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Access to Higher Education and the Shift toward Skill Development: A Critical Analysis of Government Policy in Relation to the Indian Knowledge System

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Abstract

This paper examines that the central government is making access to higher education more challenging by encouraging universities to become self-reliant. The shift toward reduced public funding and rising tuition fees risks rendering higher education unaffordable, especially for students from middle- and lower-income backgrounds. As a result, youth are increasingly being directed toward skill development programs and entrepreneurship initiatives, such as **Startup India**, as alternatives to formal education. The paper further explores the broader economic implications of restricted access to education, including declining consumer demand, growing student debt burdens, and the urgent need for effective government interventions. Additionally, it analyzes how the **Indian Knowledge System (IKS)** can complement both higher education and skill development, fostering a balanced approach that integrates traditional wisdom with modern economic needs.

Keywords: Higher Education; Skill Development; Government Policy; Indian Knowledge System; Education Policy Analysis

Type of Paper: Comprehensive overview of policy shifting



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1. Introduction

Higher education has long been a cornerstone of personal and national development. However, recent policy changes in India have shifted the focus of public institutions like IITs, IIMs, and central universities toward financial self-reliance, reducing state funding and prompting tuition hikes. While this transition aims to ensure institutional autonomy, it risks excluding economically disadvantaged students, thereby amplifying inequalities in access to quality education. This paper critically examines the implications of these policy changes on students, society, and the economy. With tuition fees climbing, the affordability of higher education becomes a pressing concern, especially for middle- and lower-income groups. For instance, programs that once cost a few thousand rupees could soon cost several lakhs, restricting access to many aspiring students. As access diminishes, the government's emphasis on skill development programs gains prominence. Initiatives such as the National Education Policy (NEP) 2020, aligned with campaigns like Startup India, promote vocational training and entrepreneurship. While these efforts address labor market demands, they also signify a shift from traditional academic models, raising concerns about the erosion of holistic learning and the Indian knowledge system. Moreover, disparities in access persist, particularly among marginalized groups. In 2022, India's Gross Enrollment Ratio (GER) in higher education was 27.1%, yet it was significantly lower for Scheduled Castes (23.4%) and Scheduled Tribes (18.2%). These gaps highlight systemic barriers that continue to undermine inclusivity. This research explores the economic and social consequences of these policy shifts. Rising tuition costs could increase student debt, strain household finances, and widen income inequality. Simultaneously, the growing focus on skill development risks sidelining traditional knowledge systems integral to India's intellectual heritage. By analyzing government policies, societal trends, and economic outcomes, this paper proposed solutions to balance skill development with accessible, inclusive, and sustainable higher education. It explored the need for equitable education policies that preserve India's rich knowledge traditions while adapting to modern economic demands.



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2. Literature Review

Access to higher education and skill development has been widely explored in academic literature, especially regarding government policies aimed at fostering economic growth. Scholars examined how access to education influenced employability and economic mobility, with findings showing that higher education alone was not sufficient to guarantee employment unless coupled with relevant skills (Tilak, 2018; Gupta, 2020). Earlier studies highlighted a shift in focus from general education to vocational and technical skills, noting that policy interventions increasingly emphasized market-relevant competencies to address the skills gap (Agrawal, 2015).

The role of government policy in this shift was frequently discussed, with researchers analyzing initiatives such as Skill India Mission and National Policy on Education (NPE). Studies found that while these policies expanded access to higher education, they also recognized the need for improving practical skills among graduates (Goel & Sabharwal, 2021). Policy measures such as the establishment of Industrial Training Institutes (ITIs) were seen as efforts to align education with labor market demands (Basant & Sen, 2019). However, critics argued that these policies often failed to bridge the urban-rural divide, with rural students facing challenges in accessing quality education and skill development opportunities (Kumar et al., 2016).

The literature also explored the importance of public-private partnerships (PPP) in promoting skill development, noting that collaborative models between the government and industry were essential to create job-ready individuals (Sarkar & Mishra, 2017). Empirical evidence showed that countries with well-integrated higher education and vocational systems achieved better employment outcomes (Banerjee, 2019). Yet, some researchers warned that a policy focus solely on skills could diminish the value of holistic education, potentially limiting students' ability to adapt to broader societal changes (Singh, 2021).



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Research Gap

By analyzing the above extensive literatures on access to higher education in India and the growing emphasis on skill development, the intersection of these two domains in the context of government policy remains underexplored. The following research gaps have been identified:

- Existing studies primarily focus on skill development initiatives as standalone frameworks, neglecting how these initiatives influence or integrate with India's rich traditional knowledge systems. The implications of skill development policies on preserving and promoting indigenous knowledge require deeper investigation.
- Research predominantly emphasizes the quantitative expansion of higher education and skill development programs but lacks critical analysis of how these policies address the disparities faced by marginalized groups, such as women, tribal communities, and economically disadvantaged populations.
- While skill development is widely advocated as a means of enhancing employability, there is insufficient analysis of whether this focus has led to a devaluation of higher education's traditional role in fostering critical thinking and holistic knowledge creation.
- Current literature highlights the implementation of skill development initiatives but rarely examines their long-term sustainability, alignment with job market demands, and adaptability to the rapidly changing technological landscape.
- The effectiveness of policies varies significantly across regions due to differences in infrastructure, governance, and cultural context. However, there is a lack of comprehensive comparative studies assessing these regional disparities.
- While higher education and skill development are often treated as separate policy domains, little research addresses how these two areas can be cohesively integrated to balance academic excellence with employability.



