Education Policy Reforms in Post-Liberalization India: A Comparative Analysis of Indian States

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Introduction

Economic liberalization initiated in 1991 marked a decisive shift in India's development strategy and the role of the state (*Tilak, 2015*). Departing from a state-controlled and centrally planned model of development, India adopted market-oriented reforms emphasizing fiscal discipline, privatization, and integration into the global economy. Although these reforms were primarily designed to address macroeconomic constraints, their implications extended beyond the economic sphere and significantly influenced social sector governance, particularly education. In the post-liberalization period, the state's role in social provisioning underwent a gradual yet important transformation. Education, which had long been regarded as a core responsibility of the welfare state, increasingly witnessed the expansion of private institutions and market-based mechanisms. At the same time, the state continued to intervene through regulatory frameworks and targeted welfare schemes aimed at promoting access and equity. National initiatives such as the Right of Children to Free and Compulsory Education Act (2009) and the National Education Policy (2020) sought to universalize schooling, improve quality, and introduce outcome-oriented governance, while accommodating the growing presence of non-state actors.

However, the partial withdrawal of the state from direct provision in a liberalized economic context contributed to new forms of social and regional inequality. These developments generated popular expectations and political pressures that democratic governments could not overlook. Consequently, education emerged as a critical arena for welfare-oriented and populist policy interventions. State governments introduced a range of schemes, including scholarships, free textbooks and uniforms, mid-day meals, and residential schools, with the dual objective of addressing social exclusion and responding to electoral demands. Such policies reflect attempts to reconcile market-oriented reforms with the normative commitments of a democratic polity.

India's federal structure further shapes the dynamics of education policy reform. As education is a concurrent subject under the Constitution, state governments possess considerable autonomy in policy design and implementation. National policy frameworks therefore produce varied outcomes across states, shaped by differences in administrative capacity, fiscal resources, and political priorities. National-level indicators often obscure these variations, underscoring the need for a comparative state-level analysis.

Against this background, the present paper undertakes a comparative analysis of education policy reforms in post-liberalization India, focusing on five states—Uttar Pradesh, Assam, Maharashtra, West Bengal, and Telangana. The study examines how education policies have functioned as welfare and populist instruments in the post-reform period and assesses their outcomes across infrastructure, curriculum quality, social inclusion, governance capacity, and learning achievements. In doing so, the paper contributes to broader debates on the relationship between economic liberalization, populist politics, and social sector governance in India

Conceptual and Theoretical Framework

The analysis is grounded in a political economy framework that examines the interaction between economic reforms, state authority, and social policy within a democratic context. Economic liberalization in India, initiated in 1991, refers to a set of policy measures aimed at reducing direct state intervention in the economy through deregulation, privatization, and integration with global markets. While these reforms sought to enhance efficiency and growth, they also reshaped the traditional welfare-oriented role of the state, particularly in social sectors such as education *(Tilak, 2015; World Bank, 2020)*.

A central concept for understanding post-liberalization education reforms is the transition from a welfare state to a market-facilitating state. In this model, the state increasingly assumes the role of regulator and enabler rather than that of a direct provider of services. In the education sector, this shift is reflected in the expansion of private institutions, public–private partnerships, and performance-oriented governance mechanisms, alongside selective state interventions aimed at ensuring access and equity. This dual role illustrates the state's effort to balance market efficiency with social responsibility.

Within this framework, populism is understood not as an ideological orientation but as a policy strategy adopted by governments to address popular demands and secure electoral legitimacy. In post-liberalization India, education policies such as scholarships, mid-day meals, free textbooks, and residential schools function as welfare-oriented and populist measures designed to mitigate the social costs associated with market-led reforms. These interventions are particularly significant in a democratic polity, where governments must continuously reconcile economic reform agendas with voter expectations.

Federalism provides the institutional context within which these dynamics unfold. Since education is a concurrent subject, state governments enjoy substantial autonomy in implementation. Variations in governance capacity, fiscal resources, and political priorities therefore lead to divergent education policy outcomes across states. A comparative state-level approach is thus essential for understanding how education policies operate as welfare and populist instruments in the post-liberalization era.

Review of Literature

Scholarly analyses of India's post-1991 economic reforms emphasize a significant transformation in the role of the state, from a direct provider of welfare to a facilitator of market-driven development. Political economy studies argue that liberalization reduced public expenditure in social sectors and encouraged private sector participation, particularly in education and health. While these reforms contributed to economic growth, several scholars highlight their adverse implications for equity and access, especially for marginalized groups dependent on public provisioning.

