

# **R AND D'S VALUE IN SHAPING EDUCATION POLICY IN THE CONTEXT OF THE KNOWLEDGE ECONOMY**

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## **ABSTRACT**

The current scenario where knowledge has taken its place atop the means of production has been gaining traction, and soon the knowledge economy will solidify its position among the primary driver of this interconnected, globalized economy. The knowledge mentioned is created by individuals, aided by a government's education policy, especially in the higher education sector. This paper focuses on the role that Research and Development plays in the education policy and how to best leverage it to ensure that India emerges as a leader in the coming years internationally.

**KEYWORDS:** Education Policy, Knowledge Economy, Indian Higher Education System.

## **INTRODUCTION**

Intellectual capital has overtaken the reins of production in the world, and now, it is the primary driver of progress globally. The economy is transitioning from a 'means of production' based model, to 'Knowledge' based models, where tangible and intangible values are created through the dissemination and appropriation of knowledge. Human intelligence has taken its place as the definitive value generator for the world. This is an emerging phenomenon, and one that should be the focus of academic attention. The Indian higher education sector has been growing at rapid pace to meet the ever increasing demand that a youth population demands of the society. But if utilized prudently, this opportunity will grant India a huge boost in its standing on the international stage, and serve as both a revenue generator and image betterment. Also, for those who are prepared to confront this challenge,

knowledge revolution can supplement significantly for the purpose of promoting the economic growth and social development along with reduction of poverty in India.

India has travelled a very long way with respect to the knowledge economy, and has created and implemented policies that help national growth by utilizing the current knowledge economy. Such an economy can be characterized by skilled manpower, a democratic system of government, big population speaking English, stability at macroeconomic level, dynamic and ever growing private sector, the largest middle class market of the world and a rich cultural foundation that fosters a priceless wealth of ideas coupled with diversified science & technology infrastructure and global landmarks in terms of information technology.

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It maintains that in a global neoliberal environment, the role of higher education for the economy is seen by governments as having greater importance to the extent that higher education has become the new star ship in the policy fleet for governments around the world. Universities are seen as a key driver in the knowledge economy. The recognition of economic importance of higher education and the necessity for economic viability has seen initiatives to promote greater entrepreneurial skills. A healthy, vibrant, inclusive and up-to-date education system works to build economy and helps in character building of the populace.

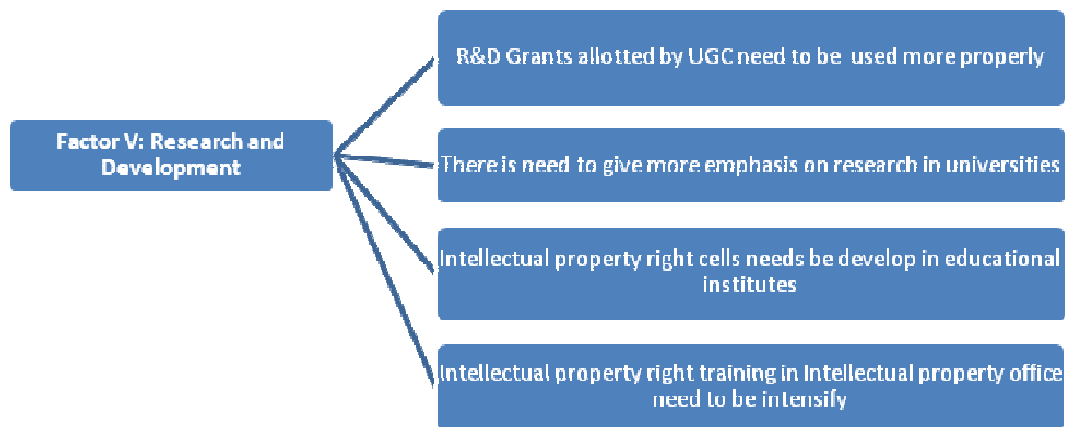
## **FINDINGS**

This is a conceptual paper that draws upon previous work done by the scholar, and shines a spotlight on an area that merited further attention. The work has been published in a peer-reviewed journal prior to this publication. The paper in question has been titled "Role of Education policy in emerging Knowledge Economy". The paper reflects on the vital importance that a government's education policy has on the creation and nurture of its knowledge economy. There were many factors that were considered and analyzed according to rigorous academic standards. The ensuing results revealed and illuminated the intricate, interconnectivities that higher education has with the knowledge economy, and how various factors assert their influence, directly or by proxy, on our knowledge society. One of these aforementioned factors was deemed to be in dire need of further clarification, which the scholar aims to achieve in this present research.

