

**COMPARATIVE STUDY OF PRIVATE COSTS
IN DISTANCE AND CONVENTIONAL EDUCATION
IN INDIA — A CASE STUDY**

by

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Introduction

Distance education is in existence for well over one and a half century. It has already occupied an indispensable place in the educational system at the global level. However, the germination of distance education in India took place in the early 1960s. Its growth in India has been at a very slow pace. In fact, it did not grow much till the mid-70s. It is only during the last ten years or so that it has come to occupy an important place. Even now it is being imparted mainly through postal correspondence.

For quite a long time, distance educational system has been opposed by the protagonists of conventional educational system. There is, however, a sea-change in their outlook now. Distance educational system is going to be popularised day by day. This is, in fact, a historical necessity. Face-to-face education is as longer indispensable in the context of higher education. To 'earn while you learn' can be possible only in the distance educational system.

Distance education has a very vital role to play in meeting the challenge of the future in the context of number, time and finances. It is not only an academic and a forward-looking teaching-learning system, but also a non-formal democratic, flexible and economical one. It is as good or bad an academic discipline as the traditional system of education is. However, the 'fat intellectuals' and a certain section of the society are yet to reconcile with the pedagogic validity of distance education. In fact, distance

educational system is a better method of imparting education when it goes beyond the domain of traditional courses.

In a country like India, where the literacy rate is as low as 36 per cent, huge amount of funds are required to raise the literacy rate. The absolute number of illiterates is rather enormous. The situation on the higher education front is rather grim. In this context, India lags for behind than the countries like South Korea, Japan, Philippines, USA and USSR. Moreover, the demand for higher education is going to be higher and higher in future. Even a moderate estimate for 2000 A.D. indicates that the likely enrolment in higher education in India is expected to be doubled. Our existing institutions of higher learning will not be able to cope with this expected rise in demand for higher learning. At the same time, the financial constraints interms of our limited economic resources may not allow us to expand the existing institutions and opening up of new institutions to meet the ever increasing demand for higher learning. However, a democratic state like India is supposed to create educational infrastructure to meet an ever rising demand. In such a constrained situation we shall have to think of an alternative system which may supplement the existing efforts. Distance educational system is one such alternate. Not only that distance education seems to be relatively less costly than the conventional education, but it has also the potential to transcend the barriers of time and scale. It seems to be an adequate measure to cater to the diverse needs of the society in general and to the individual learner in particular.

Various higher level committees have made strong recommendation for the initiation and promotion of distance education in India.[1] The establishment of Indira Gandhi National Open University and a number of state open universities shall further strengthen the network of distance education in India.

Distance education is relatively less costly than the conventional education. Conventional education is becoming dearer and dearer day by day both for the individual learners and for the society as a whole. So much so, the higher education in the conventional system is going to be out of reach of the common individual. The average cost per student in higher education through distance education is found to be one-third of the cost in regular traditional institutions the world over. Economies of scale, less expenditure on academic staff and small amount of private expenditure are

some of the important financial advantages of distance education. The academic competence of the teachers can be utilized optimally. Every university/institution can be entrusted with the responsibility of preparing self-instructional material (SIM) in specific area(s) of knowledge. The same can be multiplied for the use at the national level. This will not only reduce the cost of production of SIM but would provide the learner with the best academic material.

Some studies have already been conducted in the context of social or public costs in the formal and non-formal systems of education.[2] However, very few studies are available on the comparative study of private costs in the conventional and non-conventional systems of education.[3] The present paper is a modest attempt to study and compare the private costs in both the systems. The study is highly relevant in the sense that we can have a comparison of private costs in both the systems of education and thereby draw certain conclusions and policy implications for the educational system in general and for the distance education in particular.

Costs of distance education may be divided into two broad categories: (a) social or public costs which are borne out by the society as a whole; (b) private costs which are borne out by the individual learner.

The main objectives of the study are as under:

1. to study private costs of distance learners;
2. to study private costs of learners in the conventional education;
3. to compare the private costs in both the system; and
4. to see which system is cheaper; on what accounts and to what extent.

Hypothesis

Distance education at the higher level is relatively less costly than the conventional education, on private account.

