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# Dismantle Licence Raj in Higher Education



**T**he tragic-comic saga involving the 44 'deemed to be' (DTB) universities being de-recognised is a telling reminder of everything that is wrong with our higher education system and needs to be corrected. On one hand, we have a set of institutes that perhaps never deserved to be granted this status. On the other, we have the future of one lakh-plus students being held hostage. Students who are already smarting under a higher education system where the cut-off for success is inhumanely high and where the spectre of student suicides consistently rears its ugly head.

So, why don't we have capacity and quality in our higher education system? That's because only universities have the power to grant degrees. Historically, given the economic state of the country, high unemployment rate, etc., this right had been held sacred. Only the legislature could create universities. The DTB route was an attempt by the Executive (read *babudom*) to claim some of this power. In none of the developed countries in the world that we aspire to emulate so much, setting up or becoming a university is such a big deal.

In India, a Licence Raj approach has ensured a capacity constraint which artificially magnifies the value of becoming a university. This is all about demand and supply. You increase the supply and this value disappears. Quality then becomes the gating or the most problematic item.

Assuming for a moment that we wish to persist with this inane system—who then de-

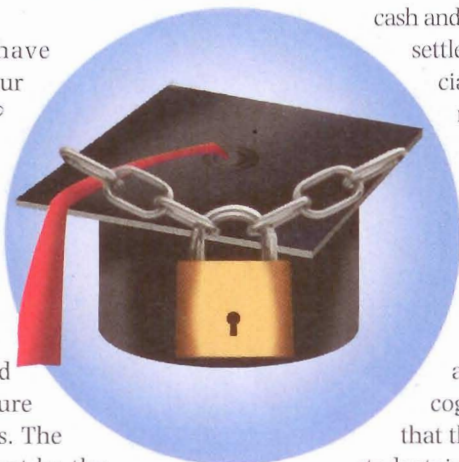
terminates the criteria for becoming a university or a DTB university? The backgrounds of these 44 DTB universities and numerous other universities that have been created through Acts of state legislatures is clear evidence that the process has been compromised. Most of the sponsors are politicians or other undeserving characters. I did not spot a single IITian or IIM grad in there. Rumour has it that a 7<sup>th</sup> grade 'fail' is the chancellor of one of these DTB universities. The choice of these sponsors is unsurprising. In a not-for-profit regime, who

else will invest hundreds of crores in cash and settle for off-balance sheet settlements to get their financial returns? Certainly, not meritocratic capital.

Let's go one step further. Assuming we wish to persist with severe controls on capacity and opaque criteria to get these licences, what justifies an arbitrary approach to derecognition (especially given that the future of thousands of students is involved as is investment

running into hundreds of crores by the sponsors)? The worst signals are transmitted to financial institutions and investors that have been working on ways to help enable capacity creation, notwithstanding the challenges.

The recipe to save the lives of our children is a simple one: Dismantle the Licence Raj around capacity creation, set up national and state-level accreditation councils, come up with clear and transparent criteria for accreditation and de-accreditation, allow for-profit entities in order to enable access to meritocratic sponsors. Otherwise, stop reading newspapers. The stories may get more sordid. ©



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