

NEP 2020 and Federalism in India: Balancing Centralization and State Autonomy in Education Governance

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Abstract

The National Education Policy (NEP) 2020 is a landmark reform aimed at transforming India's education system, but its implications for federalism have sparked significant debate. This study critically examines the policy's impact on State autonomy, financial resource allocation, and linguistic federalism. NEP 2020 introduces centralized regulatory frameworks, such as the Higher Education Commission of India (HECI) and the National Curriculum Framework (NCF), which may limit the decision-making powers of State governments. The policy's emphasis on standardized testing and national-level educational oversight raises concerns about reduced flexibility for regional education governance. Additionally, the three-language formula has faced resistance from non-Hindi-speaking States, highlighting linguistic challenges in a federal structure. The study argues that while NEP 2020 seeks to enhance education quality, its success depends on a cooperative federalism approach, ensuring that national educational objectives align with regional diversity and autonomy in policy implementation.

Keywords:- NEP 2020, Federalism, State Autonomy, Centralization, Education Governance, Language Policy.

Introduction

Education serves as the foundation for a nation's socio-economic and cultural development, shaping not only individual growth but also the broader trajectory of national progress. In a vast and diverse country like India, where linguistic, regional, and socio-economic variations are deeply embedded, the governance of education requires a balanced approach between central regulation and state autonomy. India follows a quasi-federal system, where both the Union and State governments share responsibilities in various domains, including education. The 42nd Constitutional Amendment of 1976 brought education into the Concurrent List, allowing both levels of government to legislate on educational matters. This shift was intended to bring greater uniformity in education policy across the country while ensuring regional needs were not overlooked. However, in practice, tensions have persisted between the Centre's vision for national educational development and the States' need for flexibility in implementing policies suited to local contexts.

The National Education Policy (NEP) 2020, introduced by the Government of India after a gap of 34 years, represents one of the most ambitious and comprehensive overhauls of the Indian education system. It aims to modernize education by making it more holistic, skill-oriented, and globally competitive while emphasizing inclusivity, multidisciplinary learning, and flexibility in higher education. However, while NEP 2020 promises significant advancements, it has also reignited debates on federalism in India by increasing central oversight over education governance. The policy proposes sweeping changes in curriculum design, institutional governance, regulatory mechanisms, and language policy, many of which have raised concerns about State autonomy and decentralized decision-making. While the policy emphasizes "cooperative federalism", in reality, it introduces several structural shifts that may limit the role of State governments in shaping their respective educational landscapes. One of the most significant concerns surrounding NEP 2020

is its centralizing tendencies, particularly in higher education governance. The policy proposes the establishment of centralized bodies such as the Higher Education Commission of India (HECI) and the National Higher Education Regulatory Council (NHERC) to regulate universities and academic institutions across the country. Historically, State governments had considerable autonomy over the functioning of State universities, including decisions on faculty recruitment, curriculum design, and financial management. However, under NEP 2020, these functions will be increasingly regulated by national-level institutions, potentially limiting the ability of State governments to adapt policies to their specific socio-economic and cultural needs. The introduction of a National Curriculum Framework (NCF) further reinforces this centralization by advocating a uniform curriculum across the country. While uniformity can promote national integration and quality benchmarks, it also raises concerns about reducing regional diversity in education and undermining the role of State Education Boards in curriculum development.

Another critical aspect of NEP 2020's impact on federalism is education financing. Public education in India has historically been co-funded by the Centre and State governments, with Centrally Sponsored Schemes (CSS) playing a significant role in financing school and higher education. NEP 2020 proposes an increase in public investment in education to 6% of GDP, a long-standing demand of education reformers. However, the policy does not clearly outline the mechanisms of resource allocation between the Centre and States. This ambiguity raises concerns that State governments may become financially dependent on Central grants, reducing their ability to independently fund and implement education initiatives. Additionally, some States fear that an increased emphasis on performance-based funding may disproportionately benefit wealthier States with better educational infrastructure, exacerbating existing regional inequalities in educational access and quality. Language policy is another area where NEP 2020's federal implications become evident. The policy strongly promotes the three-language formula, which requires students to learn Hindi, English, and a regional language.

