern to the demographers and policy planners in the State. A total fertility rate (TFR) of 2.1 is considered to be the replacement level of fertility, which needs to be achieved in all states for population stabilisation. As per the National Family Health Survey, Nagaland had a TFR of 3.77 during 1998, amongst the highest in the country. There is thus a need for policy intervention to tackle this spiralling population growth, which can seriously hamper the planning process and development aspirations of the State. The density of population is another factor of concern in Nagaland because of the alarming increase in the population. The density, which was 47 per sq. km in 1981, increased to 73 in 1991 and 120 per sq. km in 2001. This will have serious implications on the ability of the State to meet the infrastructure requirements of its people, especially in the fledgling urban areas.

Nagaland has recorded progressively high decadal growth in population, increasing from 39.9 percent in 1979 to 64.4 percent in 2001. This decadal growth has been one of the highest in the country. The population grew by 5.0 percent per annum during 1971–81, which increased to 5.6 percent per annum during 1981–91, which again increased to 6.4 percent per annum during 1991–2001. During the decade 1991–2001 Wokha district registered a maximum growth rate of 95 percent, followed by Tuensang (78 percent). The district of Mokokchung registered the lowest growth rate of 43 percent during the period. The high growth rates over the decades have impacted the percentage of young people who form part of Naga society. Close to 40 percent of the population are below the age of 18. As a result, the dependency ratio has also increased.

**II. Economy of the State:** The developmental experience of Nagaland has been full of challenges. Apart from its late start, geographical remoteness and inaccessibility, hilly terrain, lack of infrastructure, population composition, and scarce resource base, one of the biggest concerns of the State now is the burgeoning numbers of educated unemployed youth which, if not tackled effectively, could lead to a vitiating of the whole developmental environment. In recent years, there has also been a noticeable rise in under-employment and disguised unemployment. Two of the measures taken at the political level have been the declaration of 2004 as the Year of Youth Empowerment and the setting up of the Chief Minister's Corpus Fund to generate self-employment for unemployed youth.

The net state domestic product (NSDP) of Nagaland has shown an increase from Rs. 10,547 lakh in 1980–81 to Rs. 57,898 lakh in 1990–91 (at constant 1980–81 prices) and to Rs. 223,042 lakh during 2000–01 (at constant 1993–94 prices). The per capita income in the State increased from Rs. 1361 during 1980–81 to Rs. 5520 during 1990–91. During 2000–01, per capita income was Rs. 11,473 (at constant 1993–94 prices) as against Rs. 10,306 for the country as a whole.

An estimation of district incomes (district domestic product) has not been carried out by the State Government or other agencies of the Government of India. In order to quantify the achievements of the different districts in income generation, sample survey was conducted to determine the district domestic products. The results of the survey quantify that the per capita income of the State is Rs. 11,119, with Dimapur having the highest per capita income among the districts (Rs 16,837) and Mon having the least (Rs. 4,500).

A look at the share of the various sectors in the NSDP during the last two decades shows that the share of the primary sector declined from 32.5 percent in 1980–81 to 31.01 percent in 2000–01. Among the primary sectors, agriculture formed the major component and its share declined from 28.65 percent to 27.48 percent during the above period. During the same period, the share of secondary sector rose from 14.13 percent to 15.18 percent. These figures show that Nagaland's economy has not witnessed major structural changes in the past two decades. The share of the tertiary sector has shown some fluctuations—it increased from 53.4 percent in 1980–81 to 58.14 percent in 1995–1996, and declined to 53.81 percent in 2000–01. Within the tertiary sector, transport, storage and communication formed a major share. Their share in the NSDP, which was 1.68 percent in 1980–81, increased to 18.14 percent in 1999–2000. Public administration and finance and real estate are the other important components in the tertiary sector. The majority of the workforce of the State is either in the rural areas or in the unorganised urban sector. Naga society was and continues to be predominantly agrarian. Agriculture (27.48%), construction (15.43%), transport and communication (18.14%) and public-administration (12.73%) comprise three-fourths of the State's NSDP. The near absence of contribution from manufacturing (0.74%) and banking and insurance (1.32%) reflects the lack of industrial activity in Nagaland and the weak supporting environment.

The State is making efforts to exploit its natural resources and tap into other potential areas. As a hilly State, with so many constraints, Nagaland cannot compete with others in conventional areas of development, especially in the primary and secondary sectors. The State has to plan intelligently and strategise its efforts, concentrating on its areas of strength and available resources. Some of these strengths are:

1. Nagaland is richly endowed with mineral resources, including oil and natural gas, limestone, marble, as well as metals like nickel, cobalt and chromium. The ownership of the resources is an issue that has to be resolved by the Government of India and Nagaland, keeping in mind the special provisions under Article 371(A) of the Constitution before optimum commercial exploitation of these hydrocarbon resources can be made.
2. Nagaland is endowed with rich forest resources. Its forest cover is above 80 percent while forest area is 56 percent, way above the recommended minimum. Therefore,

biotechnology, which also represents one of the sunshine sectors, presents Nagaland with a unique opportunity.

3. Blessed with fertile soil and agreeable climate, Nagaland has great potential in the area of organic production/farming.
4. The other sunshine sector, IT, also has potential for Nagaland. One of the advantages the State has is that its medium of instruction in schools is English. With adequate and appropriate training programmes, the State could take advantage of this sector.
5. With all the natural advantages and beauty of Nagaland, including cultural diversity of the tribes, eco- and community-based tourism presents great potential.

Naga society was and continues to be predominantly agrarian. With the introduction of formal education, additional areas of vocation opened up. The expansion of employment opportunities was influenced by two major players, the Government and indirectly, by the Church through education. Since statehood and up to the 1990s most employment opportunities were government-defined. In recent times, the Government has restricted the creation of new posts. Private entrepreneurship is being encouraged, especially in the secondary and tertiary sectors, although most people continue to be engaged in the primary sector. But the inter-play of education Vis-a-vis industry is still under-developed. In Nagaland, due to political tensions, immature market economy, and government failure to generate working opportunities, the interplay of education-industry cannot be materialised efficiently.

The majority of the workforce of the State is either in the rural areas or in the unorganised urban sector. As per NSSO estimates, the growth of employment in the State from 1993–94 to 1999–2000 was at the rate of 8.6 percent per annum. As on March 2000, the live register of the State employment exchange showed there were about 35,000 job seekers, of which about 27,000 were males. These included 3000 graduates and postgraduates, 5000 undergraduates, 13,000 matriculates and 14,000 under-matriculates. These statistics do not represent the extent of unemployment, as a large number of unemployed do not get themselves registered; all those who are registered may not actually be unemployed; and the applicants generally belong to the urban areas. The above figures reflect the aspirations of the youth of the State to be employed in the government sector. It also brings out the fact that the majority of the registered unemployed in the State are not even graduates, indicating the quality of the workforce available.



**III Growth of Higher education in Nagaland:** The mode of education prevalent in Nagaland before the coming in of the Church was centred around the Morung.<sup>1</sup> This institution served Naga society for centuries and incorporated in its functioning time-honoured tribal values, life-centred learning and exposure to customary practices and experiences. Here, young men and women grew up under the supervision of the community elders. For the young men the Morungs were khel-based or clan-based. The girls met in informal groups usually in the home of a respected senior woman. The youth, through community living and working together, also got to know each other in a natural way and forged relationships that extended from the personal to the social domain. This innovative approach to education, leadership building and societal training contributed much to Naga life, history and functioning. With the advent of Christianity, English and formal education were introduced. This led to far-reaching changes in the educational and social framework of Nagaland.

The new schools were first sponsored by the American Christian Missionaries and later by the British. Anecdotal reports state that in the first years when the Church made education compulsory for at least one child from every family, domestic helpers were sent to school to satisfy this norm. It was only later that societal acknowledgement of education came about. The first primary English medium school in the Naga Hills was established by Mrs. Mary Mead Clark in Molungyimsen, Mokokchung district, in 1878. Originally intended for women only, this school became a pioneer institution, producing teachers, leaders, evangelists and pastors.

According to senior Naga thinkers, the objective of these educational endeavours was to enable the Naga people to read and write the Bible and to man the offices. The people also were eager to become pastors or teachers. It was during this period that two trends were unintentionally set—first, the teacher elite and secondly, the schooled elite. Community participation in education during those days was in the form of construction of school buildings with local materials and sending their children to schools, at times even on compulsion.”

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<sup>1</sup> Nagaland State Human Development Report, 2004 (Morung was an institution of learning for the youths in traditional Naga society)

Nagaland, which has been subjected to so much of insurgency and disturbance pressure, has made a steady progress in the field of literacy achievement. Even in the field of Higher and Technical Education, the state has made remarkable progress by creating a separate department of Higher and Technical education, functioning independently with effect from 1<sup>st</sup> May 1983. However, prior to this, it was a constituent of erstwhile Department of Education, which comprised all the wings of education.

Though the first school in Nagaland was established in 1882, it took another 77 more years for Nagas to have their own formal institution of higher education. Higher education in Nagaland started its journey in 1959 with a lone college-Fazl Ali College that too up to graduation level. Prior to statehood, there were only two colleges in Nagaland but over the years there has been gradual increase in the number of colleges particularly after the 1990's. University education began in 1978 with the establishment of NEHU, Nagaland Campus. A long awaited dream of having a full-fledged university was realised in 1994 with the establishment of Nagaland University with three campuses - Lumami, Kohima, and Medziphema. This university has seven postgraduate departments located at its Lumami campus, six departments in its Kohima campus, and 12 departments at the Medziphema campus. Nagaland University has come to provide the much-needed impetus to higher education, particularly in the areas of quality enhancement, research and diversification of specialty. In 2004-05, the university had 42 affiliated colleges reaching out to over 15,000 students. The Government's policy to provide one government college for each district came through in the Sixth and Seventh Plans, with the Government taking over six private colleges during the period. This expansion meant greater accessibility and educational coverage across the State. Greater demand for higher education has also led to an increase in the number of private colleges. The decadal growth of colleges has been the highest during 1991-2000. In 2000-2001 the State had nine government colleges and 33 private colleges. The district-wise distribution of private colleges is skewed, with most of the colleges concentrated in Dimapur and Kohima. While the choice of the students is mostly arts and humanities, the interest in science and technology is increasing. In terms of overall student distribution, 77 percent of the students are studying in private colleges. The streams available in different colleges show that 33 colleges have arts, 8 colleges have commerce and only three colleges have science, law and B Ed. subjects. Nagaland has a large number of arts and humanities graduates with low percentage marks. An analysis of the examination

result indicates that less than 5 percent students pass in first class in the arts and law streams while less than 10 percent pass in first class in science and commerce.<sup>2</sup>

**1. List of Government Colleges in Nagaland:** Till 2007, there were twelve (12) secular Colleges and one professional College for Teacher Education directly under the Department. Each of these Institutes is headed by a Principal, assisted by a Vice Principal. The following are some particulars in respect of the Colleges under the Department.

Table B.2. Growth of Government Colleges in Nagaland

SL.No.	Name of Institute	Year of Establishment	Govt.'s Taking Over	Streams
1	Fazl Ali college, Mokokchung	1959	1.3.62	Arts and Science
2	Kohima Science College, Kohima	1961	1.7.64	Science
3	Dimapur Government College, Dimapur	1966	1.2.89	Arts and Commerce
4	Kohima College, Kohima	1967	2005-06	Arts
5	Sao Chang college, Tuensang	1973	15.4.83	Arts and Science
6	Mount Tiyi College, Wokha	1974	1.4.87	Arts
7	Nagaland College of Teacher Education, Kohima	1975	25.3.75	B.Ed
8	Zunheboto College, Zunheboto	1980	1.2.86	Arts
9	Phek Government College, Phek	1981	1.2.90	Arts and Science
10	Wangkhaol collge, Mon	1983	1.2.90	Arts
11	Peren College, Peren	1987	2005-06	Arts
12	Yingli College, Longleng	1992	2005-06	Arts
13	Zisaji Presidency College, Kiphire	1997	2005-06	Arts
14	Khelhoshe Polythecnic, Atoizu		14.9.72	Diploma Civil, Mechanical, electrical
15	Women Polythecnic, Kohima		1.6.94	Modern Office Praticce

Source: Directorate of Higher Education, Nagaland, 2007

All these Colleges (with the exception of serial no.7) were started through private initiative and were privately managed for a good number of years, before they were taken over by the Government. With the increase in demand for higher education in Nagaland, private colleges in almost all districts have been established. Having seen the dire need to have colleges in both rural and urban areas individuals, associations, churches, etc. have

<sup>2</sup> Nagaland State Human Development Report, 2004

established colleges to cater to the demands of the ever increasing students, to solve the unemployment problem, to generate income and also with the hope of bringing an all round development of the state.

**2. Growth of Private Colleges in Nagaland:** Till, 2007, there were 40 Secular Private Colleges in Nagaland, affiliated to Nagaland University which are listed below.

**Table B.3. Growth of Private Colleges in Nagaland:**

SL.No	Name of College	Year of Establishment	Streams
1	Kohima Law College, Kohima	1978	Law
2	Mokokchung Law College, Mokokchung	1981	Law
3	Baptist College, Kohima	1982	Arts and Commerce
4	Pfutsero College, Pfutsero	1982	Arts
5	People's College, Mokokchung	1984	Arts
6	St. Joseph's College, Jakhama	1985	Arts & Commerce
7	Public College of Commerce, Dimapur	1985	Commerce
8	Mountain View Christian College, Kohima	1990	Arts
9	Salt Christian College, Dimapur	1991	Arts
10	Pranabananda Women's College, Dimapur	1991	Arts
11	Eastern Christian College, Dimapur	1991	Arts
12	Alder College, Kohima	1992	Arts
13	Mount Olive College, Kohima	1992	Arts
14	City College of Arts & Commerce, Dimapur	1992	Arts and Commerce
15	Loyem Memorial College, Tuensang	1993	Arts
16	S.D.Jain Girl's College, Dimapur	1993	Arts and Commerce
17	City Law College, Dimapur	1994	Law
18	Tetso College, Dimapur	1994	Arts
19	S.M.College, Dimapur	1994	Arts
20	Kilenkaba Memorial College, Dimapur	1994	Arts and Science
21	Salesian College of Higher Edu. Dimapur	1995	Arts
22	Tuli College, Tuli	1996	Arts
23	Bailey Baptist College, Wokha	1996	Arts
24	Japfu Christian College, Kigwema	1996	Arts
25	Oriental College, Kohima	1996	Arts and commerce
26	Modern College, Kohima	1997	Arts and commerce
27	Salt Christian College of Teacher Education, Dimapur	1997	Arts
28	Modern College, Kohim	1997	Arts and Commerce
29	Bosco College of Teacher Edu., Dimapur	2003	B.Ed
30	National Academy of Higher Education (Evening College) Kohima	2004	Arts
31	Sazolie College, Phezhu, Jotsoma	2005	Arts
32	Youth Life Moulding Institute of Management & Technology, Dimapur	2005	BCA and BBA
33	St.Xavier College, Jalukie	2005	Arts
34	St.John's College, Dimapur	2005	Arts and Science
35	Asian Institute of Higher Education and Research, Dimapur	2006	Arts and Commerce
36	Nagaland Institute of Management, Dimapur	2006	MBA and BBA
37	Pranabananda Women's B.Ed College, Dimapur	2006	B.Ed
38	Model Christian College, Kohima	2007	Science
39	Kros College, Kohima	2007	Arts
40	Amity College, Dimapur	2007	Arts and Commerce

Source: Directorate of Higher education, Nagaland, 2007

Churches in Nagaland play an important role in providing education not only in schools but also for higher education. These colleges are entirely financed, sponsored by the church. These colleges run under a Christian atmosphere. It aims to bring an all round development of the students- *Academic, Spiritual and Physical*. There are five Colleges that are financed and sponsored by the Church. They are college nos.3, 13, 23, and 24. Catholic Mission run Colleges are similar to Church sponsored colleges. These Missionaries belong to the Catholic group whose motives are to spread education and expand their religion as well. In Nagaland there are many Catholic Mission run schools and a few Colleges providing education to many thousands. There are two Colleges that are owned by the Catholic Mission. They are college nos.6 and 21. One peculiar characteristic is that theological colleges in Nagaland are recognized by the State Government, and the degrees equivalent with secular college levels are being considered with respect to opportunities in civil services of the State. There are a total of Nineteen Theological Colleges in Nagaland (opened with Govt's permission). These 19 Theological Colleges are:

Table B.4. Theological College in Nagaland:

Sl.No.	Theological Colleges	Date of Establishment
1.	Baptist Theological College,Pfutsero	1989
2.	Eastern Bible College, Dimapur	1974
3.	Oriental Theological Seminary, Dimapur	1991
4.	Shalom Bible Seminary, Kohima	1996
5.	Kohima Bible College,Kohima	1996
6.	Anderson Theological College,Aizuto	1994
7.	Trinity Theological College, Dimapur	1993
8.	Missiological Research Centre, Dimapur	1992
9.	Clark Theological College,Aolijen	1974
10.	Servanthood Bible College, Dimapur	1989
11.	Agape College, Dimapur	1991
12.	Christ for the Nation Bible College,Kohima	1980
13.	Discipleship Bible College, Dimapur	1981
14.	Reformation Bible College, Dimapur	1994
15.	New Life Bible College, Dimapur	1998
16.	Withee Bible College, Dimapur	2002
17.	Living Bible College,Ayinato,Dimapur	2002
18.	Nagaland Baptist College, Dimapur	2003
19.	Oriental Theological College,Yangli,Longkhim	1996

Source: Directorate of Economic and Statistics, Govt. Of Nagaland, 2007

**3. Division of Higher Educational Institutions:** Nagaland's higher educational institutions comprises mostly colleges of general education and a few theological colleges. It is unfortunate to notice that the state has not established any specialized Institute of National Importance, or any specialized research institutes. The table below shows the number of educational institutions between 2003-2007;

The Table A. from the Appendix. shows the trends in growth of government/ private colleges and theological colleges in the state. There has been no rise in professional college education which barely exhibits the stagnation of government's initiative towards these streams. Moreover, we should be clear that there had not been any new establishments of Government College since 1994 and the increase during 2005 from 9 to 13 Government College from privately aided ones were mainly due to the creation of three new districts (Longleng, Kiphiri and Peren) during 2004. The state of Nagaland experienced a steady growth of Private colleges till the 1980's. It was during the 1990's and that the state experienced a rapid growth of private Colleges. Till the year 2006, there were 31 private colleges as compared to only 13 Government colleges. Almost all Nagas are Christians in religion, and the society have strong beliefs/customs and preferences towards development of theological (spiritual) intellect among the younger generations. There has also been an increase in theological colleges from 14 to 18 during the same period. One thing we should see is the migration of theological students to other states for higher learning. This, we find more towards the Southern side of the country.