Methodology

The study is based on a survey. One hundred students from both the systems were selected with the help of stratified random sampling. All the students were enrolled with the Punjabi University, Patiala. Of those hundred students,

fifty were from the distance education and fifty from the conventional education. In the sample from distance education fifty per cent are employed and fifty per cent unemployed. Out of unemployed students thirteen were local and twelve were out-stationed. All the sampled students in distance education attended two personal contact programmes (PCP), each of 9 days. The PCPs were conducted at Patiala only. As regards the sampled students from conventional education, half of them were day scholars and the remaining half were resident scholars. All the day scholars were from Patiala itself.

The collection of data is mainly based on questionnaire. However, personal interview with the learners, wherever necessary, in both the systems of education was arranged. The questionnaire runs into six parts. Part-A relates to personal information; part-B through E relate to various types of costs. Part F is aimed at knowing about the reactions of the learners and observations made by them about both the systems of education. The data relate to the academic session 1987-88 but were collected during 1988-89. The sampled students were studying in M.A. part II, in both the systems of education, during the academic session 1988-89. They gave the information regarding various types of costs on the basis of expenditure incurred by them in the previous academic year i.e. 1987-88.

The main cost components taken into consideration are: tuition fee, examination fee, expenditure on books and stationery, xeroxing of reading materials, travel costs, board and lodging costs, private tuition, postal expenditure, opportunity costs, etc. It seems relevant to mention here that costs in this study are in terms of monetary costs on current prices. Further, all the costs are annual costs. The expenditure on board and lodging incurred by the resident learners in the conventional education has been taken into account because they are incurring this expenditure only because they are getting education in the formal system and that too as resident scholars. However, the expenses incurred by them on clothing etc. have not been taken into account. In the contrary, the expenditure on board and lodging incurred by the day scholars and the learners in the distance education concept during the PCPs has not been taken into account because they were to incur this expenditure even otherwise. Similarly, the expenses incurred by them on clothing, etc. have not been taken into account. In other words, only those expenses have been taken into account which were directly related to their education.

Discussion

To test the stated hypothesis, a comparison of private costs has been made in both the systems.

A comparison of unit private cost (UPC) in distance and conventional educational systems has been given in table 1. The table indicates very clearly that the UPC in respect of all the cost components, except postal expenditure and private tuition, is quite low in distance education as compared to conventional education. The UPC difference is quite spectacular in the case of board and lodging. It is to the tune of Rs. 3925. The UPC on this head is a little more than 15 times in conventional education (CE) as compared to distance education (DE). Similarly the travel cost is more than double in case of CE as compared to DE. The expenses on stationery in the case of CE are more than one and a half times as compared to DE. However, the expenditure on postage and private tuition is nil in the case of CE where as it is Rs.45 and Rs.300 respectively in the case of DE. In fact, regular classroom students do not have any need to spend on postage and private tuition, thanks to regular contacts with the teacher. However, even if, we deduct the expenses on postage and private tuition from the total expenses incurred by a regular classroom student, UPC is still very large in the conventional education. The difference is nearly of Rs.4100. The overall UPC in the distance education comes out to be Rs.1744 as compared to Rs.5830 per annum in the case of conventional education. In other words, the UPC in distance education is less by more than one-third of the UPC in conventional education or the UPC in conventional education is higher by more than three times than that in distance education. Table 1, thus supports our hypothesis that private cost in distance education is substantially low as compared to private cost in conventional education. However, for further discussion, I have compared UPC between various categories of students in both the systems.

Besides the above said costs an effort has been made to estimate opportunity cost only in the case of employed distant learners. It has come out to be Rs.390 during the full one year mainly in the form of half pay leave — which they had to take for educational purposes. They used the half pay leave only for attending PCPs. If we deduct the opportunity cost (Rs.390) from the average annual earnings (Rs.23280) of the employed distant learners then we are left with only Rs.22890 as net earnings per annum per learner.

Let us now compare the UPC between various categories of conventional and distance learners. Table 2 illustrates comparison of UPC between day scholars and unemployed distant learners. The UPC in the case of outstation DIs on every account, except the private tuition, is higher than that in the case of local DIs. Day scholars did not spend any money on board and lodging, private tuition, and postage. Thus the UPC on these three accounts is zero in the case of day scholars. On all other accounts the UPC is higher in the case of day scholars. The total UPC in the case of distant learner and day scholar are Rs.1577 and Rs.1539 respectively which indicates that UPC in the case of the latter is lower by Rs.38 as compared to a distant learner.

