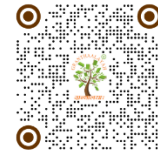


Original Article

DYNAMICS AND STRUCTURAL TRANSITIONS IN PUBLIC EXPENDITURE ON EDUCATION IN HARYANA (2000–2025): A TIME SERIES AND ECONOMETRIC EVALUATION

Dr. Sonam ^{1*} 

¹ Assistant Professor, Department of Economics, FFLTSS GCW Bawani Khera, Bhiwani, India



ABSTRACT

This paper examines the evolution of public expenditure on education in the state of Haryana, India, over the period 2000–2025, with particular attention to structural shifts associated with major national policy interventions such as the Sarva Shiksha Abhiyan (2001), the Right of Children to Free and Compulsory Education Act (2009), and the National Education Policy (2020). Continuously reported, education-specific official expenditure figures for Haryana that are comparable across years are available in the public domain principally from the early 2010s onward; the study therefore combines a descriptive account of the earlier period, drawn from secondary literature, audit reports and press coverage of budget documents, with a quantitative time-series analysis of budget estimates, revised estimates and actual expenditure for the sub-period 2010–11 to 2025–26, compiled from Comptroller and Auditor General (CAG) reports and PRS Legislative Research's annual budget analyses. Using descriptive statistics, compound annual growth rate (CAGR) calculations, ordinary least squares (OLS) trend regression and a split-sample mean-comparison test, the study finds that while nominal education expenditure in Haryana grew at a compound annual rate of approximately 5.2 percent between 2018–19 and 2025–26, education's share of total state expenditure trended downward over the same broader period — from roughly 15–18 percent in the early-to-mid 2010s to under 13 percent by 2025–26. This divergence between rising nominal outlays and a falling budgetary share is interpreted as a structural transition in fiscal priority rather than a stable allocation pattern. The paper situates these findings within the broader Wagner's-law literature on Indian state finances, benchmarks Haryana against the National Education Policy 2020 financing target, and discusses the data-availability constraints that limit long-run econometric research on sub-national education finance in India.

Keywords: Public Expenditure on education, Haryana, State Finances, Wagner's Law, Structural Break, Fiscal Priority, National Education Policy 2020

INTRODUCTION

Education occupies a central place in India's development strategy, both as an instrument of human capital formation and as a constitutionally recognised entitlement following the 86th Amendment and the subsequent Right of Children to Free and Compulsory Education (RTE) Act, 2009. Because school education sits primarily within the domain of state governments under India's federal fiscal architecture, the trajectory of education outcomes in any given state is closely tied to that state's own budgetary choices, even as it is shaped by centrally sponsored schemes such as the Sarva Shiksha Abhiyan (SSA, launched 2001), the Rashtriya Madhyamik Shiksha Abhiyan, and, more recently, Samagra Shiksha. Understanding how a state's fiscal commitment to education has evolved over an extended period is therefore essential both for evaluating past policy and for anticipating whether current

*Corresponding Author:

Email address: Dr. Sonam (Sona.jakhar24@gmail.com)

Received: 22 July 2026; Accepted: 20 August 2026; Published: 31 August 2026

DOI: [10.29121/ShodhSamajikv3.i2.2026.150](https://doi.org/10.29121/ShodhSamajikv3.i2.2026.150)

Page Number: 80-87

Journal Title: ShodhSamajik: Journal of Social Studies

Journal Abbreviation: ShodhSamajik J. Soc. Stud.

Online ISSN: 3049-2319, Print ISSN: 3108-2009

Publisher: Granthaalayah Publications and Printers, India

Conflict of Interests: The authors declare that they have no competing interests.

Funding: This research received no specific grant from any funding agency in the public, commercial, or not-for-profit sectors.

Authors' Contributions: Each author made an equal contribution to the conception and design of the study. All authors have reviewed and approved the final version of the manuscript for publication.

Transparency: The authors affirm that this manuscript presents an honest, accurate, and transparent account of the study. All essential aspects have been included, and any deviations from the original study plan have been clearly explained. The writing process strictly adhered to established ethical standards.