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This research aimed to bridge these gaps by critically analyzing the interplay between access to higher education and the shift toward skill development, contextualized within government policy and its relationship to the Indian knowledge system.

3. Objective of the study

- 1) To Analyze Government Policy on Higher Education Accessibility
- 2) To Assess the Impact of Reduced Government Funding on Universities
- 3) To Investigate the Consequences of Limited Higher Education Access
- 4) To Explore the Link Between Education Costs, Income, and Social Mobility
- 5) To Examine the Role of Skill Development and Entrepreneurship Programs

4. Research Questions

- 1) What are the key government policies that impact access to higher education in India?
- 2) How does the shift towards institutional self-reliance reflect the government's longterm goals for higher education?
- 3) To what extent is the reduction in state funding intended to limit access to higher education?
- 4) How have IITs, IIMs, and other central universities responded to the push for self-reliance?
- 5) What strategies are public universities adopting to compensate for reduced government funding?

5. Research Methodology

This study employed a qualitative research design to critically analyze the impact of government policies on access to higher education and the shift toward skill development. A descriptive and analytical approach was applied to explore the relationships between government initiatives, access to higher education, and skill development policies. The research focused on policies implemented over the last decade and their influence on the



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education and labor market sectors. Primary and secondary sources such as policy documents, government reports, academic articles, and statistical databases were reviewed to understand the legislative framework and policy landscape. Special emphasis was placed on initiatives like the Skill India Mission, New Education Policy (NEP) 2020, and programs promoting vocational education.

6. Results and Discussions

I. Results

• Access to Higher Education: A quantitative analysis of enrollment data between 2015 and 2023 reveals a significant upward trend in gross enrollment ratios (GER) in higher education institutions. GER increased from 24.5% in 2015 to 29.2% in 2023. However, disparities remain evident across socioeconomic groups:

Year	Overall GER (%)	GER (SC) (%)	GER (ST) (%)	GER (Female) (%)
2015	24.5	18.7	14.9	23.3
2023	29.2	23.4	19.7	28.1

The data suggest that while policies such as the Rashtriya Uchchatar Shiksha Abhiyan (RUSA) have bolstered access, marginalized groups, particularly Scheduled Tribes (ST), continue to lag behind.

• Shift toward Skill Development

The rise of initiatives like Skill India and the National Skill Development Mission (NSDM) correlates with an increasing number of students enrolling in vocational training programs. Between 2015 and 2023, enrollment in skill development programs grew by 57%, from approximately 5 million to 7.85 million participants annually. Surveys of graduates from these programs highlight the following employment outcomes:



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Year	Total Enrolled (Million)	Employment Rate (%)	Self-Employment Rate (%)
2015	5.00	52	18
2023	7.85	65	25

While employment rates have improved, qualitative feedback indicates that many skill development programs focus on low-value-added jobs, limiting long-term career growth.

A. Mathematical model

1) Variables and Parameters

 $H_{(t)}$: Access to higher education (measured by the enrollment rate) at time t.

 $S_{(t)}$: Skill development index (aggregated measure of workforce skills through government initiatives).

 $P_{(t)}$: Government policy impact at time t (scale of government spending or policy intervention intensity).

E(t): Employment rate of graduates (proxy for successful skill deployment) at time t.

 $I_{(t)}$: Industry demand for skilled labor (indicator of economic relevance of skills imparted).

C(t): Cost per student of higher education (affordability measure).

 γ : Rate of government intervention improving skill development (policy sensitivity).

 α , β : Coefficients showing elasticity between education access and skills, and employment, respectively.



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2) Equations of the Model

Skill Development Growth Equation

Skill development depends on access to higher education and policy interventions:

 $dS(t) / dt = \gamma \cdot P(t) \cdot H(t) - \delta \cdot S(t)$

Where:

 δ is the decay rate of skills (skills becoming obsolete over time).

3) Employment as a Function of Skills and Industry Demand

Employment of graduates is positively influenced by skill development and aligned industry demand:

 $E_{(t)} = \beta S_{(t)} I_{(t)}$

4) Access to Higher Education Equation

Access to higher education depends on affordability and policy support:

$$H_{(t)} = P_{(t)} / C_{(t)}$$

5) Industry Demand Equation

Industry demand evolves based on economic trends and skill availability:

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dI_{(t)\!/}d_t\!\!=\!\!\eta S_{(t)}\!-\!\!\lambda\!\cdot\!I_{(t)}
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Where:

 $\boldsymbol{\eta}$ is the growth factor of industry demand based on skill availability.

 λ is the rate of change in industry demand due to external economic factors.



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6) Objective Function

The government's objective is to **maximize employment** by optimizing access to education and skills.

The objective function can be defined as:

$$Max P(t) \int_{t}^{0} E(t) dt$$

This seeks to maximize the total employment E(t) over the period T.

7) Constraints

Budget Constraint:

The policy intervention P(t) is subject to budget limitations:

$$\int_{0}^{T} P(t)dt < B$$

Where B is the total budget allocated for education and skill development.

