



## The role of education in Indian economy

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### Abstract

Education is a continuous process. It deals with over growing man in ever growing society. The word education originated from the Latin word which means "to bring up". Education should clarify Man's relation with man, man's relation with the universe and man's relation with creator or God. The importance of Education is today's need as it is the not only the development of intellectual skills and knowledge but also to effective growth and development of Indian Economy. The Education system needs to make students as learner's innovators, scholars, researchers and trainers. In the past century, we progressed from a stage where the application of science to manufacturing techniques becomes the basis for production and to develop the Indian Economic system. Education has been found a major source of productivity growth in post-war era, and because Education increases productive human capital. Many recent Large – Scale Education reforms have been justified by the urgent need to increase Labour productivity and promote Effective economic development and growth through expanded and improved education. The concept of effective Growth of Indian Economy is much wider in scope than the Role of Education at covers and higher Level.

**Keywords:** growing society, economy, substantial investment

### Introduction

Education in every sense is one of the fundamental factors of development. No country can achieve sustainable economic development without substantial investment in human capital. Education raises people's productivity and creativity and promotes entrepreneurship and technological advances. Education is important for human being. It can control and discipline the behavior of an individual. As we know that there are definitions of education from different experts. However, the main points of the education are the same they are to make life meaningful. Education in the largest sense is any act or experience that has a formative effect on the mind, character or physical ability of an individual. In its technical sense, education is the process by which society deliberately transmits its accumulated knowledge, skills, and values from one generation to another.

Etymologically, the word education is derived from *educare* (Latin) "bring up", which is related to *educere* "bring out", "bring forth what is within", "bring out potential" and *educere*, "to lead".

Webster defines *education* as the process of educating or teaching. *Educate* is further defined as "to develop the knowledge, skill, or character of..." Thus, from aforesaid definitions, we may assume that the purpose of education is to develop the knowledge, skill and character of students.

Throughout, the objective is to draw out the role of education in Indian economy and show the higher education system.

### Definitions of Education

The Western philosophers have defined the education as under:-

**1. Socrates:** "Education means the bringing out of the ideas of universal validity which are latent in the mind of every man".

**2. Plato:** "Education is the capacity to feel pleasure and pain at the right moment. It develops in the body and in the soul of the pupil all the beauty and all the perfection which he is capable of."

**3. Aristotle:** "Education is the creation of a sound mind in a sound body. It develops man's faculty, especially his mind so that he may be able to enjoy the contemplation of supreme truth, goodness and beauty of which perfect happiness essentially consists.

**4. Rousseau:** "Education of man commences at his birth; before he can speak, before he can understand he is already instructed. Experience is the forerunner of the perfect".

**5. Herbert Spencer:** "Education is complete living". Economists have long emphasized the importance of human capital for economic growth and prosperity. Economic prosperity is generally measured in terms of living standards, and the improvement in living standards is closely linked to the growth in the productivity of labor, that is, how much is produced per hour of work. In order to improve living standards, the productivity of individuals in a society must increase. Education affects productivity in two critical ways. First, education supports innovation that creates new technologies, which, in turn, enhance the productivity of workers in the economy. Second, education improves workers' skills, which allow them not only to use new technologies but also to use existing technology more effectively or efficiently. Thus, education, I believe, is at the heart of productivity improvements and thus at the center of how we achieve increases in economic prosperity. Every human being needs oxygen to survive in the world. Education is as important as this because education gives people the knowledge and skills they require. Education is important to people of all ages and it has no limit.

Children require education in order for them to learn how to speak and to write.

### Types of Education

Education goes beyond what takes place within the four walls of the classroom. A child gets education from his experiences outside the school as well as from those within on the basis of these factors. There are three main types of education, namely, Formal, Informal and Non-formal. Each of these types is briefly described below.

#### Formal Education

Formal education is usually in school, where a person may learn basic, academic, or trade skills. Small children often attend a nursery or kindergarten but often formal education begins in elementary school and continues with secondary school. Post-secondary education (or higher education) is usually at a college or university which may grant an academic degree. It is associated with a specific or stage and is provided under certain set of rules and regulations. Formal education given by specially qualified teachers they are supposed to be efficient in the art of instruction. It also observes strict discipline. The student and the teacher both are aware of the facts and engage themselves in the process of education.

