

“IMPACT OF EDUCATION ON ECONOMIC GROWTH AND STANDARD OF LIVING”

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ABSTRACT

A country with higher literacy rate performs better in terms of employment social development and people standard of living. Education plays a vital role in socio-economic development. Education raises people productivity and helps to the robust growth of social and economic development. The government of Chhattisgarh is seriously focusing towards the growth of education. In the allocated budget for the year 2020-21 the government infuses 19.7% in the total budget which is previously 15.8% in the year 2019-20. The research is based on secondary data. The result of this study shows that the government of Chhattisgarh focuses on improving the education policy and also increased its education budget by 6% from the last year budget i.e 2019-20. The government if Chhattisgarh is sponsoring the tuition fees of students who are taking admissions in the Indian institute of medical services, Indian institute of technology and Indian institute of improving the standard of living and generate employment, and helps in socio economic development management. The result of this study shows that the government of Chhattisgarh focuses on improving the education policy and also increased its education budget by 6% from the last year budget i.e 2019-20. In future this research will help in finding that how infusing proper education expenditure will always help in socio economic development of the state.

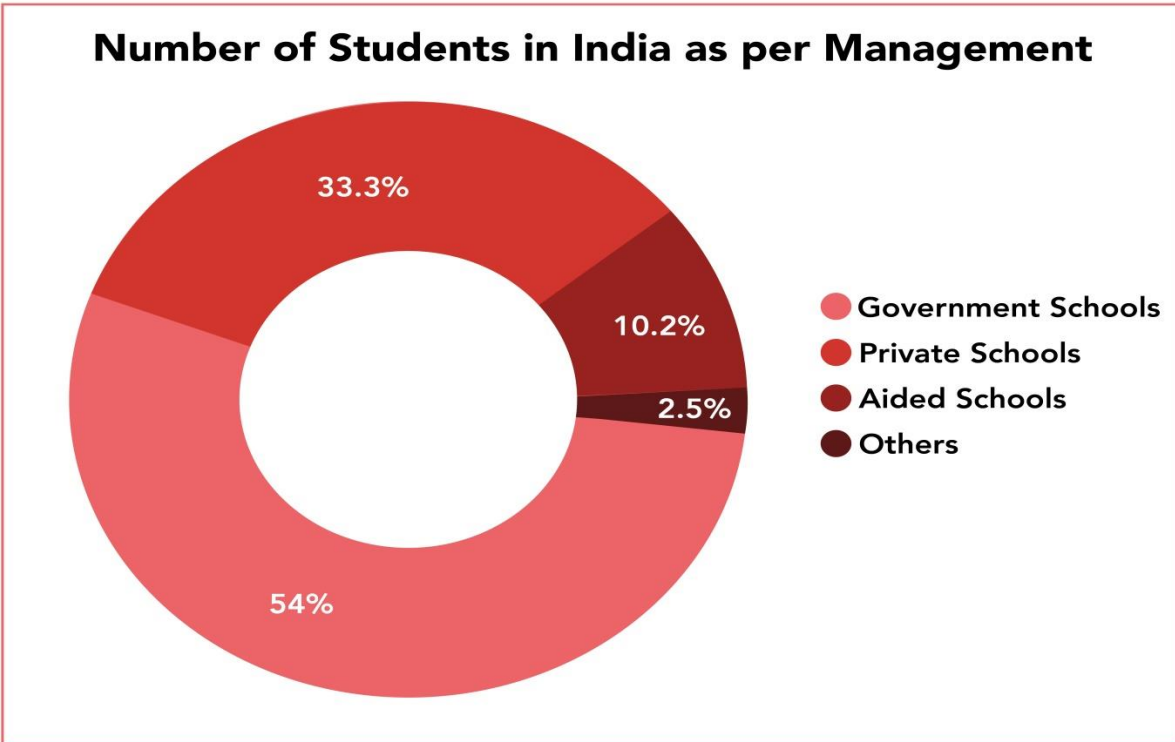
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INTRODUCTION

Education plays a vital role in economic growth. Education raises people productivity and helps to the robust growth of the society and standard of living . A country with higher literacy rate performs better in terms of employment and people’s standard of living. When we discuss about budget mainly focusing on education, the level and spending should be at the highest bar. Education acts one of the pillars if a country wants its people efficiency to be used to the fullest increased education budget will lead to a better socioeconomic development.

Many developing countries molded there policy to achieve the goal of better economic development. The education system in India as we know that it is divided in to four parts:-

(a) Lower Primary (b) Upper Primary (c) High (d) Higher secondary
The budgetary allocation should focus on providing the adequate level in the field of education so that it can help the economy to grow and improve the standard of living. With the galloping population in India the number of schools and universities also increasing that is why proper education expenditure is needed from the government to help the development of the country.



<https://www.google.com/search?q=total+number+of+schools+in+india&tbm=isch&sa=X&sqi=2&ved=2ahUKEwikro2r1Z2AAxVBcGwGHXp4CRUQ0pQJegQIChAB&biw=1536&bih=754&dpr=1.25#imgrc=nyYL5WHVu19PSM>

LITERATURE REVIEW

Prakash&Xavier (2013-2014), “A study in attitude if urban and rural college student teachers towards science”, that in the rural and urban areas the students and teachers found dominant towards the others subject and less attracted towards the science though the attention tends. There is a need to develop a positive attitude towards the science subject. The research is based on the Primary data. The rural and urban areas have the low amount of adaptability of the subject the locality covered by the college students and teachers shows positivity towards the subject. The attitude towards the subject science is moderate.