The difference of UPC between day scholars and outstation DIs is even higher. The UPC in the case of the former is lower by Rs.255. However, the UPC in the case of day scholars as compared to local DIs is higher by Rs.179. This is mainly because of higher expenditure on books, stationery, xeroxing of reading material and travelling by the day scholars.

Table 3 compares UPC between resident scholars and unemployed distant learners. The UPC in the case of resident scholars comes out to be Rs.5921 as compared to Rs.1577 in the case of distant learners. This means that UPC in the case of former is higher by 3.75 times as compared to UPC in the case of the latter. Though the UPC on almost every account, except private tuition and postage, is higher in the case of resident scholars yet the main contributing factor is expenditure on board and lodging.

Comparison of UPC between day scholars and employed distant learners is given in table 4. The UPC in the case of former on all accounts, except postage and board and lodging, is higher than that in the latter. However, the total UPC in the case of day scholars is higher by Rs.75 than the UPC in the case of employed distant learner. Here we have not taken into account the earnings of the employed DIs. Their average annual per capita earnings were Rs.23280. Had they got the same education through conventional educational system these earnings would not have been there. In that case they would have incurred a loss of Rs.23280 per annum. Their total UPC would, thus, have been (Rs.23280+1539) Rs.24819 had they got education as day scholars and (Rs.23280+5921) Rs.29201 had they got education as resident scholars. The difference of UPC would thus have been (Rs.24819-1464) Rs.23355 in the former case and (Rs.29201-

1464) Rs.27737 in the latter case and not merely Rs.75 and Rs.4457 (see table 5) respectively. In the former case, the UPC in the conventional education would have been higher by nearly 17 times as compared to distant learners and in the latter case it would have been higher by nearly 20 times as compared to distant learners.

Table 5 depicts comparison of UPC between resident scholars and employed distant learners. In the case of resident scholars the UPC on all accounts, except postage, is higher than the UPC in the case of employed DIs. The total UPC in the case of former was higher by Rs.4457 as compared to the latter. In other words the UPC in the case of resident scholars was higher by a little more than 4 times as compared to UPC in the case of employed DIs. This is the situation when we do not take into account the income from their employment. We have already discussed the case by taking the income from their employment.

Comparison of UPC between employed and unemployed distant learners is shown in table 6. Unlike the previous tables, this table does not contain two cost components, viz tuition fee and examination fee. The UPC of employed distant learners on books and board and lodging is lower than that of unemployed distant learners. On all other accounts the employed distant learner spend more than the unemployed distant learner. However, the total UPC of employed DIs was Rs.870 as against Rs.983 of unemployed DIs on all the items listed in table 6. It means that the UPC of unemployed DIs was higher by Rs.113 as compared to that of employed DIs. Thus, it is interesting to note that unemployed DIs spent more (on an average) than the employed DIs.

We have discussed and compared unit private cost (UPC) in respect of distant and conventional learners. In all we divided the learners into four categories, viz unemployed distant learners, employed distant learners, regular day scholars and resident scholars. The UPC in respect of all these cases has been Rs.1577, 1464, 1539 and 5921 respectively. However, the combined UPC of distant learners on the one hand and the conventional learners on the other has been Rs.1744 and 5830 respectively. The UPC in respect of unemployed local distant learners and unemployed outstation distant learners has been further computed separately. It has been Rs.1360 and Rs.1794 respectively.

The difference between the UPC in the case of unemployed DIs and regular day scholars is very small. The UPC

of the former is higher by Rs.38 as compared to UPC in the case of the latter. Nevertheless the UPC of local DIs is lower by Rs.179 per annum. It is interesting to note that outstation DIs prefer distance education to conventional education in spite of the fact that they bear a higher cost to the tune of Rs.255 per annum. The UPC difference between resident scholars and unemployed DIs is to the tune of Rs.4344 per annum. It is higher by 3.75 times in the former as compared to the latter. The difference of UPC between day scholars and employed distant learners is not very high. The UPC in the former is higher by Rs.75 per annum as compared to UPC in the latter. The UPC of the resident scholars as compared to that of employed DIs is higher by four times. It is very interesting to note that the UPC of the unemployed DIs is higher by Rs.113 per annum than that of the employed DIs.

