



FROM EXPANSION TO TRANSFORMATION: POLITICAL ECONOMY OF HIGHER EDUCATION REFORM IN INDIA UNDER THE NATIONAL EDUCATION POLICY 2020

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RESEARCH ARTICLE



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Abstract

The National Education Policy 2020 represents one of the most significant attempts to restructure India's higher education system in the 21st century. For decades, the expansion of universities and colleges in India has primarily focused on increasing access and enrollment. However, concerns regarding academic quality, research productivity, institutional governance and global competitiveness have continued to challenge the higher education sector. Against this background, NEP 2020 seeks to shift the Focus of policy from mere quantitative expansion towards qualitative transformation. This article examines the political economy of higher education reform under NEP 2020 by analyzing its proposed institutional restructuring, emphasis on multidisciplinary education, promotional of research and innovation and evolving regulatory framework. The study also explores the broader implications of these reforms for academic autonomy, public private participation and the governance of Higher Education institutions in India. It's argued that while NEP 2020 provides an ambitious roadmap for transforming higher education, its long-term success will depend on effective implementation, adequate financial investment and the ability of institutions to adopt to a rapidly changing knowledge economy.

Keywords: *NEP 2020, Higher Education, Political Economy of Education, Educational Transformation, Marketization, Equity and Inclusion, Institutional Reform, India*

Introduction

Higher Education plays a crucial role in shaping the intellectual, economic and social development of modern societies. Universities serve as important centers of knowledge creation, research innovation and the development of skilled human resources necessary for national progress. In India, the higher education system has experienced significant expansions over the past few decades, with a rapid increase in the number of universities, colleges and student enrollments. Institutions such as university grants commission on have played important role in regulating and supporting this expansion.

Despite this quantitative growth, several structural changes continue to affect the quality and effectiveness of higher education in India. Concerns regarding research productivity, institutional governance, academic quality and global competitiveness have frequently been highlighted in academic and policy debates. These challenges have raised questions about whether the existing model of higher education expansion is sufficient to meet the demands of a rapidly evolving knowledge economy.

Against this backdrop, the government of India introduced the NEP 2020 as a comprehensive framework for reforming the education system. The policy seeks to move beyond the phase of mere expansion and aims to transform Higher Education through institutional restructuring, multidisciplinary learning and the promotion of research and innovation. This policy explores how the policy attempts to shift the focus from expansion towards structural transformation under NEP 2020 within the Indian higher education system.

Expansion of Higher Education in India: Expansion in higher education generally refers to the significant growth of the higher education system in terms of institutions, student enrollment, and access to educational opportunities. In the Indian context, the expansion of higher education has been closely linked with the goals of nation building, economic development and social mobility since independence.

For analytical clarity, this expansion can be examined through 3 Major aspects

A – Historical expansion: The historical expansion of higher education in India reflects a gradual transformation from a small elite-oriented system during the colonial period to a large and diversified sector in the post- independence era. This process has been shaped by political priorities, economic development needs and increasing social demand for education. Over time higher

education expanded through several phases that significantly influenced the structure and accessibility of the system. The origins of modern higher education in India can be traced to the colonial period under British rule. During the nineteenth century, the British administration introduced a western style education system primarily to train a class of educated Indians who could assist in colonial governance and administration. A major milestone in this development was the establishment of the universities of “university of Calcutta, university of Bombay and university of Madras” in 1857. These universities were modeled on the British system and functioned mainly as affiliated and examine bodies rather than centers of teaching and research. Access to higher education during this period remained limited and largely confined to urban elites and privileged social groups. Despite these limitations, the colonial period laid the institutional foundations for the future growth of higher education in India.

Following independence in 1947 higher education became a key instrument for national development and modernization. The Indian state recognized the importance of universities and technical institutions in promoting economic growth, scientific progress and nation building. As a result, the government adopted policies aimed at expanding the higher education system across the country. The establishment of the Universities Grants Commission in 1956 played a crucial role in coordinating and funding universities while maintaining academic standards. During this period several institutions of national importance were also created, including the Indian Institute of Technology and the Indian Institute of Management, which contributed to the development of technical and managerial education.