A second strand of literature focuses on education policy reforms within India's federal framework. Researchers note that although national policies such as the Right to Education Act (2009) and the National Education Policy (2020) establish common goals, their outcomes vary considerably across states. This variation is attributed to differences in governance capacity, fiscal resources, and political commitment. Studies on decentralization emphasize the central role of state governments in shaping education outcomes through the design and implementation of welfare-oriented schemes aimed at improving enrollment and retention.

Another significant body of research examines educational quality and learning outcomes. Empirical studies based on ASER data consistently indicate low levels of foundational literacy and numeracy, particularly in rural and socio-economically disadvantaged regions (ASER,

2019; ASER, 2021). These findings challenge earlier policy approaches that prioritized enrollment expansion over learning quality. Scholars also draw attention to the widening digital divide, cautioning that technology-driven reforms may exacerbate existing inequalities unless supported by inclusive infrastructure and capacity-building measures.

Despite extensive research on liberalization, education policy, and learning outcomes, comparative studies that analyze education reforms as welfare and populist responses to market-oriented reforms at the state level remain limited. Most existing studies focus either on national-level frameworks or on individual states in isolation. This paper seeks to address this gap by systematically comparing selected Indian states to examine how education policies function as instruments of welfare and populist governance in post-liberalization India.

Methodology

The study adopts a qualitative and comparative research design to examine education policy reforms in post-liberalization India. The analysis is based exclusively on secondary data, enabling a systematic assessment of policy trends and outcomes across selected states. A comparative approach is employed to identify similarities and differences in state-level education reforms within a common national policy framework.

Data for the study are drawn from multiple secondary sources, including reports of the Ministry of Education, state government policy documents, and peer-reviewed academic literature. In addition, data from the Annual Status of Education Report (ASER) are used to assess learning outcomes related to foundational literacy and numeracy. ASER data are particularly valuable for capturing ground-level educational outcomes across diverse regional contexts.

Five states—Uttar Pradesh, Assam, Maharashtra, West Bengal, and Telangana—are selected to reflect regional diversity, varying levels of economic development, and differences in governance capacity. These states also exhibit distinct policy approaches to education reform, making them suitable for comparative analysis.

The analysis is structured around five indicators: educational infrastructure, curriculum and pedagogical quality, social inclusion measures, governance and institutional capacity, and learning outcomes. This framework facilitates an integrated assessment of policy intent and outcomes while remaining sensitive to contextual differences across states.

State-Wise Analysis

Uttar Pradesh

Uttar Pradesh, India's most populous state, faces substantial challenges in education governance due to its demographic scale, socio-economic diversity, and administrative constraints. In the post-liberalization period, the state has relied heavily on centrally sponsored schemes such as the Right to Education Act and the mid-day meal programme to expand access. Although enrollment levels have improved, the quality of infrastructure and teacher availability remains uneven, particularly in rural and economically backward regions.

Education policies in Uttar Pradesh increasingly function as welfare-oriented interventions aimed at addressing popular demands. Schemes providing free textbooks, uniforms, and scholarships seek to reduce dropout rates among disadvantaged groups, reflecting a populist approach to education policy. However, governance limitations, including high pupil–teacher ratios and weak monitoring mechanisms, constrain effective implementation. ASER data consistently reveal low levels of foundational learning, underscoring the gap between policy intent and outcomes.

Assam

Education reforms in Assam are shaped by geographic isolation, ethnic diversity, and recurrent natural disasters. The state has prioritized inclusion-focused policies targeting tribal and minority communities through residential schools, scholarships, and free educational materials. These initiatives have improved access and retention, particularly among marginalized groups.

Nevertheless, structural constraints continue to affect outcomes. Inadequate infrastructure in remote areas, teacher shortages, and limited fiscal capacity hinder sustained progress. ASER findings indicate that while access has improved, foundational learning levels remain below national averages. The digital divide further exacerbates these challenges, particularly in flood-prone regions with limited connectivity.

Maharashtra

Maharashtra represents a relatively strong performer in education governance. Higher fiscal capacity and administrative efficiency have enabled significant investments in infrastructure, teacher training, and digital education initiatives. Public–private partnerships have expanded educational opportunities, especially in urban areas.

The state's education policies combine welfare measures with performance-oriented reforms. Scholarship schemes promote inclusion, while governance reforms emphasize accountability and outcomes. ASER data suggest comparatively better learning outcomes than in less developed states, although significant urban–rural disparities persist. Maharashtra illustrates how stronger governance capacity can mediate the tensions between market-oriented reforms and welfare commitments.

West Bengal

West Bengal has emphasized welfare-oriented education policies in the post-liberalization period. Schemes such as mid-day meals, free textbooks, scholarships, and bicycle distribution programmes have contributed to improved enrollment and retention, particularly among girls and marginalized communities. These initiatives function as populist tools in a competitive electoral environment.