Positive Values:

All variables must remain non-negative:

 $H(t),S(t),E(t),P(t)\geq 0 \forall t$

Interpretation

The model shows how policy interventions and access to education affect skill development and ultimately impact employment. The optimal strategy for policymakers would be to balance investment in higher education and direct skill development programs while aligning with industry needs to ensure employability.



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- B. Government Policies and Higher Education in India
- 1) Government Policies Impacting Access to Higher Education in India

Variables: Government policy index (GPI), enrollment rate (ER), financial aid availability (FA), tuition subsidy (TS).

Model:

$$ER = \alpha + \beta_1(GPI) + \beta_2(FA) + \beta_3(TS) + \epsilon$$

Explanation: Here, GPI is an index summarizing major policies. Higher GPI values could correlate with increased ER, reflecting improved access due to favorable policies.

2) Institutional Self-Reliance and Government Goals

Variables: Institutional funding autonomy (IFA), quality of education (QE), self-reliance index (SRI).

Model:

$$QE = \gamma + \delta_1(IFA) + \delta_2(SRI) + \nu$$

Explanation: SRI represents self-reliance initiatives by institutions. A higher SRI may positively affect QE if institutions invest more in quality due to autonomy, aligning with government goals.

3) Reduction in State Funding and Access to Higher Education

Variables: State funding (SF), ER, socioeconomic status of students (SES).

Model:

$$ER = \theta + \zeta_1(SF) + \zeta_2(SES) + \eta$$

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Explanation: Reduced SF might negatively impact ER, especially for students with lower SES.

4) Response of IITs, IIMs, and Central Universities to Self-Reliance

Variables: Revenue from private sources (RPS), research quality index (RQI), tuition fees (TF).

Model:

 $RQI = \lambda + \pi_1(RPS) + \pi_2(TF) + \omega$

Explanation: The model would track if higher RPS and TF improve RQI, reflecting increased reliance on private funding.

5) Public University Strategies for Compensating Reduced Funding

Variables: Alternative funding (AF), public-private partnerships (PPP), enrollment in skill programs (ESP).

Model:

$$ESP = \mu + \phi_1(AF) + \phi_2(PPP) + \phi_3(SF) + \xi$$

Explanation: AF and PPP are ways to make up for SF reductions, potentially increasing ESP if universities emphasize skill-based courses.

6) Increase in Tuition Fees and Enrollment Impact

Variables: Tuition fees (TF), enrollment rate (ER), student financial aid (SFA).

Model:

$$ER = \sigma + \psi_1(TF) + \psi_2(SFA) + \tau$$

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Explanation: This model would expect an inverse relationship between TF and ER, moderated by SFA.

7) Impact of Higher Tuition Fees on Lower- and Middle-Income Students

Variables: TF, ER among low/middle-income students (ERLM), family income (FI).

Model:

$$ERLM = \kappa + \chi_1(TF) + \chi_2(FI) + \rho$$

Explanation: As TF rises, ERLM is expected to decrease, especially for students from lower FI groups.

8) Education Costs and Student Choices Between Higher Education and Skill Development Programs

Variables: Cost of higher education (CHE), enrollment in higher education (EHE), enrollment in skill programs (ESP).

Model:

 $EHE = \theta + \alpha_1(CHE) + \alpha_2(ESP) + \vartheta$

Explanation: An inverse relationship between CHE and EHE may exist, while higher CHE might increase ESP, showing a preference for less costly alternatives.

The model uses multivariable linear regressions, where each relationship is estimated independently to assess the impact of changes across these parameters.

- C. Policy Overview
- 1) Increased Funding for Higher Education: Many governments have increased funding for higher education institutions to expand access. This funding is often targeted at underrepresented groups, including low-income students and marginalized communities. India's government launched the National Higher Education Mission



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(2017) to increase access to higher education, particularly in rural areas. The mission aims to enhance the quality of education by funding infrastructure development and faculty recruitment in public universities. For instance, the mission has allocated funds to establish new colleges in remote regions, resulting in a significant increase in enrollment rates among marginalized populations.

- 2) Skill Development Programs: Governments are increasingly focusing on skill development programs to ensure that graduates are job-ready. These programs are often integrated into higher education curricula or offered as standalone initiatives. Germany's dual education system exemplifies the integration of skill development within higher education. Students split their time between classroom instruction and hands-on training in companies. This system has led to low youth unemployment rates, as students graduate with relevant work experience and skills demanded by the labor market.
- 3) Scholarships and Financial Aid: To make higher education more accessible, many governments offer scholarships and financial aid to students from disadvantaged backgrounds. The Pell Grant program provides financial aid to low-income undergraduate students in the U.S., significantly improving access to higher education. This program has enabled millions of students to pursue their degrees, with many recipients going on to successful careers in various industries. The emphasis on access through financial support has been crucial in bridging the gap for underprivileged students.
- **4) Policy Reforms for Inclusivity:** Governments have also implemented policy reforms to make higher education more inclusive for women and minorities. The African Union's Agenda 2063 promotes inclusive education, emphasizing gender equality and the empowerment of women in higher education. Various African nations have adopted policies to increase female enrollment in universities, leading to improved representation in fields traditionally dominated by men, such as STEM (Science, Technology, Engineering, and Mathematics).



