



ISSN Print: 2394-7500
ISSN Online: 2394-5869
Impact Factor: 5.2
IJAR 2017; 3(1): 23-34
www.allresearchjournal.com
Received: 06-11-2016
Accepted: 07-12-2016

Dr. Jayeeta Bhattacharjee
Faculty, Vivekananda College
of Education, Karimganj,
Assam, India

The impact of inflation on education

Dr. Jayeeta Bhattacharjee

Abstract

This paper explains about the impact of inflation on education. Inflation is burning issue which hinders the economic growth of the country. Inflation is dangerous because it directly impacts on standard of living of the people. The responsibility for government and politicians, economists is to protect/ safe guard common man from inflation. Inflation is price raise of goods and services, which decrease the purchasing capacity of the people. When the general price level rises, for each unit of currency fewer goods and services can be purchased. Consequently, the purchasing power of customer would gradually decrease. In this situation the real value of currency would loss, the value of goods and services will increase. The sample of the present study consisted of 13 people involved in different professions. Data were collected through survey method. Data of the present study are analyzed with bar diagram. The findings of the study led to the conclusion that inflation or price hike is closely related with education.

Keywords: Inflation, burning, economic, demand, supply, government policies

Introduction

Inflation is one of the most frequently used terms in economic discussions, yet the concept is variously misconstrued. There are various schools of thought on inflation, but there is a consensus among economists that inflation is a continuous rise in the prices. Simply put, inflation depicts an economic situation where there is a general rise in the prices of goods and services, continuously. It could be defined as a continuing rise in prices as measured by an index such as the consumer price index (CPI) or by the implicit price deflator for Gross National Product (GNP). Inflation is frequently described as a state where “too much money is chasing too few goods”. When there is inflation, the currency losses purchasing power. Today we are facing high rate of inflation. Inflation is a state in which value of money is falling that is price is rising. Its main burden falls heavily on the lower, middle and poor section of the society. As a result of inflation price of certain important articles of consumption such as food articles, clothes, shelter that is needed for maintaining the minimum needs of life is increasing at a high rate. With increasing expenditure on essential goods, the expenditure on other purpose that is educational purposes has declined because it is impossible for the above section to cope up with the expenditure which is needed for maintaining educational purpose. On 1st April 2010 the union govt. has launched “The Right to Education Act” that entitles all children between 6 to 14 years should get free and compulsory education. But it is observed that there are some parents of the poor classes are not interested to avail free education facilities from the school since the present inflation has created serious difficulties for maintaining their family living hood. As a result they think that it is more benefited for them to send their children somewhere for earning money for family contribution.

But the lower middle class people are suffering more due to price hike or inflation since they are practicalize for maintaining their families by following the proverb “cut your coat according to your cloth”; that is they are facing financial obstacles for providing further educational facilities to their children after Xth standard due to inflation. The modern scientific, technical, medical, paramedical courses have become out of reach for their children though the government has established many institutions for such courses but these are only for those students who are belonging to high society because such courses are too expensive and the poor/ lower middle class students are unable to attain the courses.

The price hike or inflation is not only hampering to cope up the day to day essentialities but also it becomes impossible for the poor people or those people living below poverty line to

Correspondence
Dr. Jayeeta Bhattacharjee
Faculty, Vivekananda College
of Education, Karimganj,
Assam, India

provide basic education to their children because now a days much money is needed to get basic necessities as compared to last year due to price hike. It is needless to say that after independence Indian govt. has adopted and implemented various economic policies for all section of society but it is unfortunate to say that only 30% of population is enjoying the benefit of these policies and remaining 70% of the population has not been enlightened by the benefits of these policies. It is also observed that many attentive and good caliber students are unable to get proper guidance for career oriented courses.

Objectives of the study

1. To make a brief study about the term 'inflation'.
2. To discuss the causes lying behind this burning problem that is inflation.
3. To make a suitable study about the effects of inflation.
4. To see how inflation adversely affects the present education system through survey reports.
5. To provide some suitable solutions of this serious problem that is inflation.

Methodology

The effectiveness of any study depends mainly on the methodology and procedure adopted in the study. A sound and well organized methodology includes the appropriate strategy in stepwise execution of the investigation. It leads the investigation to the target he/ she aim at. A good research always follows a sound methodology and procedure otherwise the findings of the study will be of generalized facts.

In order to analyze the study 'The Impact of Inflation on Education' the researcher have gone through the deep study of the causes and effects of recent price hike or inflation and surveyed the people of various profession which evidently reflected the impact of inflation on each and every family.

Concept of inflation

Today, the biggest concern facing the country is raising prices. Inflation is defined as a sustained increase in the general level of the prices of goods and services. It is a measure in an annual percentage increase.

Food inflation is covering near 20%. Everyone is facing the brunt of rising prices. Food prices are soaring.....all essential items like vegetable, oil, milk, sugar are getting costlier. Retails and real estate rates have almost doubled in just few months in most cities. The real estate prices are at high rates making life miserable, especially for people who have migrated to cities for jobs. Inflation hits us badly as prices keep rising. What we could buy for Rs 100, some months ago would now cost nearly double. As a result, our savings will come down. As prices rise, the purchasing power of money goes down too.

Inflation hits retired folk and people with fixed income very badly. Inflation destabilizes the economy as consumers and investors change their spending habits.