**4. Enrolment in Higher Education:** Enrolments of students in private colleges is much higher than the public colleges in the state. This can be shown below in the tables by comparing the enrolments of students in both the public colleges and private colleges.

Table B.5. Enrolment of Students in Govt. Colleges

SL.NO	Name of colleges	2000-01	2001-02	2002-03	2003-04	No. of Teachers
1	2	3	4	5	6	7
1	Fazl Ali college, Mokokchung	810	884	822	529	59
2	Kohima Science College, Kohima	954	1000	1135	1240	81
3	Dimapur Government College, Dimapur	925	714	725	705	40
4	Wangkhaog collge, Mon	224	108	130	125	25
5	Sao Chang college, Tuensang	540	229	230	227	19

6	Zunheboto College, Zunheboto	306	149	167	151	17
7	Phek Government College, Phek	141	84	86	126	21
8	Mount Tiyi College, Wokha	355	296	334	276	18
9	Nagaland College of Teacher Education, Kohima	74	84	90	86	14
	Total	4329	3548	3719	3719	294

Source: Statistical Handbook on Higher Education, Nagaland, 2004

Table B.6. Enrolment of Students in Private Colleges

SL.NO	Number of Private colleges	2000-01	2001-02	2002-03	2003-04	No. of Teachers
1	33 colleges	16366	14978	16465	18058	570
	Total					

Source: Statistical Handbook on Higher Education, Nagaland, 2004

Table B.5 and Table B.6 shows the trends in growth of enrolments of students in higher Education in the state during the years 2000 to 2004. Over the years, the enrolment rates in Government colleges have fallen, whereas, it has increased in the private institutions. In the Government Colleges, Kohima Science Colleges, Fazl Ali and Dimapur College enrol the major portion of students. Under private colleges, St. Joseph College, Kohima College, Patkai Christian College, Alder College, and Baptist College altogether has the maximum number of student's enrolments in the state. These 5 private colleges enrolled 52 per cent of the total enrolments of private colleges in the year 2000-01. And in the year 2003-04, the same 5 colleges including Mt. Olive College and S.D. Jain College enrolled 68 per cent of the total private colleges' enrolments of 18058 students. This also signifies the practices of monopolistic competition by few leading private colleges particularly located in the urban areas, i.e., Dimapur and Kohima. All the 7 colleges which enrol most numbers of students in the states are located in Dimapur and Kohima. Of the reporting 25 private colleges, the oldest 9 private colleges enrol 48.92% of the total number of students in the private colleges, while the youngest 16 colleges enrol 51% of the total students. 12 colleges are relatively small in size with students less than 500. These twelve colleges have enrolment of 48 percent of the total students in private colleges. Three colleges are relatively large with student's enrolment over 1300 students.<sup>3</sup>

<sup>3</sup> T. Jamir, NU, 2006

The Table B. (from the Appendix) shows the trends of growth in enrolment in the higher educational institutions in Nagaland. There have not been many changes in College of General Education as total enrolment fell only during 2005-06, which later again bounced back to 19729 students in 2006-07. Gender ratios were 1:0.7 during 2003-04, which fell to 1: 0.6 between males and females but nevertheless gender discrimination in higher education is of less concern in the state. There are some few colleges where female's outnumbered males in educational enrolments' (FazL Ali College).

Table B.7. Results of Different Examinations (2001-2003)

SL. No	Types of Exam	2000-01			2001-02			2002-03		
		No. Of App.	No. Of Passed	% Of Passed	No. Of App.	No. Of Passed	% Of Passed	No. Of App.	No. Of Passed	% Of Passed
1	2	3	4	5	6	7	8	9	10	11
1	MA.	128	108	84.37	127	113	88.87	136	125	91.91
2	M. Sc	57	53	92.98	66	58	87.87	57	47	82.45
3	M.Com	10	10	100	10	10	100	16	13	81.25
4	BA	1256	769	61.22	1540	1041	67.59	1537	1152	74.90
5	B. Sc	142	86	60.56	135	102	75.55	161	137	85
6	B. Com	181	102	56.35	134	106	79.10	259	160	61.70
7	B. Th	649	637	98.15	600	578	96.33	728	728	100
8	P.U (arts)	3448	1425	41.32	5412	2236	41.31	NA	NA	NA
9	P.U.(science)	390	237	60.76	220	119	54.9	NA	NA	NA
10	PU. (com)	478	285	59.62	573	262	45.72	NA	NA	NA
11	Law(LLB)	7	7	100	17	9	52.94	8	1	12.5
12	B. Sc (agri.)	53	50	94.33	53	50	94.33	51	44	86.20
13	B. Ed	76	62	83.5	71	60	84.5	168	156	92.80
14	Civil Engg.	132	93	70.45	19	19	100	43	22	51.16
15	Elect. Engg.	25	16	64.00	2	2	100	2	2	100
16	Mechanical Engg.	19	15	78.94	NA	NA	NA	NA	NA	NA

Source: Statistical Handbook on Higher Education, Nagaland, 2004

This clearly draws the attention of distribution in enrolments between different streams of studies. Perhaps, again, since Nagaland is the only State in the country whose official language is English, students have comparatively better foundation in Arts and Humanities than technical and professional courses. The number suggests that the Pre-University and the Degrees students of Arts streams constitute more than half of the total enrolments and basically these subjects comprises mostly humanities and social sciences. One of the reasons



behind the poor enrolments in science streams and other professional courses is the lack of basic infrastructural facilities in the colleges which offers science stream. The failure of the Government to develop the higher education system is of substantial issue, where institutions are reflected by lack of transparency and accountability, and existence of corruptions on the part of top officials and bureaucrats.

Teacher-student ratio in College of General Education during 2003-04 was 1:40.3 and during 2006-07, it was 1:22. Under University level, there has been a tremendous increase in number of teaching staffs from 62 in 2003-04 to the total of 90 in 2006-07. Teaching staff in the College of Teachers Education rose from 14 to 36 during the same period of time. In the 2004, Private Colleges in Nagaland employed 451 lecturers on regular basis and 10 on contract. In all there are 29 lecturers who have Doctorate of whom two are female. There are 15 lecturers who hold M.Phil degree of which 12 are male and 3 are female. The rest 407 are post-graduates. There are 22 colleges that have number of lecturers between 5 to 25 - with the maximum number of lecturers within the range of 15 and 20. All the colleges have lecturers more than 5 and only one college employs more than 45 lecturers. Lecturers working for a period of less than five years received, on an average, a monthly salary of Rs 7304; lecturers working for more than five years but below 10 years received Rs 8523 and lecturers above ten years of service received Rs 11035 on an average. The number of non-teaching staff in private college is almost same in all the colleges with staff less than 10. Only one college has staff more than 45. Private colleges employed 226 non-teaching staff of which 10 are on contract. On an average a grade I staffs monthly salary is Rs 7096, a grade II staff is Rs 4746, a grade III staffs is Rs 397.13 and grade IV staffs is Rs 2619.<sup>4</sup>

**Expenditure on Education:** Public spending on education is critical for improving literacy levels. Successive studies have shown that expenditure on education, and its intra-allocation, has a direct bearing on the literacy level. Government of India, therefore, recommends expenditure of 6 percent of the GDP at the national level as the desirable level of public investment in education. The recommended share of elementary education is 65–70 percent to achieve universal literacy.

In 2003-04, out of the Total State budget, 18 per cent of the outlay was incurred to Education Sector. And out of the total expenditure on education, 59 per cent was spent on

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<sup>4</sup> S.K Mishra and Temjenzulu, 2006.

school education (Plan) and 18 per cent on Non-Plan. In the case of higher education of the total expenditure on education, only 18 per cent was allotted for both Higher education and Technical education (Plan), and 5 per cent on Non-Plan for both.<sup>5</sup>

Table B.8. Expenditure on Educational Institutions by the State Government (In Lakhs)

SL.NO.	Types of Institutions	2003-04	2004-05	2005-06
1	2	3	4	5
1	University (NU Campus)	NIL	NIL	NIL
2	College of General Education	1485.07	1529.34	1539.35
3	College of Professional Edn.			
a	Nagaland college of Teachers Edn.	64.84	35.46	79.60
b	Agri. College	NR	NR	NR
c	Theology	49.89	33.27	35.30
4	Schools for Professional Edn.			
a	Polytechnic	149.09	289.34	291.35
b	Industrial Training Institute	NIL	NIL	NIL
5	Law College	5.90	7.55	9.60

Source: Directorate of Economic and Statistics, Govt. Of Nagaland, 2007

At the higher education level also more funding and assistance is required. With the establishment of Nagaland University, special assistance from the University Grants Commission and through linkages with other institutions/agencies can be channelized in a focused manner to improve higher and technical education.

Table B.9. Grant-in-Aid to Private Colleges by the Government (in lakhs)

SL.NO	Number of Colleges	2000-01	2001-02	2002-03	2003-04
1	32 Private colleges	38.04	29.95	20.25	47.23
2	13 Theological colleges	3.0	2.50	2.25	8.5
3	Total	41.4	32.45	22.50	55.73

Source: Statistical Handbook on Higher Education, Nagaland, 2004

Table B.9 shows the grant of financial assistance to private colleges and theological colleges by the Government of Nagaland in the form of Grant-in-Aid with effect from 2000-2004. Among the private colleges, Kohima College had the maximum assistance of Rs.7.79 lakhs in 2000-01 and Rs. 8.63 lakhs in 2003-04. In the theological colleges, a maximum of Rs. 1 lakh and a minimum of Rs.25,000 were aided among the colleges during the same period of time. During 2008-09, most of the Private colleges received Grants-in-Aid from the State Government of Rs.2,50,000.

<sup>5</sup> Nagaland State Human Development Report, 2004

The Table D. and Table E. (Appendix), shows the State Government's (Plan and Non-Plan) expenditure on public colleges (only Higher education) during the year 2007-08 in Nagaland. As a State Plan, Nagaland Government spent Rs. 603.00 lakhs on 12 public colleges including the Directorate of Higher Education and Nagaland College of Teachers Education in Kohima. Out of this, apart from minor expenses on Office Expenses, Motor Vehicles and Machinery and Equipment, the major share of expenditures were incurred on DA/DL, Revenue Section and Capital Section of the Directorate of Higher Education.

As Non-Plan expenditure on Public Colleges during the same year, the State Government spent a total amount of Rs. 1643.25 lakhs on public higher education institutions including the Directorate and College of Teachers Education. Out of these, salaries for the teachers were Rs. 1373.95 lakhs which covered 83.6 per cent of the total outlay. Altogether, salaries, wages, travel expenses, scholarship/stipend and Rent, Rates and Taxes covered the major share with 97 per cent of the total expenditures by the state government. And among the Government colleges, major portion of the total finance were incurred on three particular colleges, namely, Kohima Science College, Fazl Ali College and Dimapur Government College.

The State Government through Grant-in-aid gives to the private colleges a sum of Rs 75000 annually. Apart from this some colleges get special grants for developmental works. Almost all the colleges have suggested that the Grant-in-aid of the state government should be raised so that the demand of the staff and students can be met. It will be worth mentioning that Grant-in-aid received from the state government during 2002-2003 was only 2.42% of the total revenue generated by all the private colleges. Almost all the colleges are able to meet with the expenditures like salaries, academic and administrative, students' activities but their main problems lies with the growing demands of the staff and students regarding classrooms, hostels, staff quarters etc. These colleges suggest that the central government and the UGC should give them assistance for the development of infrastructure.

Table B.10. State Government Expenditure on Public Colleges:

Name of the College		1998-99	1999-2000	2000-2001
1	Fazl Ali College, Mokokchung	123.02	173.08	180.45
2	Kohima Science College, Kohima	155.95	149.93	185
3	Dimapur College, Dimapur	73.28	75.77	126.05
4	Wangkha College, Mon	25.83	36.74	59.59
5	Sao Chang College, Tuensang	85.73	47.57	48.27
6	Zunheboto College, Zunheboto	42.85	46.63	47.24
7	Phek College, Phek	23.78	29.42	40.14
8	Mt. Tiyi College, Wokha	36.03	39.49	43.52
9	Nagaland College of Teacher Education, Kohima	37.73	46.66	56.04
10	Khelhoshhe Polytechnic, Atoizu	94.81	91.23	89.01
11	Government Polytechnic, Kohima	19.2	25.8	56.35
Total		718.21	762.32	931.66

Source : Directorate of Higher & Technical Education, Nagaland

Table B.10. shows the expenditure on Government colleges by the state Government. The table shows that Fazl Ali College, Kohima Science College and Dimapur Government College incur the major portion of government funds subsidized by the State Government. District-wise if we analyse, we find Dimapur, Kohima and Mokokchung districts to be among the most preferable regions. It is in those three colleges where the numbers of enrolment are more, as compared to other government colleges in the state. Disparities in allocating funds to various Government colleges seems to exist, and the college in the most rural areas/districts are worst affected with limited funds. Social justice is one of the basic essences of National Educational Policy in imparting Higher education. The constitutions of India guarantees equality to all its citizens in all aspects of life-irrespective of religion, caste, sex etc. Hence, in order to materialize the concept of the constitutional provision in the field of higher education, greater emphasis should be given to Women Education, Special Incentive to physically handicapped students, colleges of remote and backward districts of Nagaland namely, Phek, Mon, Kiphire, Tuensang and Longleng so as to bring the backward districts at par with advanced districts. Therefore, the above-mentioned emerging area has become important as equity and social justice demand that the beneficiaries from weaker and deprived should have access to better education.

**IV. Higher education and division of Class workers under various Districts:** Table F (Appendix), shows the numbers of person on the live register of employment exchanges

(Qualification Wise) as on 2002-2006. The number of Post-Graduates in the register suggests that had 297 persons out of the total 372 in 2002. Other districts, other than Mokokchung were not even with two figures number. During the year 2006, the three districts (Kohima, Dimapur and Peren) had 339 persons with post-graduate degrees out of the total 492 graduates. The number of graduates, PU Arts/Science/Commerce, Technical Degrees, Diploma Holders and Matriculate persons in the three districts, namely, Kohima, Dimapur and Peren occupies the highest percentiles in Nagaland. Only in the Below Matric category, other districts are commendably more or less equal to the three districts. Mon and Phek districts are among all the districts, the lowest in terms of educated persons under-registered. But we should also notice that the data does not show details about two districts, i.e., Kiphiri and Longleng. An education institution becomes a centre of excellence only through the collective efforts of the entire team i.e. the government/Management, Principals, Faculty, Non-teaching staff, Students, Parents and the public at large. Working towards a higher education to bring out the best of ability to achieve excellence is one of the important objectives of higher education.

**V. Distribution of State Government Employees by Status and Department:** Table B.11. below shows the distribution of state government employees by status and department as on March 2004. During 2004, Nagaland had 3,109 persons employed as class 1 workers, 1,883 as Class II workers, 52,007 as Class III workers and 17,341 as Class IV workers. The division was such that Class III occupied the maximum with 69.9 per cent of the total working class followed by class IV (23.3 per cent), class I (4.1 per cent), and class II (2.5 per cent) respectively. Under departmental-wise employment, Police Department had the largest employed workers with 18,084 persons, i.e., 24.3 per cent of the total working population of the state government. It was followed by School Education Department with 19.7 per cent of the total employees. It is interesting to notice how Communitisation is being a successful story in the case of elementary education in Nagaland.

As we can see below the table B.11. Department of Science and Technology employees a total of 16 workers only out of the total working population under the state government. Other negligence's on the part of state government are concentrated in Administrative Training Institute, Nagaland Public Service Commission, Governor's Secretariat, Tourism, and Vigilance Commission respectively. One problem faced under Tourism could be due to the *multi-tribal-dialectal* characteristics of Nagaland that hinders the process to establish the working conditions under one administrative control in the state. Village councils play a vital role in this, but again, due to lack of political strategy, commitments of the leaders and also revolving around it the problems of insurgencies around the state, there is a poor tourist experience in Nagaland.