While the intention behind this policy is to foster linguistic diversity and multilingual proficiency, it has faced resistance from non-Hindi-speaking States, particularly in South India. States such as Tamil Nadu, which have historically opposed the imposition of Hindi, argue that the three-language formula threatens linguistic federalism by prioritizing Hindi over regional languages. Although the policy states that States will have the flexibility to implement language learning in a way that suits their local needs, there is skepticism about how much autonomy they will actually have, given the increased central influence over curriculum design. The role of technology and digital education under NEP 2020 also raises concerns about federalism. The policy strongly emphasizes digital learning and online education, which, while beneficial in terms of accessibility and modernization, may widen the digital divide between urban and rural areas. States with better digital infrastructure and internet penetration may be able to effectively implement digital education reforms, while those with weaker technological infrastructure may struggle. This has led to debates about whether States should have the flexibility to prioritize their own educational investments, rather than following a centrally mandated digital strategy that may not be feasible for all regions.

Another dimension of NEP 2020's impact on federalism is its approach to vocational education and skill development. The policy aims to integrate vocational training into mainstream education, ensuring that students acquire practical skills alongside academic knowledge. While this is a welcome move, the success of vocational education depends heavily on regional economic needs and the availability of local industries for apprenticeship opportunities. Some States have argued that they should have greater control over vocational education programs, tailoring them to their own labor market dynamics. However, NEP 2020 envisions a

national framework for vocational training, which could reduce the ability of States to design programs that align with their local economies. A comparison with other federal education models highlights the challenges of balancing central and state control in education governance. Countries like the United States, Canada, and Germany follow strong decentralized education models, where regional governments have significant control over curriculum, assessment, and policy implementation. In the United States, for example, education is primarily a state responsibility, with each state having its own education department, curriculum, and policies. Similarly, in Canada, provincial governments have full autonomy over education, resulting in region-specific policies that cater to local demographics and labor markets. In contrast, India's shift toward greater centralization under NEP 2020 may limit the flexibility of States in shaping education policies that address local socio-economic conditions. Despite these concerns, it is important to acknowledge the potential benefits of a more standardized and structured education system.

NEP 2020 aims to improve educational quality, enhance global competitiveness, and address learning gaps through common national benchmarks. A standardized curriculum could help bridge regional disparities in education quality, ensuring that students across different States receive comparable learning experiences. Furthermore, centralization in higher education regulation could prevent malpractices and quality discrepancies in State universities, fostering a more meritocratic and transparent education system. However, achieving these benefits should not come at the cost of State autonomy and the spirit of cooperative federalism. While NEP 2020 aspires to transform India's education system, its approach raises fundamental questions about the balance between central oversight and state autonomy. The policy's increased emphasis on centralization in governance, finance, curriculum design, and language policy has sparked concerns that it may diminish the role of States in shaping their own educational priorities. As India moves toward implementing NEP 2020, it is crucial to ensure that the federal structure is respected, allowing States the flexibility to adapt national guidelines to their own socio-cultural and economic contexts. A true cooperative federalism model in education would involve not only central standard-setting but also State-level decision-making and localized implementation, ensuring that education policies reflect the diverse realities of India's vast and multifaceted landscape.

OBJECTIVE

The primary objective of analyzing the National Education Policy (NEP) 2020 in the context of federalism in India is to critically evaluate its implications on the distribution of power between the Union and State governments in education governance. This study aims to examine how the policy impacts State autonomy, particularly in areas such as curriculum design, regulatory frameworks, financial allocations, and language policy. Another key objective is to assess whether NEP 2020 strengthens or weakens cooperative federalism, ensuring that States retain sufficient flexibility to adapt national guidelines to regional educational priorities. Furthermore, this study seeks to explore the centralization tendencies introduced through the establishment of national-level education bodies such as the Higher Education Commission of India (HECI) and the National Higher Education Regulatory Council (NHERC), and their effects on State-run universities and local education boards. Additionally, the research intends to investigate the financial implications of NEP 2020, particularly the distribution of educational funding between the Centre and States and the potential risks of fiscal dependency. Lastly, the study aims to draw comparative insights from global federal education models, such as those in the United States, Canada, and Germany, to recommend strategies for maintaining a balance between national integration and regional diversity in India's education system.