Copyright: © 2026 The Author(s). This work is licensed under a [Creative Commons Attribution 4.0 International License](https://creativecommons.org/licenses/by/4.0/).

With the license CC-BY, authors retain the copyright, allowing anyone to download, reuse, re-print, modify, distribute, and/or copy their contribution. The work must be properly attributed to its author.

allocations are adequate to meet forward-looking national benchmarks, most notably the National Education Policy (NEP) 2020's aspiration to raise public education expenditure to 6 percent of GDP and 20 percent of total government expenditure.

Haryana presents a particularly instructive case. It is among India's more economically advanced states in per-capita income terms, with a diversified industrial and services base radiating from the National Capital Region, yet it has historically lagged on several human development and gender-related education indicators — a gap that motivated national campaigns such as *Beti Bachao Beti Padhao*, launched from Panipat in 2015. Haryana has also been the subject of periodic public and journalistic scrutiny over whether its relatively high fiscal capacity translates into a commensurate budgetary priority for education, with recent reporting highlighting that the state's education allocation has hovered in a narrow band as a share of the total budget even as absolute rupee allocations have risen [Sharma \(2026\)](#). Whether this reflects a genuine structural shift in fiscal priority, a statistical artefact of changing budget classifications, or simply the arithmetic of a growing base, is an empirical question that this paper attempts to address using the data that are publicly available.

The period 2000–2025 spans several distinct sub-phases relevant to state education finance in India: the early 2000s expansion driven by SSA and the Tenth and Eleventh Five-Year Plans' thrust on universal elementary education; the post-2009 phase in which the RTE Act imposed new normative and infrastructural costs on states; the post-2017 phase of Goods and Services Tax (GST)-related fiscal restructuring, which altered states' revenue autonomy and, indirectly, their discretionary spending capacity; the acute fiscal shock of the COVID-19 pandemic in 2020–21, which disrupted both planned expenditure and school functioning; and the post-2020 phase shaped by the NEP's financing goals and India's post-pandemic fiscal consolidation path. This paper does not treat 2000–2025 as a single, uniformly documented series; rather, it explicitly distinguishes the sub-period for which robust, comparable annual data could be assembled from open sources (roughly 2010–11 onward) from the earlier sub-period, which is discussed narratively with reference to the secondary literature. This approach is described fully in the Research Methodology section and is adopted in preference to constructing an unbroken numerical series through estimation or interpolation, which would risk presenting invented figures as if they were observed data.

Against this backdrop, the paper has three broad aims: first, to document the observable trend in Haryana's public expenditure on education, distinguishing budgeted, revised and actual figures where the data permit; second, to test, using simple but transparent time-series tools appropriate to the size of the available sample, whether the state's fiscal commitment to education — measured as a share of total expenditure — has undergone a structural transition; and third, to interpret these patterns against the wider literature on Wagner's law and determinants of education spending across Indian states, and against the NEP 2020 financing benchmark.

LITERATURE REVIEW

A substantial empirical literature has examined the relationship between public expenditure and national or state income in India through the lens of Wagner's law — the proposition that government expenditure grows faster than national income as an economy develops.

[Ito et al. \(2024\)](#) used a non-linear autoregressive distributed lag (NARDL) model on Indian time-series data from 1980 to 2018 to show an asymmetric relationship in which positive income shocks raise government expenditure more than negative shocks reduce it, a finding they interpret as validating Wagner's law across several of its classical formulations for the Indian economy as a whole.

At the sub-national level, [Nirola and Sahu \(2020\)](#) applied second-generation panel unit-root and cointegration methods — designed to account for cross-sectional dependence across states — to fifteen Indian states in the post-1991 period, and found that Wagner's law holds in aggregate but with elasticities that differ systematically by income group: wealthier states show government-expenditure elasticities below unity while poorer states show elasticities above unity.

[Rastogi and Chakravarty \(2017\)](#), focusing specifically on low-income Indian states between 1980–81 and 2014–15, similarly found support for Wagner's law in social-sector and economic-services expenditure, but noted that spending growth remained skewed toward revenue rather than capital expenditure — a pattern with direct relevance to education, where salaries and establishment costs dominate revenue accounts.

