

State, Households and Markets in Education: Government's Unwillingness and Households' Compulsion to Pay for Education vis-à-vis the Exploitative Markets

Jandhyala B G Tilak

Abstract

The literature on economics of education has considered only two domains, individual and social, in the context of investment decision making. But there are three distinct domains, namely, individual (household domain), market domain, and public (social) domain. Investment decision making in these domains is influenced by three different sets of considerations, and therefore, they need to be separately analysed, recognising, however, the inter-relationship between them. The 2003 Dr Adishesiah memorial lecture analyses, accordingly, the three closely related aspects of financing education in India: the increasing reluctance of the government to spend on education, the phenomenon of compulsion to pay for education by the families, which is familiarly, but not correctly, termed 'willingness to pay for education' and the role the unregulated and unscrupulous markets play in education.

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Agriculture – Industry Linkage: The Problems of effective demand and supply constraint

Saumya Chakrabarti

Abstract

In this paper we analyse the linkages between the industrial sector and other sectors of a less developed economy – specifically the agricultural sector and the government – in a multi-sector macroeconomic framework. In the context of demand our basic position is that an appropriate government intervention can mitigate the problem of effective demand faced by the industrial sector. On the other hand, we recognise that agriculture can present a supply side bottleneck for industrial expansion in terms of provision of wage-good. The precise question we ask is, how can growth of agricultural productivity lead to industrial expansion in the presence of social resistance to a historically evolved pattern of income distribution and in the absence of capital flow between these two sectors? Growth of agricultural productivity creates a potential for industrial expansion from the supply side. Realisation of this potential without involving distributional conflict requires – on the demand side – an adequate adjustment of the real government expenditure on industrial output, i.e. of the real 'domestic exports' for industry; while the corresponding nominal government expenditure can be financed by money creation.

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From utopia to Pragmatism: The Paradoxes of Urban Development in India

Darshini Mahadevia

Abstract

Urban policies in India have gone hand in hand with macro-economic policies. Beginning with extensive State involvement in directing urbanisation on one hand and developing patterns in the urban centres through master plans on the other, the policy thrust has now shifted to extensive reliance on the market to direct urbanisation and development patterns in the cities. Paradoxically, extensive State involvement considered urban poor as unwanted. With the State withdrawal, the urban policies have come out of the realm of utopia to pragmatism, and urban poor are being

considered a part of the urban system. Market-led development is pushing urban policies into the realm of pragmatism. Earlier utopia was on two counts, extensive State involvement and non-recognition of poverty in the cities. The current pragmatism is also on two counts, recognition that the State cannot deliver all and that there is poverty in the cities. The pragmatic agenda has come about due to economic compulsions. Further, the urban policies have shifted from an excessive centralised thrust to a decentralized thrust. These policy changes in the urban areas are taking place under the influence of the international funding agencies. While the ideology and therefore the policies have reversed, the trend of concentrated urbanisation in certain regions of the country and concentration of urban poor in smaller towns and cities have continued. Such a paradox has occurred in India's journey from utopia to pragmatism because of an underlying 'economism' in the urban policy making as also in the macro-economic policy making. The concern for equity was at best an euphemism State supported capitalistic growth.

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Dynamics of Economic Development in Orissa

Shibalal Meher

Abstract

The main objective of this paper is to raise issues of economic development in the agriculturally predominant state of Orissa and to find the path of development in such an economy. After discussing the different aspects of economic development in Orissa and the issues involved in it, it is suggested that agriculture should get prime importance in the state. Economic development in the state, if neglecting agriculture, would not only lead to unsustainable development but also lead to widespread disparity.

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