

Impact of Economic Inflation on different levels of Education in West Bengal

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Abstract

The present study was conducted to examine the impact of economic inflation on the academic performance of the children. The respondents for this study were 150 head of the families. A sample survey was conducted by using a questionnaire for information gathering about different factors relating to academic performance of students. Standard t-test and χ^2 tests were used. The results of the study revealed that economic inflation have a significant effect on students' overall academic achievement found. In this paper impact of economic inflation has been estimated based on research findings.

Keywords: Economic inflation; Academic performance; Rate of expenditure.

1. Introduction

Society is a dynamic organization, which changes according to change of socio-cultural factors, economic conditions, and educational standard and with the aspects of science and technology. But a critical problem can be found due to the unusual and abnormal development of those factors i.e.; the inflations of different dimensions of social factors. If we observe the economic conditions of the people of our society we can easily categories the whole society into two basic groups; a section of people belong to high economic class and huge population belongs to below poverty line. The economic affluent people try to burn out excess money by any means in the market. This unusual practice creates the economic inflation, which has a direct impact on the whole, market economy. Economic inflation affects harmony of the society. It helps to categories society into two complete isolated sections. As a result normal social development is severely hampered. How far this idea is true and what are the impacts of economic inflation on our education system is essentially important to make plans for harmonious development of society. Keeping this in view this study were conducted to estimate the differential impacts of economic inflation on education.

2. Review of literature

A lot of literatures were developed in this area undoubtedly Kwabena Gyimah, Brempong, Oliver Paddison and Workle Mitiku (2005) conducted a study to investigate the effects of higher education human capital on the economic growth in African countries during the (1960 – 2000) periods in his article “Higher Education and Economic Growth in Africa”. The objectives of the study were as follows: To find the effect of higher education human capital on the growth rate of per capita income in African countries. The major findings of the study were as follows: Higher education human capital has a relatively large and statistically significant effect on the growth rate of per capita income. The growth elasticity of higher education human capital of about 0.09 is about three times as large as the growth impact of physical capital investment.

D’Leema, S.U. (1988) conducted a study on financial problems of the unaided recognized secondary schools aided recognized secondary schools of North West Bombay in relation to their academic performance. The objectives of the study were as follows: To make a comparative study of the financial

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problems of the aided and unaided secondary schools compare to the academic performance of the pupils in these categories and to study whether financial resources and academic progress are interrelated and whether these interrelationships are different for the aided and unaided categories of schools, and to suggest improvements in the grant-in-aid code for the secondary schools of Maharashtra if finances and progress are linked. The major findings of the study were as follows: In addition to inadequate finances the other factor which adversely affected the academic performance of the school were : high students-teacher ratio, lack of modern teaching aids, lack of in service training facilities, lack of remedial teaching and shift system, etc. In unaided schools paucity of funds was mostly responsible for malpractices and an unhealthy academic atmosphere leading to poor performance.

Bhatt, M.A. (1989) conducted a study on the funding pattern in education with special reference to educational cess paid by the citizens of Baroda city and its utilization for the development of primary schools run by the Baroda Municipal Corporation. To find out the pattern of funding by the State Govt. and the municipal corporation for the development of primary education, of the per capita cost of pupils enrolled in the municipal school in the advanced urban centre of Baroda. The major findings of the study were as follows: The revenue of the Municipal School Board had been steadily increasing. A little above 50% of the resources came from the government grant-in-aid; the contribution from the Baroda Municipal Corporation constituted 30-46% of the total resources and the educational cess amounted to 16% of the total resources for primary education. During a short period, 1982-83 to 1988-89, the schooling expenditure had gone up nearly 2.7 times. The major component of the school expenditure was the staff salary bill, which constituted more than 83%. Bhargava, S.M. (1989) conducted a study on survey of educational facilities for the weaker sections of the society, namely Scheduled Tribes, in Orissa, Independent study, National Council of Educational Research and training. The objectives of the study were as follows:

- (i) To study the availability of educational facilities in the rural institutions of a predominantly tribal districts vis-à-vis those available in a predominantly non-tribal districts,
- (ii) To study the extent of stagnation and drop-out rate in the two districts and also to study the causes of stagnation and drop-out with a view to suggest measures for better enrolment and for higher retention rates of school-going children in general and of Scheduled Tribes children in particular.

