Right to Education and the Union Budget

Need for Renewed Focus

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In the interim budget of the union government, Samagra Shiksha Abhiyan received a budgetary allocation of ₹37,500 crore for FY 2024–25, continuing a trend of consistent decline. The allocation for SMSA needs to be put in perspective, given its importance as the vehicle for the implementation of the right to education. This article critically engages with the shifts underlying central spending on school education and suggests a way forward.

The views expressed are those of the author and do not necessarily reflect the position of the employer.

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The historic Right of Children to Free and Compulsory Education (RTE) Act, 2009, a fundamental right as per the Constitution, enacted after decades of struggle, provides a legal entitlement guaranteeing every child in the age group of 6–14 a justiciable right to education that meets certain well-defined norms and principles. Not only does it provide the essential legal framework to fix responsibility when children are denied the right to education, but it also provides a social vision of education and the policy agenda to achieve the social vision (Kumar 2018). In setting out that policy agenda, it presents a critique of the present system—school and society. It acknowledges the social reality of discrimination of marginalised and oppressed groups and its extension to schools, and that the child's right to equal treatment needs protection.

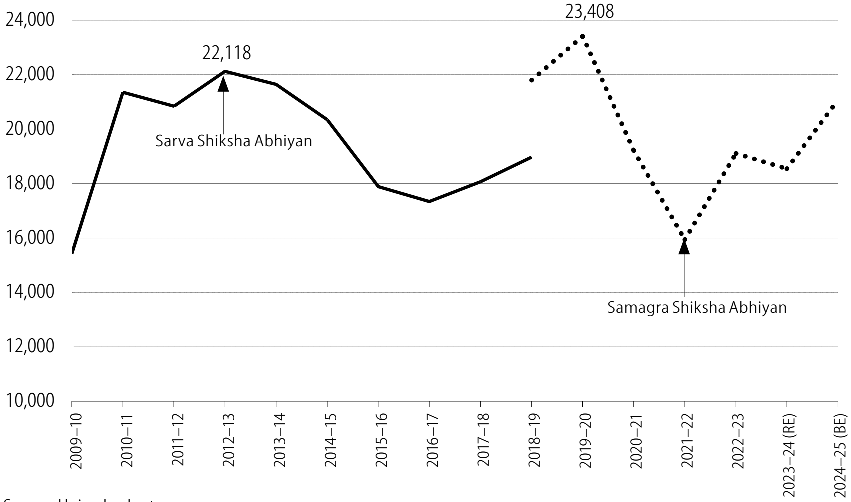
Over the years, while the probability of entering substandard schools has gone up for the subordinated classes, that of a meaningful learning experience has undoubtedly gone down as the public school system is weakened in myriad ways (Velaskar 2010). In terms of the design of the school, the RTE Act, thus, makes the requirements explicit by setting clear norms and standards for a school. The structure of buildings, classrooms and other infrastructure is specified. The required number and variety of teachers for each level are specified. The minimum pupil–teacher ratio along with the number of working days and working hours is to ensure that every child gets the attention they deserve. Each school must be endowed with teaching–learning equipment, library facility, play material, games and sports equipment—all of which are far from the existing status in schools. Professional education and training of teachers are mandatory and have to be achieved in a time-bound manner and teaching time protected from demands of administrative workload. What kind of learning is expected is defined comprehensively in the act (Kumar 2018).

Essentially, RTE critiques the inequality and stratification in provision, access and participation and foregrounds the right to equality of educational opportunities in a substantive sense, combining the ideas of equality, quantity and quality. It calls for the restructuring of the education system along egalitarian lines. This holistic vision is often missed in mainstream policy discourse and popular perception where the right is conflated with enrolment or retention, and disparaged for its strict emphasis on "inputs."

Financial Concurrency as a Key Requirement

Entitlements require an unequivocal commitment of financial resources. To what extent and how adequately a system responds depends crucially, inter alia, on public expenditure, in adequate measure and over a sustained period of time given the magnitude and complexity of the task at hand and the huge accumulated neglect. Right from the beginning, the absence of a financial memorandum accompanying the RTE Act (2010) was a cause of concern. It was feared that since financial implications of the act are not enforceable/justiciable, the government may continue to have the arbitrary powers to make budgets and dilute or postpone allocations as per its convenience (Sadgopal 2010). Neither was a separate head of expenditure created for RTE, as highlighted by the Comptroller and Auditor General of India's (CAG 2017) (one and only) comprehensive audit on the act's implementation. In response to the CAG's observation, the union government stated that Sarva Shiksha Abhiyan (SSA) is the vehicle for implementation of RTE, and the additional finances necessary would be provided through this route. It may be noted that the states were clear, given the huge gaps and the unequal