Table B.11. Distribution of State Government Employees by Status and Department as on 31<sup>st</sup> March, 2004

Sl. No.	Department	Class I	Class II	Class III	Class IV	Total	Rank
1	Police	215	177	16487	1205	18084	1
2	School Education	167	198	12315	1974	14654	2
3	Health Service	369	39	3013	2401	5822	3
4	PWD (Road and Bridges)	116	118	2133	1396	3763	4
5	General administration	159	46	1853	927	2985	5
6	Electricity	83	124	1372	1159	2738	6
7	Civil Secretariat	279	101	1260	731	2371	7
8	Public Health engineering	52	126	954	1065	2197	8
9	PWD (Housing)	36	50	1021	581	1688	9
10	Agriculture	114	93	880	413	1500	10
11	Animal Husbandry and Veterinary	151	15	604	651	1421	11
12	Forest	50	77	832	190	1149	12
13	Rural Development	127	62	509	265	963	13
14	NST	23	18	639	227	907	14
15	PWD (Mechanical)	20	33	580	264	897	15
16	Higher Technical Education	344	4	285	256	889	16
17	Industries	73	34	519	246	872	17
18	Soil Conservation	58	40	493	217	808	18
19	Irrigation	40	32	440	232	744	19
20	Social Security and welfare	17	66	467	155	705	20
21	Jail and Prison	22	18	335	197	572	21
22	Treasury and Accounts	21	23	326	162	532	22
23	Statistics	19	37	418	54	528	23
24	Supply	15	4	312	185	516	24
25	Information and Public Relation	10	15	315	123	463	25
26	Horticulture	33	20	208	200	461	26
27	Excise	18	30	352	28	428	27
28	Home Guards	23	12	206	174	415	28
29	Printing and Stationery	14	8	336	31	389	29
30	Geology and Mining	57	22	178	86	343	30
31	Land Record and Survey	8	11	190	121	330	31
32	Youth Resource and Sports	11	21	159	139	330	32
33	Fire service	2	6	47	270	325	33
34	Fisheries	17	6	214	83	320	34
35	Employment and Craftsman Training	17	26	170	88	291	35
36	Sericulture	9	17	157	84	269	36
37	Co-Operative	22	6	155	59	252	37
38	Arts and culture	16	21	110	71	221	38
39	Judicial	30	3	109	78	220	39
40	Taxes	14	15	100	74	203	40
41	Planning and Co-ordination	26	19	97	32	174	41
42	Assembly Secretariat	29	14	73	48	164	42
43	Transport	3	7	104	38	152	43
44	Election	6	11	94	39	150	44
45	Town Planning	18	8	70	37	133	45
46	Labour	7	7	71	35	120	46
47	Legal Metrology (WNM) and Consumer Protecti	13	-	68	38	119	47
48	SCERT	40	14	40	21	115	48
49	Evaluation	8	9	66	18	101	49
50	Wasteland	12	2	60	27	101	50
51	Tourism	10	9	45	32	96	51
52	Vigilance Commission	16	7	40	18	81	52
53	NPSC	13	3	31	22	69	53
54	Governor's Secretariat	10	4	14	33	61	54
55	Lotteries	3	1	30	12	46	55
56	Administrative Training Institute	12	2	18	9	41	56
57	S.I.R.D.	9	1	15	13	38	57
58	Science and Technology	3	1	8	4	16	58
	Total	3109	1883	52007	17341	74340	

Source: Statical Handbook of Nagaland, 2007.

**V. A Comparison with Other North Eastern States:** The North East is characterised by substantially lower density of population, better availability of social infrastructure, unfavourable situation and heterogeneity in social, cultural and economic conditions. The region is also characterised by various ethnic conflicts and tensions. The industrial backwardness of the area is very conspicuous, where is apparent from the low degree of urbanisation and capital formation, and poor infrastructural facilities.

1. *Trained teachers:* The availability of trained teachers in almost all the states of the north-eastern region was much less than that of the national average during 1999-2000 (88-91%). At the higher secondary level, Nagaland has the lowest number of trained teachers, i.e, only 21 per cent of trained teachers. Whereas, Meghalaya had more than 95 % of trained teachers. All India level was 91 %.

Table B.12. Percentage of Trained Teachers by types of Institutions, 1999-2000

States	Primary	Middle	High School	Higher Secondary
Arunachal Pradesh	47	45	53	62
Assam	69	34	30	50
Manipur	44	31	29	46
Meghalaya	45	37	36	98
Mizoram	73	76	51	26
Nagaland	37	42	45	21
Sikkim	50	42	44	51
Tripura	30	29	33	50
India	88	88	89	91

Source: selected Educational Statistics (1999-2000) Department of Education, Ministry of HRD, New Delhi

2. *Expenditure:* The Tables B.13, shows some north eastern states' educational expenditure as ratio to aggregate disbursements.

Table B.13. State Expenditure on Education- As Ratio to Aggregate Disbursements

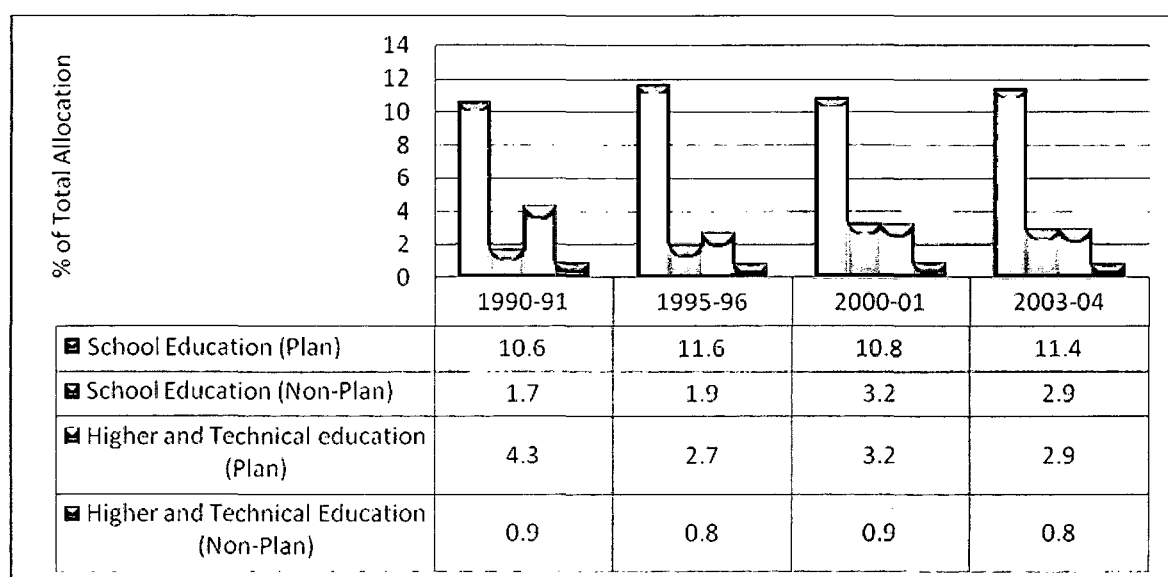
State	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08 (RE)	2008-09 (BE)
1 Assam	25.5	21.9	22.4	22.3	17.0	20.8	20.4	17.7	16.1
2 Manipur	20.2	13.7	13.3	13.1	15.3	15.4	11.9	13.6	14.2
3 Meghalaya	16.6	17.9	15.3	15.2	15.0	15.5	14.1	14.9	15.7
4 Mizoram	16.2	16.0	14.5	12.0	13.8	13.4	13.8	13.2	13.5
5 Nagaland	13.8	11.0	11.0	10.8	11.0	11.6	12.3	11.5	11.4
6 Sikkim	14.2	8.0	7.6	11.8	8.8	10.4	10.5	8.6	9.8
7 Tripura	19.3	18.6	19.2	18.3	20.0	15.3	15.9	15.5	14.2

Source: State Finances, Reserve Bank of India, 2008-09

Comparing to other north-eastern states, the Nagaland state lags behind almost all the states except Sikkim. But, Nagaland cannot be compared much with Sikkim due to some geographical differences and other socio-economic and political factors. Nagaland expenditure on education during 2000-01 was 13.8 per cent of the total outlay. By 2008-09, under the State Budget estimates, the educational expenditure fell to 11.4 per cent of the total outlay. Therefore, over these mentioned periods the educational expenditure fell by 2.4 percentage points. And Nagaland dedicates comparatively much lesser resources for education than her other neighbouring states.

The Table B.14. below shows the total expenditure incurred by Nagaland Government between 1990-91 to 2003-04. Over the years, though the allocation and expenditure on education has shown a steady increase in the percentage of allocation to the total outlay (without taking into account the salaries component) the outlay for school education has remained stagnant while that for higher and technical education has shown a decline. During 1990-91, the state government spent 17.5 per cent of the total outlay on education, out of which, only 29.7 percent of the total outlay on education was spent on higher and technical education. During 2003-04, 18 per cent of the total outlay was spent on education. Funding on education would seem to be stagnant during these two decades, and worst was felt in the higher level of education.

Table B.14. Total Expenditure on Education (1990-91 TO 2003-04)



Source: Nagaland State Human Development Report, 2004



During 2003-04, out of the total expenditure on education, only 20.5 per cent was spent on higher and technical education. In absolute terms (comparison only under higher and technical education), funding on higher education declined by 1.5 per cent between 1990-91 and 2003-04. In relative terms (comparison under all levels of education), government spending on higher and technical education fell by around 9.2 during the same mentioned above. This limited outlay for education has meant a constraint on the functioning of the department. Central assistance in funding elementary education through Sarva Shiksha Abhiyan (SSA) has brought the much-needed resources for strengthening primary education in Nagaland.

Technical education in Nagaland is still limited. Only two government polytechnics provide training to youth in the entire State. Nagaland is the only state in the North-East that does not have a medical or engineering college. It was only in 2008 that Nagaland University (NU) signed a Memorandum of Understanding (MoU) with the Indian Institute of Information Technology and Management, Kerala (IIITM-K) to establish an education grid system and processes across all its university and the colleges of the state. According to Nagaland University Vice-Chancellor Prof K Kannan, as part of the MoU, both the organisations will link NU Education Grid with the national ERNET and other broadband network and relevant services to improve quality of technology education in the state through e-learning teaching systems and processes. There are establishments of other few private management institutes like Amity University, Institute of Chartered Financial Analyst of India (ICFAI) etc., in Dimapur, but again, it is still a pre-mature institute which needs to be tested with time. It is a common fact that the potential in information technology (IT) has still not been fully tapped. The absence of avenues for these technical streams in the State has translated into greater focus on non-technical streams and outflow of students to other centres of learning. It has also resulted in inadequacy of trained manpower in the State on the one hand, and high levels of educated unemployed on the other.

## **CHAPTER 4**

# **A CASE STUDY OF FAZL ALI COLLEGE AND PEOPLE'S COLLEGE**

**I. Introduction:** Mokokchung is a town and a municipality in Mokokchung District in the Indian state of Nagaland. It is the districts headquarter as well as the main urban hub of Mokokchung District. Mokokchung is the cultural center of the Ao people and is economically and politically the most important urban centre in Northern Nagaland. In fact it is the most important urban hub in all of Nagaland after Dimapur and Kohima. The town is made up of 16 wards of which Kumlong, Sangtemla, Alempang and Yimyu are the largest. Mokokchung is particularly noted for its extravagant Christmas, New Year, Moatsu<sup>1</sup> and Tsungremong<sup>2</sup> celebrations. Its tradition of celebrating Christmas and New Year mid night celebrations in the main town square is regarded as one of the unique features of Mokokchung. Historically, Mokokchung was one of the initial locations in the Naga Hills, where the Assam Rifles, led by Britishers, first established their outposts (then called stockades) in the later part of 19th century. Much of the town initially grew around this post located in the DC Hill. The British administration was then gradually extended eastwards towards more remote parts of the Naga Hills. Today, Mokokchung is considered to be one of the most beautiful, culturally vibrant and friendly cities of North East India, and of Nagaland in particular.

Dimapur and Mokokchung are the only towns in Nagaland with a significant sub-urban population. Mokokchung is the hub of Mokokchung Metropolitan Area, a term which refers to the continuous settlements from Alichen in the south, through Mokokchung town up to Amenyong and Khensa in the North West; and from Mokokchung town through Fazl Ali College up to DEF colony in the North East.

**II. Educational Profile of Fazl Ali College:** In other parts of India, colleges might have come into being only by the munificence of millionaires. But here in Nagaland, the co-operative endeavours of the people in the Naga villages, the workers and traders and the sympathy of the Administration at Kohima, made it possible for the college to be established from mere scratch, in the heart of an area hitherto deemed backward and inaccessible by the rest of India. For example, looking into the history of establishment of the first college in Nagaland, we learn that there had been an intensive propaganda by the Naga intelligentsia in the villages of Mokokchung District, for the establishment of a college at Mokokchung, in view of the fact that the majority of the Matriculates were being forced, for lack of means, to

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<sup>1</sup> Celebration of sowing for Ao tribes in Nagaland

<sup>2</sup> Celebration of Harvesting for Ao tribes

give up higher studies which, at considerable cost, could only be had outside Nagaland. A strong feeling dawned in the minds of certain far-sighted local gentlemen of the need for a college for accommodating matriculation passed students who would otherwise had to go seeking admission in colleges outside Naga hills in places like Shillong or Guwahati or Calcutta and many students could not afford this. With that end in view several public meetings were convened and at last the Ao public agreed to join hands in establishing and maintaining a college.

The offshoot was that the Naga people of Mokokchung district formed a college Steering Committee, with Mr *Chiten Jamir* as president and Mr *Chubatoshi Jamir* as secretary. This college steering committee was set up to find ways and means to finance the proposed college and to maintain its policy that was to satisfy the educational needs and aspiration of the Naga people. Soon an amount of Rs. 30,000 (approx) was collected to start the college and in view of the fact that in the initial stage a steady income to meet the running expenses of the college, should be assured. The village folk of Mokokchung District gave an undertaking to contribute annual subscriptions until the Government would see its way to take over the college. And so the first college in Nagaland came into being, formally, on 8<sup>th</sup> September 1959. To honour and express the high regard that the Naga people had for the sympathetic understanding and kindly attitude towards them, of late Sir *Saiyid Fazl Ali* the then Governor of Assam and the North Eastern Area of India, the college steering Committee named the College as Fazl Ali College. It was a great venture of the common people of Nagaland (at the time called Naga Hills Tuensang Area) and indicated the competitive and enterprising spirit and strong urge for educational progress among the people of Nagaland. The college started with 43 students with three teachers (including the Principal) for the five subjects that were offered, viz, English (General) Alternative English in lieu of recognized vernacular, Civics, History and Commercial Geography. For almost three years the college was run privately and on 1<sup>st</sup> March 1962, the Government took over the college.

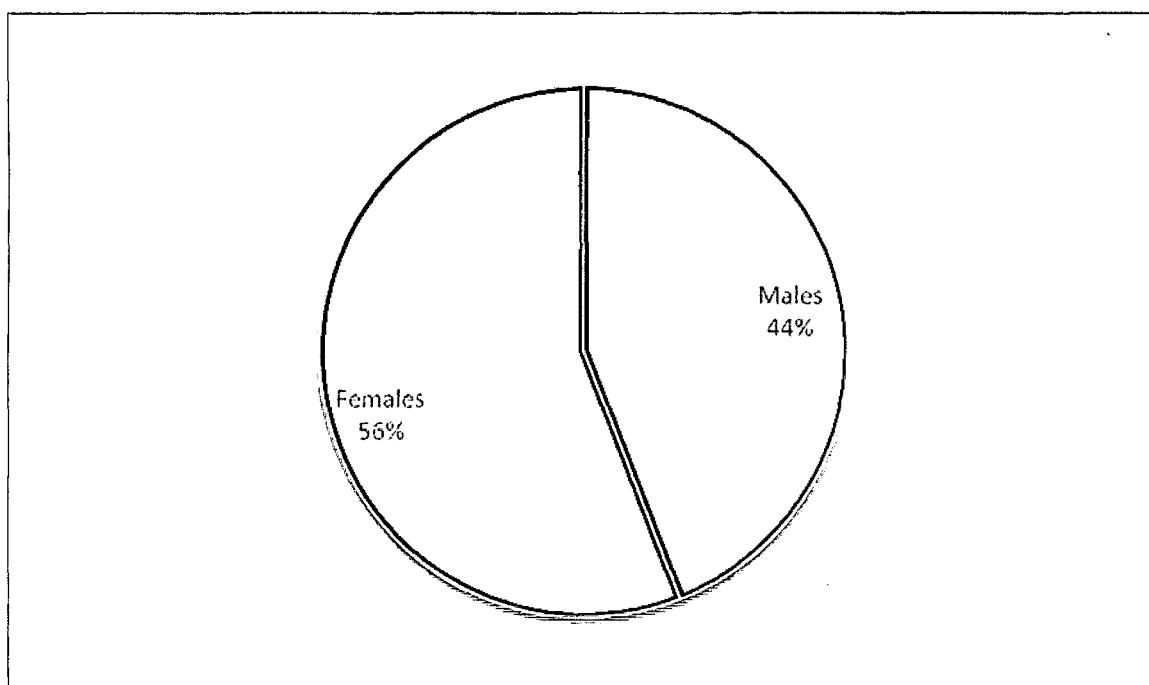
It was in the early eighties that a group of senior lecturers along with the then principal I. Yanger put their heads together to eke out the plan for addition various streams to the college in view of the changing times. Accordingly the 6<sup>th</sup> Five Year Plan incorporating the proposal for starting science stream in the college was prepared by two senior lecturers Viz. Nibaran Choudhary H.O.D, Philosophy and B.Tekalong H.O.D, History. On the submission of the proposal, the government also realized the urgency of the demand of time and reiterated the

creation of science stream at Fazl Ali College. The upshot of the whole move led to the starting of the P.U science class in July 1983, which was formally inaugurated on 16<sup>th</sup> August 1983 by the then Minister of Education, Shri. L.K Chishi.