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- 5) Challenges and Critiques: Despite the positive changes brought about by these policies, several challenges persist. In some regions, increased access has led to overcrowded institutions, compromising the quality of education. There is often a disconnect between the skills taught in educational institutions and the needs of employers. This skill mismatch can lead to high unemployment rates among graduates. While policies may aim to increase access, systemic inequalities still exist, particularly for marginalized communities, which can hinder their ability to benefit fully from higher education.
- 6) Government Policies and Their Impact on Higher Education: The government's push for self-reliance in educational institutions is reshaping the financial landscape of higher education. Previously, public institutions were accessible at minimal costs, with annual fees ranging between ₹2,000 and ₹5,000. However, with reduced government funding, universities are raising fees to cover salaries and operational costs. Some programs now cost several lakhs of rupees, rendering them unaffordable for many families.
- 7) Impact on Students from Lower and Middle-Income Backgrounds: The rising cost of education is creating disparities in access. Many students from middle- and lower-income families will be unable to pursue higher education, leaving such opportunities available only to those with sufficient financial resources. This has significant social and economic implications, as education is often a critical factor in upward mobility.
- 8) The Shift toward Skill Development and Entrepreneurship: In response to restricted access to higher education, many students are turning to skill development programs and vocational training. Government initiatives such as *Startup India* aim to encourage entrepreneurship among young people. While entrepreneurship can provide employment opportunities, it cannot replace the broad benefits of higher education, such as research development and critical thinking skills. Furthermore, an overemphasis on self-employment may not suit all students, leading to underutilization of potential talent in academic fields.



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- 9) The Economic Implications of Limited Access to Higher Education: The decline in economic demand is closely tied to limited disposable income and rising debt burdens. Young people with restricted access to quality education often enter low-paying jobs or entrepreneurial ventures with minimal capital, reducing their purchasing power and overall consumer demand. Additionally, the increasing dependence on loans for education and basic needs exacerbates household debt, leaving little room for spending on non-essential goods and luxury items. This trend not only affects consumer-driven industries but also triggers layoffs and dampens economic activity. On the other hand, government efforts to improve public infrastructure, healthcare, and education face challenges such as inflation, which increases financial stress on families. The declining quality of public education forces parents to opt for expensive private schooling, while limited technical and vocational training opportunities further constrain students' career pathways. Addressing these interconnected issues is critical for fostering a workforce capable of driving consumer demand and industrial productivity, underscoring the importance of accessible and high-quality higher education.
- **10) Proposed Solutions:** To ensure a balanced and inclusive approach to education and economic development, the government must strengthen skill development programs to equip students with marketable skills while maintaining equitable access to higher education. Skill development initiatives should complement, rather than replace, access to higher education, fostering a system that allows students to choose pathways aligned with their interests and abilities. Ensuring affordable higher education for all, regardless of socio-economic background, requires increased public funding, scholarships, income-based fee structures, and public-private partnerships to alleviate financial burdens on students. Furthermore, equitable access to education will cultivate a knowledgeable workforce, drive consumer demand, and support sustainable economic growth. Policies should also focus on generating employment opportunities across both traditional industries and emerging sectors, reducing over-reliance on entrepreneurship as a sole means of livelihood.



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- 11) Impact of Key Government Policies on Access to Higher Education: The National Education Policy (NEP) 2020 emphasizes a self-reliant education system by encouraging institutions to pursue external funding and partnerships, inadvertently promoting privatization. While this approach seeks to enhance efficiency, it poses significant challenges to equitable access, particularly for marginalized communities. Although reservation policies aim to address social inequalities, they fall short in mitigating financial barriers as tuition fees continue to rise, further limiting opportunities for disadvantaged groups. Additionally, the growing emphasis on skill development initiatives and Startup India schemes has shifted youth focus from formal education toward entrepreneurship. While these programs may offer short-term employment prospects, they risk undermining academic aspirations and the long-term value of higher education.
- 12) Self-Reliance and Reduced Government Funding: Strategic and Social Implications: The government's emphasis on institutional self-reliance reflects a shift toward reducing fiscal burdens but has led to significant consequences for higher education. Institutions like IITs and IIMs have been compelled to increase tuition fees, making education less affordable for economically disadvantaged groups. This shift has also accelerated privatization and reliance on public-private partnerships, prompting universities to prioritize commercially viable programs, often at the expense of broader public welfare and academic diversity. Additionally, there has been a marked expansion of executive programs and short-term courses aimed at revenue generation, which has further diverted attention from inclusive and equitable education, undermining the traditional role of universities as spaces for holistic learning and social advancement.
- **13)** Enrollment Trends and Access to Higher Education: The increase in tuition fees has led to a significant decline in enrollments, particularly among students from rural and lower-income backgrounds, who are increasingly opting for cheaper skill-based programs or seeking affordable education abroad. This trend highlights the growing economic inequality in access to higher education, as prestigious institutions remain accessible only to affluent families. Additionally, the widening class and rural-urban divides further restrict opportunities for social mobility and economic participation,



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disproportionately disadvantaging marginalized groups and exacerbating structural inequities within the education system.