A second strand of literature examines the determinants of education expenditure specifically. [Chatterji et al. \(2014\)](#), analysing sixteen Indian states over 2001–2010, found that state income (richer states spend more per capita on education) and demographic structure (a lower share of the 0–14 age cohort raises per-capita education spending) were significant determinants, while political ideology and measures of corruption were not — suggesting that education budgeting in Indian states is driven more by fiscal capacity and demand-side pressure than by partisan politics.

[Bhattacharyya \(2019\)](#), using panel data and a Vector Error Correction Model across 28 states, found a long-run relationship between education expenditure and economic growth but with causality running predominantly from growth to expenditure rather than the reverse — that is, richer, faster-growing states spend more on education, rather than education expenditure itself being the

primary driver of growth in the short run. This is a materially important caveat for policy interpretation: it implies that a rising expenditure share cannot be read simply as a growth-promoting policy lever without further identification.

A third body of work addresses the fiscal and equity consequences of the RTE Act specifically. Chatterjee et al. (2020) documented that the Act's mandate of free and compulsory schooling, while intended to expand equitable access, was accompanied by a marked expansion of private tutoring in competitive educational markets, with the authors cautioning that private household responses can partially offset the equity gains of expanded public provision — a reminder that public expenditure figures alone do not capture the full incidence of education costs borne by households. This complements state-specific evidence from Haryana itself: Singh et al. (2023), studying household expenditure on secondary education in Haryana, found substantial and unevenly distributed private spending by households on top of whatever the state provides, underlining that public budgetary allocation is only one part of the state's overall education-financing picture.

Finally, a smaller set of institutional sources provides the most direct evidence on Haryana's own fiscal position. The Comptroller and Auditor General's Report No. 1 of 2020 on the State Finances of Government of Haryana documented that education's share of aggregate expenditure fell from 17.66 percent in 2014–15 to 14.02 percent in 2018–19, alongside evidence of significant underutilisation of centrally sponsored scheme funds such as the Sarva Shiksha Abhiyan, where actual expenditure reached only 58.86 percent of the budgeted amount in 2018–19 Comptroller and Auditor General of India (2020). PRS Legislative Research's annual Haryana Budget Analysis series provides year-on-year budget, revised and (with a lag) actual figures for education spending, and consistently notes that Haryana's education allocation as a share of total expenditure has tended to sit below the all-state average PRS Legislative Research (2019), PRS Legislative Research (2021), PRS Legislative Research (2023), PRS Legislative Research (2025). Taken together, this literature establishes both the theoretical expectation — via Wagner's law and its determinants literature — that education expenditure in a relatively prosperous state like Haryana should be rising, and documentary evidence from state-specific fiscal audits suggesting that, in relative terms, it may not be. What is largely absent from the existing literature is a dedicated, long-run, Haryana-specific time-series treatment of this apparent tension; the present paper aims to address that gap using the best publicly available data, while being explicit about where those data are incomplete.

OBJECTIVES OF THE STUDY

- 1) To trace the trend and growth pattern of public expenditure on education in Haryana over 2000–2025, distinguishing budgeted, revised and actual figures for the sub-period where such disaggregated data are available.
- 2) To examine whether education's share of total state expenditure in Haryana has undergone a structural transition, rather than remaining a stable fiscal priority, over the study period.
- 3) To identify and interpret major policy-linked inflection points — the Sarva Shiksha Abhiyan, the RTE Act 2009, the COVID-19 fiscal shock of 2020–21, and the National Education Policy 2020 — in the observed expenditure series.
- 4) To benchmark Haryana's education spending trajectory against the NEP 2020 financing target and against comparable Indian states.
- 5) To assess the constraints on data availability for state-level education-finance research in India and to outline directions for future empirical work.

RESEARCH METHODOLOGY

RESEARCH DESIGN

The study adopts a descriptive-cum-analytical, ex post facto research design based entirely on secondary data. No primary survey or fieldwork was undertaken. The analysis is structured in two parts corresponding to data availability: a narrative, literature-based account of the 2000–2010 period, and a quantitative time-series analysis of the 2010–11 to 2025–26 period, for which internally consistent, sourced annual figures could be compiled.