#### Informal Education

Informal education may be a parent teaching a child how to prepare a meal or ride a bicycle. People can also get an informal education by reading many books from a library or educational websites. Informal education is when you are not studying in a school and do not use any particular learning method. In this type of education conscious efforts are not involved. It is neither pre-planned nor deliberate. It may be learnt at some market place, hotel or at home. Unlike formal education, informal education is not imparted by any institution such as school or college. Informal education is not given according to any fixed time-table. There is no set curriculum required. Informal education consists in experiences and actual living in the family or community.

#### Non formal Education

Non-formal education includes adult basic education, adult literacy education or school equivalency preparation. In non formal education someone (who is not in school) can learn literacy, other basic skills or job skills. Home education, individualized instruction (such as programmed learning), distance learning and computer-assisted instruction are other possibilities. Non-formal education is imparted consciously and deliberately and systematically implemented. It should be organised for a homogeneous group. Non-form, education should be programmed to serve the needs of the identify group. This will necessitate flexibility in design of the curriculum and the scheme of evaluation.

Table 1 show the population census 2001 and 2011. It show the 2001 total population of 102.87 crore and male of this year 53.22 crore and female 49.65 crore. After ten year, 2011 increase total population 121.06 crore, male 62.31 crore and female 58.75 crore

**Table 1:** Population Census- 2001 & 2011 (In crore)

	2001	2011
Total	102.87	121.06
Male	53.22	62.31
Female	49.65	58.75

**Data Source:** Office of the Registrar General & Census Commissioner, India (website: <http://censusindia.gov.in/>)

**Table 2:** Literacy Rates (In percentage)

Literacy Rates (7+Age Group)	Adult Literacy Rates (15+ Age Group)			
	2001	2011	2001	2011
Total	64.8	73.0	61.0	69.3
Male	75.3	80.9	73.4	78.8
Female	53.7	64.6	47.8	59.3

**Data Source:** Office of the Registrar General & Census Commissioner, India (website:<http://censusindia.gov.in/>)

Tables 2 define literacy rate difference between 2001 to 2011. It shows the total literacy rate (7+ age group) in 2001, 64.80 per cent to increase 2011, 73 percent. Male literacy rate (7+ age group) 75.3 percent in 2001 to increase 80.9 percent in 2011. Female literacy rate (7+ age group) 53.7 percent in 2001 to increase 64.6 percent in 2011. It shows the total literacy rate (15+ age group) in 2001, 61 per cent to increase 2011, 69.3 percent. Male literacy rate (15+ age group) 73.4 percent in 2001 to increase 78.8 percent in 2011. Female literacy rate (15+ age group) 47.8 percent in 2001 to increase 59.3 percent in 2011. Over all this table show increase literacy rate.

### Indian Economy

India is an under developed though a developing economy. Bulk of population lives in conditions of misery. Poverty is not only acute but also chronic. At the same time, there exist unutilized natural resources. The co-existence of the vicious circle of poverty with the various circle of affluence perpetuates misery and foils all attempts at removal of poverty. It is in this context that an understanding of the major issues of development should be made.

The Indian higher education system is facing an unprecedented transformation in the coming decade. This transformation is being driven by economic and demographic change: by 2020, India will be the world's third largest economy, with a correspondingly rapid growth in the size of its middle classes. Currently, over 50 per cent of India's population is under 25 years old; by 2020 India will outpace China as the country with the largest tertiary-age population.

Despite significant progress over the last ten years, Indian higher education is faced with four broad challenges:

**The supply-demand gap:** India has a low rate of enrolment in higher education, at only 18 per cent, compared with 26 per cent in China and 36 per cent in Brazil. There is enormous unmet demand for higher education. By 2020, the Indian government aims to achieve 30 per cent gross enrolment, which will mean providing 40 million university places, an increase of 14 million in six years.