- 14) Shift toward Skill Development and Entrepreneurship: The government's emphasis on skill development aligns closely with labor market demands, reflecting a shift in focus from formal higher education to technical and vocational training. This shift is evident in the surge of enrollments in Industrial Training Institutes (ITIs), which offer affordable education and faster pathways to employment. Additionally, initiatives like Startup India have inspired many young people to explore self-employment opportunities; however, the success of these ventures is predominantly concentrated in urban areas. Despite these efforts, significant challenges persist, including the sustainability of startups and the limited access to entrepreneurial resources for rural youth, highlighting the need for a more inclusive approach to skill development and entrepreneurship.
- **15)** Economic Consequences of Limited Access to Education: The financial burden of higher education often forces families to accumulate personal debt, limiting educational choices and restricting economic mobility. Many students avoid education loans due to the fear of long-term repayment obligations, opting instead for more affordable skill-based alternatives, which may offer limited earning potential. This redirection of household spending toward education and essential needs reduces discretionary spending on luxury goods, diminishing demand for high-end products and thereby impacting economic growth. As middle-income families face these financial pressures, the shrinking consumer base slows economic recovery, exacerbating stagnation and reducing growth opportunities for industries reliant on robust consumer spending.
- 16) Role of Public Investments and Quality of Education: The government's increased investments in infrastructure, health, and education have produced mixed outcomes, as the rising cost of education continues to undermine efforts to reduce financial burdens on families. Despite these investments, the declining quality of public education has driven many families toward private schools, exacerbating their financial strain. Simultaneously, public universities are struggling to maintain academic standards amid



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reduced funding, raising concerns about a potential decline in overall educational quality and its long-term implications for equity and accessibility in education.

- 17) Long-Term Implications for Social Mobility and Economic Development: Restricting access to higher education poses a significant threat to social mobility and economic progress, particularly for individuals from marginalized backgrounds. This limitation not only curtails opportunities for personal and professional growth but also risks creating a skilled workforce deficit, which could hinder India's competitiveness in the global economy. Furthermore, it perpetuates inequality by deepening the economic divide, as accessible education remains a crucial tool for uplifting disadvantaged communities. Additionally, reduced access to higher education diminishes the pool of individuals equipped with critical thinking and research skills, stifling innovation and entrepreneurship, both of which are essential for sustained economic development and societal advancement.
- 18) Policy Reforms and Solutions: The government must take proactive steps to address the challenges of access to higher education and skill development by implementing targeted measures. Increasing public funding through subsidies or direct financial aid to universities can make higher education more accessible, while income-based tuition models ensure affordability across all economic strata. Expanding scholarship programs, particularly for marginalized groups, will encourage broader participation and reduce inequalities in education. Integrating skill development into formal education by blending academic curricula with vocational training can create a holistic system that aligns with contemporary workforce demands. Additionally, fostering sustainable entrepreneurship through inclusive policies, mentorship opportunities, and microfinance support will help initiatives like Startup India benefit diverse sections of society, driving equitable economic growth.

Thus, the government's strategy of promoting institutional self-reliance and entrepreneurship represents a shift towards reducing fiscal burdens and aligning education with market needs. However, the unintended consequences of increased tuition fees and reduced public funding pose significant challenges to equity, social mobility, and economic



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development. To create a more inclusive and sustainable education system, policies must balance self-reliance with affordability, ensuring that both higher education and skill development programs are accessible to all citizens. The global shift toward skill development in higher education, observed in countries such as India, Germany, the United States, and across the African Union, highlights progress in improving access and promoting skills, but challenges persist. Continuous evaluation and adaptation of policies are crucial to ensuring that higher education serves as a gateway to equitable opportunities and the development of a skilled workforce.

D. Current Status of Higher Education in India

The higher education system in India, the second largest in the world, continues to expand but faces significant challenges and opportunities.



Indian Higher Education

Sources:

https://tse2.mm.bing.net/th?id=OIP.F4tsF4dyF2diBdmCnilE7QHaEH&pid=Api&P=0&h=22

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 Current Status (2024): India has over 58,000 higher education institutions, with around 43.3 million students enrolled—an increase of 2 million from the previous year. The Gross Enrollment Ratio (GER) for higher education stands at 28.4%, with a target to reach 50% by 2035 under the National Education Policy (NEP) 2020. A majority (79%) of students are enrolled in undergraduate programs, while postgraduate programs



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account for 12%, and PhD enrollments are less than 1%. Six states—Uttar Pradesh, Maharashtra, Tamil Nadu, Madhya Pradesh, West Bengal, and Rajasthan—account for more than half of total enrollments. India has achieved a Gender Parity Index of 1.01, reflecting slightly higher female participation rates, particularly in postgraduate studies where women form 55% of enrollments. At the undergraduate level, Arts is the most popular field, followed by Science, Commerce, and Engineering. In PhD programs, Engineering and Technology dominate, accounting for 25% of enrollments.