Economists attribute inflation to a demand pull theory. According to this, if there is a huge demand for products in all sectors, it results in a shortage of goods. Thus prices of commodities shoot up.

Another reason for inflation is the cost – push theory. It says that labour groups also trigger inflation. When wages for laborers are increased, producers raise the prices of products to make up for salary hike.

The rising prices of food products, manufacturing products, and essential commodities have pushed inflation rate further in India. How food prices have risen since 2007 is shown below

Food articles: 7.02% (in 2007) to 17.41% in January 2010.

Food products: 3.43% (in 2007) to 22.55% in January 2010.

Food commodities: 5.60% (in 2007) to 19.42% in January 2010.

Food grains: 6.27% (in 2007) to 17.89% in January 2010.

Cereals: 6.27% (in 2007) to 13.69% in January 2010.

Pulses: 2.14% (in 2007) to 45.62% in January 2010.

Rice: 6.05% (in 2007) to 12.02% in January 2010.

Wheat: 6.77% (in 2007) to 14.86% in January 2010.

Dairy products: 6.08% (in 2007) to 12.87% in January 2010.

Eggs, fish and meat: 6.38% (in 2007) to 30.71% in January 2010.

Sugar: (-) 14.69% (in 2007) to 58.94% in January 2010.

Causes of inflation

There are a few different reasons that can account for the inflation in our goods and services; let's review a few of them.

'Demand – pull inflation' refers to the idea that the economy actual demands more goods and services than available. This shortage of supply enables sellers to raise prices until equilibrium is put in place between supply and demand.

The 'cost - push theory', also known as "supply shock inflation", suggests that shortages or shocks to the available supply of a certain good or product will cause a ripple effect through the economy by raising prices through the supply chain from the producer to the consumer. You can readily see this in oil markets. When OPEC reduces oil supply, prices are artificially driven up adequately, and result in higher prices at the pump.

Money supply plays a large role in inflationary pressure as well. Monetarist economists believed that if the Federal Reserve does not control the money supply adequately, it may actually grow up at a rate faster than that of the potential output in the economy, or real GDP. The belief is that this will drive up prices and hence, inflation. Low interest rates correspond with high levels of money supply and allow for more investment in big business and new ideas which eventually leads to unsustainable levels of inflation as cheap money is available.

Inflation can artificially be created through a circular increase in wage earners demands and then subsequent increase in producer costs which will drive up the prices of their goods and services. This will then translate back into higher prices for the wage earners or consumers. As demands go higher from each side, inflation will continue to rise.

Increase in production costs – let us take an example. The workers demand a wage increase, and actually get it. This means that the labor cost per unit will increase for the manufacturer and it will be passed to the ultimate consumer. The consumers will have to shell out more to purchase the same amount of goods, leading to inflation in prices.

Taxation – indirect taxation, such as VAT, sales tax, excise tax etc has the effect of increasing the cost of goods for the eventual consumers, leading to increased inflation. On the other hand, a decrease in income tax rate will mean more disposable income for consumers – again leading to higher inflation.

Increase in price of imported raw materials – the best example for India would be petroleum – almost our entire requirement in petroleum is imported. An increase in prices as during the summer of 2008 can really accelerate inflation in India.

Depreciation in exchange rates – this increases the prices of imports into the country, and decrease the price of exports abroad.

Decrease in interest rates – this leads to an increase in money supply, leading to inflationary pressure. In other words, the mandatory policies adopted by the RBI can affect inflation rates, at least to a certain extent.

Rapid economic growth – especially it takes place in the markets to which the country exports.

How is inflation measured?

Inflation is measured by using the CPI – Consumer Price Index. The CPI consists of an index comprising the goods ‘used by an average customer’. The CPI figure at the beginning of the period is taken, and then the percentage change is included. This gives the rate of inflation.

For example,

CPI figure on March 1 = 100

CPI figure on March 7 = 110

Rate of inflation for the week ended March 7 = $(110 - 100) / 100$
= 10%

Effects of inflation

The following are the effects of inflation –

- Increase in prices of goods and services – the most visible effect for the general public.
- Decrease in real income.
- It encourages hoarding – as people anticipate further increase in prices.
- Decrease in the value of investments – especially affecting people with fixed income – such as Pensioners.
- It can lead to a wage spiral – people will demand higher wages to cope with increased prices, and increased wages will push the prices further up.
- Lowers the domestic saving rate – since people prefer to spend the money rather than watch it diminish in value.

When inflation becomes very acute, hyperinflation may result – a very dangerous situation for the economy.

Indian inflation

On March 19, 2010, the Reserve Bank of India raised its benchmark reverse repurchase rate to 3.5%, after this rate touched record lows of 3.25% the repurchase rate was raised to 5% from 4.75% as well, in an attempt to curb Indian inflation.

India’s 2009–2010 economic survey report suggests a high double digit increase in food inflation, with signs of inflation spreading to various other sector as well. The deputy governor of the Reserve Bank of India however expressed his optimism in March 2010 about an imminent easing of Indian wholesale price index based inflation, on the back of falling oil and food prices.