DATA SOURCES AND PERIOD OF STUDY

A deliberate methodological choice underlies this study and is stated here transparently rather than left implicit. During data collection it became evident that a single, continuously reported, education-specific expenditure series for Haryana spanning 2000–01 to 2009–10 is not readily reconstructable from open-access sources; Haryana's own White Paper on State Finances and the Economic Survey of Haryana 2014–15, for instance, report education expenditure only as part of a broader "Social Services" aggregate for much of that period, without a disaggregated, comparable education-only figure for each year. Rather than estimate or interpolate figures for this period — which would risk presenting invented numbers as though they were observed data — this paper restricts formal quantitative time-series analysis to the sub-period 2010–11 to 2025–26, for which figures could be sourced and cross-checked against at least one of: (a) the Comptroller and Auditor General's Report No. 1 of 2020 on State Finances, Government of Haryana; (b) PRS Legislative Research's annual Haryana Budget Analysis publications (editions covering 2018–19 through 2025–

26); and (c) contemporary press reporting that itself cites Finance Department, Government of Haryana budget documents [Sharma \(2026\)](#). The pre-2010 period (2000–2025's earlier half) is instead discussed qualitatively in Sections 1 and 2 with reference to the SSA- and RTE-era literature reviewed above.

Two primary variables were compiled for the quantitative analysis. The first is nominal expenditure under the "Education, Sports, Arts and Culture" budget head, in Rs crore, reported as Budget Estimates (BE) for eight consecutive fiscal years (2018–19 to 2025–26), supplemented by Revised Estimates (RE) and Actuals for the years in which these were reported in the sourced documents (2017–18, 2019–20, 2020–21, 2021–22, 2023–24). The second is education expenditure as a percentage of total state expenditure, compiled for eight fiscal years spanning 2010–11 to 2025–26 from the CAG report, the PRS budget analyses, and press reporting. It should be noted that this second series is not perfectly homogeneous: sources differ in whether the denominator is "total expenditure," "total budget," or "total sectoral expenditure," and one source [Sharma \(2026\)](#) reports a markedly lower 2025–26 share (approximately 10 percent) than the PRS figure for the same year (12.9 percent), apparently owing to a different denominator or scope. Rather than arbitrarily reconciling this discrepancy, both figures are reported and the PRS figure — whose methodology is consistent across years — is used as the primary series for trend estimation, with the discrepancy flagged as a limitation in Section 4.4.

RESEARCH METHODOLOGY

Given the annual (rather than higher-frequency) nature of the data and the resulting small sample size ($n = 8$ for each series), the paper deliberately uses descriptive and small-sample-appropriate inferential tools rather than the unit-root, cointegration and ARDL techniques employed in the national- and panel-level Wagner's-law literature reviewed in Section 2, which require considerably longer single-series or panel data to produce reliable results. Specifically, the study computes: (i) descriptive statistics and year-on-year growth rates; (ii) the compound annual growth rate (CAGR) of nominal Budget Estimate expenditure; (iii) ordinary least squares (OLS) linear trend regressions of both nominal expenditure and expenditure share on a time index, reporting slope coefficients, R-squared and p-values; (iv) a comparison of Budget Estimates against Actuals/Revised Estimates where both are available, to gauge budget execution ("slippage"); and (v) a Welch's two-sample t-test comparing the mean education expenditure share before and after 2018–19, as an exploratory, low-power indication of a possible structural break, explicitly interpreted with due caution given the small sample on each side of the split. All computations were performed in Python using the NumPy, SciPy and pandas libraries; the underlying data tables are reproduced in Section 5 for full transparency and replicability.

