India's colleges battle a thicket of red tape

Regulation stifles expansion and innnovation; lack of qualified teachers

BY GEETA ANAND
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MUMBAI

P.M. D'Mello, the principal of a pharmacy college here, wants to double student enrollment, fill the empty space in her building and help remedy the shortage of skilled workers that plagues India's economy.

The government won't let her.

Under the labyrinthine regulations that govern technical colleges nationwide, the Principal K.M. Kundnani College of Pharmacy must provide 168 square feet of building space for each student. The rule is intended to ensure students have enough space to learn. But it effectively caps enrollment at 300, even though students are spread so thinly in the eight-story building that the top floor remains unused, its lecture halls padlocked.

The rules also stipulate the exact size for libraries and administrative offices, the ratio of professors to assistant professors and lecturers, quotas for student enrollment and the number of computer terminals, books and journals that must be on site.

"I am not free to run this school as I wish," Ms. D'Mello, 51 years old, says. "I am at the whim of unrealistic demands."

Falling short

Loosening the Indian government's famously bureaucratic "License Raj" when it comes to governing businesses has helped spur an economic surge that has transformed the country and its standing in the world.

In contrast, critics say India's educational system remains mired in red tape that stifles expansion and innovation. The system falls far short of meeting the demand among young people for places in good colleges and universities. And it deprives India of the ranks of well-educated graduates it needs to supply crucial industries such as information technology and pharmaceuticals.

The mandate that pharmacy colleges must provide 168 square feet per student, for instance, meant that nearly 75% of the 25,000 people who took the pharmacy-college entrance exam this year in the state of Maharashtra, which includes Mumbai, were turned away because there weren't enough seats, according to Ms. D'Mello.

The regulatory restrictions are especially severe in technical fields such as engineering, pharmacy, business administration and computer science. Almost every aspect of operations for about 8,500 private and public colleges and universities is overseen by the All India Council for Technical Education, a New Delhi-based government body empowered by law in 1987.

The council was created with the goal of setting high, universal standards for technical education and reducing
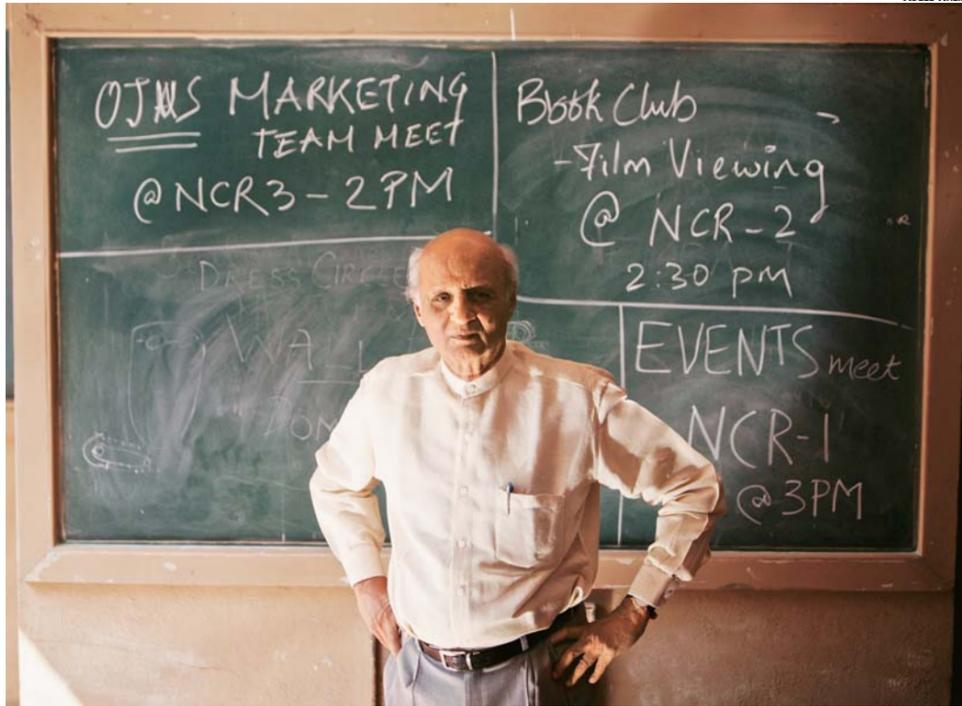
Stumbling block: *M.L. Srikanth, dean of the S.P. Jain Institute of Management in Mumbai. In 2006, the institute was denied approval by the AICTE for its Virginia Tech program offering a dual master's degree.*

ADEEL HALIM

WSJ ON EDUCATION

corruption. It employs thousands of inspectors and administrators who enforce its standards.