The major findings of the study were as follows: Educational facilities in the non-tribal districts were better than those in the tribal district. This was true for the primary stage too. Educational facilities in the Scheduled Tribes habitations were found to be poor in comparison to those in other habitations in the district. Educational facilities for the middle stage were better in the non-tribal district, Anandpur than in the Tribal district, Keonjarsadar. The pass percentage in respect to various classes in Anandpur District was higher than that existing in the Keonjhar District. The drop-out rate was found to be much lower in Anandpur as compared to Keonjhar.

Bhargava, S.M. (1990) conducted a study on the growth of educational facilities and enrolment at the elementary stage in India. The objectives of the study were as follows: To study the growth of educational facilities for the primary and middle stages, and to study the growth of enrolment of girls, Scheduled Castes and Scheduled Tribes at the primary and middle stages of education. The major findings of the study were as follows: There had been a steady growth of educational facilities at the primary stage. In 1957, 59.75% children had schooling facilities within a distance of one kilometer; but this was available to 80.34% in 1986. Among the states, Nagaland had the highest and Tripura, the lowest facilities. The other states that followed Nagaland were Mizoram, Gujarat and Punjab. But Uttar Pradesh, Goa and Himachal Pradesh had the lowest percentages. Educational facilities for girls and ST and SC improved from 38.05% in 1978 to 74.46% in 1986. At the elementary stage (I-VIII), 1,139 lakh children were enrolled in 1986, and this showed a 51.43% increase over 1973 with an annual growth rate of 3.24% [MSY 0936].

Kurup, M.R. and Thatte, L.R. (1991) conducted a study on "Pricing Higher Education: Case study of Maharashtra. Independent Study, Mumbai". The objectives of the study were as follows: To examine the

extent of the resource crunch and its implications for progress in the sector of higher education in Maharashtra, and

(ii) To estimate the demand for and supply of seats for higher learning by the year 2001 and estimate the resource requirements for meeting this demand.

The major findings of the study were as follows: Low levels of capital expenditure, inadequate funds from the government, etc. had damaging effects on the quality of education provided in institutions of higher education. The student-teacher ratio and per student expenditure on the one hand and standard of output and academic achievement of students on the other were positively associated. Similarly, experience of teachers and capital expenditure in particular and total expenditure in general, by the colleges were also positively associated with academic achievements. On the whole, the study concluded that institutions of higher education in Maharashtra were suffering from a severe financial crunch which has implications for the quality of higher education [NR, 1241].

It was observed from the review of researches that, information regarding factors that have impact on education, had been confined only in few variables. Unfortunately, most of the researchers had taken common factors that have impact on education without giving due attention to different dimensions of economic inflation. However, in formulation of the problem of present study and the development of hypotheses for the research, the above review of literature and researches served as the main source of theoretical background.

3. Objectives of the Present Study

Keeping the above discussion in view and to bridge the gaps of knowledge the present study was conducted. The following objectives were laid down for the study:

- (i) to find out the economic condition of the selected sample,
- (ii) to estimate the income inflation from the economic status of the selected sample,
- (iii) to compare expenditure on education of different levels of Economic inflation groups
- (iv) to estimate the educational status of the selected families,
- (v) to find out the expenditure incurred for education of the children by the family,
- (vi) to find out the relationship between education status and economic inflation.

4. Hypotheses

H_{O1} : Economic inflation and expenditure on education of the families are independent.

H_{O2} : There is no significant difference between the rate of expenditure on education of two groups of families belonging High economic and Average economic inflation.

H_{O3} : There is no significant difference between the rate of expenditure on education of two groups of families belonging to Average economic and Low economic inflation.

H_{O4} : There is no significant difference between the rate of expenditure on education of two groups of families belonging to High economic and Low economic inflation.