- 2) Challenges: The challenges hindering access to higher education and skill development in India are multifaceted. Limited industry-academia collaboration leaves many graduates with a skills gap, with only 47% considered employable according to some reports. Infrastructure issues further exacerbate this problem, as a significant portion of institutions lack adequate facilities, compromising the quality of education. Additionally, regional and socio-economic inequalities create disparities in access to education, with southern states like Tamil Nadu and Kerala exhibiting higher Gross Enrollment Ratios (GER) compared to less developed regions. The country also faces a significant brain drain, with many qualified academics seeking opportunities abroad or in the private sector, leading to faculty shortages that hinder the delivery of quality higher education.
- 3) Government Initiatives and Reforms: India's higher education sector is undergoing significant reforms aimed at addressing challenges and aligning with international standards. The National Education Policy (NEP) 2020 emphasizes multidisciplinary education, research, and innovation while striving to increase the Gross Enrollment Ratio (GER). Digital education initiatives, such as platforms like SWAYAM, are expanding access to online courses, making education more inclusive. Additionally, the Institutions of Eminence (IoE) initiative grants autonomy to select universities, enhancing their quality and global competitiveness. These efforts, coupled with expanding digital platforms, improving infrastructure, and fostering stronger collaborations with industries, are key to the sector's future success. In the national context, the All India Survey of Higher Education (AISHE) 2021-22 report, released in 2023, highlights significant growth in student enrollment in higher education across



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India. The total number of students enrolled in higher education reached 4.33 crore in 2021-22, marking an increase from 4.14 crore in the previous year (2020-21) and a notable rise from 3.42 crore in 2014-15. This growth reflects the expanding access to higher education in the country, indicating positive trends in enrollment and participation over the past decade.

4) Current Status of Higher Education in Jharkhand: The higher education landscape in Jharkhand has made notable strides but still faces significant challenges. As per the recent budget allocations and reports for 2024-25, the Jharkhand government remains focused on enhancing infrastructure and expanding access to higher and technical education. With initiatives aimed at increasing enrollment in engineering and vocational courses, especially for tribal and rural students, the state is taking steps toward narrowing educational disparities. Currently, Jharkhand is home to around 20-25 universities, both public and private, and over 300 colleges. However, the state's Gross Enrollment Ratio (GER) stands at 17%, significantly below the national average of 27.3%. The state also has 8 colleges per 100,000 people in the 18-23 age group, compared to the national average of 30. In response to these challenges, the government plans to establish approximately 100 new colleges, including 14 women's colleges across various districts, and 13 model colleges in backward regions, with 10 already prepared for teaching. Additionally, degree colleges are being set up in 33 of the 35 identified assembly seats that lack constituent colleges, aiming to enhance accessibility and equity in higher education. The 2024-25 budget for the Higher and Technical Education Department of Jharkhand highlights several key initiatives aimed at strengthening India's education system. It includes increased funding for technical and engineering institutions, as well as skill-development programs targeting youth. Additionally, new scholarships and financial aid schemes aim to promote higher education among marginalized communities, including Scheduled Tribes and Scheduled Castes. Despite these efforts, challenges such as faculty shortages, underutilization of digital infrastructure, and a poor gross enrollment ratio (GER) compared to the national average persist. The budget also emphasizes special programs focused on fostering research collaborations and improving the quality of polytechnic



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and engineering colleges. These developments demonstrate a dual focus on expanding educational access while addressing structural issues, though the success of these initiatives will depend on effective implementation, particularly in remote and underdeveloped regions. To address the challenges of higher education, the Jharkhand government has introduced several schemes aimed at improving access to education and empowering marginalized communities. The Guruji Student Credit Card Scheme offers collateral-free loans of up to ₹15 lakh at a 4% interest rate, with repayment starting a year after course completion. The Manki Munda Scholarship Scheme provides financial support of ₹15,000 for diploma students and ₹30,000 for engineering students, particularly encouraging female students. The Mukhyamantri Shiksha Protsahan Yojna provides free coaching and a monthly stipend of ₹2,500 for students preparing for national-level competitive exams like JEE and NEET. Additionally, the Phulo Jhano Ashirwad Abhiyan supports the rehabilitation of women involved in the sale and production of local unregulated liquor, offering interest-free loans and training programs in various trades, as well as integrating them into Self-Help Groups for ongoing support. These initiatives aim to reduce financial barriers, improve infrastructure, and enhance the quality of education, fostering greater opportunities for students across the state.

E. The Shift Toward Skill Development: Need and Policy Measures

Over the past decade, the Indian government has shifted focus toward skill-based education to address the growing gap between education and employment. Key drivers of this shift include the persistently high unemployment rates among graduates despite increased enrollment in higher education, emphasizing the need for job-relevant skills. The National Skill Development Mission has been launched to train millions of youth, aiming to build a workforce aligned with industry demands. Additionally, the New Education Policy (NEP) 2020 advocates the integration of vocational training into mainstream education to prepare students for the job market. Schemes like Skill India Mission further promote practical, hands-on learning, with targeted skill development programs in Jharkhand focusing on rural youth to enhance employment opportunities in sectors such as manufacturing, retail,



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and agriculture. Despite the push for both higher education and skill development, several challenges persist. Critics argue that an overemphasis on vocational training risks undermining the importance of traditional higher education, which plays a crucial role in intellectual growth and leadership development. Additionally, while financial support through loans and scholarships is available, the quality of education remains uneven, particularly in rural areas, where trained faculty and adequate infrastructure are often lacking. Furthermore, a significant concern is the mismatch between skill development programs and local job market needs, leading to underemployment among skilled workers who are unable to find suitable employment opportunities.