For 2009, Indian inflation stood at 11.49%. This rate reflects the general increase in prices, taking into account the purchasing power of the common man. According to economic survey report for 2009-10, economic growth decelerated to 6.7% in 2008-09, from 9% in 2007-08. The economy is expected to grow by 8.7% in 2010-11, with a return to a growth rate of 9% in 2011-12. The Indian method for calculating inflation, the wholesale price index, is different from rest of the world. Each week the wholesale price of a set of 435 goods is calculated by the Indian government. Since these are wholesale prices the actual prices paid by the consumers are far higher. In times of rising inflation, this also means that the cost of living increases are much higher for populace. Cooking gas prices, for example, have increased by around 20% in 2008. With most of India’s vast population living close to or below the poverty line, inflation acts as a ‘Poor man’s tax’. This effect is amplified when food prices rise, since food represents more than half of the expenditure of this group. Economic growth in emerging markets has slowed but is far from over. With the BRIC countries (Brazil, Russia, India and china) alone accounting for more than 3 billion people, and with these people consuming more resources every year, it is likely that higher inflation rates will be with us for a good while yet – and that is worrying news for the government of India.

India’s food inflation rate eases to 15.52% on January 20, 2011

New Delhi, January 20, 2011: food inflation has dropped to 15.52% for the week ended January 8 from 16.91% recorded in the previous week on the back of high vegetable prices. Onions in particular, continue to burn a hole in the pockets of common people. Primary articles inflation for the week stood at 17.03%, a drop from 17.58% in the previous week. Figures for the fuel group remained unchanged at 11.53%.

Unlike previous occasions the inflation is not driven by prices of food grains or global prices. The sharp rise in prices of essential commodities such as fruits, vegetables, milk, eggs, meat and fish which have 10% weightage on the WPI (Wholesale Price Index) is pushing the inflation beyond control.

The Reserve Bank of India (RBI) recently said that food inflation seems to be pointing towards changing consumption patterns as India gets more affluent and people move towards more high value commodities.

India’s food inflation rate eases to 16.91% on January 13, 2011

New Delhi, January 13, 2011: India’s food inflation rate ceased to 16.91% for the week ended January 1, 2011 from 18.32% recorded in the previous week, an official statement said here today, quoting provisional data. The statement showed that the inflation rate for the fuel also declined slightly to 11.53% from the previous week’s level of 11.63%. The dip in the inflation rate comes at a time when the government is grappling with food prices and is facing increasing flak from the opposition and other quarters about its performance on this front. The prices of onions were up 70.70% from a year ago as compared to this year.

Item	1994-95 to 2004-05	2005	2006	2007	2008	2009	2010 January	Average 2006-09
1. All commodities	5.90	4.74	4.82	4.82	9.12	2.01	8.54	5.19
2. Non-food commodities	6.02	5.37	4.72	4.54	9.55	- 1.76	4.53	4.27
3. Food articles	5.91	3.94	6.83	7.02	6.64	12.32	17.41	8.20
4. Food products	5.33	1.58	2.55	3.43	9.80	13.79	22.55	7.39
5. Food commodities (3 & 4)	5.64	2.97	5.09	5.60	7.87	12.90	19.42	7.86
Food grains	5.54	3.83	9.71	6.27	6.37	14.14	17.89	9.12
Cereals	5.57	3.68	6.63	6.97	7.20	12.96	13.69	8.44
Pulses	5.46	5.04	32.05	2.14	1.30	21.81	45.62	14.33
Rice	5.00	4.01	2.13	6.05	8.97	15.96	12.02	8.28
Wheat	5.93	1.08	12.99	6.77	5.06	6.83	14.86	7.91
Oil seeds	5.89	- 6.11	- 3.96	26.58	17.46	.92	10.05	10.25
Fruits & vegetables	7.47	7.51	2.24	6.49	5.94	11.77	8.33	6.61
Dairy products	5.20	.11	4.20	6.08	8.38	6.12	12.87	6.19
Milk group	5.57	.73	4.48	8.17	7.87	8.93	13.99	7.36
Egg, fish and meat	6.46	9.46	6.72	6.38	3.75	14.44	30.71	7.82
Edible oils	4.85	- 7.19	1.23	13.11	12.52	- 6.59	- 1.17	5.07
Sugar	4.06	15.09	4.83	- 14.69	5.62	36.34	58.94	8.02
Growth in food output (% a year)	2.39	0.55	5.87	4.10	5.39	1.60	- 02 AE	4.24