The pace of expansion accelerated further after the economic reforms associated with the 1991 economic liberalization in India. Increased demand for skilled human resources combined with globalization and technological change, led to a rapid growth in universities, colleges, schools and professional institutions. The private sector also emerged as an important- participants in higher education during this period.

B – Institutional and Enrollment Expansion: The expansion of higher education in India has been marked not only it’s historical growth but also by significant changes in its Institutional structure and enrollment patterns. This phase of expansion reflects a shift from limited Institutional capacity to a large and complex system characterized by diversification, increased participation and differentiated forms of provision.

One of the key features of the institutional expansion has been the rapid increase in the number and types of higher education institutions. The system today comprises central and state Universities, private universities, deemed universities and a vast network of affiliated Colleges. This diversification has enabled the system to accommodate a growing demand for higher education across different regions and socio-economic groups. The affiliating college system, in particular has played a crucial role in expanding access, especially in semi- urban and rural areas, although it has also raised concerns regarding quality and administrative efficiency.

Alongside institutional growth, enrollment in higher education has increased significantly over time. The expansion of enrollment reflects the transition of higher education from an elite system to a mass system. The Gross Enrollment Ratio (GER), which measures participation in higher education has shown a steady rise in recent decades, indicating broader access in educational opportunities. This increase has been supported by the expansion of school education, demographic changes and rising aspirations among different social groups.

C – Social expansion and massification of higher education in India: Social expansion refers to the inclusion of diverse social groups in higher education while, massification denotes the rapid increase in student enrollments across the system. In the early phases, higher education in India was largely restricted to urban, upper class and socially privileged groups. However, over time deliberate policy interventions and socio -economic changes have contributed to widening access. Measures such as reservations for SCs, STs, and OBCs along with scholarships schemes and affirmative action policies, have played a significant role in promoting inclusivity. These initiatives have enabled historically marginalized communities to participate more actively in higher education.

However, the process of massification has also brought several changes. Despite increased access disparities persist in terms of quality affordability and outcomes. Students from marginalized backgrounds often face structural barriers, including limited resources, digital divides and unequal access to high quality institutions.

Transformation Vision of Higher Education under NEP 2020

The shift from expansion to transformation in India’s Higher Education system is mostly clearly articulated in the National Education policy 2020, which seeks to address the structural and qualitative limitations that emerged during earlier phase of growth. While expansion increased access and institutional capacity, it also led to challenge such as fragmentation. Uneven quality, limited research output and inadequate global competitiveness. One of the central aspects of this transformation is the move towards a multidisciplinary and holistic education system. NEP 2020 emphasis the restructuring of higher education institutions into large multidisciplinary universities and colleges, replacing the fragmented system of narrowly specified institutions. This approach aims to promote critical thinking, creativity and a broader knowledge base among students. Another significant reform is the introduction of flexible academic pathways, including the multiple entry and exist system and Academic Bank of Credit (ABC). These measures are designed to make higher education more students centric, allowing learners to pause and resume their education without losing academic progress. This flexibility marks a departure from the rigid structure that characterize earlier system. The policy also focuses on enhancing research and innovation, particularly through the establishment of a National Research Foundation (NRF), by strengthening research capacity and funding, NEP 2020 aims to improve the global standing of Indian Higher Education institutions and fosters a knowledge-based economy.

Institutional governance and regulations are also being transformed. NEP 2020 proposes a light but tight regulatory framework, reducing excessive bureaucratic control while ensuring accountability and transparency. The separation of functions such as regulation, funding, accreditation and standard-setting is intended to improve efficiency and institutional autonomy.

Equity and inclusion remain central to the transformation. Building on the expansion of access, the policy seeks to ensure that students from diverse socio-economic backgrounds can participate in quality higher education. This includes a target to significantly increase the GER, alongside measures to support disadvantaged groups. Furthermore, the policy encourages the integration of technology in education, including online and digital learning platforms, which can enhance access and improve learning outcomes. This is particularly relevant in addressing regional disparities and reaching underserved populations.

Political Economy of Education Reform under NEP 2020

It refers to the interaction between State policies, market forces, Institutional structures and social inequalities that shape the direction and outcomes of educational change. In the context of higher education, NEP 2020 represents not merely a technical reform but a broader restructuring influenced by economic priorities, governance shifts and global trends. Therefore, analysis of its political economy is essential to understand both its transformative potential and limitations.