Centralization vs. State Autonomy in Education Governance

One of the most critical debates surrounding the National Education Policy (NEP) 2020 is the shift towards greater centralization in education governance. Historically, State governments had significant control over school education, curriculum design, teacher recruitment, and higher education institutions within their jurisdictions. However, NEP 2020 introduces several measures that increase the role of the Central government in education policy, potentially limiting the flexibility of States to design and implement education programs that reflect regional needs and socio-cultural diversity. A key example of this centralization is the establishment of the Higher Education Commission of India (HECI), which will replace multiple regulatory bodies such as the University Grants Commission (UGC) and the All India Council for Technical Education (AICTE). While the intention behind this reform is to ensure uniformity in higher education standards, it raises concerns about reducing the decision-making powers of State governments over their own universities. Many State-run institutions have traditionally enjoyed financial and administrative autonomy, enabling them to tailor academic programs to local employment trends and socio-economic conditions. However, under the new regulatory framework, higher education institutions across the country will have to align with central directives, which may not always accommodate the unique educational needs of different States.

Additionally, NEP 2020 proposes a National Curriculum Framework (NCF) that will serve as a model for school education across India. While the policy claims that States will have the flexibility to modify the curriculum, the overarching framework is centrally designed, limiting the scope for region-specific variations. This is particularly concerning for States with distinct linguistic, cultural, and historical traditions, as a standardized national curriculum might not adequately reflect regional heritage, indigenous knowledge systems, or local pedagogical traditions. States such as Tamil Nadu, West Bengal, and Kerala have expressed concerns that a one-size-fits-all approach to curriculum design may erode regional identities and undermine the spirit of cooperative federalism. Moreover, the policy emphasizes the establishment of the National Testing Agency (NTA) as the primary body responsible for conducting common entrance examinations for higher education admissions. While the introduction of standardized testing aims to ensure fairness and transparency, it also reduces the role of State-level entrance examinations, which many universities have traditionally relied on to assess students based on regional educational standards. This centralization of admission processes may disadvantage students from rural and marginalized backgrounds, particularly in States where the quality of primary and secondary education varies significantly from national benchmarks. Thus, while NEP 2020 seeks to create a unified national education system, its emphasis on centralized control over curriculum, higher education regulation, and assessment mechanisms has raised concerns about State autonomy. Given India's vast cultural and linguistic diversity, the imposition of a uniform education model without adequate consultation with State governments may disrupt the delicate balance of federalism, reducing the ability of States to effectively address local educational challenges.

Financial Implications and Resource Allocation

Another major concern regarding NEP 2020 and federalism is the financial burden on State governments and the increased reliance on Central funding mechanisms. Education in India has historically been co-funded by the Union and State governments, with financial allocations determined through Centrally Sponsored Schemes (CSS) and recommendations from the Finance Commission. NEP 2020 proposes an increase in public investment in education to 6% of GDP, a long-standing demand of education policymakers. However, the

policy does not provide clear guidelines on how these funds will be distributed between the Centre and States, raising concerns about fiscal dependency and reduced financial autonomy for States. Many State governments, particularly those with limited revenue generation capacity, rely heavily on Central grants for education funding.

The shift towards performance-based funding mechanisms under NEP 2020 could create disparities, where wealthier and better-performing States receive more funding, while poorer States with weaker educational infrastructure struggle to meet funding requirements. This unequal financial distribution could exacerbate regional disparities in education quality, making it harder for some States to implement the reforms outlined in the policy. Additionally, the policy encourages the privatization and corporatization of education, advocating for greater participation of private players in higher education and vocational training. While this may lead to better educational infrastructure and innovation, it could also widen inequalities between well-funded private institutions and under-resourced public universities, many of which are funded and managed by State governments. States with weaker economies may find it difficult to attract private investment in education, resulting in unequal access to quality education across different regions.