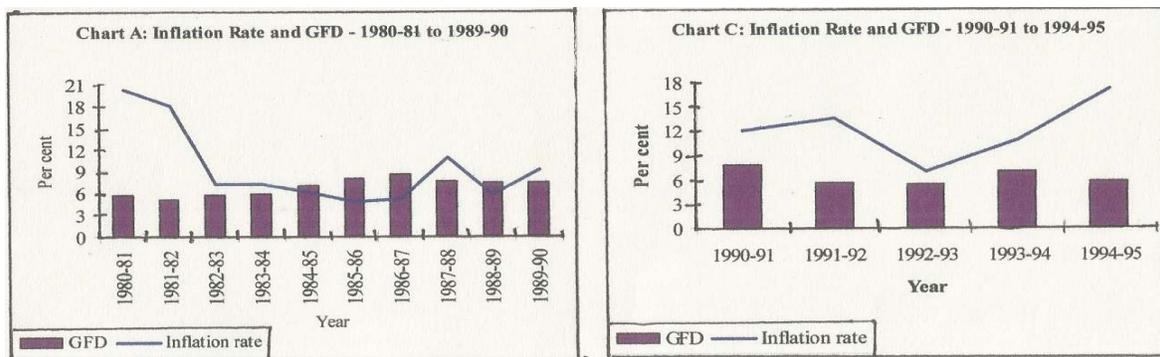


Fig 1: GFD and Inflation

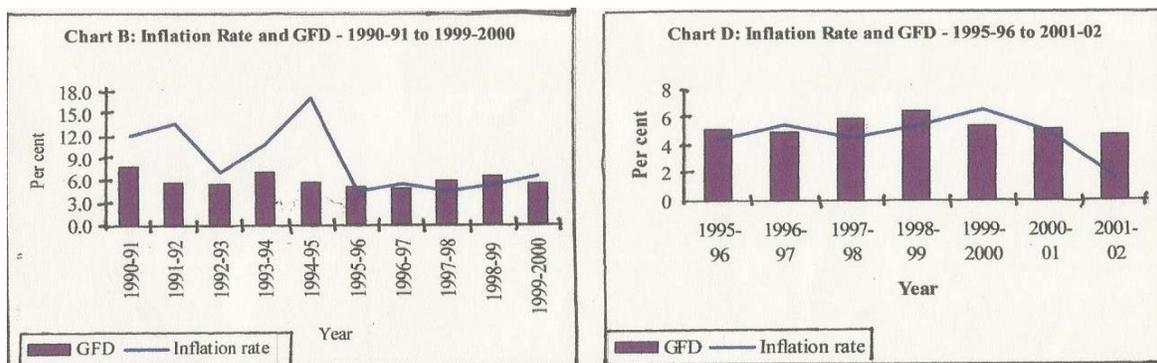


Fig 2

India Inflation Rate



Fig 3

Impact of inflation on education

Inflation has created serious impact on education now a days. The reopening of schools has not been good news for many middle class parents. For, they see a daunting task ahead to bear the additional expenses for their wards in the face of rising costs of everything. Be it school fees, books and notebooks, uniforms conveyance – the costs have gone up by an average 12% this year. Parents say this rise is over what the costs were during the last academic session. This year the price of digest has risen by 12 to 13% compared to last year’s, while in case of notebook the rise is more than 10%. In school uniforms, the rise has been anywhere between Rs 50 to Rs 100. In addition to these expenses, there is another hurdle. Coaching classes have become sort of compulsory. And the fees in case of coaching classes have also gone up. The hike in petrol prices has affected the costs of conveyance, too. Auto rickshaw drivers are charging Rs 100 to Rs 150 more than what they charged last year.

Another thing that troubles many parents is that the earnings are not increasing in proportion to the rising expenses. College tuitions soar every year, advancing far in excess of the inflation rate. The overall inflation rate since 1986

increased to 107.05%, which is why we pay more than double for everything we buy. On the other hand, during the same time, tuition increased a whopping 466.80%.

Now a days many schools have increased tuition fees due to higher overhead costs. Fuel and labor costs continue to rise. Many older colleges are in need of renovation or replacement. The demand for expanded libraries and new research and computer labs is at an all-time high. Some schools also need additional security measures. Yet, the much reason tuition continues to rise is a dramatic change that took place.

When the government made it exceptionally easy for students to borrow massive amount of money the colleges followed the lead by increasing their tuition rates. This combination leads to record level borrowing. Today the average undergraduate student loan debt is nearing Rs. Rs 9000000 crores (appx). Those who go on to graduate scale often end up with an additional Rs. 600000 (appx) medical students report and average accumulated debt from all years Rs 40265000 (appx). True, there is more money available today for those wanting an advanced degree. The colleges talk in terms of big financial aid packages, but it is what makes up the aid package that is important.

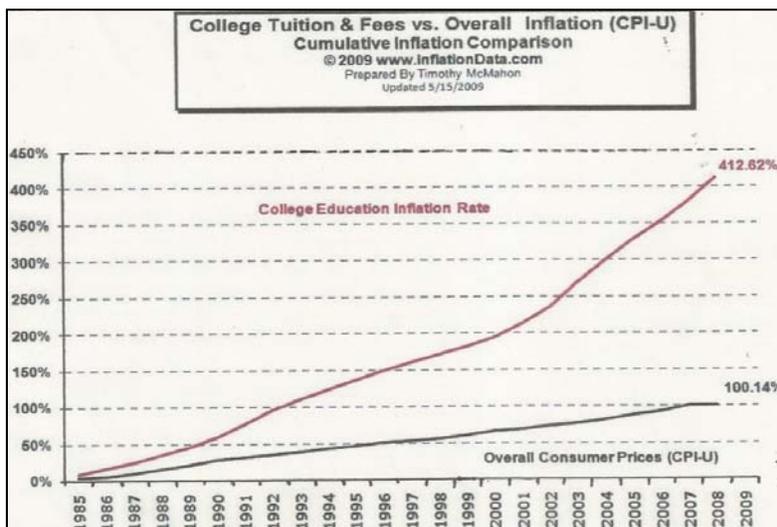


Fig 4

Construction of an Intergenerational Inflation Rate (IIR) to gauge the responsiveness of student outcomes (i.e. student retention) to varying background credential inflation, seen here as a “macro-level condition” effecting student educational attainment.