5. Methodology

To satisfy the objectives of the study different groups of samples were necessary. All the people of Purba Medinipore district constituted as the *population* for the study. The *sample* consisted of 150 families and their children with diversified socio-economic conditions and an individual family is considered to be taken as a unit. Through compilation and manipulation of these data some statistical tables are used for

critical evaluation of the study. Considering the nature of the problem under investigation and the nature of the data for the study, survey method has been adopted for collecting the data. Information for the study was gathered by interviewing the 150 head of the concerned families.

6.1 Analysis of data pertaining to H₀₁:

[H₀₁: Economic inflation and Expenditure on education of the families are significantly independent to each other].

Table-1 Showing the distribution of number of families with respect to their Economic inflation & expenditure on education

Economic Inflation				
Group	High	Average	Low	Total
High	40	4	1	45
Average	3	51	6	60
Low	2	5	38	45
Total	45	60	45	150

Expenditure on Education

$$\chi^2 = 189.01, df = 4$$

For 4 df χ^2 at .01 level = 13.28

Obtained value 189.01 > 13.28

So, the χ^2 value is significant at .01 levels.

Interpretation:

Result indicates that the χ^2 value is significant at .01 level that means, the null hypothesis on the assumption, that the variables are independent to each other is rejected. From χ^2 result it may be said that the Economic inflation and Expenditure on education of the families are interdependent to each other.

6.2 Analysis of data pertaining to H₀₂:

[H₀₂: There is no significant difference between the Rate of expenditure on education of two groups of families belong to High Economic inflation and Average Economic inflation].

Table-2 Showing the comparison between the rates of expenditure of families belong to High & Average Economic inflation groups

Group	N	Rate of Expenditure	SE%	df	t	Level of significance
High Economic inflation	45	71.19	9.78	103	4.95	0.01
Average Economic inflation	60	22.82				

Interpretation:

Table 2 indicates that the value of 't' is significant at 0.01 level, so the null hypothesis on the assumption that no true difference exists, is rejected. Result leads to infer that the rate of expenditure on education of two groups of families with High Economic inflation and Average Economic inflation differ significantly. The gain is in favor of high economic inflation group.

6.3 Analysis of data pertaining to H₀₃

[H₀₃: There is no significant difference between the Rate of expenditure on education of two groups of families belong to Average Economic inflation and Low Economic inflation].

Table-3 Showing the comparison between the rate of expenditure of families belong to Average & Low Economic inflation groups

Group	N	Rate of Expenditure	SE%	df	t	Level of significance
Average Economic inflation	60	22.82	7.16	103	2.35	0.05
Low Economic inflation	45	5.99				

Interpretation:

Table 3 indicates that the value of ‘t’ is significant at .05 level, so the null hypothesis on the assumption that no true difference exists, is rejected. Result leads to infer that the rate of expenditure on education of two groups of families with Average Economic inflation and with Low Economic inflation differ significantly. The gain is in favor of average Economic inflation group.

6.4 Analysis of data pertaining to H₀₄

[H₀₄: There is no significant difference between the Rates of expenditure on education of two groups of families belong to high Economic inflation and Low Economic inflation].

Table-4 Showing the comparison between the rates of expenditure of families belong to High & Low Economic inflation groups

Group	N	Rate of Expenditure	SE%	df	t	Level of significance
High Economic inflation	45	71.19	10.26	88	6.35	0.01
Low Economic inflation	45	5.99				

Interpretation:

Table 4 indicates that the value ‘t’ is significant at 0.01 level, so the null hypothesis on the assumption that no true difference exists, is rejected. Result leads to infer that the rate of expenditure on education of two groups of families with High Economic inflation and with Low Economic inflation differ significantly. The expenditure of high Economic inflation group was significantly higher than that of low Economic inflation group.

7. Conclusion

It was observed from the findings that economic inflation of the families in the district of East Medinipore and their expenditure on education was interdependent. The comparison of rate of expenditure in education of the people belong to different economic inflation group have also been made. It has been found from the result that (reference, tables 2, 3 and 4) the rate of expenditure in education of the families belong to high economic inflation group was significantly higher than that of the families belong to average and low economic inflation group. Results indicate that economic condition of the families plays a vital role on the expenditure in education for their children.

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