Despite improvements in access, concerns remain regarding educational quality and curriculum modernization. Governance challenges related to teacher deployment and assessment practices limit the impact of welfare measures. ASER data indicate moderate learning outcomes, highlighting the limitations of access-focused reforms in the absence of sustained quality enhancement.

Telangana

As a newly formed state, Telangana has pursued innovative education reforms to address regional disparities and establish political legitimacy. Residential schools for marginalized communities and large-scale investments in ICT-enabled classrooms represent key welfare-oriented initiatives.

These policies demonstrate an active state role in education within a liberalized economy. While access and retention have improved, implementation challenges persist, particularly with respect to teacher capacity and digital access. ASER data indicate uneven learning outcomes across regions, underscoring the need for sustained institutional strengthening.

Comparative Analysis

Table 1: Comparative Overview of State-Level Education Reforms in Selected Indian States

Indicators	Uttar Pradesh	Assam	Maharashtra	West Bengal	Telangana
Infrastructure	Basic, Uneven	Inadequate	Developed	Moderate	Improving
Social Inclusion	Scholarships, Mid-Day Meals	Residential Schools, Tribal Programs	Scholarships, Incentives	Mid-Day Meals, Bicycle Scheme	Residential Schools, ICT Programs
Governance Capacity	Weak	Limited	Strong	Moderate	Moderate
Digital Initiatives	Limited	Very Limited	Advanced	Emerging	ICT Focused
Learning Outcomes	Low Achievement	Below Average	Higher Performance	Moderate	Improving

Source: Compiled by the authors using ASER reports and state education policy documents.

Table 1: Comparative Overview of State-Level Education Reforms in Selected Indian States.
Source: Compiled by the authors using ASER reports and state education policy documents.

A comparative assessment of education policy reforms across the five states reveals substantial variation in outcomes despite shared national policy frameworks. States with stronger administrative and fiscal capacity, such as Maharashtra, demonstrate greater success in translating policy intent into learning outcomes. In contrast, Uttar Pradesh and Assam face persistent structural constraints that limit the effectiveness of welfare-oriented education policies.

West Bengal and Telangana occupy an intermediate position, combining extensive welfare measures with varying levels of institutional capacity. While these initiatives have improved access and inclusion, their impact on learning quality remains uneven. Across all states, the digital divide emerges as a critical cross-cutting issue, with unequal access to technology reinforcing existing educational inequalities.

Overall, the comparative analysis highlights that education policies in post-liberalization India are shaped by the interaction of market-oriented reforms, welfare imperatives, and state capacity. Education thus emerges as a key site where the tensions between economic liberalization and democratic accountability are negotiated at the state level

Table 2: State-wise Learning Outcomes Based on ASER Indicators

State	Reading Level (Std II)	Arithmetic Level (Std II)	Arithmetic Level (Std II)	Digital Access
Uttar Pradesh	Low	Low	Low	Limited
Assam	Low–Moderate	Low–Moderate	Low	Very Limited
Maharashtra	Moderate–High	Moderate–High	Moderate	Relatively High
West Bengal	Moderate	Moderate	Moderate	Limited
Telangana	Improving	Improving	Improving	Moderate

Source: ASER (2019, 2021).

Table 2: State-wise Learning Outcomes Based on ASER Indicators.
Source: ASER (2019, 2021).

ASER-based learning indicators further illustrate that improvements in access have not uniformly translated into gains in foundational literacy and numeracy across states (ASER, 2019; ASER, 2021).

Policy Implications

The findings of the study suggest several important implications for education governance in post-liberalization India. First, education has emerged as a critical compensatory welfare sector in the context of market-oriented reforms, serving both social and political functions. Second, governance capacity plays a decisive role in shaping policy outcomes, underscoring the need for sustained investment in institutional strengthening alongside welfare interventions.

Third, competitive populism in education policy has produced mixed outcomes. While welfare schemes have expanded access for marginalized groups, an overemphasis on access-oriented measures risks neglecting long-term quality enhancement. Finally, the growing reliance on digital education initiatives highlights the importance of addressing new forms of inequality through inclusive infrastructure and capacity-building efforts.

Conclusion

Education policy reforms in post-liberalization India reflect the complex interplay between economic restructuring, democratic politics, and federal governance. While liberalization transformed the state's role in development, it did not diminish popular expectations for welfare provision. Instead, these expectations have been articulated through sectoral policies such as education, which remain central to social equity and political legitimacy.

The comparative analysis demonstrates that education policies have functioned as important welfare and populist instruments across Indian states, though their effectiveness varies

significantly. Persistent regional disparities and the digital divide highlight the limitations of access-focused reforms in the absence of sustained investments in quality and institutional capacity. Understanding these dynamics is essential for assessing the long-term implications of post-liberalization reforms for social equity and governance in India.

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