Now a days it has been seen that relative to working-class children, children of more advanced social classes are more ambitious and achieve higher levels of education. At a relatively early point in their educational career, most working class children have already met the goal of avoiding downward mobility. Middle class children generally need to acquire much higher levels of education to achieve their social class.

All else being equal, children should need only as much education as their parents to enter the same social class as their parents. If the values of education credentials are not constant over time, however this simple relationship will not hold. If certain education credentials increase in value from generation to next, children will typically need less

education than their parents did. Conversely if the value of education decreases, children are likely to need more education than their parents to achieve the same social class. Education credentials have devalued during the twentieth century. This devaluation was largely caused by ‘over-schooling’, i.e. a vast expansion in educational attainment that was not equated by an upgrading of the labour market.

There is a positive correlation between the relative value of the high school diploma, and the proportion of those attaining it. This monotonic increase can be seen for both those students with a parent that is a high school graduate, and those students without any parent graduating high school. But for those students with a parent that is a high school graduate, the proportion is slightly higher than for those without.

In order to throw different view about the topic for the common people enclosed survey report has been worked out.

Survey No. 1

Name	Arati Chakraborty
Age	58 years
Occupation	L P Teacher
Number of family members	10
How many earning member are there in your family?	04
What is your husband's profession?	Retired L P Teacher
How much money earned by your family in a month?	Rs 52000
How much money do you earn in a month?	Rs 12000
How many children have you?	4
Which class they are reading?	First son is govt. service holder. Second and third sons are engaged in business. Fourth son is reading in H.S. 2 nd year (science).
What is your view about recent price hike?	Now a days prices of essential foods are rising at a high rate but we are surviving ourselves since 4 members of our family are earning.
Do you think that the sum of money you have spent this year for the study of your child whether it is increasing or decreasing as compared to last year?	Obviously increasing.
The amount you save in a month, whether it is increasing or decreasing as compared to last year or why?	Decreasing because expenditure is increasing.
What is your view about higher study?	Higher study plays a very important role to achieve success in life.
Do you want that your child/ children should go for higher study?	Yes, we are all very interested for higher study of our last child. His elder brothers are even ready to spend lakhs of rupees for any higher courses.
Higher study is only for the children of higher society – is it true or false?	Partly true. In these days of inflation higher study courses are affordable for higher societies. i. e. higher income group classes.
What is your view about the study of talented student living below poverty line?	It is fact that the student of below poverty line has to face difficulties to go through higher study due to poor condition of family.
Do you think that recent price hike is creating a continuous problem for the study of student living below poverty line?	Yes.

Survey No. 2

Name	Tapas Roy
Age	48 years
Occupation	Service
Number of family members	06
How many earning member in your family?	03
What is your wife's profession?	House wife
How much money earned by your family in a month?	Rs 50000
How many children have you?	Rs 30000
How much money do you earn in a month?	2
Which class your children are reading?	One is reading in B.A. 2 nd year and the other one in H.S. 1 st year (science).
What is your view about recent price hike?	India is not self sufficient in petro production. India has to depend upon OPEC countries. When OPEC countries hike the price of petro products, its reflection falls on our country. In this sense price hike is justified. But on the other hand, it appears to me that India govt. failed to control the Indian market results of which recent price rise of daily use materials become excessively high.
Do you think that the sum of money you have spent this year for the study of your children whether it is increasing or decreasing as compared to last year?	Obviously increasing.
The amount you save in a month, whether it is increasing or decreasing as compared to last year or why?	Decreasing.
What is your view about higher study?	Higher study is becoming costly day by day. Whereas higher study at present days becomes obligatory for each and every student. Without higher study, you can't expect any job at present.
Do you want that your children should go for higher study?	Certainly.
Higher study is only for the children of higher society – is it true or false?	At present it appears that higher study for higher society because of the high cost involvement in the study.
What is your view about the study of talented student living below poverty line?	India govt. / state govt. should help the talented student living below poverty line by introducing scholarship.
Do you think that recent price hike is creating a continuous problem for the study of student living below poverty line?	Yes.

Survey No 3

Name	Rajib Dey
Age	43 years
Occupation	Science graduate teacher
Number of family members	10
How many earning member are there in your family?	02
What is your wife's profession?	Asst. teacher, govt. school
How much money is earned by your family in a month?	Rs 42000
How many children have you?	1 Daughter
How much money do you earn in a month?	Rs 21000 (Approx)
Which class is she reading?	Class - III
What is your view about recent price hike?	Really, it is very crucial problem like middle class and BPL family.
Do you think that the sum of money you have spent this year for the study of your children whether it is increasing or decreasing as compared to last year?	No doubt, increasing.
The amount you save in a month, whether it is increasing or decreasing as compared to last year or why?	Obviously decreasing.
What is your view about higher study?	In modern education system higher study is very important for everybody.
Do you want that your child should go for higher study?	Yes.
Higher study is only for the children of higher society – is it true or false?	False
What is your view about the study of talented student living below poverty line?	Talented students below poverty line can acquire higher study with the help of loan facility sponsored by various nationalized bank.
Do you think that recent price hike is creating a continuous problem for the study of student living below poverty line?	Yes.