A key aspect is the changing role of the state. Traditionally, the state acts as the primary provider and funder of higher education, reflecting a welfare-oriented approach. However, the policy indicates a shift towards a regulatory and facilitative role, emphasizing institutional autonomy, reduced direct control and outcome-based governance. While this may enhance efficiency and innovation, it also reflects a redefinition of state responsibility, where public provision may gradually give way to indirect regulation.

Closely associated with this shift is the growing marketization and privatization of higher education. NEP 2020 encourages private sector participation and promotes competition among institutions in terms of rankings, funding and student enrollment. The rise of self-financing institutions and the emphasis on performance indicators suggest the emergence of a quasi-market system. From a political perspective, this aligns with a Neo-liberal orientation, where education is increasingly treated as a commodity rather than a public good. This trend has raised concerns about commercialization and its implications for equitable access.

The question of financing further highlights these dynamics. Public investment in higher education remains limited, prompting the policy to encourage alternative funding sources such as private investment and public-private partnership. While such measures may expand resources, they also risk shifting the financial burden onto students through higher fees and loans. These have raised critical concerns about affordability and access, particularly for economically disadvantaged groups.

The influence of globalization is another critical factor shaping the reform. The policy encourages international collaboration, entry of foreign universities and alignment with global standards and ranking. This is a concerted effort to integrate Indian higher education into the global knowledge economy.

Challenges in implementation

One of the most significant challenges is the issue of inadequate public funding. NEP 2020 envisions substantial reforms, including expansion of infrastructure, promotion of multidisciplinary institutions and integration of technology in education. However, public expenditure on education in India has historically remained below the recommended levels. Without a significant increase in financial commitment, many of the proposed reforms may remain aspirational. The reliance on private investment and alternative funding mechanisms may further raise concerns about affordability and equitable access.

Another major challenge lies in the institutional capacity and readiness of higher education institutions. The policy proposes structural changes such as the transition to multidisciplinary universities, institutional restructuring and implementation of a flexible curriculum framework. However, many institutions, particularly in rural and underdeveloped regions, lack the necessary infrastructure, trained faculty and administrative capacity to adopt these changes. The disparity between well-resourced and under-resourced institutions may widen, thereby reinforcing existing inequalities.

The issues of governance and regulatory complexity also pose a significant obstacle. Although NEP 2020 aims to simplify the regulatory framework through the establishment of a unified system, the transition from the existing structure to a new one is likely to be challenging. Bureaucratic inertia, overlapping jurisdiction and resistance to change within institutions may slow down the reform process.

Faculty-related challenges constitute another critical area of concern. The success of any educational reform depends largely on the quality and motivation of teachers. NEP 2020 also emphasizes faculty development, research and innovation, but the current system faces issues such as faculty shortage, contractual employment and limited opportunities for professional growth. Ensuring adequate training, recruitment and retention of qualified faculty members will be essential for effective implementation.

The digital divide represents a significant barrier, especially in the context of increasing emphasis on technology-enabled learning, while NEP 2020 promotes online education, digital infrastructure and virtual learning platforms, access to reliable internet connectivity and digital divides remain uneven across regions and socio-economic groups.

In addition to this, several other challenges also affect the implementation, including persistent social and regional disparities, difficulties in adopting multi-disciplinary and flexible learning systems, and issues of coordination between central and state government.

Conclusion

In conclusion, the trajectory of higher education reform in India under NEP 2020 reflects a significant shift from quantitative expansion to qualitative transformation. While earlier policy focused on increasing access and enrollment, NEP 2020 seeks to reimagine the system through flexibility multi-disciplinary learning and global competitiveness. However, as the analysis of its political economy reveals these reforms are deeply shaped by the interplay of state priorities, market forces and existing social inequalities. This creates inherent tensions between Equity and excellence, public good and commercialization and autonomy and regulation. The challenges of implementation further highlight the gap between policy vision and ground realities. Therefore, the success of the reform will depend on balancing efficiency with equity, ensuring adequate public investment, and addressing structural disparities. A careful and inclusive approach to implementation is essential for realizing the transformative potential for NEP 2020.

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