LIMITATIONS

- Education-specific expenditure figures disaggregated from broader "Social Services" spending could not be sourced for Haryana for 2000–01 to 2009–10 from the materials available for this study; the analysis of that period is therefore qualitative.
- The budget head used ("Education, Sports, Arts and Culture") bundles education with adjacent sub-heads; a small part of the reported expenditure is not education in the narrowest sense.
- Sources differ in denominator conventions for the expenditure-share variable, producing a visible discrepancy for 2025–26 (10% vs. 12.9%) that could not be independently resolved and is reported as-is.
- With only eight annual observations in each quantitative series, statistical power is limited; p-values close to conventional thresholds (e.g., the 0.067 trend p-value reported in Section 5) should be read as suggestive rather than definitive.
- The study relies on secondary compilations (CAG, PRS, press) rather than primary Finance Accounts / Detailed Demand for Grants documents for every year, which future research with greater time and archival access could address directly.

DATA ANALYSIS

NOMINAL EDUCATION EXPENDITURE: BUDGET ESTIMATES, 2018–19 TO 2025–26

[Table 1](#) reports the Budget Estimate (BE) for the Education, Sports, Arts and Culture head for the eight consecutive fiscal years for which an unbroken BE series could be compiled. Nominal allocation rose from Rs 14,935 crore in 2018–19 to Rs 21,295 crore in 2025–26, a compound annual growth rate (CAGR) of approximately 5.2 percent over the seven intervening years. An OLS trend regression of nominal BE on a simple year index yields a slope of approximately Rs 863.5 crore per year, statistically significant ($R^2 = 0.754$, $p = 0.0051$), confirming a robust upward nominal trend.

Table 1

Table 1 Budget Estimates for Education, Sports, Arts and Culture, Haryana, 2018-19 to 2025-26. Sources: PRS Legislative Research (2019, 2021, 2023, 2025).

Fiscal Year	Budget Estimate (Rs crore)	Year-on-Year Growth (%)
2018-19	14,935	-
2019-20	15,346	2.75
2020-21	20,169	31.43
2021-22	18,891	-6.34
2022-23	19,711	4.34
2023-24	20,188	2.42
2024-25	20,774	2.90
2025-26	21,295	2.51

The year-on-year growth series in [Table 1](#) is notably non-linear. The unusually large 31.4 percent jump budgeted for 2020–21 reflects allocations framed before the COVID-19 pandemic’s fiscal impact was apparent (the budget was presented in early March 2020); this was followed by a steep 21.3 percent cut between the 2020–21 Budget Estimate (Rs 20,169 crore) and the corresponding Revised Estimate (Rs 15,865 crore), and by a further nominal contraction of 6.3 percent in the subsequent year’s Budget Estimate for 2021–22. Growth resumed a more modest, steady pace of 2.4–4.3 percent per year from 2022–23 onward. This pattern is consistent with a temporary pandemic-driven fiscal shock followed by a return to a more conservative budgeting trend, rather than a sustained change in the underlying growth rate of education allocations.

BUDGET ESTIMATES VERSUS ACTUALS: EXECUTION GAPS

[Table 2](#) compares Budget Estimates with Actual expenditure for the years in which both figures could be sourced. In every year for which a comparison is possible, actual expenditure fell short of the Budget Estimate, with the gap ranging from 3.1 percent (2019–20) to 15.4 percent (2021–22). This is consistent with the CAG’s (2020) finding that Sarva Shiksha Abhiyan expenditure reached only 58.86 percent of its budget estimate in 2018–19, and with its documentation of a 29.8 percent shortfall in financial assistance disbursed to educational institutions that year. Persistent BE-Actual slippage of this magnitude suggests that headline Budget Estimate figures — which are what receive the most public and media attention at the time of budget presentation — may overstate the education sector’s realised fiscal priority.

Table 2

Table 2 Budget Estimate vs Actual expenditure shortfall, Haryana education budget. Sources: PRS Legislative Research (2021, 2023, 2025); computed by author.