Non-availability of a separate infrastructure for the science stream necessitated the P.U. science classes to use the existing classes of arts for some years. Science stream in its inception had an enrolment of 70 students. The first batch of P.U science students appeared in their final examination in 1985 under NEHU. Out of the 26 students who appeared in their exams, 14 of them passed, with 1 in the 1<sup>st</sup> division, 9 in second division and 2 only in 3<sup>rd</sup> division. The passage of time laid a gradual pressure on the institution for the up gradation of the present science stream to degree level. It was Mr. B. Tekalong the then principal, who initiated the move for the upgradation in the early nineties.

**1. Enrolment in Fazl Ali College:** In 2008-09, the total number of enrolments in B.A (I, II, III), B. Sc (I, II, III) and class XI (Science) were 749 students out of which there were 330 males and 419 females in the college. Mokokchung town has this unique characteristics of being a region with positive child sex ratio (1004 females: 1000 males) and likewise, the FAC (Fazl Ali College) too has more female enrolment rates than male. The below pie diagram shows the percentage of gender distribution in the college:

Table C.1. Gender distribution in Fazl Ali College (FAC in 2009)



Source: Primary Data

Table C.2. Enrolment and University Results for the year 2005-08

	Enrolment Appeared		University Results (Pass)	
	General	Major	General	Major
<b>B.A.</b>				
2005-06	396	32	366	31
2006-07	497	58	472	55
2007-08	529	54	492	50
<b>B.Sc. Course</b>				
2005-06	52	6	52	6
2006-07	92	16	91	16
2007-08	82	18	77	17

Source: Fazl Ali College, 2009

In 2005-06, enrolments for appearing in B.A final University examinations were 396 and 32 students for pass course and honours course respectively. Out of these, 92.4 per cent of the Pass Course and 96.9 of Honours course passed the university level examination. In B.A pass course examinations, the passing out percentage were 94.2 and 93 for the year 2006-07 and 2007-08 respectively. Compared with the Arts stream, Science stream shows a better result with the ratings of 100 per cent, 98.9 percent, and 93.9 percent for the years 2005-06 to 2007-08 in pass course examinations. Science (H) stream shows the best results with 100 per cent, 100 per cent, and 99 percent during the years 2005-06, 2006-07 and 2007-08 of examination respectively.

Table C. 3. FAC's enrolment for the year 2005-06 to 2007-08 (subject-wise)

Sl.	Subject	2005-06			2006-07			2007-08		
		B.A I	B.A II	B.A III	B.A I	B.A II	B.A III	B.A I	B.A II	B.A III
No.	B.A (Gen/Hon's)									
1	G. English	225	116		285	156		209	201	
2	Alt. English	101	39	54	134	88	48	116	103	60
3	English (H)	21	3	8	14	10	5	19	14	14
4	E. Studies						117			119
5	Functional English	12	8	10	12	10	7	10	7	8
6	Political Science	107	58	37	94	72	40	112	52	52
7	History	206	85	65	210	133	87	157	177	102
8	Education	102	53	44	72	70	50	82	114	56
9	Economics	38	35	22	49	23	36	31	35	17
10	Philosophy	28	9	10	31	21	9	19	21	20
11	Sociology	164	87	65	210	117	87	157	163	82
12	Geography	32	13	9	37	19	16	45	18	16
13	Mathematics	1					1	2		

B.Sc (Gen/Hon's)										
1	English	61			69			61		
2	E. Studies						22			23
3	Physics	16	5	4	18	5	5	16	10	1
4	Chemistry	57	18	13	65	28	21	60	41	23
5	Botany	44	14	9	55	23	17	35	34	22
6	Zoology	45	14	9	52	22	17	40	31	21
7	Geography	6	1		9	1	1	13	6	1
8	Mathematics	16	5	4	22	5	5	18	10	1

Source: Fazl Ali College, 2009

Among the Arts courses (Pass/Hon's), social sciences subjects like History, sociology, political science and Education are being opted by the majority of the students. Only in Honours course, Economics are being opted by a moderate numbers of students as the case with Sociology and History courses. In the Science stream, Botany, Zoology, and Chemistry commands in the Honours courses as well as the Pass Courses, and hardly any takers for Physics and Mathematics, which in a way reflects the asymmetrical developments of the subjects in institutions. This cannot be blamed only to the university curriculum but one needs to see the very foundations of Naga's education through the State's elementary education curriculum. It could be seen that vast majority of the Naga students opt for Arts subjects or Science subjects having lesser technical applications as compared to other states of the country.

In 2008-09, FAC have a strong Faculty member of 81 staffs, out of which 72 (including Principal and Vice-principal) were teaching faculties, 1 librarian, 4 NSS and NCC officers, and 4 hostel Wardens. The College has four college hostels namely, Valley View Girls Hostel, Athena Girls Hostel, Cool Creek Boys Hostel and Nathan Memorial Boys Hostel. During admission period, hostel fees comes around Rs. 800, thereafter monthly mess bill comes between Rs. 800 to Rs. 1000. An annual fee for Arts streams is Rs. 2851 excluding college bus fares and blazer fees. And the annual fees for Science stream is Rs.2925 excluding college bus fares and blazer fees.

**2. Institutional Cost of FAC:** In 2000-01, Nagaland Government allotted Rs.188.49 lakhs to maintain the college's expenditures on various items. It further increased to Rs.197.4 lakhs during the year 2001-02. It rose dramatically during the year 2003-04 to Rs.228.33 lakhs, out of which 98.9 percent of the total finance were spent on Salaries and Wages of the College staffs. Almost all of the finances were spent on the Salaries and Wages in all times series, but

the huge expansion during 2003-04 could be due to the increase in the number of faculties in the college and pay rise. During the year 2000-01 to 2003-04, the number of students in FAC was 810, 884, 822 and 529 respectively. The cost of education per student during the above mentioned years were Rs. 23,270 (in 2000-01), Rs. 22,330 (in 2001-02), Rs. 23,795 (in 2002-03), and Rs. 43,163 in 2003-04. Here, again, we can notice a high growth rate of institutional cost per student due to a fall in number of enrolments accompanied by an increase in expenditures for Salaries and Wages in the year 2003-04.

Statement showing the expenditure borne by the Government of Nagaland to maintain Government Colleges in Nagaland with the effect from 2000-01 to 2003-04 is shown below.

Table C.4. Government Expenditure to FAC (2000-01 to 2003-04)

Fazl Ali College	2000-01 (in Lakhs)	2001-02 (in Lakhs)	2002-03 (in Lakhs)	2003-04 (in Lakhs)
S&W	186.8	188.89	193.25	225.98
T.E	0.4	0.14	-	1.3
O.E	-	0.32	2.35	0.65
MLV	-	0.92	-	0.4
Publication	-	0.15	-	-
Materials & Supplies	-	1.7	-	-
Machinery, equipment, tools & Plants	-	4.5	-	-
minor Works	-	-	-	-
Maintenance	-	-	-	-
Professional service Faculty Development Programme	-	-	-	-
capacity Expansion	-	-	-	-
Excursion	-	0.5	-	-
Other	1.29	-	-	-
Library	-	0.55	-	-
Total	188.49	197.4	195.6	228.33

Source: Statistical Handbook on Higher Education, Nagaland, 2004

**3. Scholarship to Students:** During the year 2000-01, 791 students of FAC were allotted Rs.13,88,253 of Post Matric Central Scholarship by the States Government. In the year 2001-02, there was a fall in the number of enrolments and therefore only 714 students were allotted the P.M.C.S with a 7.56 percentile fall in the sanctioned scholarships due to lesser students in



the institution. 2002-03 saw an increase in the number of students by 1.2 per cent, and therefore Rs.16,04,772 was sanctioned, an increase of amount by 25 percent.

Table C.5. Allotted Post Matric Central Scholarships to FAC students

Fazl Ali College Scholarship (P.M.C.S)	Day Scholar (in Rs.)	Hosteller (in Rs.)
B.A (I)	3865	5905
B.A (II)	3765	5805
B.A (III)	3765	5805
B.Sc (I)	4398	6660
B.Sc (II)	4298	6615
B.Sc (III)	4298	6615

Source: Fazl Ali College, 2009

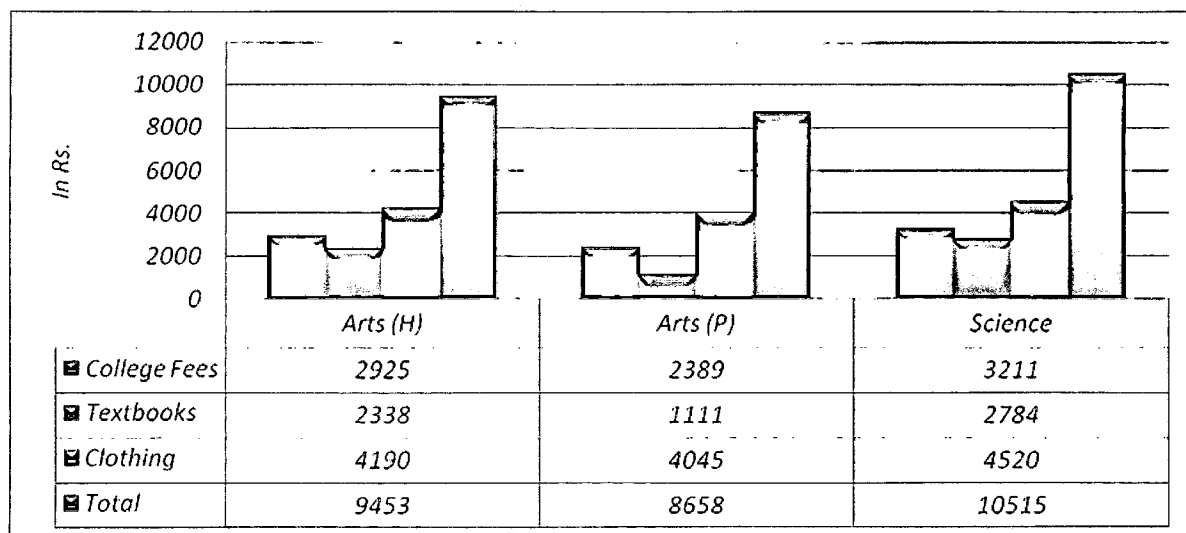
All the Naga students are allotted Post Matric Central Scholarship annually by the Nagaland Government. The Table 4. shows the distribution of P.M.C.S according to various classes and between day scholar and hosteller. For Arts Stream, B.A I students gets P.M.C.S of Rs 3865 (Rs. 5905 for Hosteller) and Rs.3765 (Rs.5805 for hosteller) for B.A (II) and B.A (III) each. For Science Stream, B.Sc I students gets P.M.C.S of Rs 4398 (Rs. 6660 for Hosteller) and Rs.4298 (Rs.6615 for Hosteller) for B.Sc (II) and B.Sc (III) each.

**4. Private Cost of FAC:** As a primary topic of my research paper, I personally surveyed 150 Fazl Ali College students under Mokokchung Town. I made a questionnaire set of 22 questions including some sub-questions for a clearer understanding of the students status of learning. My survey includes questions on the socio-economic conditions of family, status of employment of Parents/Guardians, and the pupils' yearly and monthly expenditures on various study related items. Since secondary data on students cost was not available due to previous researches did not undertaken on the topic for Nagaland, all my analysis has been out of the responses provided by the students and some personal interviews with the teaching staffs and ex-students. Apart from cost analysis, qualitative aspects of the college, infrastructures, and gender issues are being discussed ahead.

The average annual household income of the surveyed students was calculated to be around Rs. 1,20,000. Their financial situations were found to be more stable and better-off than the

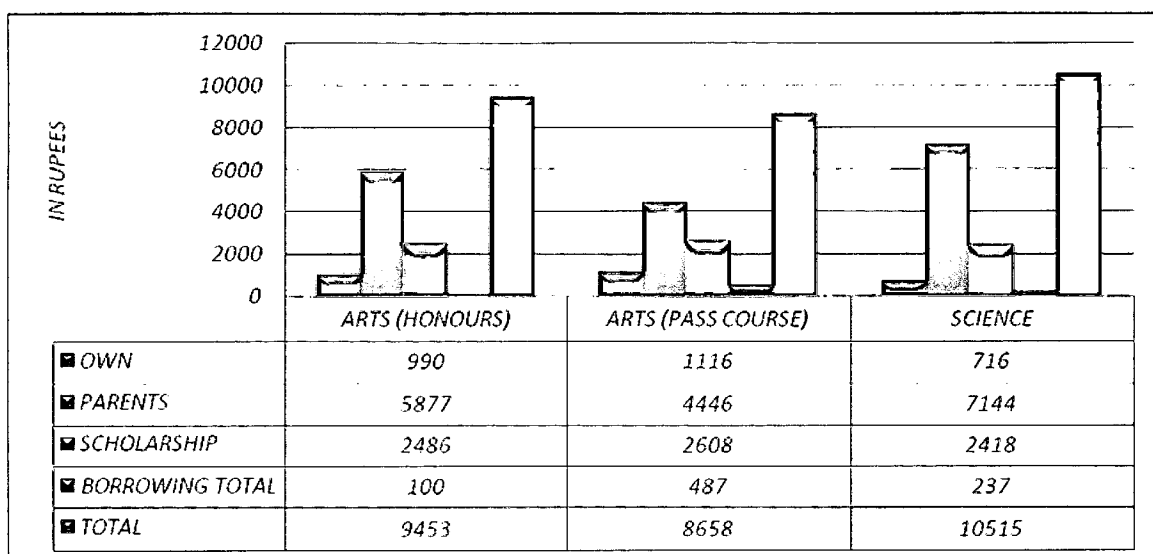
People's College student's income (household). The yearly expenditure on College fees, text books and clothing per students of Arts (H) amounts to Rs. 9453 (excluding monthly expenditures), where Rs. 2925 (college fees), Rs. 2338 (textbooks) and Rs. 4190 (stationeries) are being incurred. The college fees is more in the Science stream which amounts to a total expenditure annually of Rs. 10,515, followed by Arts (H) and Arts (Pass Course). The diagram pie shows yearly expenditures on education:

Table C.6. FAC Students yearly expenditure on Education



Source: Primary Data

Table C.7. Yearly source of Finance (FAC Students)



Source: Primary Data

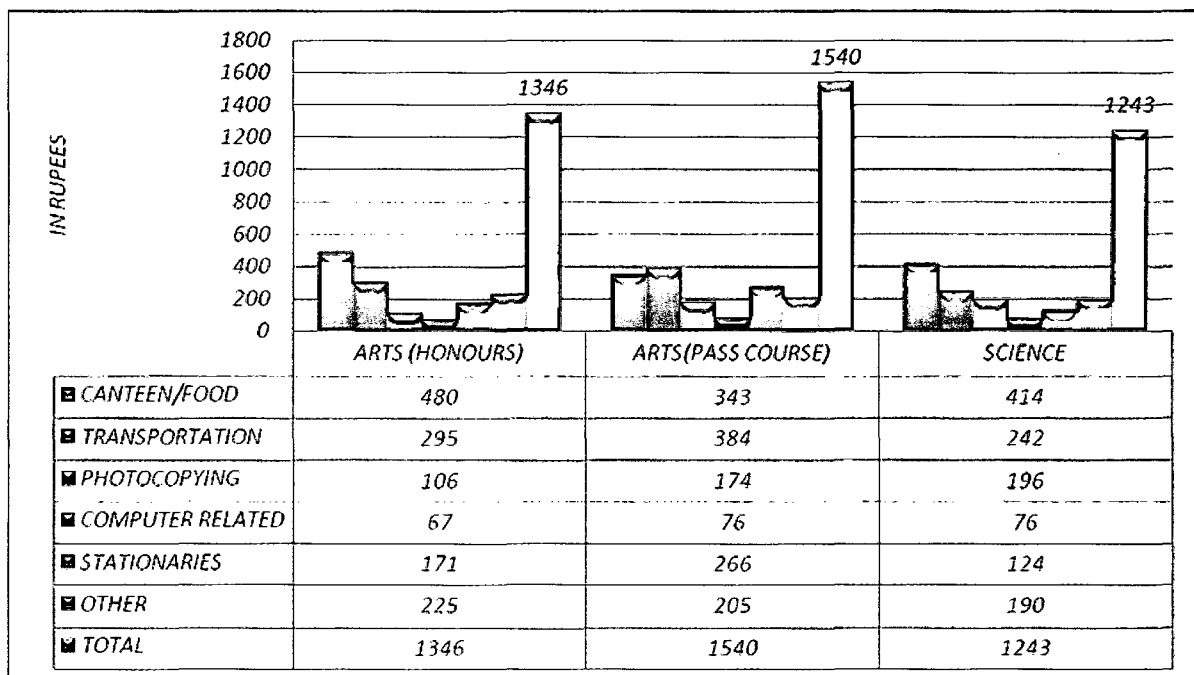
The Table C.7, Shows the source of finance for the yearly expenditure on education in Fazl Ali College from sources like own income, parents' support, scholarships and borrowing from Bank, and relatives, etc. Nagaland being a state of poor private enterprises and business especially by the local people (mostly dominated by non-Nagas), one finds surprisingly that student actually pays some per cent of their college expenditures out of their own income. Mokokchung Town is among those regions in Nagaland where outsiders (Non-Nagas) are not permitted to initiate private business in the area. It is interesting to be noted that out of the total students in FAC, students' pays 10 per cent of their yearly college related expenditures out of their own pockets. The source of their income includes contractual wages, down-liner enterprises like Oriflame, Amway, Avon, etc., and handy-crafts and small scale/home business under various local equipments, etc.

