

***THE IMPACT OF FOREIGN EDUCATION INSTITUTION BILL  
ON HIGHER EDUCATION***

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**Abstract:**

This paper discusses the challenges faced by Higher Education and Global Competitiveness, it expresses opportunities and the threats ahead of the educators which could be grappled with the use of well defined and well customized strategies so as to achieve and win the hearts of the society. Brand loyalty, Customer satisfaction, brand affection, repeated purchases and product association are now no more the big concepts in the books of marketers but they have become benchmarks and important agendas to be imbibed and inculcated in the current scenario. The changing global scenario extends opportunities as well provides immense challenges to the education industry. The changing market conditions overall in the world and its direct impact on the job market, is leading the educators in building new definitions. The paper presents different factors which the education industry needs to adopt to survive the tough challenges due to sudden change in the competitive market. They continuously revise their plans and reset their goals. Companies are grappling with the realities of change with the sole objective of client satisfaction. The biggest challenge ahead of the industry is also to live in the minds of the consumers. The speed of changes is so fast that they have to be on their toes to retain themselves in highly volatile scenario. The speed is such that it can beat the speed of a Formula One Race.

Keywords: Foreign Education Institution Bill, Commercialization, etc.

**Introduction:**

Higher education has become the need of the hour. With the technological changes happening all over the world, it is important for everyone to keep themselves abreast of all these changes happening, therefore, giving birth to a world of specialization. Specialization requires special skills and training in a particular field or area through special education, training and research provided by higher educational institutions.

The standards of higher education have to be developed based on global benchmarks. The competition taking place all over the world is building new challenges for the higher education. This makes it compulsory for raising the standards of higher education and to be at par with the changing global scenario.

The implementation of the new bill, Foreign Education Institution Bill, would create opportunities as well as threats for the Indian education system. Opportunities because, the students will have wide variety of courses and institutions to choose from, the nation will also be able to solve the problem of brain drain, as the students will complete their higher education from within the country and will look for placements here, generation of employment opportunities and above all with the rate of increase in the population, specially the large number of young population in our country the need of higher education institutions will be satisfied.

On the other hand, the foreign education institution bill will create threats, as it may lead to the birth of unhealthy competition between the Indian educational institutions as well as foreign educational institutions. The cost of education in these institutions also probably is more than their domestic counterparts, therefore raising the question of affordability for the students etc.

### **Foreign Educational Institution Bill**

The Foreign Educational Institution (Regulation of Entry and Operation) Bill 2010 would allow foreign universities to set up campuses in India. On March, 15, 2010, the bill was approved by the cabinet and now the bill will head to the parliament for its approval. The Foreign Educational Institutions (Regulation of Entry and Operations) Bill, 2010 has been introduced in the Lok Sabha on May 3, 2010 amidst the opposition of the CPI (M) and others. Immediately afterwards, the Students Federation of India and Democratic Teachers' Front of Delhi University burnt the copies of the bill outside parliament and demanded its immediate withdrawal. Hundreds of such protests were organized all over the country in the state capitals and districts headquarters. A similar bill the "Foreign Educational Institutions (Regulation of Entry and Operation, Maintenance of Quality and Prevention of Commercialization) Bill, 2007" was planned to be introduced in the parliament (Rajya Sabha), in the first week of May 2007. Consequently due to the protests by the left parties the bill had to be withdrawn. The bill will bring a massive transformation in the higher education system in India.

### **Foreign education at door step!**

If the bill is approved in the parliament than the Indian students will not have to travel abroad to acquire world class foreign degrees because those degrees or diplomas will be available here at the door step. This will definitely help in curbing the problem of brain drain. The brightest Indian students, in majority who travel abroad every year will have better quality education, variety of choices available here in India. Though the fees charged by these foreign educational institutions will definitely be higher as compared to the fees charged by the Indian universities, but the students are still going to benefit in terms of traveling expenses, lodging and boarding, other expenses and most importantly close proximity to their homes.

**Questions unanswered????**

There are certain questions which are still unanswered such as whether the best universities will come for example, Harvard, Stanford etc. whether all Indian students will afford to pay for the higher fees charged by these foreign educational Institutions? Whether these institutions will retain their quality in India as they provide in their own countries? Will there be healthy competition between these foreign universities and Indian universities or will it only support more of Commercialization of education in India?

But these questions will find their answers only once the foreign universities establish themselves here in India. The foreign educational institutional bill has opened the gate for the entry of foreign institutions in India. It's an open invitation to the foreign institutions to offer world class quality education at our door step. The bill allows the foreign institutions to extend their campuses in India and to make 51percent of capital investment in the foreign institution. Though 100 per cent foreign direct investment through the automatic route is permitted in the education sector since 2000, the legal structure does not allow granting of degrees by foreign educational institutions here, according to the Human Resource Development Minister, Mr. Kapil Sibal. Therefore these institutions will help in retaining the most elite students from the top most colleges. India has a severe shortage of higher educational institutions for its booming population where more than 30% of its 1.1 billion people are less than 14 years old.

The proposed bill sets out rules and regulations that foreign educational institutions would have to follow before opening in India. The process would take at least eight months. The institution seeking entry into India would go through different levels of registration process during this period and will be finally registered with University Grants Commission (UGC).

The proposed law would facilitate the globally- renowned institutes to participate in India's higher education sector. It will bring in foreign education providers for vocational education training also.

Union Human Resource Minister, Kapil Sibal expressed happiness over Cabinet's approval to the Bill.

"This is a milestone which will enhance choices, increase competition and benchmark quality," Sibal said.

### **Loopholes in the Bill**

But there are many loopholes in the bill. The government needs to carefully look at those lacunae before making tall claims. Because the bill does not mention the number of foreign students who can be admitted by these institutions. As a result there is a threat of the foreign universities becoming a cheaper education option for foreign students who cannot afford the same in their own country. The general category Indian students who will take admission in these universities, is also not clear. Now, while the government has specified that these universities need to have Indian students as well as foreign students in their campuses, there is no ceiling on the number of foreign students allowed. Also the issue about the reservations is not very clear in the bill that whether the reservations such as SC, ST and OBC will be applicable in these foreign institutions.

### **Suggestions-**

There are a large number of foreign educational institutions operating in India, offering higher education in collaboration with the Indian Institutes. But till now there is no law to check the malpractices done by these institutes. In the absence of a law these institutes indulge in unfair means which not only hampers the interest of the students, public at large but also to a wider extent affects the educational system prevailing in India. Therefore the implementation of the law is essential to retain the quality of higher education in India. The object of the proposed legislation is to regulate entry and operation of foreign educational institutions which impart higher education or technical education or practice of any profession in India including award of degree, diploma and equivalent qualifications. The parliament of India has invited suggestions from the people so as to incorporate any possible

changes or to eradicate loopholes if any in the bill. The copy of the bill is available on the website of Rajya Sabha (<http://rajyasabha.nic.in>).

Therefore, it can be summed up as before proceeding with the bill the government and the ministry needs to rethink over important issues to serve the main purpose of the bill.

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