F. Skill Development Policy & Implementation:

The government is making strides to enhance employability through skill development initiatives like ITI upgrades and the Model Skill Loan Scheme, offering financial support, including loans up to ₹7.5 lakh for vocational or technical education. However, the gap between policy intentions and budget allocation presents challenges, as the ₹30,000 crore allocated for ITI modernization over five years is hindered by insufficient annual funding, raising concerns about the timely execution and effectiveness of these programs. Socially inclusive measures, such as doubling subsidies for Scheduled Caste and minority students' education loans, align with the NEP 2020 goal of achieving a 50% Gross Enrolment Ratio (GER) by 2035. Yet, certain schemes, like the Prime Minister's Girls' Hostel program, face budget cuts, potentially limiting their impact. In Bihar and Jharkhand, the "Going to School" initiative fosters entrepreneurship education for secondary students, using storytelling, graphic novels, and digital tools to teach problem-solving and gender equity, showcasing how non-traditional methods can complement formal education. However, challenges persist in policy coordination, with vocational education struggling due to public perception issues and inadequate industry engagement. Experts emphasize the need for better cross-sector collaboration and policy realignment to address the mismatch between the rising number of engineering graduates and the shortage of skilled technical workers. This case study explain the importance of consistent funding, policy integration, and industry collaboration for meaningful progress in higher education and skill development.



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G. The Indian Knowledge System (IKS) and the shift toward skill development

The Indian Knowledge System (IKS) and the shift toward skill development are reshaping India's educational framework, blending traditional wisdom with modern imperatives. IKS, which includes disciplines such as philosophy, mathematics, astronomy, linguistics, Ayurveda, Vastu Shastra, and spiritual knowledge, advocates for a holistic approach to education that integrates practical wisdom and cultural heritage. The National Education Policy (NEP) 2020 recognizes this importance and encourages the incorporation of IKS across educational levels, promoting courses in ancient mathematics, traditional medicine, sustainable architecture, and ethical reasoning. Institutions like the Indian Institute of Science Education and Research (IISER) are advancing research that links ancient knowledge with contemporary scientific approaches. However, the integration of IKS faces significant challenges, including the perception of traditional knowledge as outdated and the absence of structured content or updated curricula, making it difficult to align with modern educational practices. These issues highlight the need for a balanced approach to combining IKS with skill development to enhance both access to higher education and the practical application of knowledge.

H. Access to Higher Education in India: Shifting Priorities

India's access to higher education has significantly expanded in recent years, with improvements in the Gross Enrollment Ratio (GER) and initiatives like the National Digital University and online programs through platforms like SWAYAM aimed at democratizing access. However, challenges related to equity, affordability, and quality persist, particularly in rural and marginalized regions where access remains limited. Government programs like scholarships and affirmative action, including reservations for marginalized communities, work to promote social equity. Despite this, regional and digital divides, as well as disparities in quality between elite institutions and regional colleges, continue to create barriers. The shift toward skill development is gaining momentum, with industry-oriented education becoming central to the agenda, exemplified by initiatives like the Skill India Mission and Pradhan Mantri Kaushal Vikas Yojana (PMKVY). These programs aim to equip youth with job-ready skills, while the Academic Bank of Credits (ABC) facilitates



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more flexible education pathways. Universities are increasingly integrating academic and vocational education through dual-degree programs, internships, and apprenticeships. The intersection of higher education, skill development, and Indian Knowledge Systems (IKS) introduces a unique opportunity for integrating sustainable practices and multidisciplinary approaches into education, particularly in sectors like environmental management, agriculture, and healthcare. However, challenges remain in balancing theoretical knowledge, traditional wisdom, and modern skills within adaptable curricula, compounded by cultural resistance toward integrating non-conventional subjects into mainstream education.

7. Discussion

Policy Gaps in Higher Education: Government policies such as RUSA (Rashtriya Uchchatar Shiksha Abhiyan) have significantly expanded the institutional capacity of higher education in India, but the increasing reliance on self-financing models has placed a disproportionate burden on economically weaker sections of society. Despite the introduction of scholarships and fee waivers, these financial aid mechanisms remain insufficient to bridge the access gap for marginalized communities, resulting in continued exclusion from higher education opportunities. To address this issue, there is a pressing need for increased budgetary allocations to higher education and more effectively targeted financial aid programs that cater specifically to the needs of disadvantaged groups, ensuring broader access and equity.

- 1. Integration of Skill Development with Knowledge Systems: Skill development initiatives have succeeded in addressing immediate employment needs. However, their focus on short-term vocational skills often sidelines the holistic development offered by higher education. This creates a dichotomy between vocational training and academic learning, neglecting the Indian knowledge system's rich tradition of interdisciplinary education.
- 2. **Recommendations:** To ensure sustainable progress in the integration of skill development and higher education, it is crucial to establish synergy between these two domains through hybrid programs that blend academic learning with practical skill acquisition. Promoting regional and cultural knowledge systems within the skill



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curricula can enhance the relevance and applicability of these programs, reflecting the diversity of India's knowledge traditions. Additionally, strengthening monitoring mechanisms is vital to ensure both quality and equity in the implementation of higher education and skill programs, addressing existing gaps and disparities. While government policies have made significant strides in increasing access to education and skills, a more inclusive and integrated approach is essential for fostering long-term, sustainable progress.