Figure 1: GoI's Allocation on Sarva Shiksha Abhiyan and Samagra Shiksha Abhiyan (₹ crore) (at 2011–12 prices)



Source: Union budget.

position of the states, that central support/concurrency in spending is mandatory for the implementation of RTE (MHRD 2010). This dependency is implied in the dual responsibility of the union and the states, including the local government, to meet the resources necessary for the implementation of the act (Section 7, RTE Act). Since the 1980s, financial concurrency in education has been an important consideration in shaping central government and the finance commission's intergovernmental transfers (Bose et al 2020).

Shrinking Budgets: The Gap between Rhetoric and Reality

The union finances for RTE through the SSA, after some initial buoyancy (2009–12), stagnated and then declined consistently (Figure 1). Even though a cess was levied to finance central spending on elementary education, SSA remained underfunded.

In 2018–19, in an attempt to bring a "holistic approach to school education," the SSA, Rashtriya Madhyamik Shiksha Abhiyan (RMSA) and strengthening of teacher training institutions were merged to form the Samagra Shiksha Abhiyan (SMSA). Essentially, the Ministry of Finance, Government of India was keen to reduce the number of centrally sponsored schemes (CSSs) as part of the policy of rationalisation of CSSs, which were found to be too many for effective implementation. The implication is that it is no longer possible to separate the heads of expenditure on elementary education (though at the planning stage, costing is done separately), and therefore the legal entitlement of RTE (one would like to hear the CAG's observation on this practice). It would, of course, be desirable if right to education were to be extended from preschool till secondary schools, a logical progression for a fundamental right in a developing society. The trends in expenditure on SSA and subsequently SMSA do not provide any such confidence. In most of the recent years, expenditure under SMSA has been even lower than the pre-merger SSA expenditure.

Alongside stagnation in the overall allocations, more and more schemes are being either subsumed/added to SMSA umbrella. The information and communication technology in education, which was a separate scheme and had separate allocation got subsumed in RMSA and then SMSA. The National Child Labour Project (NCLP) has been subsumed under SMSA since 2021–22. The Ministry of Labour and Employment has been implementing the NCLP scheme for the rescue and rehabilitation of child labourers under which children in the age group of 9–14 years are rescued from work, enrolled in the NCLP special training centres and are provided with bridge education, etc, before being mainstreamed into the formal education system. The union budget, 2023–24 added Pradhan Mantri Janjati Adivasi Nyaya Maha Abhiyan (PM-JANMAN) scheme as part of the umbrella SMSA for the development and welfare of the most vulnerable sections among tribal people. Accordingly, a dedicated provision has been made amounting to ₹489 crore in the present budget within the SMSA. These carve-outs from the limited pool of funds come with their own set of conditionalities which the states may not welcome, as it affects their own plans, priorities and autonomy. Also, adding more programmes within the existing resource envelope is tantamount to the crowding out and dilution of the original mandate. This diminished model of public provisioning and the desire to enhance quality is a contradiction in terms.

Two-track System: Whither Equality?

A new arena of central funding is the PM SHRI schools. The goal is to showcase the implementation of the NEP (2020) through exemplar schools. Started in 2023–24, the scheme has seen a more than 50% rise in allocation, from ₹4,000 crore in the last budget to ₹6,050 crore in the present budget. The total cost of the project at ₹27,360 crore, spread over a period of four–five years, includes the central share of ₹18,128 crore and the rest coming from the states. As per the policy of convergence of schemes, SMSA or state resources will be followed for providing teachers' salaries, quality inputs and digital resources, etc, wherever applicable, as per norms.

This scheme is for public schools with adequate infrastructure and other facilities/good practices. Schools are scored as per an extensive set of indicators to be eligible for the programme of PM SHRI, turning the logic of need-based public funding on its head. A significant proportion of schools covered are Kendriya Vidyalayas and Navodaya Vidyalayas which have received generous funding from the government, over a long period, as part of central sector schemes.