Further, the policy proposes a shift from input-based funding to outcome-based funding, where financial allocations will be tied to performance indicators such as student learning outcomes, employability rates, and research output. While this shift aims to promote accountability and efficiency, it may disadvantage States with historically underfunded education systems, creating further inequities in access to quality education. Thus, while NEP 2020 emphasizes increased investment in education, its funding mechanisms lack clarity on how financial responsibilities will be shared between the Centre and States. Without a well-defined framework for equitable resource allocation, the policy risks deepening economic disparities in education, making it harder for financially weaker States to implement its ambitious reforms.

3. Language Policy and Linguistic Federalism

The language policy outlined in NEP 2020 has been one of the most contentious aspects of the reform, particularly regarding its implications for linguistic federalism. The policy strongly promotes the three-language formula, which recommends that students learn Hindi, English, and a regional language. While the policy states that States will have the flexibility to implement language learning in a way that suits their local needs, there is widespread skepticism about whether this flexibility will be genuinely preserved in practice. Several non-Hindi-speaking States, particularly in South India, have raised concerns that the three-language formula could lead to the imposition of Hindi, threatening the status of regional languages. States like Tamil Nadu, which has historically resisted the imposition of Hindi since the Anti-Hindi Agitation of the 1960s, argue that the policy disproportionately favors Hindi-speaking regions, placing students from non-Hindi States at a disadvantage. Similarly, States with strong linguistic identities, such as West Bengal, Karnataka, and Maharashtra, fear that the promotion of Hindi as a compulsory language could erode linguistic diversity and weaken regional cultural identities. Furthermore, the policy encourages the use of mother tongues as the medium of instruction in primary education, a move that has been widely welcomed for enhancing learning outcomes among young students. However, its implementation raises practical challenges, especially in urban and cosmopolitan regions where students come from multilingual backgrounds. Additionally, the emphasis on regional languages in early education must be balanced with English proficiency, given its importance for higher education and global job markets.

Thus, while NEP 2020 aims to promote multilingualism, its lack of clear safeguards for linguistic federalism raises concerns about the centralization of language policy. Ensuring that States have full autonomy in deciding language education policies, without any coercion from the Centre, will be crucial in preserving India's rich linguistic diversity and regional identities.

Research Methodology

This study employs a qualitative research methodology to critically analyze the implications of the National Education Policy (NEP) 2020 on federalism in India. The research is based on a comprehensive review of secondary sources, including government policy documents, constitutional provisions, academic journal articles, reports from educational institutions, and expert analyses. A comparative approach is used to examine global education federalism models, such as those in the United States, Canada, and Germany, to assess how decentralized education systems function in other federal nations. Additionally, content analysis is conducted on debates surrounding State autonomy, financial allocations, and language policies under NEP 2020. The study also considers State government responses and parliamentary discussions to evaluate concerns raised regarding centralization trends in education. This methodology ensures a holistic and evidence-based understanding of the intersection between education policy and federal governance in India.

Conclusion

The National Education Policy (NEP) 2020 represents a transformative shift in India's education system, aiming to enhance quality, accessibility, and global competitiveness. However, its implications for federalism raise significant concerns regarding the balance of power between the Centre and State governments. The policy introduces several centralizing measures, such as the establishment of the Higher Education Commission of India (HECI), the implementation of a National Curriculum Framework (NCF), and the standardization of higher education admissions through common entrance tests. While these initiatives seek to streamline education governance, they also risk diminishing State autonomy by limiting their ability to tailor education policies to regional needs. Financially, the policy proposes an increase in education expenditure to 6% of GDP, but the lack of clarity on resource allocation raises concerns about State dependence on Central funding. Additionally, the language policy, particularly the three-language formula, has sparked resistance from non-Hindi-speaking States, highlighting the need for linguistic federalism. To ensure the successful implementation of NEP 2020 without undermining federal principles, a cooperative governance model is essential. A flexible, State-inclusive approach will allow India to achieve national educational goals while respecting regional diversity, thereby preserving the spirit of cooperative federalism in education.

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