Survey No 4

Name	Ratna Gopal Goswami
Age	53 Years
Occupation	Teacher
Number of family members	4 no.
How many earning member in your family?	2
What is your wife's profession?	Agency work
How much money is earned by your family in a month?	Rs 26000
How many children have you?	2
How much money do you earn in a month?	Rs 22000
Which class are they reading?	Boy – VII Girl - IV
What is your view about recent price hike?	Hampers family budget.
Do you think that the sum of money you have spent this year for the study of your children whether it is increasing or decreasing as compared to last year?	Increasing.
The amount you save in a month, whether it is increasing or decreasing as compared to last year or why?	Decreasing
What is your view about higher study?	Higher study is essential for all.
Do you want that your children should go for higher study?	Yes
Higher study is only for the children of higher society – is it true or false?	False.
What is your view about the study of talented student living below poverty line?	Govt. should provide more facility for talented student.
Do you think that recent price hike is creating a continuous problem for the study of student living below poverty line?	Yes

Survey No 5

Name	Anil Ranjan Das
Age	43 Years
Occupation	Teaching
Number of family members	06
How many earning member in your family?	01
What is your wife by profession?	House wife
How much money is earned by your family in a month?	Rs 21000
How many children have you?	1
How much money do you earn in a month?	Rs 20000
In which class is he/ she reading?	KG - II.
What is your view about recent price hike?	In recent price hike only 5% people of country are living

	luxurious life. Other 95% people are sufferer, 25% people are half fed.
Do you think that the sum of money you have spent this year for the study of your children whether it is increasing or decreasing as compared to last year?	Increasing.
The amount you save in a month, whether it is increasing or decreasing as compared to last year or why?	Decreasing
What is your view about higher study?	If the child has merit the pupil should be given all facilities for higher studies.
Do you want that your child/ children should go for higher study?	Yes
Higher study is only for the children of higher society – is it true or false?	False
What is your view about the study of talented student living below poverty line?	Student of below poverty line suffers difficulty.
Do you think that recent price hike is creating a continuous problem for the study of student living below poverty line?	Certainly.

Survey No 6

Name	Prasenjit Dey
Age	33 Years
Occupation	Teaching (private junior science college)
Number of family members	09
How many earning member in your family?	01
How much money do you earn in a month?	Rs 20000 (appx)
What is your view about recent price hike?	Uncontrolled policy of our govt.
What is your view about higher study?	Higher study is playing a very important role to achieve success in life.
Do you want that your child/ children should go for higher study?	Those who are interested must go for higher studies.
Higher study is only for the children of higher society – is it true or false?	It is not 100% true
What is your view about the study of talented student living below poverty line?	Non-govt. organization and others should come forward to take this responsibility.

Survey No 7

Name	Chandan Chakraborty
Age	50 Years
Occupation	Forester
Number of family members	05
How many earning member in your family?	01
What is your wife's profession?	House wife
How much money earned by your family in a month?	Rs 18000
How much money do you earn in a month?	Rs 18000
How many children you have?	3
Which class they are reading?	1 Daughter in H.S. 2 nd year, another daughter in Class IX. Boy H.S. 2 nd Year
What is your view about recent price hike?	Now a days prices of essential things are rising.
Do you think that the sum of money you have spent this year for the study of your children whether it is increasing or decreasing as compared to last year?	Increasing.
The amount you save in a month, whether it is increasing or decreasing as compared to last year or why?	Decreasing because expenditure is increasing.
What is your view about higher study?	Higher study provides a student a successful life.
Do you want that your child/ children should go for higher study?	Yes
Higher study is only for the children of higher society – is it true or false?	True.
What is your view about the study of talented student living below poverty line?	They have little scope for higher study.
Do you think that recent price hike is creating a continuous problem for the study of student living below poverty line?	Yes

Survey No 8

Name	Bhaba Ranjan Aiash
Age	48 Years
Occupation	Central govt. service
Number of family members	04
How many earning member in your family?	01
What is your husband/ wife by profession?	house wife
How much money earned by your family in a month?	Rs 13000
How many children have you?	02
How much money do you earn in a month?	Rs 13000
Which class they are reading?	Boy – IX

	Girl - VI
What is your view about recent price hike?	Justified
Do you think that the sum of money you have spent this year for the study of your children whether it is increasing or decreasing as compared to last year?	Sum of money spent last year is less than this year.
The amount you save in a month, whether it is increasing or decreasing as compared to last year or why?	Decreasing due to hike in price rise.
What is your view about higher study?	Higher study depends on sufficient earning.
Do you want that your child/ children should go for higher study?	Due to limited earning it is not possible to maintain higher study.
Higher study is only for the children of higher society – is it true or false?	True and some times it is false also.
What is your view about the study of talented student living below poverty line?	Our society should provide more facility for talented student.
Do you think that recent price hike is creating a continuous problem for the study of student living below poverty line?	Yes.