Yahaet.al., (2012), “Education Expenditure and Economic Growth: a casual analysis for Malaysia”, it focuses and shows that how much the government is spending in the field of education and how it helps in the economic performances of the state. Education leads as a long term investment, so it acts as a positive tool for the government to gallop the standard of living. The research is based on the vector error correction modal. The study proves that the human capital such as education play an important role in influencing the economic growth of Malaysia.

Arman et.al, (2020), “The impact of quality of education on economic growth”, it shows that education is a corner stone for economic growth. Technological advancement is playing a vital role to support economic growth. The study based on the objective to analysis the relationship between education and economic growth in Indonesia. The result clearly shows that a better qualified society will lead to a better economic growth in that particular region. The research was done in 33 province of Indonesia between the periods of 2013-15. The research is based on Data Analytical Approach.

Kishan&Hussain (2021) has studied on “Impact of education budget on Socio-economic development and it was found that A country with higher literacy rate performs better in terms of employment social development andpeople standard of living.he result of this studysshows that the government of Chhattisgarh focuses on improving the education policy and alsoincreased its education budget by 6% from the last year budget i.e 2019-20.

Mukhtarov et.al, (2019), “The impact of government education expenditures on economic growth evidence from Azerbaijan”, this study shows that there is a long term relationship between governments expenditure on education and how this expenditure affect the economic growth in Azerbaijan (1995-2017). The research is based on Vector Error Correction Model and slow used different methods likes DOLS, FMLOS and CCR to get more accurate results. The result shows that the government expenditure on education has positive impact of economic growth in the long run for Azerbaijan. The research depicts that some serious efforts should be made in policy to boost the educational investment.

Smaoui&Kammoun (2019), “The contribution of the education sector to economic growth; Empirical analysis from Tunisia”, this study shows the contributions of education sector to economic growth, the study was done to analyze the effect of education towards the economic growth of Tunisia. The study was done using VAR methodology for the period between 1971-2015. The result of this study is uncertain, it is difficult to decide the contribution of education to economic growth and unfortunately makes graduates difficulty in findings employment.

LingarajMallick, Devi Prasad Dash(2015), “Does expenditure on education affect economic growth in India?” this study show the education expenditure towards the economic growth in India using VAR model for the period from (1951-2012) in the long run. The study show that there is no serious impact is seen to economic growth as compared to the expenditure on education in India. The conclusion if this study is that Indian government and the policy makers has to focus in the betterment of human development by drafting a better education expenditure policy.

Praveshtamang (2011), “The Impact of Education Expenditure on India’s economic Growth”, this study show relationship of expenditure in education and economic growth of Indian economy from the period 1980-2008 and it is found that the relationship between the education expenditure and economic growth exist in the long run. The result of this study shows that physical capital per labour is contributing more than the education expenditure per labour to the economic growth. The research is based on the error correction method.

Vachum&Devi (2016), “A comparative study of scocio-economic status betwenneducatede and uneducated family Heads: A case study of ngaikhongkhullen Village, Bishnupur district, Manipur” the study shows that education in considered to be a very important factor for socio-economic deveflopment of a person ot of a state or a family. Education not only proclaims about the economic welfare of the country but alos it enleashes the family and the head of the Family has a directg relationship with thephysical, mental and intelligence. Education plays an important role for a prosperous and civilized society. The study shows that educated heads and family enjoy hihger socio-economic status comparing from the uneducated heads.

Mishra (2011), “Contribution of Education in the socio-economic development; An Empirical Study” the study shows the findings of research and contributions made by education Sector on economic growth. The paper discuss about the role of education in development and how the education can faster economic growth and development. Education from base level should be focused so that the education must be encouraged to foster economic growth and development. The report estimates the survey done by different organizations and other developed countries on education and findings.

Muniret.al., (2017), “Analysis of scocio-economic benefits of Education in Developing Countries; An Example of Pakistan” the paper shows that education plays an important implication not only for individual but also for societies. The study examines the benefit of education fro the social and economic development of the countries and Pakistan as developing country. The benefit of education considered as monetary and non-monetary to the society. The government and the civil society are investing in education to take the benefit more socially than economically. The research ends up with a view that this is the only way to make Pakistan a peaceful and safe place rather through other measures

RESEARCH METHODOLOGY

The research is based on secondary data. books, e-journals, articles, journals, magazines etc.

FINDINGS AND DISCUSSION

Education helps in improving the standard of living and generate employment, and helps in economic growth in various sectors of the country. The government of Chhattisgarh is seriously focusing towards the growth of education. In the allocated budget for the year 2020-21 the government infuses 19.7% in the total budget which is previously 15.8% in the year 2019-20. The government of Chhattisgarh is sponsoring the tuition fees of students who are taking admissions in the Indian institute of medical services, Indian institute of technology and Indian institute of improving the standard of living and generate employment, and helps in socio economic development management. Government and the policy makers are trying very hard to improve the quality of education to help in the generation of employment.

CONCLUSION

This paper studied about the direct relationship between education budget and the socio economic development of the country. The study conducted on secondary data such as e journal, research paper, journals and other relevant materials. The study reveals that proper allocation of budget in the education will positively affect the literacy rate of the country, improved standard of living and also helps in socio economic development.

The result of this study shows that the government of Chhattisgarh focuses on improving the education policy and also increased its education budget by 6% from the last year budget i.e 2019-20. In future this research will help in finding that how infusing a proper education expenditure will always help in socio economic development of the state.

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