

## A few thoughts on higher education in Assam

Hiranya K Nath<sup>1</sup>

There have been some important developments in the field of higher education in Assam. The establishment of two central universities, one Indian Institute of Technology (IIT), and a few private professional colleges in last two decades and the proposals to create more such institutions are steps in the right direction. That these institutions offer a wider range of vocational courses than the existing institutions do, is also a welcome initiative. In this article, I would argue that there are short-term and long-term merits to a comprehensive plan for establishing more higher education institutions and transforming Assam into a Mecca of higher learning.

Before I discuss the benefits of higher education institutions in Assam I would like to take note of a few other developments. Now most commercial banks extend loans for studies and many students from Assam and neighboring states take advantage of these loans to pursue higher studies, mainly outside the state or the region. For many parents, expenditures on children's education are now more of an investment that pays off in terms of reasonably well-paying jobs for the children. Again, most of these jobs are outside the state or the region. More fundamentally, there has been a gradual shift in the society's attitude towards education. In our society, education has traditionally been considered an end in itself. There is now a wider recognition of the fact that education is a means to an end. This change in attitude would be crucial for the success of any comprehensive education policy that would cater to the twenty first century demand for higher education.

I would also like to emphasize that establishing higher education institutions in Assam should not be narrowly focused on catering to the regional demand. Rather it should be intended to cater to the growing demand beyond the state, regional, and even national border. It has been widely recognized that we now live in a world where ideas and innovations are the key to progress. The economies around the world have increasingly become service-oriented. Within services, information services have become predominant.<sup>2</sup> The challenges of this new social and economic order will require a huge investment in higher education. Constant retooling of the work force will be an important feature of the labor market in the twenty first century. Furthermore, as India and China rise in economic power, there will be demand for education that help explore and exploit the opportunities in these two countries.<sup>3</sup> Thus, there will be a substantial demand for higher education in many explored and unexplored fields. In order to be able to cater to this emerging market for higher education, we of course will have to adapt our education system in a way that will be forward looking. This entails importing talents from outside the state, interacting with best minds in the world, and nurturing the talents from within the state. The academic community has to be open-minded with a vision of the future.

---

<sup>1</sup> Associate Professor of Economics, Sam Houston State University, Huntsville, TX 77341-2118; e-mail: eco\_hkn@shsu.edu

<sup>2</sup> According to Apte *et al.* (2008), information services account for more than half of the total goods and services produced in the U.S. Even more than half of the workers are employed information service industries. Some scholars suggest that the importance of information in post-industrial society is so pervasive that it can be called an information society. For a brief overview, see Nath (2008).

<sup>3</sup> For example, there has been an increasing demand for courses in multicultural communications with focus in India and China in many American business schools.

Although I would primarily highlight some of the economic benefits of having higher education institutions in Assam, I will also briefly touch upon several other noneconomic benefits. First, the students from the region will have better opportunities for higher education that will go a long way in building the stock of human capital which in turn will contribute to long run growth and development. In the short run, a part of the money that is spent on students' higher education in institutions located in other states will remain in the state and will contribute to creation and continuation of various economic activities.<sup>4</sup>

Second, a higher education institution creates jobs and promote economic activities directly as well as indirectly. In many cases, the local economy of a town or a city is driven solely by an educational institution. When several thousand students attend a college or a university and many others work for it, they create demand for various goods and services ranging from basic food and housing to financial services.

Third, if the institution builds a reputation for conducting high-end research and providing industry consultation, it may in fact attract investment into the neighborhood. Furthermore, as I have discussed in detail elsewhere, there is a great scope for information service industries in Assam.<sup>5</sup> The establishment of higher education institutions can be a catalyst for such ventures. In addition to providing research and consulting support to the businesses, they can be the source of skilled labor supply. Job placement of the students after completing their respective programs has been a marketing tool for many educational institutions.

Fourth, higher education institutions attract students and faculty members not only from different parts of the state but also from different regions of the country. This is important for various reasons. Diversity increases competition and improves the quality of education. It broadens the world view of the students and faculty. Also, the students and faculty members from other regions and countries will contribute to the increase in name recognition for Assam. Needless to say, name recognition is very important for economic development in this global world. For example, name recognition is an important determinant of foreign direct investment.

There is some skepticism about the quality of education and social justice when higher education is provided by the private sector. Both these concerns are unfounded. In my view, there is nothing wrong in running academic institutions like other businesses. In fact, some of the best universities in the world are in the private sector and they are run like corporations. The private institutions generate their own income through tuition and other fees, private donations, and sometimes through investment in the financial market. Even in such institutions, it is possible to achieve social justice through appropriately designed redistribution mechanism. By accepting higher fees from those who can afford and giving a part of it as scholarships to those who cannot afford but have the talents, these institutions can not only achieve social justice but also ensure quality. To ascertain the quality of the faculty members, it

---

<sup>4</sup> For example, suppose one year's education in a private engineering college costs Rs. 5 lakh per student. If 100 student decide to attend an engineering college in Assam instead and spend the same amount of money, Rs. 5 crore will be spent in the state and that will create a substantial amount of economic activities.

<sup>5</sup> Examples of information service industries include various types of BPO, KPO industries that provide a wide range of services: customer support to various industries, software writing, medical transcription, financial services.

is possible to design a mechanism that rewards for their performances. The university can generate revenue by encouraging their faculty members to get involved in research projects that get funded by public/private agencies or by getting involved in consulting to businesses. To the skeptics of private higher education institutions, I would also argue that subsidized higher education provided through public universities is often compromised in quality. That is not to suggest that public (state/central) universities should be eliminated. There could be a judicious mix of private and public universities and other academic institutions.

A high standing in the field of higher education is also important for political and social reasons. In the context of the Indian democracy, Assam is a marginalized state because of its inconsequential representation in the parliament.<sup>6</sup> This is further aggravated by an absence of leaders at the national level who belong to this state. This void of leadership is not only in politics but in all areas of significant consequences: science, technology, academics, business, and entertainment. It may not be entirely baseless to think that our educational institutions do not impart rigorous training to prepare the students for the challenges at the national level. A part of the problem is that the higher education institutions in Assam (except for IIT) do not bring in students and faculty from other states, particularly since 1980s, to make the environment competitive enough. With more higher education institutions that have wider reach beyond the state and regional borders, one can hope to build a more competitive environment that will breed leaders in science, technology, businesses, entertainment, and politics who could compensate for political under-representation and can make Assam's voice heard at the national level. The externalities generated by these higher education institutions will make the society better off. In principle, the Assamese society could acquire a new identity as being the host of most forward looking twenty first century higher education.

## References

- Apte, Uday; Uday Karmarkar; and Hiranya K. Nath. 2008. Information Services in the U.S. Economy: Value, Jobs, and Management Implications. *California Management Review*, Vol. 50. No. 3. 12-30.
- Nath, Hiranya K. 2008. The Information Society. *SIBCOLTEJO – A Journal of SCTU*, Vol. IV (Also available at: [http://www.shsu.edu/~eco\\_hkn/informationociety.pdf](http://www.shsu.edu/~eco_hkn/informationociety.pdf))

---

<sup>6</sup> It is very ironic that the people from Assam and the northeast region have had to take to violence to assert their democratic rights and privileges.