



Budget and Education

This editorial is based on [“Budgeting For The Education Emergency”](#) which was published in The Hindu on 24/01/2022. It talks about the challenge of low public spending on education in India.

For Prelims: Economic and Social Development, Budget, Economic Survey of 2020-21

For Mains: Government Policies & Interventions in education, Education - related concerns/issues and suggestions for improvement, Government Budgeting and scope of improvement in public expenditure vis-a-vis education.

Since the onset of the Covid-19 pandemic, the already dismal condition of the education system of India has been exacerbated. Due to the pandemic, the **schools have remained shut for about 20 months now**, leading to **poor learning outcomes** for the children, especially the poor and disadvantaged.

The **comparatively lower public expenditure on education** in India and the **unavailability of data** on public expenditure on education from different Ministries further adds to the plight of India's education sector.

These challenges offer a vast scope of improvement for the upcoming [Budget](#) for FY 2022-23 vis-a-vis the education sector.

Education and Public Spending

- **India's Spending and Other Countries:** Even before the pandemic, public spending on education in most States was **below that of other middle-income countries**.
 - Most **major States spent in the range of 2.5% to 3.1% of State income** on education, according to the Ministry of Education's Analysis of Budgeted Expenditure on Education.
 - This compares with the **4.3% of GDP that lower-middle-income countries spent**, as a group, between 2010-11 and 2018-19.
- **Share of Education in Budget:** In the 2021-22 Budget, in the midst of the gravest education crisis, the **trend of increasing public spending on education was in the opposite direction** for the Central government and many State governments.
 - The Central government's allocation for the Education Department was **slashed compared to the previous year**, even though the size of the overall budget increased.
 - Of the major States and Delhi, **8 states either reduced or just about maintained their budget allocation** for education departments in 2021-22 compared to 2020-21.
 - **7 States marginally increased** their allocation by 2%-5%.
 - **Only 6 States increased their allocation by more than 5%**, though it remains to be seen how actual expenditures compare with budget allocation.
- **Need for Increasing Public Spending on Education:**

- **Lower Expenditure than Countries with Similar GDP:** [UNESCO's](#) 2030 framework for action suggests public education spending levels of between **4% and 6% of GDP and 15%-20% of public expenditure.**
 - A recent [World Bank](#) study notes that **India spent 14.1 % of its budget on education**, compared to 18.5% in Vietnam and 20.6% in Indonesia, countries with similar levels of GDP.
 - Since India has a higher share of population under the age of 19 years than these countries, it should actually be allocating a greater share of the budget than these countries.
- **Lockdown Caused a Major Loss to the Disadvantaged:** The vast majority of the total children enrolled in preschool and school **did not have meaningful structured learning opportunities** during the 20 months of school closures.
 - They have **lost basic literacy and numeracy skills**, and even the habit of learning.
 - Millions have **disengaged from education**, due to **lack of contact with teachers.**
 - In anticipation of the [Omicron wave](#), the schools were again rushed to be closed, **contrary to all international trends.**
- **Failure of Technology in Replacing Teacher Training:** Many State governments and the Central government have been spending public resources to use technology in education, however, there is no clear idea about how much of public resources was/is being spent on technology.
 - Also, there are apprehensions about the efficacy of online learning as **less than 20% of all students could access even pre recorded videos.**
- **Opacity of Expenditure Data - An Underlying Issue:** As per the [Economic Survey of 2020-21](#), the combined Central and State government **spending on education was estimated to be 2.8% of GDP (2018-19)**, whereas, the data from the Ministry of Education indicates that public spending on education had reached 4.3% of GDP in the same year, rising from 3.8% of GDP in 2011-12.
 - The difference in the figures is due to the **inclusion of expenditure on education by Ministries other than the Education Ministry.**
 - Such as the Ministry of Social Justice and Empowerment (on Anganwadis, scholarships, etc.) and the Ministry of Science and Technology (for higher education).
 - However, the **composition of these expenditures is not readily available** due to the fact that education expenditures of departments (other than the Education Ministry) are not shown by level.
 - The estimation of education expenditure by other departments of the State governments is even more crude, as they do not even provide separate expenditures on education.

Way Forward

- **Multi-Pronged Approach for Reviving Education System:** The disaster caused by the Covid-19 pandemic could be the **opportunity to reverse the chronic under-funding of India's public education system.**
 - The education system now needs not only an infusion of resources for multiple years, but also a **strengthened focus on the needs of the poor and disadvantaged children** who are most likely to be impacted adversely in such educational crises.
 - However, Increased public spending alone is a necessary but not sufficient condition to address all the problems. It is also necessary to **take account of what the public money is being spent on** and keeping record of **how effectively the resources are used** is also important.
- **Additional Resources:** The additional needs besides increased public spending include:
 - **Back-to-school campaigns and re-enrolment drives**
 - **Expanded nutrition programmes** to address malnutrition
 - **Reorganisation of the curriculum** to help children learn language and mathematics in particular
 - Support their **socio-emotional development**, especially in early grades

- **Additional learning materials, teacher training and ongoing support**, additional education programmes and increased instructional time during vacations and weekends
- **Expectations from the Upcoming Budget:** In an era of data deluge, it is astonishing that public expenditure data on the education sector are not easily available.
 - The opacity of expenditure data provides an opportunity for the upcoming Budget to **resolve the confusions regarding the additional funds** that will be allocated for different levels of education by the principal departments in 2021-22.
 - The budget must also have a **provision for the funds that will specifically address the issue of education emergency** faced by the children **who have been deprived of learning opportunities**.

Drishti Mains Question

Discuss the challenges faced by the education sector of India with reference to lower public expenditure.

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