There are a few fundamental issues that the design and funding of the scheme raise. First, the scheme covers 14,500 schools, which is about 1% of total schools in the country (DISE 2021–22). How can improvement in the conditions of these schools—elite sector within public schools—translate to improvement in conditions of 99% of "ordinary" schools in the country, most of which face acute resource crunch? Second, not only does the union budget not pay heed to RTE, a scheme such as PM SHRI school weakens the idea of equality of opportunities, embodied in RTE. Over the past six decades, the doctrine of equal educational opportunity and compensatory measures for marginalised communities has been replaced by a multilayered, inegalitarian school system, and increase in resource-starved government schools, in addition to special schemes that are based on the principle of exclusion of most children (Saxena 2012). It entails privileging a few and ignoring the rest, which is a clear subversion of the constitutional commitment to equality and justice.

Third, as a new CSS, it shares some of the inherent weaknesses of CSSs. The states are forced to share the costs of another centrally designed scheme at a time when there are cuts in central allocations on the existing flagship programmes, such as SMSA and MDM, which the states need to make up for. From the perspective of the states, it would appear as greater centralisation and violation of fiscal federalism.

Last, but not least, it marks a backward shift from entitlements to beneficiaries, when the scheme proposes that "more than 20 lakh students are expected to be direct beneficiaries of the scheme."

Crying Need for Public Expenditure

Scholarships are an integral part of the compensatory policy on education. In the recent years, the union government has discontinued scholarships at the elementary school level for children from marginalised social groups. Pre-matric scholarships for minorities and others were discontinued for children studying in Classes 1–8 citing "RTE Act, which makes it obligatory for the government to provide free and compulsory elementary education (Classes 1 to 8) to each and every child" (GoI 2022). Can public education be free without public funding? And, what would be the quality of such a school system? There is an inherent contradiction between diminished public financing and calling elementary education free. It may be noted that there has been a steady rise in the ratio of private financing to public financing of education, indicating a shifting burden of expenditure towards households.

The trends and patterns of central spending are mirrored, to a large extent, in states' spending on education, which is even worse, given the larger contribution of the states to overall spending. Be it the discontinuation of scholarship schemes for subordinated groups, setting up exemplar schools, deceleration in overall spending on elementary education, or the severe cutbacks in spending during the COVID-19 pandemic—these strategies are quickly replicated at the state level (Bose and Sharma 2023). The condition of state finances leaves less room for the states, especially the lagging states, to increase public expenditure. The implication is rapidly advancing market forces in education that pervade every sphere of educational provision, feeding into rising socio-economic and educational inequality.

What Should be the Way Forward?

There is a need for a renewed focus on RTE, a fundamental right and a basic entitlement. This would mean addressing inequalities of opportunities for meaningful education for all children, in a substantive sense. Both the union and the states must increase public spending manifold. NEP (2020) observes the low levels of spending on education and reiterates the need to raise public spending both as a proportion of GDP and overall spending, but does not specify either a time path or a mechanism to ensure the government's commitment to these objectives.

Our last estimation of resource requirement for financing RTE, based on 2015–16 data, had suggested a time path for additional spending on elementary education in the range of 1.4% of GDP every year (Bose et al 2020). We had argued that meeting RTE requirements requires not only a large fiscal push but one that would address the unequal position of the states. Central spending is key to meeting these objectives, especially for the lagging states. A fair sharing of responsibilities in financing education, between the union and the state governments, while remaining within a framework of fiscal federalism, needs to be implemented.

In the last few years, there has been a huge surge in enrolments in public schools—22%—at the all-India level in 2021–22 (Unified District Information System for Education) compared to the pre-pandemic level. The precariousness of livelihoods and incomes during the COVID-19 pandemic brought children back from low-fee private schools into the fold of the public schools, where they ideally belong and would prefer to be if only reasonable material and teaching conditions can be ensured. The need for additional public investments is therefore imminently necessary.

Besides the very significant public funding required at the elementary level, early childhood care, education and secondary education need a major step-up in investments. An extension of RTE to these crucial age groups would only be possible with a substantial step-up in investments in these segments. Accelerated public expenditure over the next 20 years should be the goal. Greater public expenditure would help address various contradictions in the public education financing sphere described in this article.

Finally, as many have argued, these public investments can correct for the growth-lopsided pattern of development, which has characterised the Indian growth experience. It can feed into a virtuous cycle of growth with human development. Multipliers from social investments are high and these investments are employment-intensive (Yareseeme et al 2021). It would translate to more income generation and employment, and contribute to macro-stability over the long run, all very important considerations for the economy.

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