"We do very important and very necessary work to make sure our colleges and universities use public funding correctly and provide our country with the highest caliber students," says AICTE member secretary K. Narayana Rao. "Our country's growth is a testament to our success."

The council approves the opening of new colleges and accredits existing colleges. It requires that college principals and professors hold doctorates and assistant professors have master's degrees. It forbids colleges from introducing new programs or courses without its sign off.

Vast purview

The council's vast purview is prompting an outcry from educational and business leaders who want to see the higher-educational system reformed. The Federation of Chambers of Commerce and Industry earlier this year proposed abolishing the council altogether.

"Nothing has gotten in the way of educational improvement and expansion here in India more than the government's own regulators," says Anil Harish, chairman of the Hyderabad (Sind) National Collegiate Board, a nonprofit organization in Mumbai that governs the Kundnani pharmacy college and 16 others.

The National Knowledge Commission, an advisory committee appointed by the prime minister, is proposing to set up a new independent regulatory authority, invest more government funding in higher education and build 50 national universities.
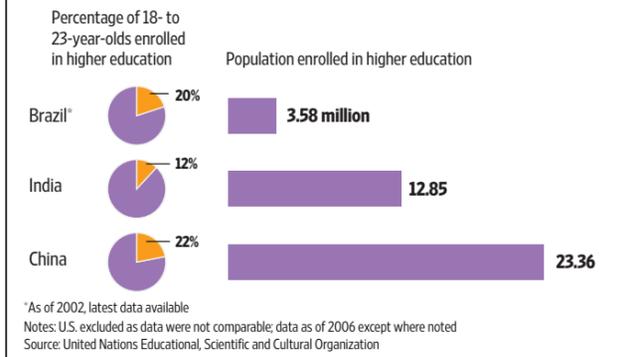
"There is a quiet crisis in higher education in India that runs deep," said Sam Pitroda, chairman of the commission, in a report. "The system as a whole is overregulated."

India's national and state governments are pouring billions of dollars into expanding higher education. The Indian government, which funds about a third of India's public higher-education costs (states pay the rest), plans a ninefold increase in spending to $17 billion over the next five years, according to a plan unveiled in 2007.

But reducing the bureaucratic burden on the sector won't be easy. Any change in the powers of the All India Council for Technical Education requires a vote of Parliament, whose members can derive influence by pressuring educational institutions to admit children of supporters, several officials of colleges and college boards say.

"Education is a vote-getting patronage item," says Ajit Rangnekar, deputy dean of the Indian Business School. That school, launched in 2001 with the support of India's business elite, isn't under the purview of the Council for Technical Education.

Some leaders of Indian colleges say programs have been delayed—or nixed—because of the council's decisions.

At the Mumbai-based S.P. Jain Institute of Management & Research, one of India's top business schools, Dean M.L. Shrikant has been trying for years to expand. Last year, 20,000 students applied for the 120 spots in the school's Master's of Business Administra-

tion program.

Between 1993 and 1999, Mr. Shrikant says the college applied six times to increase enrollment in its MBA program to 120 from 45. Each time, he says, it was denied. In 2000, the council approved raising the quota to 120.

In 2004, S.P. Jain set up a partnership with Virginia Polytechnic Institute and State University for a dual master's degree in systems management and information technology. The course was taught on S.P. Jain's campus, with professors from both schools.

Soon after, the All India Council for Technical Education adopted rules governing such foreign collaborations. In 2006, S.P. Jain sought approval for its Virginia Tech program. It was denied.

In letters, phone calls and visits to Delhi, S.P. Jain lobbied regulators to reverse their decision. The program with Virginia Tech was so popular that more than 1,500 students sought admission for the 60 spots, S.P. Jain officials say. The council stood by its denial.

Mr. Shrikant says he had no choice but to ditch the Virginia Tech collaboration. Students halfway through the two-year program were allowed to finish.

Virginia Tech's director of master's degree programs in information technology, Parviz Ghandforoush, says Indian students are the losers. "Future students wishing to receive a globally designed degree program will have to travel outside of India to have access to such programs," he says. "The cost of doing this is certainly prohibitive to many."

Arunav Roy, a 25-year-old student in the dual degree program who is finishing an internship with General Electric Co. in Mumbai, says, "This program has a brilliant course structure. It's a shame it won't be available for future students."