The family income (or income from employment) of the various learner-groups varies as follows. In the case of unemployed DIs family income ranges from Rs.6,000 to Rs.48,000 per annum. The income of the employed DIs, their earnings from employment only, ranges from Rs.54,000 to Rs.48,000 per annum. The family income of the day scholars ranges from Rs.10,000 to Rs.60,000 and that of resident scholars ranges from Rs.24,000 to Rs.50,000. It is interesting to note that income range of the unemployed DIs and employed DIs is almost the same. However, the first group of students is wholly dependent on their parents whereas the latter group is self-dependent. As regards the lower limit of the income of day scholars' families, it is lower than the lower limit of resident scholars' families, the same is the case in respect of higher limit of income.

When enquired why students in the two educational systems had joined the respected systems they answered differently. Non-availability of suitable jobs after graduation, better competitive capacity for higher jobs, high quality education, parents capacity to afford the expenses, etc. were some of the reasons stated by the students, in the conventional system. In addition to these reasons, the female students joined the university for better matrimonial prospects. Promotion in the parent jobs, scramble for better employment opportunities, unable to join conventional educational system due to time constraint or financial constraint, or simply to acquire higher education for the sake of getting higher qualifications, etc. were some of the important reasons.

However, a sizeable majority of the sampled students are not satisfied with the curriculum of the course. They feel that the curriculum is not relevant to the Indian socio-economic conditions. Almost all the students are uncertain about their future. In the face of serious unemployment problem, the opportunity cost of the learners in the conventional education system and that of the unemployed DIs is near zero. The students in the conventional system particularly the resident scholars, feel that the educational system is very costly and majority of them face financial crisis.

Conclusion and Policy Implications

It has been concluded from the above discussion that conventional education is very costly as compared to the distant education. The study, thus, supports the stated hypothesis. However, the most expensive head in the conventional education is that of board and lodging. It is very interesting to note that if we deduct the cost of board and lodging from the total UPC of resident scholars it comes out to be Rs.1721, which is very near to the UPC of unemployed outstation distant learners. Anyway, it is still higher than the UPC of day scholars and local distant learners and distant learners combined. The UPC difference in the case of distant learners and day scholars is, however, not very substantial. Anyway the UPC in the conventional education is higher than that of the distant education. This combined with the social or public cost, which is substantially higher in the conventional education as compared to distant education, makes conventional education all the more expensive.

Keeping in view the lesser public and private costs of distant education, the financial constraints of the Indian economy, the ever rising demand for higher education and the rapidly growing population the distant education would be the most suitable system of education. It has already come to occupy an important place in India during the last ten years or so. it has, in fact, become a historical necessity. The future of Indian education lies in the distant education. We should, thus, make earnest efforts to improve, extend and strengthen distant educational network in the country.

Table 1 **Comparison of UPC* in distance and conventional education**

Cost component	(Rs. per annum)		
	Conventional learner(CL*)	Distant learner(DL*)	Difference (CL-DL)*
Tuition fee	600	540	60
Examination fee	60	54	6(1)
Books(2)	280	220	60
Stationery	250	150	100
Xeroxing of reading materials(3)	125	15	110
Travelling(4)	315	145	170
Board and lodging(5)	4200	275	3925
Private tuition(6)	-	300	- 300
Postal expenditure	-	45	- 45
Total:	5830	1744	4086

* UPC - unit private cost

CL - conventional learner

DL - distant learner

1. This difference is only due to annual system of examination in distance education and semester examination system in conventional education.
2. Every student, irrespective of the system of education, purchased books relating to the curriculum.
3. Most of the distant learners did not incur any expenditure on this account whereas almost every student spent some amount of money on xeroxing or reading material.
4. It contains travel cost from place of living to the university and vice-versa. In fact, for purposes of travel cost the students in each system have been further divided into two categories, viz, local and outstation students in the case of distant learners and day scholars (these are invariably local) and resident scholars. In the case of local distant learners the travel cost is merely Rs.60 per annum per learner whereas it is Rs.230 per annum per learner in the case of outstation distant learners. Travel cost in the case of a day scholar comes out to be Rs.180 per annum while it is Rs.450 per annum in the case of resident scholars. The local distant learners travel daily to the University Campus to attend classes during the personal contact programme (PCPs). Some of the outstation distant learners also travel daily from their place of living to the University Campus to attend classes during the PCPs. The day scholars travel daily to the University Campus to attend classes. However, the resident scholars occasionally travel to their home-towns.