**The low quality of teaching and learning:** The system is beset by issues of quality in many of its institutions: a chronic shortage of faculty, poor quality teaching, outdated and rigid curricula and pedagogy, lack of accountability and quality

assurance and separation of research and teaching.

### **Constraints on research capacity and innovation**

With a very low level of PhD enrolment, India does not have enough high quality researchers; there are few opportunities for interdisciplinary and multidisciplinary working, lack of early stage research experience; a weak ecosystem for innovation, and low levels of industry engagement.

### **Uneven growth and access to opportunity**

Socially, India remains highly divided; access to higher education is uneven with multidimensional inequalities in enrolment across population groups and geographies.

### **Education system at Door step**

The idea of education which expects an effective and far researching influence on the impressionable minds of youth should not be alien to the national genius and culture. A glance into the past reveals that never in history has any generation of people seen such radical change in the system of education, as vast, which has affected the life of our ages tremendously. The progress of any country lies on the literacy and education of its population as it gives the required discrete power to judge and rationalize the events on natural surroundings as well as in the social conditions. A good judgment towards these aspects prevails in the mind of the truly educated one. The purpose of education cannot be just money making but truly man making. In the light of the above statement, the investigator would like to present the analysis on the four of the effectiveness and growth of the development of Indian Economic System.

### **Role and importance of Education**

Generally, at the start of a very young age, children learn to develop and use their mental, moral and physical powers, which they acquire through various types of education. Education is commonly referred to as the process of learning and obtaining knowledge at school, in a form of formal education. However the process of Education does not only start in a child first attends school. Education begins at home one does not only acquire knowledge from a teacher, one can learn and receive knowledge from a parent, family member and even as acquaintance. In almost all societies at any school and receiving an education is extremely vital and necessary if one wants to achieve success. However, unfortunately we have places in the world where not everyone has an opportunity to receive this formula type of Education. Learning subjects in school is not enough one can learn history, maths, science in school, and the "book smart" in addition, one can learn how to live life by knowing what to say when, acting a certain way in certain situations and be "street-smart". The above two types of knowledge are extremely essential to the successful in life. But no matter what, education is the key that allows people to move up in the world, seek better jobs, and ultimately succeed fully in life. Education is very important and to develop the Indian economy systems is very objectively.

### **Role of Education in the Economic growth**

The growth of the economy and development of a country is depending upon the education system of that particular

country. A perfect and successful batch of youth of a country is come from education sector. Many foreign / abroad countries including India, China, Australia, Newzeeland, Singapore and many other developing moves started to welcome more international students. As they bring different ideas, culture as well as foreign incomes in the form of fees structure, living expenses and other daily expenses. Where as those developed countries like UK, USA Canada and other developed European countries already open doors for international students and these countries are always emphasis on improving their education structure, developing more colleges and universities on country side areas and always in a way to update their course content on regular. India has also launched many types of different degree courses offered by various universities and colleges of India. But more as times goes on, Indian Education Development has very well improved and now started many programmes and degree courses at International of standard along with the implementation of grading system in middle school that brings relief to middle school students and makes them motivated to work hard to complete with co-operate world. The story of education in India is a paradox. Twenty percent of Indian get a fairly decent education, and in a nation of 1.2 billion, this is huge number and helps to explain why India has become the back office of the world. Government schools have failed in India, and this is why one-third of Indians children attend private schools. The Government has implicitly recognized its failure and requires that a fourth of the seats in all private schools be reserved for the poor, whose fees are subsidized by the Government.

### **Conclusion**

The demand for higher education and the magnitude of planned reforms over the next ten years in India will provide the largest opportunity in the world for international higher education institutions and education businesses. The Education system needs to make students as learner's innovators, scholars, researchers and trainers. In the past century, we progressed from a stage where the application of science to manufacturing techniques becomes the basis for production and to develop the Indian Economic system. Education has been found a major source of productivity growth in post-war era, and because Education increases productive human capital. Many recent Large – Scale Education reforms have been justified by the urgent need to increase Labour productivity and promote Effective economic development and growth through expanded and improved education. The concept of effective Growth of Indian Economy is much wider in scope than the Role of Education at covers and higher Level.

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