Survey No 9

Name	Anil Das
Age	40 Years
Occupation	Fish Seller (Retail)
Number Of Family Members	4 No.
How Many Earning Members Are There In Your Family?	Self Only
What Is Your Wife By Profession?	House Wife
How Much Money You/ Husband/ Wife Earn In A Month?	Rs 4000 (Appx.)
How Much Money Is Needed For Maintaining The Minimum Needs Of Life?	Rs 5000 (Appx.)
How Much Money Do You Use For Medical Purpose?	Rs 800 (Appx)
What Type Of Help You Get From BPL Card?	Rice At Low Rate
Do You Receive The Benefit Of The Card Regularly?	All Most Regularly.
Is BPL Card Provide You Any Educational Help?	No
How Many Child/ Children You Have?	1 Boy - 6 Months Old
What Is Your View About Recent Price Hike?	Due To Price Hike The Profit Of Fish Seller (Retailer) Has Been Diminished.

Survey No 10

Name	Md. Lutfur Rahman
Age	44 Years
Occupation	Daily labour (raj mistri)
Number of family members	04 no.
How many earning member in your family?	01
What is your wife by profession?	Housewife
How much money you/ husband/ wife earn in a month?	Rs 3000
How much money is needed for maintaining needs of family?	Rs 5000 appx.
How much money do you need for medical purpose?	In a month Rs 500 -700 appx.
Do u have BPL card?	Yes
What type of help you get from BPL card?	Rice, sugar, dal, kerosene etc
Do you receive the benefit of the card regularly?	Yes
Is BPL card providing you any educational help?	No
How many child/ children you have?	One son
Which class your child reads?	Class – III
What is your view about recent price hike?	Difficult to maintain the family.
How much money is needed for providing your son the essential reading articles in a month?	Supplied by school at free of cost

Survey No 11

Name	Salim Uddin
Age	22 Years
Occupation	Mistri helper
Number of family members	4 no.
How many earning member in your family?	Self
How much money you earn in a month?	Rs 2600
How much money is needed for maintaining your family in a month?	Rs 4000
How much money is needed for medical purpose?	Rs 700 for father
Do you have BPL card?	Yes
What type of help you get from BPL card?	Only low rated rice, kerosene, sugar etc
Do you receive the benefit of the card regularly?	Almost regularly
Is BPL card providing you any educational help?	No
What Do you think about recent price hike?	Daily livelihood becomes difficult.

Survey No 12

Name	Immajul Ali
Age	50 Years
Occupation	Day labour
Number of family members	5 no.
How many earning member in your family?	01 (self)
What is your husband/ wife by profession?	house wife
How much money earned by your family in a month?	Rs 2500
How much money is needed for medical purpose?	Rs 400 average
Do u have BPL card?	Yes
What type of help you get from BPL card?	Only low rated rice, kerosene, sugar etc
Do you receive the benefit of the card regularly?	Yes
Is BPL card providing you any educational help?	No
How many child/ children have you?	3 Children - 2 daughters, 1 son
Which class they are reading?	Not yet gone to school
What do you think about recent price hike	Price rise is increasing at a high rate.

Survey No 13

Name	Satyayendra Deb
Age	50 Years
Occupation	Day labour
Number of family members	05
How many earning member in your family?	Self
What is your husband/ wife by profession?	House wife
How much money is earned by your family in a month?	Rs 5000 appx
How much money is needed for maintaining the minimum needs of life?	Rs 5000 above
How much money is needed for medical purpose?	Rs 1000 average
Do you have BPL card?	Yes
What type of help you get from BPL card?	Low rated rice, kerosene, sugar etc
Do you receive the benefit of the card regularly?	Regularly
Is BPL card providing you any educational help?	No
How many child/ children have you?	3 Children - 1 daughter, 2 sons
Which class they are reading?	1 st daughter read upto class IX, 1 st son reading in class IX, daughter reading in class VII
How much money is needed for providing your children essential reading articles in a month?	Reading articles are getting free from school. Tuition fee is free, but incapable to provide private tuition.
What do you think about recent price hike?	Price rise is increasing at a high rate, difficult to maintain family.

Analysis of Data

From the above survey reports it is clearly evident that the family earners of survey report 1, 2 and 3 are capable to bear 100% of educational effort that is if, 10000.00 is needed for providing education to their children they will be able to bear the sum very easily and the family earners of survey report 4, 5 and 6 are capable of bearing 90-95% of expenditure involved for education and family earners of survey report of 7 and 8 are able to bear about 80-85% of educational effort and for the remaining family earners of

survey report of 9 and 10, only 10-20% of expenditure are required for education purpose and family earners of survey report of 11 and 12, 13 are unable to bear the expenditure required for providing education to their children. This can be shown with the help of following bar diagram. In the above figure OX – axis measures family's total monthly income and OY – measures possible educational efforts (in percent). The diagram shows that the capabilities of bearing expenditure of educational purposes fall downwards extremely.