Nagaland's Per Capita Income at current price (Nagaland State Domestic Product) during the year 2004-05 was Rs.20,998. Mokokchung town is not a commercial region like Dimapur or Kohima and therefore majority of the families are Government service dependent or dependent on some small scale enterprises. Generally, there is always pressure on parents for their children's financial commitments to higher education and likewise, it aggravates more if financial markets (loan and aid) are not accessible to the poor. Borrowing to spend on education seems to be very less (only 3 %) and these could be due to poor financial markets in the region, where borrowing becomes more accessible only through local money-lenders (moral-hazards) rather than from commercial or co-operative banks. There are three commercial Banks in Mokokchung (S.B.I and Allahabad Bank and Baroda Bank) and two State-owned Co-Operative Banks, which could be utilised to provide student loans in the region. Of the yearly total source of finance, parents support accounts for 61 per cent and Scholarships from the State Government accounts for 26 per cent respectively.

Monthly expenditure is divided into (i) Canteen, (ii) Transportation, (iii) Photocopying, (iv) Computer related, (v) Monthly stationeries, and (vi) Others. Here, scholarships is absent in the monthly calculation because the yearly P.M.C.S of the students were calculated in the yearly expenses.

The pie diagram below shows the monthly expenditures of FAC students in Mokokchung Town:

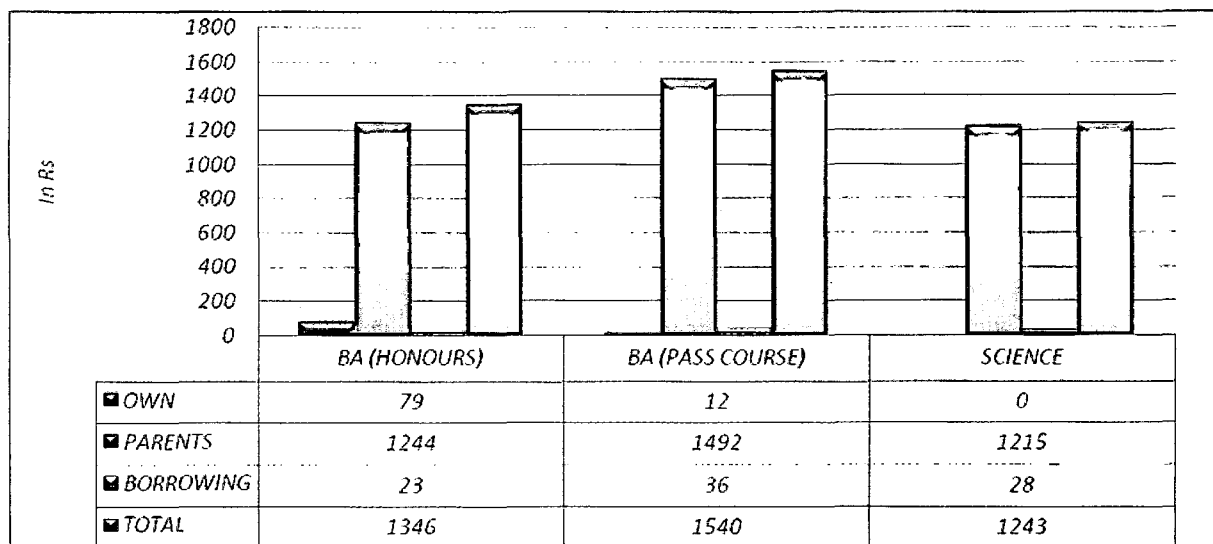
Table C.8. Monthly expenditures of FAC Students



Source: Fazl Ali College, 2009-07-2

Monthly expenditure is dominated by finances on food in canteens and restaurants, followed transportations. Since the region lacks the presence of computer related technological environment, spending on computer related is to be found very less. There are few amounts spent on photocopying, and the amount accelerates in this due to higher pricing charges i.e., Rs.2 to Rs.3 per page.

Table C.9. Monthly source of Finance in FAC (In Rupees)



Source: Fazl Ali College, 2009-07-2

**5. Total Expenditure of Students:** Private cost of student in Fazl Ali College during 2008-09 was Rs. 26,058 inclusive of all charges. The total expenditure on College fees, Textbooks and yearly Stationeries were Rs.9542, and total annual expenditure on canteens, transportation, photocopying, computer related, monthly stationeries and other monthly study related items was Rs.16516.

Out of the total population surveyed, only 2 per cent found it very easy to pay for the colleges fees, whereas, 40 per cent found it neither difficult nor easy to pay for it. Of the total study related items, students found it more difficult to afford stationeries, computer related transportation and photocopying. Expenses on these items are short-term based and it becomes difficult for some students to avail regular finances for their studies. Due to monopoly of very few computer cafes in the town, computer related and photocopying expenses are incurred more than they ought to be.

According to 62 per cent of total students surveyed, financial difficulties had been among the mostly agreed reasons for curtailing their migration to other metropolitan States for further qualitative education. It is very valid because there is migration of many Naga students to other states for studies as these urban areas provide better quality education, offers number of varied subjects, availability of technical education and as well, availability of various job opportunities with higher wages. If not for some particular reasons, financial constraints could be a reason for non-migration to other states for studies. The student neither disagrees nor agrees for financial conditions being the reason of selecting course/subject, and choice of college/university. Mokokchung has only two colleges (FAC and People's College) for social sciences and both colleges' offers the same courses, except that FAC has Science Stream too.

**6. Transportation:** One of the rare responses that had been observed during the survey was in the context of transportation facilities to the campus. Of the total students surveyed, 53 per cent of the students felt that it was easy to travel to campus which is 5 Kms from Mokokchung Town. There are only 3 College Buses and they take only two trips per day, i.e., twice in the morning and twice in the afternoon. Geographically, Mokokchung is a hilly region which a non-local would find much difficulty to travel by foot or by vehicle, and students are scattered over vast different localities. Comparing with metropolitan cities where conveyance is very easy and accessible, some students of this region (as well as the rest of hilly Nagaland) takes hardships in walking around 2-3 Kms every morning (7AM - 9AM) to catch college Buses, failing of which would make them to miss classes.

This reality of inadequate transportation facilities seems contradictory with the responses provided by students. But a general research on their educational foundation in the region provides a clearer explanation to the logical responses. Almost all of the students had their elementary and secondary education in the areas where they had to travel around 3 to 4 Kms by foot everyday and that too in the hilly and rugged terrains. The normalcy within themselves in travelling long distance by foot and the lack of exposure of better transportation facilities in other developed states, perhaps, might have failed them to make a general awareness of the situation and thereby their responses being easy.

**7. Curriculum and Teaching Quality:** 57 per cent of the surveyed students agreed that the college faculties were good at explaining and making the subjects more interesting. They were though little reluctant in showing that the staffs were enthusiastic about what they teach and most of the reasons they provided were the irregularities of teaching faculties apart from some few. Majority of the students agreed that they received sufficient advices and support with their studies and had been able to contact the teachers when needed. 54 per cent felt that their respective courses have helped them to present themselves with confidence and 46 per cent felt their communication skills being improved. The academic curriculum of Nagaland University is not flexible and therefore is outdated and absolute when compared with other high rating universities of the country. To name a few, subjects like Economics, Physics, Chemistry, Statistics and mathematics are of a very low standard in terms of curriculum, textbooks, and pedagogy of teachings. This gets a clearer picture when students of these various subjects migrates to other higher rating universities and fails to make a point or survive, making themselves to give up their courses. These have been major problems in the State, and the system itself should be blamed for this underachievement.

An education institution becomes a centre of excellence only through the collective efforts of the entire team i.e. the government/Management, Principals, Faculty, Non-teaching staff, Students, Parents and the public at large. The personal development and the growth that student experiences will make him/her more organized, confident and capable of handling the responsibilities. Working towards a higher education to bring out the best of ability to achieve excellence is one of the important objectives of higher education. Questions to understand students awareness about their respective college and what they think that the State Government/ Nagaland University could do to improve quality of campus life was prepared. The table below shows the students ratings about the college.

Table C.10. Percentage of preference of various academic supports of FAC

Fazl Ali College	Very Good	Good	Average	Bad	Very Bad	Total in %
Academic Curriculum	16	30	35	14	5	100
Teaching and teacher/student interactions	3	26	42	27	2	100
Library	0	7	30	45	18	100
College Management/Infrastructure	1	15	22	30	32	100
Co-curricular Activities	19	43	29	9	0	100

Source: Primary Data

Table C.10, shows that apart from some percentile of positive responses in Teaching and Teacher/student interactions and Co-Curricular Activities, responses were negative to Library Facilities and College Management/Infrastructure. Teacher/student interaction and Co-curricular activities come internally under the management of the college authorities and therefore their contributions need to be credited. There might, though, be some discrepancies regarding the irregularities of the faculty which needs to be monitored regularly by the institution.

**III. Educational Profile of People's College:** Initially the college started as an evening college at the present Dilong Government High School in the year 1984. Students numbering about 100 were able to achieve 48 per cent University result under NEHU. The P.U (Arts) level affiliation was granted under NEHU in the year 1986, and in the same year the degree classes also started.

In the year 1994, a dramatic change came about in the history of the college. The erstwhile evening college now became a day college and with this change the college witnessed a spurt in enrolment. With these the lecturers who were all part-times were now paid Rs. 3300 per month from the earlier Rs. 750 per month.

In the year 1993, the college shifted to the present location the present building was constructed in the latter part of 1960 for the use of Government Boys Hostel. As such, it was not in a position to be used as an educational institution. Therefore, with the meagre finances the infrastructure of the college needed to be set up. The mission could be accomplished due to the contributions and co-operations of the general public, intellectuals and the District

administration. Till then, there were only 3 permanent lecturers, while the rest were part time lecturers. It was in the year 1995 that in all the 5 departments i.e., History, English, Economics, Political Science, and Education, the college could afford to employ 3 permanent lecturers in all the departments and also an assistant librarian. Even though the salary could not be compared to the other institution the employees put in all their energies towards the upliftment and betterment of the college.

In the year 1996, the Degree Level (B.A) provisional affiliation was granted by the Nagaland University with Honours Papers in all 5 departments. In the same year, a Hall for the purpose of holding examination and other students' activities was constructed at the cost of more than 3 lakhs.

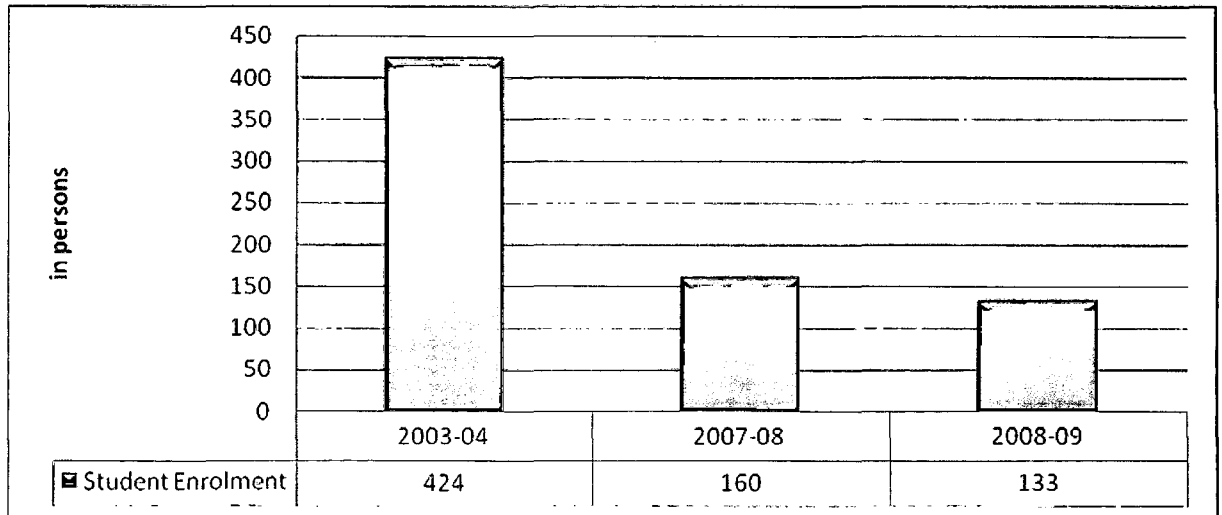
In session 1998-99, the P.U Level was abolished and the Secondary Level of Education was introduced. Library was upgraded to the need of time especially with the procurement of encyclopaedia. Another dramatic change in the history of college was the handing over of the college and its assets and its responsibilities to Lt. Shri N.I Jamir's family. Under the new proprietor the college has been uplifted to a more competitive level of learning, especially with the preparation for the introduction of Computer Education, Sociology and more important of all the revision of pay for the employees w.e.f April 2004.

**1. Enrolment in People's College:** In 2009, there are 18 teaching faculty, including Principal and Vice Principal, and 7 Non-Teaching staff. The College has 10 rooms, of which 5 are classrooms, one each for the Principal, Vice-Principal, one for the Lecturers, one for the students and one for the non teaching staff. The college has a central library with 5604 textual documents and journals.

There is a fall in enrolment rates in People's College over the years both in the Degree Level courses and the secondary level classes. Despite being the only private college in Mokokchung town, the fall in the enrolment rates in the college has raised many issues and concern over the ownership and inefficient managers, apart from a significant fall in students' enrolment in Class XI and Class XII particularly.



Table C.11. Enrolments in People's College



Source: People's College, 2009.

Table C.12. Enrolment in People's College (Course-Wise)

People's College (Mokokchung)	Enrolment	
	2007-08	2008-09
Subject B.A.		
B.A (I,II,III) Gen	80	74
B.A (I,II,III) Major	10	13
Class (XI)	38	17
Class (XII)	32	29
Total	160	133

Source: People's College, 2009.

The table C.12, shows that the total number of students enrolled in the academic year 2003-2004 was 424. It fell to 160 students and further 133 students in 2007-08 and 2008-09 respectively. During 2007-08, there were 10 B.A (Major) students and in 2008-09 the major subject students rose to 13. Even the secondary students' enrolment shows a negative trend in its enrolment rates. In 2007-08, secondary students were 70 and it fell steeply to 46 students during 2008-09. An important reason for the fall in enrolment rates is due to the emergence of secondary standard in almost all the schools which have deterred the increase in enrolment

in the college. Some of the important reasons for the fall in enrolment rates could be due to poor college infrastructure, managerial constraints, poor quality teaching, numbers of courses offered, and migration of students to other universities/other states. Personally, my experience to the college was an eye opening one. There were too few classrooms, benches and desks in pathetic conditions, unhygienic classrooms and the location of campus was a déjà-vu to some old rented flats in Munirka (New Delhi). Nevertheless, the non-teaching staffs were punctual and efficient in the tasks.

With the mushrooming of the secondary schools the income of the college declines commensurately with the fall in enrolment, therefore, in order to deal with this fall in enrolment of students in the college, emphasis should be placed on better accommodation, up-to-date library and facilities for recreations for students, etc. These are some areas that need urgent attention.

**2. Scholarships and Financial Assistance by Nagaland Government:** The table C.13, shows the Post Matric Central scholarship to students in 2008-09 and the Grant-in Aid to the college by the State Government over the years.

Table C.13. P.M.C.S and State Government's Grant-in-Aid to People's College

Post Matriculation Central Scholarships (Yearly)	In Rs.				
	B.A (I)	4560		Class (XI)	
B.A (I)	4190		Class(XII)		4020
B.A (I)	4560				
Grant-in-Aid to College by the State Govt.	2000-01	2001-02	2002-03	2003-04	2008-09
	75,000	75,000	75,000	1,00,000	2,50,000

Source: People's College, 2009

The P.M.C.S of Class (Xi), (XII) gets Rs. 3740 and Rs.4030 respectively. And the Degree students are allotted between Rs. 4190 to Rs.4560. Till 2002-03, Nagaland State Government Grant –in – Aid to the college was Rs.75,000 and it rose to Rs.1 lakh and Rs.2.5 lakhs during the years 2003-04 to 2008-09.

