

The role of public expenditure on secondary and higher education for achieving inclusive growth in India

^aBasanta K. Pradhan, ^bVijay P. Ojha and ^cJoydeep Ghosh

^aInstitute of Economic Growth, Delhi, India

^bIndian Institute of Foreign Trade (IIFT), New Delhi, India

^cInstitute for Economic Modelling Studies (IEMS), New Delhi, India

Abstract

We analyze the role of public expenditures on secondary and higher education for achieving inclusive growth, using a computable general equilibrium model of India. Our policy simulations show that increasing public education expenditure leads to higher growth and lower inequality. Expenditure on secondary education leads to better outcomes compared to equivalent expenditure on higher education. Exogenous technological progress enhances the positive effects of public education spending. The findings of the paper call for policy initiatives to boost spending on secondary education, as well as technological progress, for achieving inclusive growth in India.

Keywords: Asia, CGE model, higher education, inclusive growth, India, secondary education

Weblink :

<http://doi.org/10.1111/meca.12353>