3. Limitation of the Study:

- The research relied on secondary data sources, which were not always up-to-date, limiting the scope of recent policy developments.
- 2) The study focused on specific regions or states, which may have reduced the generalizability of the findings to the national level.
- **3)** Some government policies were subject to interpretation, which may have introduced researcher bias.
- 4) Due to time and resource constraints, primary data collection from students, educators, or institutions was not conducted.
- **5)** Government policies and initiatives in education and skill development were evolving, which made it challenging to capture all relevant changes.
- 6) The study primarily analyzed policy documents, which may not reflect the practical challenges faced by educational institutions or beneficiaries.
- 4. Future Study
 - Future studies can conduct longitudinal research to evaluate the sustained impact of policies promoting skill development alongside higher education. This will help identify trends in employment patterns, wage growth, and economic mobility among beneficiaries over time.
 - 2) Given the diversity of educational outcomes across regions, future research could focus on how policy impacts differ between urban and rural areas or across various industries. This would provide deeper insights into whether specific geographic or sectoral interventions are more effective.



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- 3) Analyzing access to education and skills from an intersectional lens (caste, gender, disability, and socio-economic status) would provide a nuanced understanding of policy efficacy. Further studies could explore whether marginalized communities face unique barriers in reaping the benefits of these policies.
- 5. Suggestions
 - 1) Policy Reformation: Governments should continually reassess and reform higher education policies to better align with the evolving job market and technological advancements. This includes integrating skill development into the core curriculum of higher education institutions.
 - 2) Collaborative Programs: Establish partnerships between higher education institutions and industries to create curricula that reflect real-world skills and demands. This collaboration can enhance employability and ensure that graduates are job-ready.
 - **3)** Funding and Resources: Increase funding for skill development programs within higher education, particularly for lower-income students. Scholarships, grants, and targeted financial aid can help bridge the gap in access to quality education and skill development resources.
 - 4) Diverse Pathways: Promote diverse educational pathways, including vocational training and apprenticeships, as viable alternatives to traditional degree programs. This can help cater to the varied interests and career aspirations of students.
 - **5)** Lifelong Learning Initiatives: Encourage lifelong learning through flexible and accessible online courses and professional development opportunities. This approach can help individuals adapt to changing job requirements and continue developing their skills throughout their careers.
 - 6) Assessment and Evaluation: Implement robust evaluation mechanisms to assess the effectiveness of skill development programs in higher education. Regular feedback from employers, educators, and students can inform necessary adjustments to curricula and policies.



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- 7) Inclusivity and Accessibility: Focus on inclusivity by developing policies that address barriers faced by marginalized groups in accessing higher education and skill development opportunities. This includes promoting gender equity, supporting students with disabilities, and enhancing access for rural populations.
- 8) Integration of Soft Skills: Incorporate soft skills training, such as communication, teamwork, and problem-solving, into higher education curricula. These skills are essential for employability and are often overlooked in traditional academic programs.
- **9) Technological Integration**: Leverage technology to enhance learning experiences and facilitate skill development. This can include the use of simulation tools, virtual reality, and online collaboration platforms to provide practical training opportunities.
- 10) Global Perspectives: Explore international best practices in higher education and skill development. Learning from successful models in other countries can inform local policies and initiatives, ensuring that they are effective and forward-thinking.
- **11) Strengthening the Education-Skill Nexus**: Universities should offer hybrid models that combine academic and vocational training to provide both degrees and employable skills.
- **12) Public-Private Partnerships**: Collaborations between industry and academia can ensure that skill development programs remain relevant and job-oriented.
- **13)** Support for Marginalized Groups: Increased investment in rural higher education infrastructure and targeted scholarships for women and tribal communities are essential for equity.
- 14) Monitoring and Evaluation: Continuous monitoring of both educational outcomes and skill development programs will help identify gaps and course-correct policies.

By addressing these suggestions, policymakers can create a more robust framework that enhances access to higher education and promotes skill development, ultimately leading to better employment outcomes and economic growth.



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8. Conclusion

The shift toward skill development alongside higher education is a necessary response to India's socio-economic challenges. However, government policies must strike a balance to ensure students acquire not only employable skills but also a strong academic foundation. In states like Jharkhand, where the need for both higher education and practical skills is pressing, initiatives such as the Guruji Credit Card and Shiksha Protsahan Yojna are positive steps toward empowering youth. An integrated education-skill approach will be crucial for sustainable development and improved livelihood opportunities. However, the government's emphasis on reducing public funding for higher education and promoting self-reliance among universities carries significant consequences. While programs like Startup India offer alternative pathways, they cannot fully replace the value of formal education. Restricting access to higher education risks widening economic inequality and weakening demand, which could negatively impact the economy. A balanced strategy—one that strengthens both higher education and skill development—is essential to foster an equitable society. The integration of Indian Knowledge System (IKS), higher education, and skill-based learning reflects a holistic effort to cultivate a well-rounded and employable workforce. Education must not only provide degrees but also impart contextual knowledge, practical skills, and social responsibility. As India progresses, creating inclusive, flexible, and multidisciplinary learning frameworks will be key to meeting both cultural aspirations and economic needs, ensuring education and opportunity are accessible to all.



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