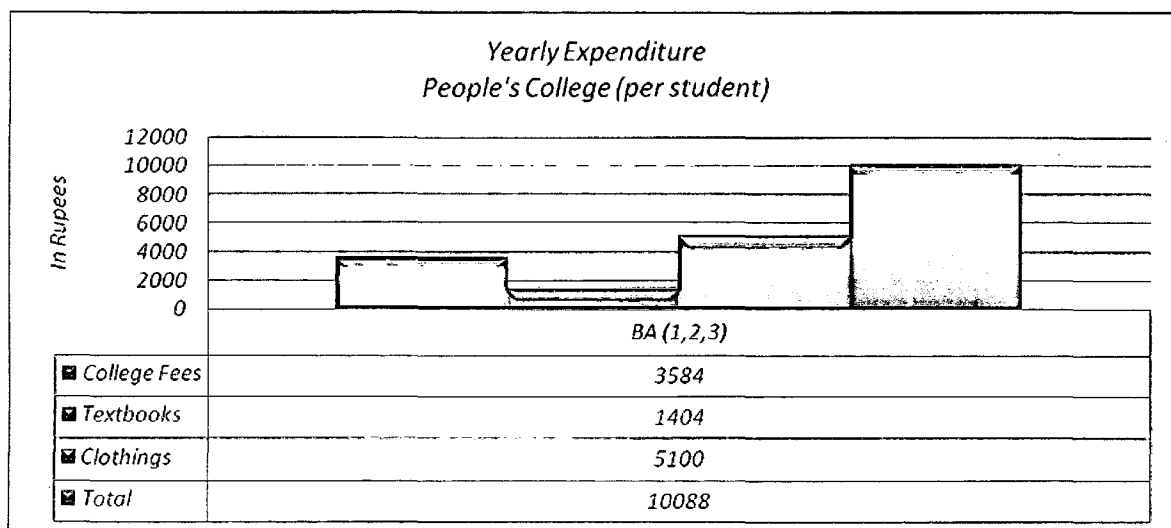
The increase in Grant-in-Aid to People's College by the State Government over the years is very substantial. From 2003-04 to 2008-09, there's 20 per cent rate of increase in grants to

the college. This brings out a clearer scenario of the college mismanagement. As we flashback the college, we see that there is a fall in the enrolment rates, college infrastructure has not improved for over the years, library is outdated, poor quality of lecturers with very limited courses offered to students, and less co-curricular activities for personal development. On the other hand, there has been a substantial increase in the funds aided by the State Government to the college. Now a question arises of how these increased funds are being utilised by the institution managers. What strategic plans have been acted out to curb the mentioned above problems? An educational institution investments are long-term investments and externalities to society hugely depends upon the aim and objectives, and plans of the institutions. These are some important reflections of the college which ultimately centres on the poor leadership of the managers, mismanagement of the college finances, non-strategic development programmes/plans, and thus, the college now lie in vicious circle of mismanagement.

**3. Private Cost of People's College:** My survey on the students of People's Colleges was very much similar to the surveys of Fazl Ali, except the location of People's College was in the Mokokchung town itself. Out of the total students of 87 in B.A courses, I managed to include 29 per cent of the total student population, i.e., 25 students out of 87 students. The one major reason why I could not include more percentage of students in my study was due to their absence in the Mokokchung Town. There were numbers of students who resided with their relatives for their education during the academic season and go back to their respective places (villages) during off seasons. The average distance between some villages and Mokokchung town could be around 20-25 Kms. The following are the analysis on the responses given by those students in the People's College.

The average household annual income was found to be Rs. 91,000 for the People's College Students. This happens to be lower than the average income level of Fazl Ali students. A monthly tuition fee for B.A (H) at Rs.350 per month and for B.A (Pass) and higher secondary at Rs. 300 per month each are being charged. And other annual charges like Students' Union collections, computer related fees and other co-curricular activities collections are calculated separately during the season. The average yearly expenditure on college fees, textbooks and stationeries amounts to Rs.10,088 per student used on the sample under study. The below pie diagram shows the yearly expenditures per student for their college studies.

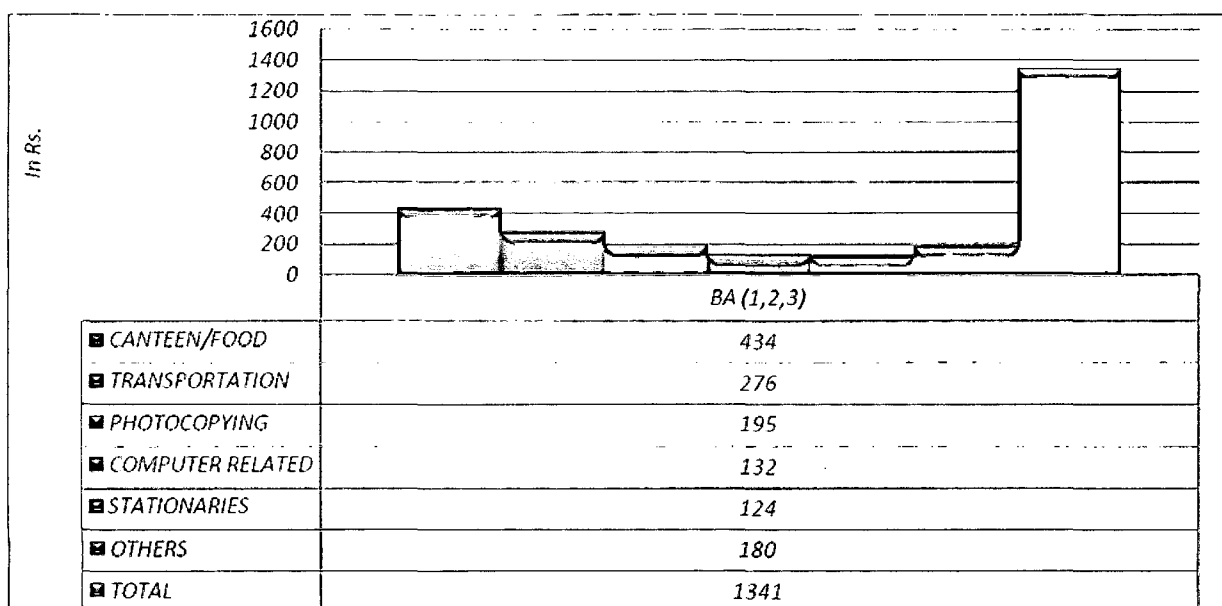
Table C.14. Yearly expenditure (People's college)



Source: Primary Data

The sources of financing the yearly expenditures on college fees, textbooks and clothings can be divided into four categories, i.e., (i) Own finances through part-time jobs, (ii) parents support, (iii) P.M.C.S from the State Government, and by (iv) borrowing from relatives and family friends (here, Bank borrowing is absent as none of them have borrowed from banks). The students pay Rs. 248 from their own pockets for the yearly expenditure on the mentioned above items, Rs. 7664 from their parents, Rs. 2136 out of their P.M.C.Ss, and Rs.40 by borrowing through friends and relatives for the same. Just like any other region, maximum finances being through parents support could be found here too.

Table C.15. Monthly Expenditure



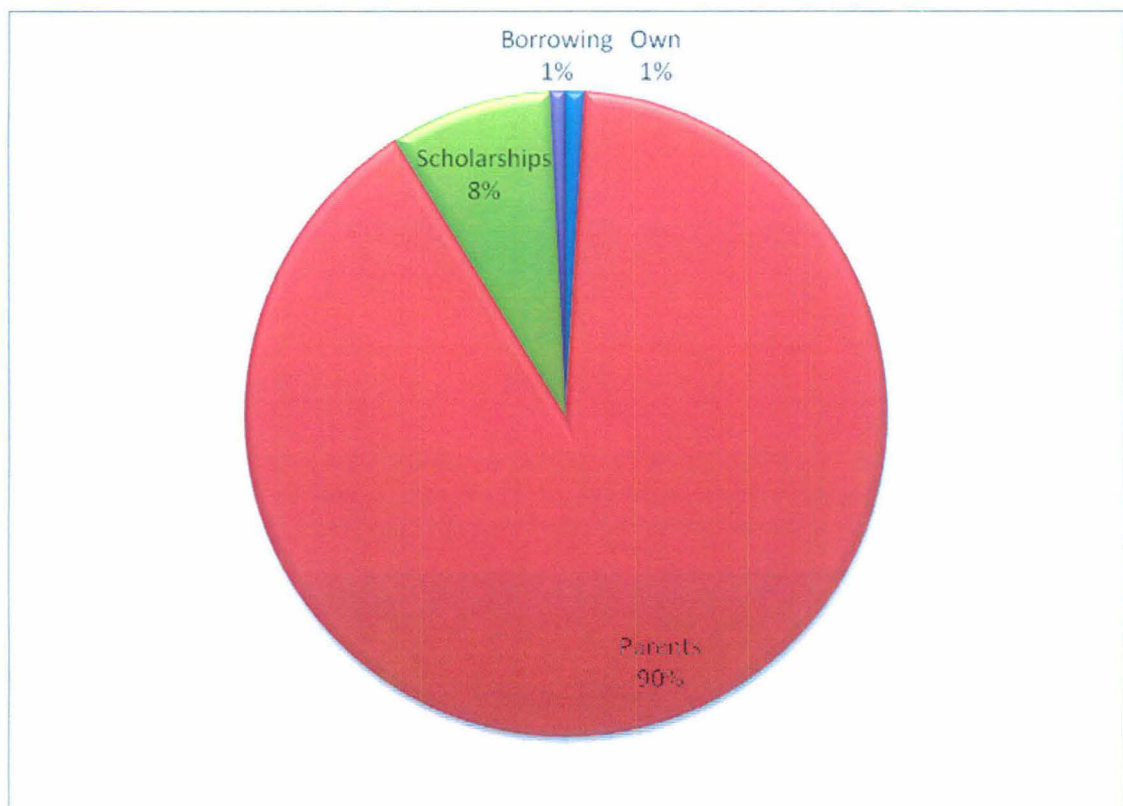
Source: Primary Data

Monthly expenditure is divided into (i) Canteen, (ii) Transportation, (iii) Photocopying, (iv) Computer related, (v) Monthly stationeries, and (vi) Others. Out of these, majority of the expenses is incurred in Canteen/food followed by Transportation and Photocopying.

Finance for the monthly expenditure is incurred almost all by parents and less than 1 percentile through borrowing. And there is zero contribution to monthly expenditure from students own income. Scholarships from the State Government are used only for yearly expenses.

**Total Expenditure of Students:** The total sum of monthly expenditure per student per year amounts to Rs. 16,092. And if we add this to the total yearly expenditure on college fees, textbooks and yearly Stationeries, we get the grand total expenditure of per student per year. By adding the yearly expenses and the monthly expenses we get Rs. 26,188 as the total expenditure per student on all the study related items per year.

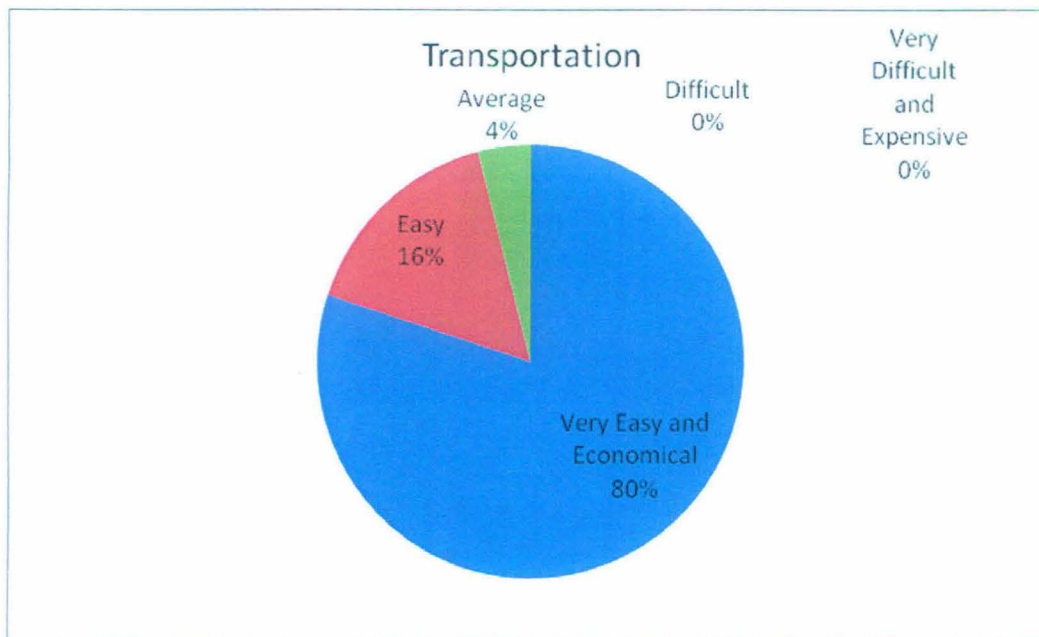
Table C.16. Percentage of Sources to Finance Students Total Cost (People's College)



Source: Primary Data

The table above show the percentage of various sources of finances to defray for students' educational cost per year. It shows 90 per cent of finances being provided by parents, 8 per cent through P.M.C.S allotted by the State Government to students, 1 per cent each through Borrowing and Own Finances. Here, same as FAC, the students Own Finances are generated through part-time jobs by the students.

Table C.17. Transportation (People's College)

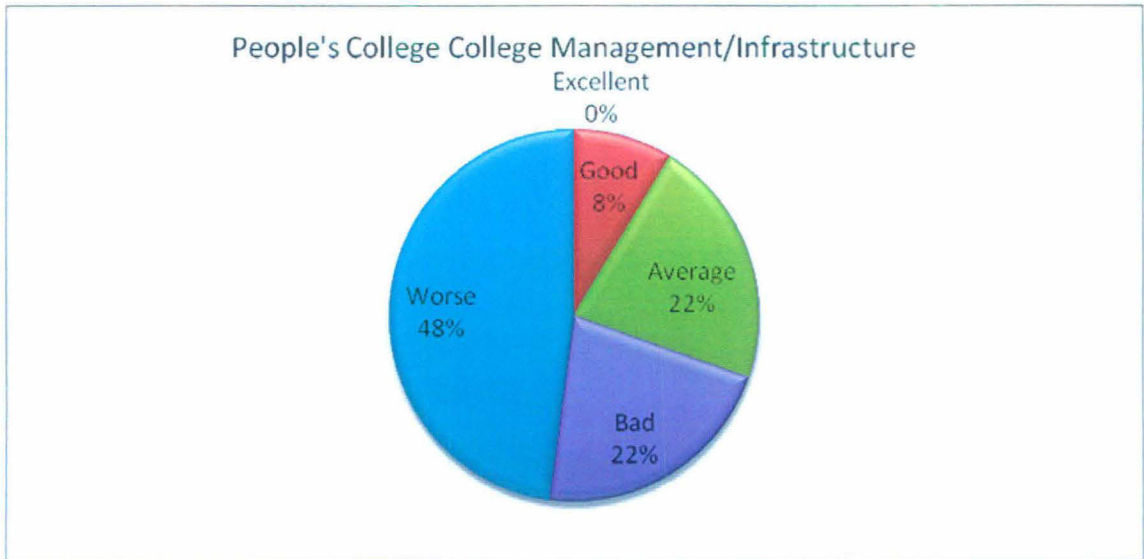


Source: Primary Data

People's college is located at the heart of Mokokchung Town, and so, the transportation cost does not accrue much for the students while travelling to the campus to attend classes. Of the total students surveyed, 80 per cent of the respondent felt it very easy and economical to travel to the college, followed by 16 per cent who felt rather easy. It was an honest suggestion from the college Principal's desk about the College Infrastructure that apart from the academic curriculum, stress should be given to avenues like better college buildings (accommodation), modern classroom equipments, up-to-date library and facilities for recreations etc. Maximum number of the respondents had opined that the college infrastructure and its maintenance were *Worse*.

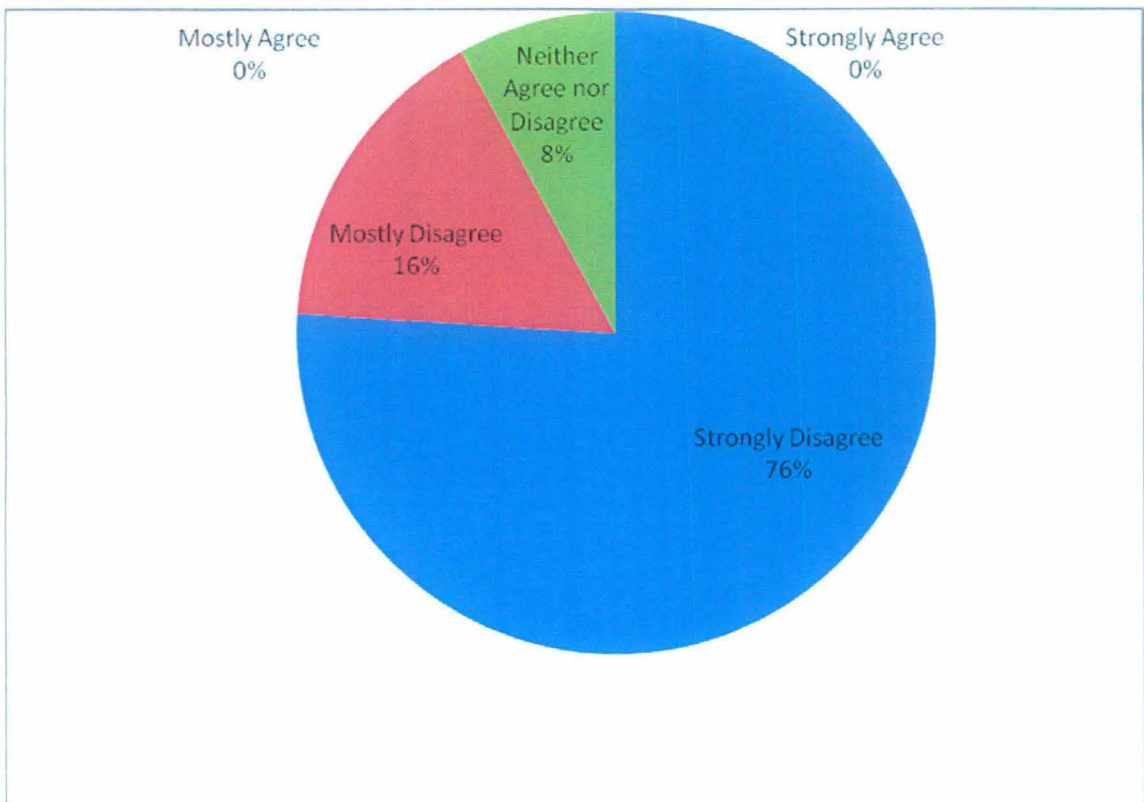
Forty per cent of students felt that college library is in *Worse* condition, followed by *Bad* with 32, and *Average* by 24 per cent. Only 4 percent could give a *Good* rating. Out of the total surveyed students, 96 per cent agreed to family financial situations being the reason in curtailing to migrate for better quality learning to other rural states.