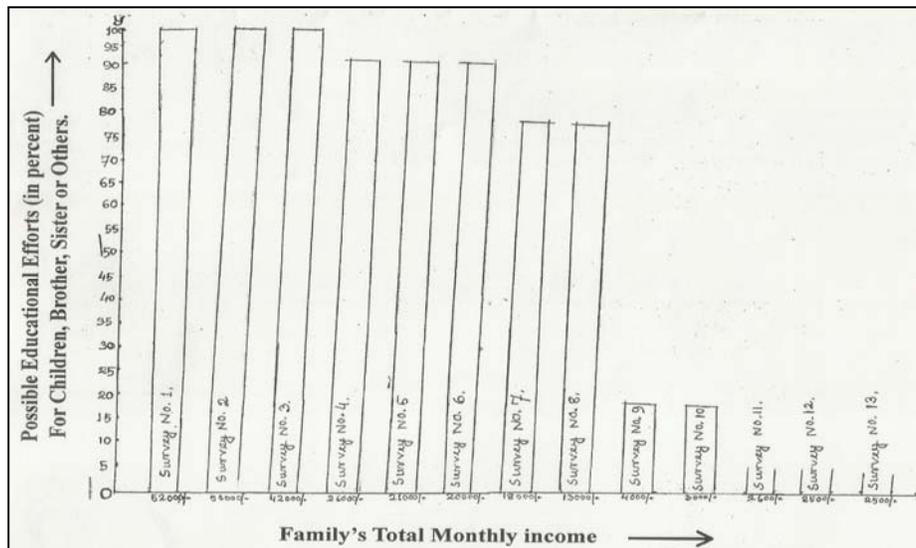


Fig 5

Major Findings

It is observed from the above survey report that inflation or price hike is closely related with education. In our society higher class and middle classes may be able to give inspiration to their children for better guidance of education. But adversely the lower class people of society have been unable to give inspiration to their children due to recent price hike or inflation, because price hike has created various hurdles in maintaining their livelihood and they are unable to provide suitable education to their children. Some good students belonging to poor sections of society are unable to attain proper guidance and good educational facilities since parents of these students become unable to maintain their livelihood i.e. on other hand the latency of these students are not being enlightened in the society. Thus in such a situation it is essential to control inflation so that all sections of society should get the scope of proper educational guidance for general and higher education. Following are some of the measures to control inflation.

Suggestion on the Topic

The first safe guard against inflation is that there must be small doses of inflationary finance. At the same time deficit financing should be moderate and regulated or adjusted according to the absorption capacity of the economy and should not be allowed to exceed the optimum limit which is determined by the various social and economic circumstances in the country. The use of inflationary finance should be strictly followed only for productive use. Quick yielding project must be given top priority.

The prices of essential commodities such as food, clothing should be kept under strict control. More over price control and rationing may be adhered to.

Special measures must be taken to raise production. Adequate buffer stock of essential articles must be created to meet the scarcities.

The most important measure to control inflation is the adoption of family planning programme to control population growth. Increasing population means more mouth to feed. But in India now a days with increasing population, production cannot increase at the same rate. More population means more demand for essential goods

e.g. cloth, food etc. Due to low production supply becomes less as compared to demand. Due to less supply and more demand prices of essential goods is increasing at a high rate resulting high rate of inflation.

So, in order to control inflation, the government of India should approve the two child norms, take proper steps for opening of family planning centers throughout the country in order to put severe restrictions on limiting the size of family.

The govt. should adopt a system of dual price for essential commodities so that the weaker sections can get commodities at low cost from fair price shop and the higher classes should collect the goods from open market at open price. Though the govt. introduced fair price shop for providing essential goods at low cost but its benefits are enjoyed by both rich and poor sections of society.

Another step to control inflation is that the govt. should take various measures for strengthening the public distribution system of the country. Public distribution system serves two purposes - it helps to hold down price, and it provides essential commodities to the weaker sections of the society at relatively low price.

Besides these, for the educational upliftment of the weaker sections of society govt. should take proper steps so that the poor talented pupils can be able to get proper teaching from govt. recognized schools and so there is no need of any private coaching centers. because with the increase in inflation the tutorial fees are also increasing at rapid rate and the weaker sections become unable to bear the expenditure of higher studies in respect of poor talented students, as a result the talented students of weaker sections can't achieve success in life.

Conclusion

To conclude the discussion it can be said that some inflation is bound to occur despite various precautions adopted by the govt. of underdeveloped countries. But is essential to note that mild degree of inflation is beneficial in every respect e.g. as it generates capital formation, results proper utilization of resources both natural and human. But it must be kept within the absorptive capacity of the economy. It must serve as a tool for economic growth under all means; it

must be properly regulated and controlled. Further, it should not be allowed to exceed the optimum limit. Thus judicious inflation is called forth if properly allocated could yield significant result. In this way the device of inflationary finance has got a respectable place in the strategy for economic development of a developing country like India.

Reference

1. Ahluwalia MS. Economic reforms in India since 1991: has gradualism worked? *Journal of Economic Perspectives*. 2002; 16:67-88.
2. Balakrishna P. *Pricing and Inflation in India*. Delhi: Oxford University Press, 1991.
3. Bhattacharya BB, Lodh M. Inflation in India: An Analytical Survey. *Artha Vijnana*, 1990; 32:25-68.
4. Izuchukwu CD, Nkiru Patricia C. Impact of inflation on economic growth in Nigeria (2000-2009). *International Journal of Business and Management*. 2015; 3(5):26-34.
5. Kannan R. Inflation targeting: issues and relevance for India. *Economic and Politic Weekly*, 1999; XXXIV:115-122.
6. Sai Pranav K, Srinivasulu P, Mahaboob Basha AM, Chenchu Reddy P, Nagabhushana Rao, RVSS. A Study on Inflation in India. *International Research Journal of Social Sciences*. 2013; 2(12):51-55.
7. Tobin J. Money and Economic Growth, *Econometrica*. 1965; 33:671-684.