

Industry-led skilling is key

The country's skill development policy is sketchy, at best, and there is little to show in the name of implementation. We could very easily lose the dividend due from our rising youth population



**NIRVIKAR
SINGH**

My last column had some wishful thinking for the New Year, hoping for tax reform, financial sector reform and changes in how India pursues its global strategy on the ground. These were modest wishes. But perhaps the paramount concern should be what is good for those at the centre of it all: India's people. In 1955, economist Milton Friedman offered these remarks in a memorandum to India's Ministry of Finance, "In any economy, the major source of productive power is not machinery, equipment, buildings and other physical capital; it is the productive capacity of the human beings who compose the society." The implication that "investing in people" is crucial for economic development has continued to rise in importance in policy thinking.

India's version of this approach has included national missions for education and health, and now a major push to increase the availability of food-grains. Like many policy initiatives, targeting and implementation have left much to be desired. But the overall goal of investing in people makes sense, and policy corrections can be made. Mothers and infants are getting somewhat better care, but need even more focused attention. More children are coming to school, and being fed there, but they are not learning enough. Many people in India need more calories (see Heather Schofield's recent study of rickshaw pullers in Chennai), and may get them with the "right to food," if distribution mechanisms can be made to work.

What else needs to be done? The next step beyond basic health, nutrition and education is that of skilling India's burgeoning population of young

adults. This challenge has not received the same attention as more basic needs, but it will rapidly grow in political and social salience. Of course there is a National Skill Development Policy (NSDP), in place since 2009. There was a target set of skill-building of 500 million Indians by 2022. However, it seems that so far only bureaucratic and regulatory bodies have been created. Part of the problem is that building skills is a very heterogeneous goal: it can include everyone from managers to carpenters, plumbers and technicians. Some skills are very specialised, like nursing. Others are more generic. The National Vocational Education Qualification Framework (NVEQF) takes a stab at defining learning standards, but it is short on detail, does not have the right structure, and lacks any specification of learning outcomes. Remember that

this failure to focus on and achieve learning outcomes has plagued the expansion of primary education in India.

What else is missing? Four years after the NSDP was put in place, institutional change has not occurred. There has been talk of a community college model along the lines of the United States, but the most significant document, a white paper, on this idea comes from a US-sponsored organisation. In September 2013, at a national workshop on skilling India, senior officials spoke of hundreds of existing institutions adopting the community college model and of projects underway, but I could not find a single case study detailing what innovations are being implemented, what works, and what does not. The Ministry of Human Resource Development separates vocational education at the secondary level from technical post-

secondary education, and the latter is still disconnected from the traditional universities. One of the strengths of the US model is the articulation and coordination between high schools, community colleges and universities. In India, it seems that the effort is still to get buy-in from entrenched interests in higher education, rather than being at the stage of implementation on a scale that will make a difference.

One major problem with the Indian skilling effort is that it is government-led rather than industry-led. India's government does not have a tradition of understanding business or industry. The NVEQF is supposed to have had input from industry, but I could not see the impact of that input in the document. India has little in the way of internships and apprenticeships beyond what happens through the elite business schools. I have seen little or nothing in terms of efforts to learn from Germany on this front, or indeed, the US and its tradition of agricultural universities.

So where does one go from here? Given the institutional inertia, I would hope for a more targeted approach, honing in on specific sectors, occupations and skills to start with, and intensive experimentation with pilot institutions to get a new educational model jump-started. Drawing on a wider range of international experience is also essential in designing these pilots, as well as deeper international collaboration. And government has to allow industry to lead from the front – only those who actually run enterprises have a good sense of what their workers need. Reading government documents on the topic of skilling, I felt there was an air of unreality in them, an airiness in acknowledging the huge task ahead, exhortations and good intentions, but not one concrete example of how things have changed for the better since 2009. I hope I am wrong on this, and hope that I will be proved to be so.



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The author is professor of Economics, University of California, Santa Cruz