Table C.18. Response on People's College Infrastructure



Source: Primary Data

Table C.19. Status of Gender Discrimination against Female Students



Source: Primary Data

Nagaland is a State that does not conform to the general perception of women's status in India. Apart from traditional practices that have generally cared for women and the girl child, the State has successful achievements in the fields of literacy, increasing sex ratio, health and entrepreneur development. The literacy rate of women and the enrolment rates for girls in Nagaland are higher than the national average.

The Table 18, shows that the responses on gender discrimination against females were strongly disagreed in the college by 76 per cent of students. In general, Nagaland's female literacy rate ranges from 37.12 percent in Mon to 82.4 percent in Mokokchung as against the all India range of 34 percent in Bihar to 95 percent in Mizoram. The female literacy rates in Mokokchung, Wokha and Dimapur are comparable with the literacy rates in some of the developed countries.

**IV. Commendable Observations of the Two Colleges:** Generally, institutions are ranked and getting admission to the institutions higher in the pecking order becomes increasingly difficult. Since merit should be assigned more importance than money power, freedom to choose provider in case of higher education should be backed up by merit to encourage pursuit for excellence. Effectively, since education is a "positional good" and both students and the universities compete for social status, the institutions and the students choose each other as social status is jointly produced.<sup>3</sup> Fazl Ali College is better positioned compared to People's College in its management, infrastructural development, number of courses offered, library facilities, and co-curricular activities, etc. Since students have the freedom to choose the provider (institution), provided they have the assigned merit to pursue, students first preference of college seems to be the Fazl Ali College.

In the context of freedom to choose product, either the student chooses her product first and then she looks for the relevant institution or she may choose the institution first and would then opt for the course offered. It depends. For professional courses, the freedom to choose course/discipline comes first and not the institutions other than the top ranking ones. However, general courses even by the top institutions are assigned very little value in a market where a particular skill is valued. But this issue is very minute in case of Mokokchung town. People's College offers only Arts Stream with only in five honours departments,

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<sup>3</sup> Saumen Chattopadhyay, Pp. 57, July 2009



whereas, FAC offers both Arts and Science Streams, with more Honours papers offering in both streams. So it is obvious that student would prefer a top ranking college, which offers her choice of course. People's college thus have a lower pull factors to attract enrolments of students to the college.

In a region with widening disparities (rural and urban Nagaland), it is an imperative that higher education is viewed as an instrument for fostering social mobility and policies formulated accordingly. Technically speaking, market fails in higher education because of information asymmetry and the huge externalities that it generates. While the former needs regulation, the latter calls for public support. In case of People's College (Government Aided Private College), even with an increase 20 per growth rate of Grants-in-Aid by the state Government during 2003-04 to 2008-09, there has been a falling rate in enrolment, poor infrastructural development, lower quality of teaching staff's (almost all Master Degree's only), and underdeveloped library equipments. Nonetheless, this does not put Fazl Ali College to be in perfect position with regard to the mentioned above issues.

According to FAC/People's College students some important interventions that Nagaland University could do to improve the quality of campus life for students are as follows:

- Emphasis on pedagogy of teaching to improve teacher /students interactions and relationship.
- To develop college/library infrastructure with more updated library materials. Basic infrastructure like toilets, water supply, classrooms, and library facilities needs to be improved.
- Computer facilities with internet connection to access various E-Libraries.
- To introduce more flexible academic curriculum which should have relevance with other Universities.
- To help dump liquor inns around the college campus which otherwise would lead to moral hazards to students and society.
- Availability of proper medical facilities to students.
- Addition of new vocational disciplines/courses which would make a link between Industry vis-a-vis Higher education.

- Monitor and inspection of irregularities of teaching staff's in both the colleges. Absenteeism of some lecturers seems to be high in FAC and thus a bigger resentment from students.
- Abundance of canteens around the college campus.
- Improvise co-curricular activities for mass participation/ to improve student's political participation towards improving campus life.
- More Transportation facilities with frequent trips.

While there is no dispute that the demoralised public higher education system needs to be made vibrant and dynamic, what is debatable, is whether “incentivisation” of the working conditions’ of the teachers along with adequate financial support would do the needful. At the present juncture, given the inevitability of the rising dominance of market in education in general, the government needs to tread the path of market- oriented reforms with utmost care and caution. Even with adequate safeguards for the underprivileged and an alert regulatory authority, embracing market-oriented reforms would deter the process of achieving a truly inclusive society and attainment of excellence in higher education. As argued above, the rationale for application of market principles in social sector reforms like higher education is rather tenuous unlike in other areas of the economy.<sup>4</sup>

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<sup>4</sup> Chattopadhyay, Pp. 58-59, July 2009

**CHAPTER 5**  
**CONCLUSION**

**Conclusion:** The type of education a society has reflects the needs and aspirations of the particular society and has a great bearing on its social order. This reciprocal relationship between education and the needs and aspirations of society provide focus and perspective to the people and they, in turn, shape society for harmonious and progressive living.

The mode of education prevalent in Nagaland before the coming in of the Church was centred around the Morung.<sup>1</sup> This institution served Naga society for centuries and incorporated in its functioning time-honoured tribal values, life-centred learning and exposure to customary practices and experiences. This innovative approach to education leadership building and societal training contributed much to Naga life, history and functioning. With the advent of Christianity, English and formal education were introduced. This led to far-reaching changes in the educational and social framework of Nagaland. The new schools were first sponsored by the American Christian Missionaries and later by the British. Originally intended for women only, this school became a pioneer institution, producing teachers, leaders, evangelists and pastors. According to senior Naga thinkers who have been part of the State's educational landscape,

“The objective of these educational endeavours was to enable the Naga people to read and write the Bible and to man the offices. The people also were eager to become pastors or teachers. It was during this period that two trends were unintentionally set—first, the teacher elite and secondly, the schooled elite. Community participation in education during those days was in the form of construction of school buildings with local materials and sending their children to schools, at times even on compulsion.”

The first centre of higher education in Nagaland was the Fazl Ali College in Mokokchung, which was established in 1959. The Nagaland Campus of the North Eastern Hill University (NEHU) was established in 1978. It was only in 1994 that a full-fledged Central University was established to serve Nagaland.

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<sup>1</sup> Nagaland State Human Development Report, 2004 (Morung was an institution of learning for the youths in traditional Naga society)

The rationale behind my research as I have discussed earlier was to study the problems and prospects of higher education in Nagaland in a macro context. And from an economist's perspective, study of *pricing* of education was relevant in learning about how various issues and problems, both in the case of a consumer and a provider are determined. It is rational on the part of a consumer to decide his educational decisions keeping in mind the price of it. The providers, both the Government and the private institutions also have to face decision-making problems in the process of allocating resources to cater to the educational needs of the consumers. For instance, with the growth of the number of students, the providers feel the need for increasing the number institutions, or institutions (government and private) would have their own set of aims and objectives in subsidizing or for profit maximization. And here, *cost* element gets reflected in the *price*. For both the consumer and provider, pricing of availing/producing educational needs would ultimately reflect upon its *cost effect*.

We have learnt in chapters 1 the analogies of economics for economics of education and finally underlie the study of three propositions concerning the formation of human capital, education as investment, and education as production. The difficulty in economics of education has been the assumptions of homogeneity – whether of the structures of investment in education, of the domain and category of decision makers in education investments, or of the class of the beneficiaries of the decisions. Finally the plea for an understanding of the social-choice dilemmas that inevitably surface as soon as it is recognized that society's judgments on investment decisions in education must be represented basically as collective judgments and that social choice must be represented as collective choice.

In chapter 2, to acquire better insights to cost analysis, we learnt about the basic concepts of economics of education. This made it easier to reflect upon the review of literature: cost analysis and its international experience, national experience and experience in the north-east India. What are the costs of education? What are the major determinants of educational costs? In what ways can cost analysis improve policymaking in education? And what are the informational needs for cost analysis in education, were some of the key questions being considered in this chapter. These questions were important to address in light of the major challenge for educational decision-makers in developing countries today, that is, improving education under tight budgetary constraints.

Findings of cost analysis by authors like Schultz, Vaizey, Coombs and Hallak, Psacharopoulos, Blaug, Tilak, and Sharma instilled knowledge about international and national experiences. We also learnt about the cost analysis through some findings in north-east India by authors like Sharma, Baldev, et al, Lalliani, T. Jamir, and Vanlalchhawna. Later we made a comparison of all the analysis to obtain a better understanding about how different cost analysis were utilised for different levels of education and at different regions of the globe. Methodology of my research work was also elaborated in this chapter. It extended the methods of my research, the coverage, the tools, and various analytical statistics to be used were discussed.

Chapter 3 dealt with a brief discussion of geo-politics of Nagaland followed by some trends of economic development. This portrayed some scenarios about the potentials and obstacles of the state economy. This was later accompanied by the main discussions on the scenarios of higher education in Nagaland. The growth in the enrolment of colleges (private and public), growth in the enrolment of students to these colleges, and various expenditure analyses for all colleges in Nagaland. In conclusion, comparison of Nagaland to other north-eastern states in the field of higher education was analysed. This chapter reflects various problems associated with the higher educational system in Nagaland.

In Nagaland (Government-sponsored and government-aided, depending upon the extent of government support), the establishment of private institutions with government support is becoming an emerging practice. But at the same time, a recent phenomenon in the world of higher education, profit-making institutions in the private sector have the same mission as a private business firm: to make profit while meeting the customer demand for higher education. And this has also an impact of Nagaland's higher education system. There is an increase of private institutions over the years, and also an ever increasing numbers of enrolments in these private colleges. In Nagaland, today, private college enrol more students than the public colleges, offers more streams of studies, offers more number of courses (like vocational course), provides better infrastructure, and efficient institutional managements. This fact indicates the role of private colleges in the higher education sector of Nagaland. This is posing a major problem with respect to accountability and transparency of the state government who is responsible to provide to the needs of public colleges. Comparatively, public colleges provide more qualified teaching staffs, but this alone cannot

cope up with the other discrepancies issue of whether in managerial, infrastructure, or other facilities that is required to the students.

Naga society was and continues to be predominantly agrarian. With the introduction of formal education, additional areas of vocation opened up. The expansion of employment opportunities was influenced by two major players, the Government and indirectly, by the Church through education. Since statehood and up to the 1990s most employment opportunities were government-defined. In recent times, the Government has restricted the creation of new posts. Private entrepreneurship is being encouraged, especially in the secondary and tertiary sectors, although most people continue to be engaged in the primary sector. But the inter-play of education Vis-a-vis industry is still under-developed. In Nagaland, due to political tensions, immature market economy, and government failure to generate working opportunities as well as in bringing about qualitative changes in higher education, the interplay of higher education-industry cannot be materialised efficiently.

Technical education in Nagaland is still limited. Only two government polytechnics provide training to youth in the entire State. Nagaland is the only state in the North-East that does not have a medical or engineering college. The absence of avenues for these technical streams in the State has translated into greater focus on non-technical streams and outflow of students to other centres of learning. It has also resulted in inadequacy of trained manpower in the State on the one hand, and high levels of educated unemployed on the other.

As per 2001 figures available with the Directorate of Higher and Technical Education, 24,000 students in the State were pursuing higher education. Of this number, nearly 10,000 students were studying outside Nagaland. This has not only meant a significant number of students being away from the State for long periods but also the enormous financial resources that are being invested in pursuing education outside. This causes a drain on resources and a missed opportunity for utilisation of this resource domestically. Affordability and access to better education are creating a gap in the social fabric of Naga society. A big challenge that also comes with this is the lack of employment opportunities in the state. Better access to education directly influences opportunities for income and livelihood.

Research is building knowledge and skills' which would be socially relevant in bringing solutions to the current problems of the society requires proper infrastructure, qualified professors and social support. Research and documentation is an area which is limited today

in Nagaland. Colleges are yet to undertake research work. Nagaland University has undertaken very few researches during the years since its establishments, of which around half of the researches were carried out by teachers. Lack of specialised courses and specialised papers within a course at college and university levels are major deterrents. For quality improvement, the university has to undertake more research, teaching and teachers' training at higher levels. SCERT, DIET and NBSE can benefit from research and strengthen their work in improving the educational experience in schools. At the higher education level, the involvement of students and teachers in research will help in documenting Nagaland's history, current experience and needs in different sectors. Efforts should be taken to publish postgraduate and Ph.D. theses of Naga students for wider use by the community. The interface between academia and the civil society can help in studying more accurately the development constraints in Nagaland.

Comparing to other north-eastern states, the Nagaland's expenditure on education lags behind almost all the states except Sikkim. But, Nagaland cannot be compared much with Sikkim due to some geographical differences and other socio-economic and political factors. Nagaland expenditure on education during 2000-01 was 13.8 per cent of the total outlay. By 2008-09, under the State Budget estimates, the educational expenditure fell to 11.4 per cent of the total outlay. Therefore, over these mentioned periods the educational expenditure fell by 2.4 percentage points. This shows the failure as well as the prospects in higher level of education in the state.

In chapter 5, we have studied on my primary work of cost analysis (a case study of Fazl Ali College and People's college), the priority was to estimate the private cost of education in these two colleges. Here below, we have a summary of the tabulated findings.

1. FAC offers both Arts and Science Stream courses. In 2008-09, the total number of enrolments in B.A (I, II, III), B. Sc (I, II, III) and class XI (Science) were 749 students, out of which there were 330 males and 419 females in the college. One feature about FAC is that, there exists Positive Sex Ratio in enrolments in the college. There is a fall in enrolment rates in People's College over the years both in the Degree Level courses and the secondary level classes. Some of the important reasons for the fall in enrolment rates could be due to poor college infrastructure, managerial constraints, poor quality teaching, numbers of courses offered, migration of students



to other better universities and other states. Another very important reason for the fall in enrolment rates is due to the emergence of secondary schools in almost all the schools which have blockade to the enrolment to the college.

2. Total private cost of student in Fazl Ali College during 2008-09 was Rs. 26058 inclusive of all charges. The total private cost of student in People's college was Rs. 26,188. We find choices between these two colleges not by the cause of *cost*. Merit factor involves. An interesting point on the sources of finances for these educational expenditure was found out about the students own income. The source of their income includes contractual wages, down-liner enterprises, handy-crafts and small scale/home business. Borrowing to spend on education seems to be very less (only 3 %) and these could be due to poor financial markets in the region, where borrowing becomes more accessible only through local money-lenders (moral-hazards) rather than commercial or co-operative banks. In both the college's, more than 80 per cent of the costs were incurred by parents of the students.
3. This reality of transportation facilities seems contradictory with the responses provided by students. But a general research on their educational foundation in the region provides a clearer and logical explanation to these responses. Almost all of the students had their elementary and secondary education in the areas where they had to travel around 3-4 Kilometres by foot everyday in the hills. The normalcy within themselves in travelling long distance by foot and the lack of exposure about the better transportation facilities in other developed states, perhaps, might have failed them to make a general awareness of the situation and thereby their responses being easy for transportation.
4. Majority of the students in both colleges felt that financial conditions to be the main reason in curtailing the Choice of College, and Migration to other States for better quality education.

5. The academic curriculum of Nagaland University is not flexible and therefore is outdated and absolute when compared with other high rating universities of the country.
6. Nagaland is a State that does not conform to the general perception of women's status in India. The literacy rate of women and the enrolment rates for girls in Nagaland are higher than the national average. The responses on gender discrimination against females were strongly disagreed in the college by 74 per cent of total students sampled in the study.
7. According to FAC/People's College students some important interventions that Nagaland University could do to improve the quality of campus life for students are as follows:
  - To develop college/library infrastructure with more updated library materials. Basic infrastructure like toilets, water supply, classrooms, and library facilities needs to be improved.
  - Computer facilities with internet connection to access various E-Libraries.
  - To introduce more flexible academic curriculum which should be relevant to other Universities.
  - To help dump liquor inns around the college campus which otherwise would lead to moral hazards to students and society.
  - Availability of proper medical facilities to students.
  - Addition of new vocational disciplines/courses which would make a link between industry and higher education.
  - Monitor and inspection of irregularities of teaching staff in both the colleges. Absenteeism of some lecturers seems to be high in FAC and thus a bigger resentment from students.
  - Abundance of canteens around the college campus.
  - Improve co-curricular activities for mass participation/ to improve student's political participation towards improving campus life.
  - Emphasis on pedagogy of teaching to improve teacher /students interactions and relationship.

- More transportation facilities with frequent trips.

A dynamic curriculum is one of the most important prerequisites of meeting the demands of the fast developing knowledge in every discipline and subject. Revised and updated curriculum of university system shows, the university's concern in meeting the changing needs and aspirations of the society. Nagaland University has recently revised its curriculum according to the UGC model curriculum. With this revised curriculum it is expected that NU will maintain standards at par with the standards set by the UGC.

Prolonged insurgency/nationalism has left Naga society deeply wounded and hurting. Insurgency also constituted one of the biggest hurdles in the path of education. It affected administration, appointment and posting of teachers, infrastructure development, proper monitoring and supervision as movement became restricted, and affected classes as even school buildings were occupied by fighting forces. The social capital and natural resilience of Naga communities have withstood all these, and today, the State is poised to make a unique contribution to elementary education everywhere through the concept of Communitisation. And this, in a way enlightens us what higher education upholds for our future.

