

# Why India needs extensive policy support on Early Childhood Education and Development

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Published on: Mar 10, 2026 9:01 AM IST

The recognition that Early Childhood Education and Development (ECED) is the very foundation of development of any country, offers a high potential and high-stakes economic strategy for Viksit Bharat. The economic logic for ECED is incredible, the Nobel laureate James Heckman's, Perry Preschool Project, has demonstrated that every dollar invested in high-quality early childhood programmes yields a high return on investment (ROI) of \$7, suggesting that high investments in ECED would be necessary to lead us to the path to Viksit Bharat.

The UNFPA estimates of total population of India in 2025 projected at 1464 million, with the children in age group 0-14 years at about 351.3 million points toward the scale at which we need the resources. Our children at 0-14 group, are a larger unit than the US population (347.3 million), they make the third largest hypothetical country. We just can't be an economic engine without the investment in their future.

The National Education Policy (NEP) 2020 along with SDG 4.2.2 mandates inclusive and equitable quality education and promote lifelong learning opportunities. This demands a huge commitment; however, the national average spend per child at approximately ₹8,300 (as of 2020-21) is too low against the Save the Children and CGBA recommended per child feasible cost for quality ECE provision at ₹32,531.

For 2026-27, the ministry of education has as budget of ₹1.38 billion ( ₹1.29) billion in 2025-26) an increase of 8.3% over 2025-26. Out of this, 50.4% of the allocation is towards Samagra Shiksha Abhiyaan (less than 52% in 2025-26). However, the deeper concern is the states' capacity to substantially increase their own budget allocation as well as to utilise the allocated budget, as more than 10% of the budget remained unutilised during 2025-26 in several schemes as well as.

While India has shattered records in intellectual property by filing more than 110,000 patents in 2024, we have a long way to catch up with countries like China (1.8 million). All the countries high in the Global Innovation Index make public expenditure of about 0.5% to 1.6% of their GDP for ECED, compared to only 0.2% in India, signifying that strong ECED

programmes supports is needed to build a strong foundation for up ticking innovation cycle. China spends more than 10 times per child in ECED compared to India.

If India must sustain its rise as a global innovation hub, the budgetary focus must shift from schooling to learning, beginning with the early education. Innovation leaders like Finland spend high on its national core curriculum with focuses on multiliteracy and play-based learning, delaying formal academics until age seven to build transversal competencies--learning how to learn. Japan prioritizes social-emotional learning and "grit" through its *Hoikuen* (nursery) and *Yochien* (kindergarten) systems. Children are taught non-cognitive skills--resilience, empathy, and collective responsibility, which later manifest as the high-precision discipline found in Japanese engineering. Data from recent assessments of our school systems provides a counter-narrative to our ambitions of an emerging nation.

Examination of the output-outcome Budgets of the last four years, from 2023–24 to 2026–2 shows there is a policy shift towards outcome tracking and building programme delivery to systems architecture. However, outcomes have not improved commensurately. Foundational learning outcomes remain uneven, with deep rural-urban and inter-state disparities. This divergence between delivery effort and outcome achievement points to deeper structural constraints.

The principal constraint still is the governance fragmentation especially at the state level. While convergence is rhetorically emphasised, institutional incentives, budget processes, and accountability frameworks remain vertically structured. As a result, the child experiences a fractured service ecosystem, despite unified intent at the policy level.

In addition to substantial increase in budgetary allocation, the next phase of reform must focus on systems weak links and probably governing differently. Three pillars need immediate focus.

\* India's 14 lakh anganwadi workers are the backbone of this system. Yet they are simultaneously overburdened, under-trained, and under-recognised. Without transforming this workforce into a professional early childhood cadre, outcome gains will be weak.

\* After outcome-based budgeting, the government must progressively transition towards outcome-linked financing models. The fund flows should respond to measurable improvements in child development indicators.

\* Delivery convergence--apart from the district magistrate at the district level, institutionalising empowered district child development authorities/ block development authorities, accountable for integrated outcomes across departments, could fundamentally reshape delivery dynamics.

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