R.A. Yadav, chairman of the All India Council for Technical Education, said approval was denied for the program with Virginia Tech because "it didn't fall within our guidelines and we need to have guidelines to maintain standards." Among the guidelines not met: the regulation against having approved programs on the same premises as programs not approved by the council. S.P. Jain was running part-time MBA programs not approved by the council.

S.P. Jain says it initially thought it didn't need approval for part-time programs.

Overall, Mr. Yadav says enrollment in India has increased, with 1.65 million students enrolled in technical education institutions in India in 2008, compared with 1.1 million in 2007.

Teacher shortage

Attracting qualified people to teaching is difficult, those involved in recruiting say, because of the council's regulations requiring doctorates for professors and principals.

The Hyderabad Sind board, the nonprofit group that oversees 17 colleges, says it has spent hundreds of thousands of rupees, or tens of thousands of dollars, on advertisements for professors with doctorates to teach at its Thadomal Shahani Engineering College. But so far it has only found two of the 10 professors it needs to teach its engineering students, says J.K. Bhambhani, rector of the board that governs Thadomal.

The college pays professors Rs.50,000, or about $1,000 a month, Mr. Bhambhani

says—less than half what they could earn in Mumbai's booming information-technology sector.

The All India Council for Technical Education allows the college to bridge the deficit in professors by hiring extra assistant professors and lecturers who are required to have a master's or bachelor's degree to teach. Mr. Rao, the AICTE member secretary, agrees that "faculty recruitment is the main constraint" to enhancing the quality and quantity of higher education and recommends colleges pay professors more. "They could find a way," he says.

College officials say their hands are tied because the government constrains their revenue with caps on tuition and enrollment.

A state committee sets tuition at Thadomal Shahani at Rs.67,000, or about $1,300, a year. And All India Council for Technical Education limits enrollment at the college to 1,750 students, enforcing a requirement of 126 square feet a student for engineering colleges. (Regulations on space vary by discipline.)

Mr. Rao says space requirements are calculated to ensure students have the room to learn. "For quality education, you need enough space— enough space for labs, for teaching. Our experts decide based on these requirements after examining world-class universities."

When Ms. D'Mello became principal at Kundnani pharmacy college last year, the school had just moved to an old building that had been vacant for years. Elevators broke

P.M. D'Mello

down frequently and the basement leaked. On a recent day, dressed in a green sari, she apologized for the discolored stone floors, the peeling paint outside the microbiology lab and the occasional cracked window. "I could make this building beautiful," she says.

To refurbish it and buy state-of-the-art equipment for the laboratories, Ms. D'Mello says she needed significantly more revenue than annual undergraduate tuition fees of $350 allowed.

She made a proposal to the board that oversees the school: asking to increase enrollment in the two-year graduate program to 100 students from 50.

Because she can charge higher tuition fees for postgraduates, many of whom are sponsored by companies, she says the move would increase revenue by $40,000 annually—enough for refurbishment and equipment purchases.

But her proposal never made it beyond the nonprofit Hyderabad board that governs her college and others. The board was still smarting from an unsuccessful effort to persuade the All India Council for Technical Education to allow more students at the Thadomal Shahani engineering college.

The council also required Thadomal to spend $400,000 to build an additional floor onto its building to meet the per-student space requirement.

"We agree there is so much extra space at the pharmacy school," says Manju Nichani, secretary of the Hyderabad board. But it decided against even asking the All India Council for higher enrollment, she said, because "there was no point in engaging the education council with such a low chance of success."

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CLASS DIVIDE

Despite its rapid economic expansion, India has a relatively low percentage of its population enrolled in higher education.

Percentage of 18- to 23-year-olds enrolled in higher education

Population enrolled in higher education

	% enrolled	Population (million)
Brazil*	20%	3.58 million
India	12%	12.85
China	22%	23.36

*As of 2002, latest data available
Notes: U.S. excluded as data were not comparable; data as of 2006 except where noted
Source: United Nations Educational, Scientific and Cultural Organization

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TOO FEW GOOD SCHOOLS

Very few of India's higher-education institutions were ranked in the top 500 world-wide in Shanghai University's 2008 annual ranking.

	India	Brazil	China	Japan	U.S.
Number of higher-education institutions that rank in the top 500 world-wide	2	6	30	31	159
School-age population in millions	112.1	17.3	112.6	6.8	22.1

Source: Center for World-Class Universities, Shanghai Jiao Tong University