The rapid changing environment of University system poses greater challenges as well as opportunity. In order to meet these challenges and also the opportunities, there is a need to continuously develop the human resources by updating the knowledge and skills on a regular basis. The role of education in today's knowledge based economy has changed. The requirement now is far more qualitative. The education should be more enquiry-based and innovative, developing in the students the power of critical thinking and reasoning. There is a need to understand the requirement of society for sustainability to exist. Hence, improvement of quality of teaching and research, colleges with potential for excellence, Development of Teaching innovation, Internal Quality Assurance Cell, Accreditation of colleges as well to improve academic support elements will be the right approach. Human resources are the most valuable assets of any profession. It is more valuable than capital equipments. It is the need of the hour to build up people with character, integrity, good value and positive attitude.

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## **APPENDICES**

## APPENDICES

Table A. Number of Educational Institutions:

	Govt	Pvt.	Total	Govt	Pvt.	Total	Govt	Pvt.	Total	Govt	Pvt.	Total
Types of Institutions	2	2003-04	4	5	2004-05	7	8	2005-06	10	11	2006-07	13
1. University	1	-	1	1	-	1	1	-	1	1	-	1
2. College of Gen. Edn	8	28	36	8	28	36	13	34	47	13	31	44
3. Higher professional Edn.												
a) Nagaland college of teachers Edn.	1	-	1	1	-	1	1	2	3	1	3	4
b) Agri. Col	1	-	1	1	-	1	1	-	1	-	-	-
c) Theology (Govt. Recognized)	-	14	14	-	14	14	-	18	18	-	18	18
4. School for professional Edn.												
a) Polytechnic	2	-	2	2	-	2	2	-	2	2	-	2
b) Industrial Training Institute	NA	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
5. Law College	-	3	3	-	3	3	-	3	3	-	3	3

Source: Directorate of Economic and Statistics, Govt. Of Nagaland, 2007

## APPENDICES

Table B. Number of students in Educational Institutions:

Types of Institutions		2003-04			2004-05			2005-06			2006-07		
		Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total	Boys	Girls	Total
	1	2	3	4	5	6	7	8	9	10	11	12	13
1.	University	202	176	378	248	203	451	288	233	521	-	-	-
2.	College of Gen. Edn	11213	8434	19647				6273	4831	11104	12037	7692	19729
3.	Higher professional Edn.												
	<ul style="list-style-type: none"> <li>• Nagaland College of teachers education,</li> </ul>	41	44	85	50	42	92	52	44	96	105	151	266
	<ul style="list-style-type: none"> <li>• Agri. College</li> </ul>	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
	<ul style="list-style-type: none"> <li>• Theology (Govt. Recognized)</li> </ul>	755	624	1379	644	557	1201	644	557	1201	820	761	1581
4.	School for professional Edn.												
	<ul style="list-style-type: none"> <li>• Polytechnic</li> </ul>	168	38	206	190	61	251	200	80	280	268	113	381
	<ul style="list-style-type: none"> <li>• Industrial Training Institute</li> </ul>	NA	NA	NA	NA	NA	NA	NA	NA	NA	153	101	251
5.	Law College	221	89	310	241	90	331	245	92	337	149	77	266

Source: Directorate of Economic and Statistics, Govt. Of Nagaland, 2007

## APPENDICES

Table C. Number of Teachers in Educational Institution:

Types of Institutions	2003-04			2004-05			2005-06			2006-07		
	M	F	Total	M	F	Total	M	F	Total	M	F	Total
1	2	3	4	5	6	7	8	9	10	11	12	13
1. University	44	18	62	57	25	82	62	30	90	-	-	-
2. College of Gen. Edn	488	272	760	488	272	760	488	272	760	942	386	878
3. Higher professional Edn.												
a) Nagaland College of teachers Edn.	7	7	14	7	7	14	7	7	14	24	12	36
b) Agri. Col	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR	NR
c) Theology (Govt. Recognize												
	97	49	146	97	49	146	97	49	146	115	44	159
4) School for professional Edn.												
a) Polytechnic	40	3	43	33	2	35	33	3	36	33	10	43
b) Industrial Training Institute	NA	NA	NA	NA	NA	NA	NA	NA	NA	32	6	38

Source: Directorate of Economic and Statistics, Govt. Of Nagaland, 2007

## APPENDICES

**Table D. DDO-WISE SUB-ALLOTMENT OF FUNDS FOR THE YEAR 2007-08, Higher Education Department (in Rs.)**

Sl. No	Name of DDO	Name of Treasury/ Sub-Treasury	REVENUE SECTION (Plan)													Capital section	Grand Total (17 + 18)	
			Provision for which DA/DL is not required						Provision for which DA/DL is not required						Total under Revenue Section (COL- 8+16)			
			Salaries & Wages	Scholarship/ Stipend	Travel Expenses	Rent, Rates & Taxes	total (4 to 7)	office Expenses	Motor Vehicle	Repairs/ Maintenance	Materials/ Supplies	Machinery & Equipment	Grant-in-aid/ Contribution/ Subsidy	Others				Total for Issue of DA/DL (col.9 to 15)
4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19			
1	Director	Kohima (North)	-	-	-	-	-	4.80	4.85	-	1.60	3.70	100.00	3.80	118.75	118.75	450.00	568.75
2	P/Kohima Science College, Jotsoma	Kohima (South)	-	-	-	-	-	1.00	1.30	-	-	2.50	-	1.10	5.90	5.90	-	5.90
3	P/Fazi Ali college Mokokchung	Mokokchung	-	-	-	-	-	0.85	1.00	-	-	2.00	-	0.90	4.75	4.75	-	4.75
4	P/Sao Chang college, Tuensang	Tuensang	-	-	-	-	-	-	1.10	-	-	1.80	-	0.65	3.55	3.55	-	3.55
5	P/Zunheboto college, Zunheboto	Zunheboto	-	-	-	-	-	-	0.70	-	-	-	-	0.50	1.20	1.20	-	1.20
6	P/Dimapur college, Dimapur	Dimapur	-	-	-	-	-	-	1.00	-	-	-	-	0.40	1.40	1.40	-	1.40
7	P/Mount Tiya college, Wokha	Wokha	-	-	-	-	-	-	0.65	-	-	-	-	0.30	0.95	0.95	-	0.95
8	P/Phek college, Phek	Phek	-	-	-	-	-	-	1.00	-	-	-	-	0.65	1.65	1.65	-	1.65
9	P/Wangkhao college, Mon	Mon	-	-	-	-	-	-	0.65	-	-	-	-	0.30	0.95	0.95	-	0.95
10	P/Kohima college, Kohima	Kohima	-	-	-	-	-	0.80	0.30	-	-	-	-	0.40	1.50	1.50	-	1.50
11	P/Zisaji Presidency College, Kiphire	Kiphire	-	-	-	-	-	0.45	0.35	-	0.80	-	-	0.60	2.20	2.20	-	2.20
12	P/Yingli college Longleng	Longleng	-	-	-	-	-	0.45	0.35	-	0.80	-	-	0.60	2.20	2.20	-	2.20
13	P/Peren college, Peren	Peren	-	-	-	-	-	0.45	0.35	-	0.80	1.00	-	0.60	3.20	3.20	-	3.20
14	P/NCTE	Kohima	-	-	-	-	-	-	0.60	-	-	-	-	4.20	4.80	4.80	-	4.80
<b>Total</b>								<b>8.80</b>	<b>14.20</b>	<b>4.00</b>	<b>11.00</b>	<b>100.00</b>	<b>15.00</b>	<b>153.00</b>	<b>153.00</b>	<b>450.00</b>	<b>603.00</b>	

Source: Eleventh Five Year Plan, 2007-12, and Annual Plan, 2007-08, Government of Nagaland

## APPENDICES

**Table E. DDO-WISE SUB-ALLOTMENT OF FUNDS FOR THE YEAR 2007-08 IN RESPECT OF DEMAND NO. 32 Higher Education Department. (Rs.in lakhs)**

Sl. No	Name of DDO	Name of Treasury/ Sub-Treasury	REVENUE SECTION (Non-Plan)													Total Issue for DA/DL	Grand Total (17 + 18)	
			Provision for which DA/DL is not required						Provision for which DA/DL is not required						Others			
			Salaries	Wages	Scholarship/ Stipend	Travel Expenses	Rent, Rates & Taxes	Total (4 to 7)	Office Expenses	Motor Vehicle	Repairs/ Maintenance	Materials/ Supplies	Machinery & Equipment	Grant-in-aid/ Contribution/ Subsidy				Publicity
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
1	Director	Kohima (North)	110.00	2.14	189.72	3.00	1.30	306.16	1.15	7.00	-	5.16	2.32	-	-	-	15.63	321.79
2	P/Kohima Science College, Jotsoma	Kohima (South)	280.00	2.28	-	0.30	-	282.58	-	0.30	-	4.00	-	-	-	-	4.30	286.88
3	P/Fazl Ali college Mokokchung	Mokokchung	220.95	2.00	-	0.40	0.30	223.65	-	0.20	-	3.00	-	-	-	-	3.20	226.85
4	P/Sao Chang college, Tuensang	Tuensang	70.00	1.00	-	0.40	-	71.40	0.65	-	-	2.00	-	-	-	-	2.65	74.05
5	P/Zunheboto college, Zunheboto	Zunheboto	70.00	0.80	-	0.40	-	71.20	0.55	-	-	1.30	1.30	-	-	-	3.15	74.35
6	P/Dimapur college, Dimapur	Dimapur	160.00	1.50	-	0.35	0.40	162.25	0.75	0.30	-	2.50	2.00	-	-	-	5.55	167.80
7	P/Mount Tiji college, Wokha	Wokha	75.00	0.80	-	0.35	-	76.15	0.55	0.30	-	1.30	1.30	-	-	-	3.45	79.60
8	P/Phek college, Phek	Phek	70.00	1.00	-	0.40	-	71.40	0.65	0.30	-	2.00	1.80	-	-	-	4.75	76.15
9	P/Wangkhao college, Mon	Mon	65.00	0.80	-	0.40	-	66.20	0.55	0.30	-	1.30	1.30	-	-	-	3.45	69.65
10	P/Kohima college, Kohima	Kohima	100.00	1.00	-	0.30	-	101.30	-	-	-	1.60	1.50	-	-	-	3.10	104.40
11	P/Zisiji Presidency College, Kiphire	Kiphire	35.00	0.70	-	0.40	-	36.10	-	-	-	-	1.00	-	-	-	1.00	37.10
12	P/Yingli college, Longleng	Longleng	28.00	0.70	-	0.40	-	29.10	-	-	-	-	1.00	-	-	-	1.00	30.10
13	P/Peren college, Peren	Peren	30.00	0.70	-	0.30	-	31.00	-	-	-	-	-	-	-	-	-	31.00
14	P/NCTE	Kohima	60.00	1.68	-	0.30	-	61.98	0.50	0.25	-	-	0.70	-	-	0.10	1.55	63.53
<b>Total</b>			<b>1373.95</b>	<b>17.1</b>	<b>189.72</b>	<b>7.70</b>	<b>2.00</b>	<b>1590.47</b>	<b>5.35</b>	<b>8.95</b>		<b>24.16</b>	<b>14.22</b>			<b>0.10</b>	<b>52.78</b>	<b>1643.25</b>

Source: Eleventh Five Year Plan, 2007-12, and Annual Plan, 2007-08, Government of Nagaland.

APPENDICES

Table F. District/ Exchange	Year	Post Graduate		Graduate		PU Arts/Sc/Com		Matriculate		Below Matric		Tech. Degrees		Diploma Holders		Total		
		M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	Total
		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Kohima. Dimapur and Peren	2002	132	165	1350	902	1904	1285	4245	2112	3448	431	122	26	234	43	11435	4964	16399
	2003	164	184	1449	1145	2405	1864	4342	2465	3394	331	127	31	274	71	12155	6091	18246
	2004	187	170	1798	1291	2758	2045	4911	2709	3773	340	120	35	212	79	13759	6669	20428
	2005	343	245	1862	1348	2765	2266	3610	2113	3785	627	168	52	105	60	12819	6963	19782
	2006	939	319	2614	1896	3193	2496	4314	2236	4695	1418	186	78	106	62	15543	7836	23379
Mokokchung	2002	23	25	208	205	424	524	642	369	2025	210	9	10	30	2	3361	1345	4706
	2003	25	48	345	347	821	798	705	380	2526	319	7	8	52	10	4481	1910	6391
	2004	24	45	297	320	639	602	636	318	2079	247	10	8	30	-	3699	1540	5239
	2005	22	42	325	321	328	609	633	342	1968	264	12	5	33	-	3632	1583	5219
	2006	24	31	282	227	376	313	521	273	1932	229	17	6	19	1	3123	1080	4203
Tuensang	2002	2	2	96	27	233	128	968	344	133	145	2	1	9	-	2643	647	3290
	2003	2	3	148	43	419	241	1386	479	2305	297	2	1	7	-	4269	1064	5333
	2004	3	4	123	52	376	213	1011	452	2803	384	2	1	8	-	4326	1160	5432
	2005	5	3	129	54	382	207	1122	539	3271	490	1	-	8	-	4918	1293	6211
	2006	9	5	109	27	225	90	888	393	2899	402	1	-	5	-	4129	917	5046
Zunheboto	2002	2	4	60	30	390	229	415	202	1804	205	11	-	76	-	2758	670	3428
	2003	3	7	48	23	525	353	439	235	1713	175	10	1	41	-	2779	794	3573
	2004	4	5	45	28	245	307	306	177	1942	349	2	1	17	-	2661	867	3528
	2005	10	9	71	36	325	289	270	173	1545	362	1	1	10	1	2232	871	3103
	2006	12	10	85	45	180	140	245	126	2152	392	1	1	1	2	2682	716	3398
Phek	2002	4	5	59	20	133	40	362	110	650	70	4	-	4	1	1216	246	1462
	2003	3	6	65	21	155	57	383	119	869	136	2	-	4	1	1481	340	1821
	2004	4	8	77	35	150	65	366	127	852	167	3	-	3	1	1455	403	1858
	2005	1	5	69	33	131	50	271	135	939	184	1	-	1	5	1413	412	1825
	2006	1	7	74	31	118	31	241	111	944	127	1	-	-	5	1379	312	1691
Wokha	2002	2	4	227	58	429	198	589	235	1980	130	13	4	14	1	2763	630	3393
	2003	4	9	272	86	599	325	655	276	1624	180	14	4	7	-	3175	880	4055
	2004	4	8	77	35	150	65	366	127	852	167	3	-	3	1	1455	403	1858
	2005	1	5	69	33	131	50	271	135	939	184	1	-	1	5	1413	412	1825
	2006	1	7	74	31	118	31	241	111	944	127	1	-	-	5	1379	312	1691
Mon	2002	1	1	33	16	93	31	417	140	1452	174	1	-	4	-	2001	362	2363
	2003	3	1	49	19	134	44	491	178	2069	353	-	-	4	-	2750	595	3345
	2004	8	10	290	98	498	349	645	299	1808	205	9	2	1	2	3259	965	4224
	2005	12	12	293	103	480	847	670	314	1994	253	10	-	4	2	3462	1031	4494
	2006	11	14	283	64	278	206	589	239	2081	237	4	2	4	-	3249	762	4011
Nagaland	2002	166	206	2033	1258	3608	2436	7647	3512	12192	1365	162	41	371	46	26177	8864	35041
	2003	204	210	2376	1684	5058	3682	8401	4130	14500	1791	162	45	389	82	31090	11674	42764
	2004	234	250	2707	1859	4916	3646	8241	4209	14109	1859	149	47	274	83	30614	11953	42567
	2005	394	321	2818	1928	4542	3815	6847	3751	14441	2364	193	58	162	73	29890	12565	42460
	2006	492	393	3521	2321	4488	3307	7039	3489	15647	2932	211	87	141	75	31484	11623	43419

Source: Directorate of Economic and Statistics, Govt. Of Nagaland, 2007



## APPENDICES

Table G. Capital Expenditure of Nagaland

Items	2003-04 (Accounts)			2004-05 (Budget estimates)			2004-05 (Revised Estimates)			2005-06 (Budget Estimates)		
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
1	2	3	4	5	6	7	8	9	10	11	12	13
Total disbursements	38,151	4,47,312	4,85,463	53,742	1,08,389	1,62,131	55,871	1,07,551	1,63,422	65,645	1,08,088	1,73,733
Total capital outlay (developmental + non-developmental)	38,015	1,098	39,113	53,742	1,712	55,799	55,799	1,274	57,073	65,604	864	66,468
1. Developmental ((a). social Services + (b). Economic Services)	33,010	1,098	34,108	46,871	389	47,260	49,632	424	50,056	57,773	389	58,162
(a) Social Services	13,815		13,815	20,117		20,117	19,644		19,644	22,109		22,109
1. Education, Sports, Art and Culture	1,026		1,026	2,069		2,069	3,797		3,797	2,867		2,867
2. Medical and Public Health	1,188		1,188	5,580		5,580	3,108		3,108	3,875		3,875
3. Family Welfare												
4. Water Supply and Sanitation	6,319		6,319	6,330		6,330	6,444		6,444	8,655		8,655
5. Housing	2,616		2,616	3,776		3,776	2,824		2,824	2,906		2,906
6. Urban Development	1,788		1,788	2,116		2,116	2,415		2,415	2,843		2,843
7. Welfare of SC's and ST's and OBC's												
8. Social Security and Welfare	341		341	809		809	656		656	511		511
9. Others	537		537	437		437	400		400	452		452

Source: State Finances, A study of Budgets of 2005-06, Reserve Bank of India 2005.