(Continued p. 11)

Table 2 Comparison of UPC between day scholars and unemployed distant learners (DLs)

Cost component	(Rs. per annum)				
	Day scholars (1)	Distant learners		Average (2)	Difference (1-2)
		Local DLs	Outstation DLs		
Tuition fee	600	540	540	540	+ 60
Examination fee	60	54	54	54	+ 6
Books	312	179	349	249	+ 63
Stationery	223	125	155	140	+ 83
Xeroxing of reading material	134	12	16	14	+120
Travelling	210	100	166	133	+ 77
Board and lodging	-	-	250	125*	-125
Private tuition	-	350	250	300	-300
Postal expenditure	-	-	44	22*	- 22
Total:	1539	1360	1794	1577	- 38

Table 3 Comparison of UPC between resident scholars and unemployed distant learners (DLs)

Cost component	(Rs. per annum)				
	Resident scholars (1)	Distant learners		Average (2)	Difference (1-2)
		Local DLs	Outstation DLs		
Tuition fee	600	540	540	540	+ 60
Examination fee	60	54	54	54	+ 6
Books	248	179	349	249	- 1
Stationery	277	125	155	140	+137
Xeroxing of reading material	116	12	16	14	+102
Travelling	420	100	166	133	+287
Board and lodging	4200	-	250	300	+4075
Private tuition	-	350	250	300	-300
Postal expenditure	-	-	44	22	- 22
Total:	5921	1360	1794	1577	4344

(From p. 10)

- Only those distant learners incur this expenditure whoe stay in the University hostels or in rented accommodation outside the University Campus during the PCPs. In the case of learners in the conventional education system it is clear that only the resident scholars bear these expenses.
- No one got private coaching in the case of employed distant learners and in the case of regular classroom learners. However, almost every unemployed distant learner got private coaching. In fact, the employed distant learners did not have

(Continued p.12)

Table 4 Comparison of UPC between day scholars and employed distant learners (DLs)

Cost component	(Rs. per annum)		
	Day scholars (1)	Distant learner (2)	Difference (1-2)
Tution fee	600	540	+ 60
Examination fee	60	54	+ 6
Books	316	191	+ 121
Stationery	223	160	+ 63
Xeroxing of reading material	134	16	+ 118
Travelling	210	157	+ 53
Board and lodging	-	300	- 300
Private tution	-	-	-
Postal expenditure	-	46	- 46
Total:	1539	1464	75

Table 5 Comparison of UPC between resident scholars and employed distant learners (DLs)

Cost component	(Rs. per annum)		
	Resident scholars (1)	Distant learner (2)	Difference (1-2)
Tution fee	600	540	+ 60
Examination fee	60	54	+ 6
Books	248	191	+ 57
Stationery	277	160	+ 117
Xeroxing of reading material	116	16	+ 100
Travelling	420	157	+ 263
Board and lodging	4200	300	-3900
Private tution	-	-	-
Postal expenditure	-	46	- 46
Total:	5921	1464	4457

(From p. 11)

any time to get private coaching. The regular scholars did not feel any need for private coaching.

Tuitions fee in the case of distant learners include cost of self-instructional material (SIM).

* Though the average in this case is not that meaningful yet it has been worked out to compare it with average expenditures of day scholars.

Table 6 Comparison of UPC between employed scholars and employed distant learners (DLs)

Cost component	(Rs. per annum)		
	Employed DLs (1)	Unemployed DLs (2)	Difference (1-2)
Books	191	249	- 58
Stationery	160	140	+ 20
Xeroxing of reading material	16	14	+ 2
Travelling	157	133	+ 24
Board and lodging	300	125	+ 175
Private tution	-	300	- 300
Postal expenditure	46	22	+ 24
Total:	870	983	- 113

Footnotes and References

1. Kothari Committee in the early 60s and Parthasarathy Committee in the early 70s.
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