This factor constituted of R&D grants by UGC to be used properly (factor load 0.7303), emphasis

on research activities in universities (factor load 0.6967), intellectual property right cells in institutes (factor load 0.6566) and training in IPR (factor load 0.5575). This factor throws importance to research aspect that enriches the skills of teachers and the students as well. Research lays the foundation for various decisions in all spheres (Leader, 2003). In India this factor holds much relevance since there is a dearth of quality research in many places. More research avenues should be explored by the scholars. Though there are some apex organizations which are doing wonders in terms of research promotion, yet India needs to travel long distance in terms of reaching with high standards of research.

Whereas books teach the conceptual portion, research helps in updating of the facts and figures. Research includes reading quality research papers, conducting research for up-gradation of knowledge, presenting papers in conferences etc. Research is the applied knowledge, which the teacher and the student must get acquainted with. Institutions should promote research among faculty members of all specialization areas. Faculty members should make a habit of reading national and international journals of repute. Paper publication in reputed national and international journals should be promoted among the faculty members. Similarly, IPR is an area, where many efforts can be done by the education institutes. The current state of affairs in terms of research does not offer highly appreciable results, where India lags in terms of research outputs. There is good amount of fund meant for research, but quality research is really missing in the country. For reaching at par with international standards, education sector's contribution in research has to be multiplied.



## INTERPRETATION

*In the knowledge-based economy, 'innovation is driven by the interaction of producers and users in the exchange of both codified and tacit knowledge'.*

It is claimed that knowledge use and, in particular, the ability to innovate have become a national determinant of wealth and the basis of comparative advantage. Economists world over have basically reached a unanimous consensus about the role knowledge plays and can conceivably play in the improvement of the worth of the output, and the sheer number of choices available to the final consumer, which are the backbone of any economy. National policies for encouraging knowledge generation, knowledge acquisition, knowledge diffusion, and the exploitation of knowledge have become the most pressing priorities in the science, research and education policy regimes.

India needs to deploy and engage in a long term strategy to solidify and diversify the infrastructure that it has in place for its preexisting knowledge economy, fortifying its place in the world as the leader. Achieving this feat makes it imperative for us to invest in conveyance, training and electronic services. More and more, the principles of rational science planning cry out investments in national research facilities and in the higher education sector, which we should heed. Although it boasts more

than one-sixth of the world's total population, India's share of the global gross expenditure on research and development is only 3 per cent. Its expenditure in this area is about five times lower than that of one of its major competitors, China. Except Russia, India lags behind all BRICS nations in its capacity for innovation. This is a situation our complacency should not abet further.

## CONCLUSION

The key component of a knowledge economy is a greater reliance on intellectual capabilities than on physical inputs or natural resources. The world is slowly evolving towards a knowledge based economy, rather than the traditional manner of value generation. The obvious causal chain could be traced back to the higher education policy of the country, which equips the future generations for the progress of the country. The world is now an interconnected, global village with knowledge being termed as "The primary driver of progress", and the value created by it would be the main source of revenue. With the spotlight on it, governments and policy-makers are focusing on how to optimize and consolidate knowledge in their populace, and how to best use it for national development. This paper focuses on the role Research and development plays in this process, and how the higher education policy can aid in this process by shaping R and D's promise of innovation that would shift the country into the next gear, and usher in a new era of peace and prosperity. The reason for this is obvious, the

more institutions focus on R and D, the more knowledge capital they acquire, in terms of intellectual property, patents and copyrights etc. Also, when used properly, R and D can not only give rise to jobs and revenue from that field, but affect business, governance and day-to-day life as well. Imagine e-commerce, drones or 4G high-speed internet. Innovations can give rise to new and efficient processes that make things run smoother and better. To promote R and D in institutions of higher learning, this paper recommends that:

- There has to be a more judicious use of the research grants provided by the UGC in universities, also while there is greater transparency and accountability on how these grants are used. These grants should be given more frequently, and also be accompanied by autonomy, from political pressures, or other distractions. The role of these grants should be to cultivate an environment where institutes give more weight to innovation and less to the traditional mugging-up model of learning.
- The overall environment in the universities should focus on research, and activities that come within R and D's purview should be given prominence. Where this attention is given, the universities gain holds of the best minds internationally, and gain access to cutting edge technologies that go a long way towards establishing a dominant national stature in the international community. Concentrating on R and D will create world class institutions, which will, in effect, give rise to a more thriving economy.
- Higher education institutions should focus on developing an intellectual property rights cell, which would help them to patent and market innovations and creations that they own to the world, bringing in and creating jobs and revenue. If not done, this could result in serious mishaps which would mean

loss of income, and employment, ultimately hurting the economy, by not providing adequate ROI (Return on Investment) back to the economy and the government.

- Apart from encouraging intellectual property cells in universities to safeguard their innovations, the training provided to the Intellectual property rights officers needs to be rethought of and intensified. Taking a proactive, and not reactive stance on this issue is of paramount importance. It is fundamental to protect, what we rightfully own, and to stop others from claiming and using our innovations without giving us our fair share. If not implemented properly, this strategy would result in untold amounts of money, slipping away from their rightful owners hands.

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