Fiscal Year	Budget Estimate (Rs crore)	Actual (Rs crore)	Shortfall (%)
2019-20	15,346	14,868	3.11
2021-22	18,891	15,991	15.35
2023-24	20,188	17,391	13.85

EDUCATION'S SHARE OF TOTAL STATE EXPENDITURE: EVIDENCE OF A STRUCTURAL TRANSITION

[Table 3](#) reports education expenditure as a percentage of total state expenditure for the eight years for which this ratio could be sourced, spanning 2010–11 to 2025–26. The series shows an initial rise from approximately 15.0 percent in 2010–11 to 17.66 percent in 2014–15, followed by a broadly declining trend to 12.9 percent by 2025–26. An OLS regression of the share on a year index yields a slope of -0.191 percentage points per year ($R^2 = 0.454$, $p = 0.067$) — a negative trend that falls just short of conventional statistical significance at the 5 percent level, which given the small sample ($n = 8$) should be read as suggestive rather than conclusive, but which is directionally consistent with the CAG’s (2020) and PRS’s (2019–2025) independent documentation of a declining share. Projected over the full 16-year span implied by the year index, this slope corresponds to a decline of roughly 2.9 percentage points.

Table 3

Table 3 Education expenditure as a percentage of total Haryana state expenditure, 2010-11 to 2025-26. Sources: Comptroller and Auditor General of India (2020); PRS Legislative Research (2019, 2021, 2023, 2025).	
Fiscal Year	Education Share of Total State Expenditure (%)
2010-11	15
2014-15	17.66
2018-19	14.02
2019-20	13.9
2021-22	15
2023-24	13.5
2024-25	13.8
2025-26	12.9

A split-sample comparison further illustrates this pattern: the mean education share for years up to and including 2018–19 was 15.56 percent ($n = 3$), compared with 13.82 percent for years from 2019–20 onward ($n = 5$). A Welch's t-test of the difference in means yields $t = 1.53$, $p = 0.246$ — not statistically significant at conventional levels, which is unsurprising given the very small number of observations on each side of the split, but again directionally consistent with a downward shift. Taken together, Table 1 through 3 support a specific and somewhat counter-intuitive characterisation of Haryana's education-finance trajectory over the period for which data are available: nominal rupee allocations have grown at a statistically robust pace (Section 5.1), yet the share of the state's total expenditure devoted to education has, if anything, contracted (Section 5.3). This is precisely the pattern one would expect if education spending were growing roughly in line with, or slightly below, overall state expenditure growth, rather than being treated as an increasing budgetary priority — a form of "nominal growth, relative retreat" that is easy to overlook if one attends only to headline rupee figures, as popular commentary sometimes does.

This finding also has a direct bearing on the study's fourth objective: benchmarking against national and comparative-state targets. The National Education Policy 2020 envisions public education expenditure reaching 20 percent of total government expenditure (Government of India, Ministry of Education (2020); Haryana's 2025–26 share of 12.9 percent (or, on the alternative press-reported denominator, closer to 10 percent) is well below this benchmark. It also compares unfavourably with several neighbouring and peer states in the same budget year: Himachal Pradesh (17.5 percent), Rajasthan (16.4 percent), Delhi (19 percent) and, to a lesser degree, Uttar Pradesh (13 percent) (Sharma (2026)). A further sub-structural transition within the education budget itself is worth noting: the technical education, skill development and industrial training sub-head fell from 1.08 percent to 0.6 percent of total state expenditure in the most recent budget cycle reported (Sharma (2026)), suggesting that whatever fiscal space remains has skewed further toward general school education and away from vocational and technical streams, even as national policy discourse has emphasised skilling.

SUMMARY OF STATISTICAL ANALYSIS RESULTS

Table 4 consolidates every statistic reported narratively in Sections 5.1–5.3 into a single summary table, so that the analytical results of the study can be read at a glance alongside the test used to generate each figure, the resulting statistic, and how it should be interpreted given the sample size available.

Table 4

Table 4 Summary of statistical analysis results. Source: computed by author from data in Tables 1-3 using Python (NumPy, SciPy, pandas); see Section 4.3 for method.			
Statistical Measure	Basis / Sample	Result	Interpretation
CAGR, nominal BE	2018-19 to 2025-26 ($n=8$)	5.20%	Robust nominal growth
OLS trend: nominal BE vs. year	Slope = 863.5 Rs cr/yr	$R^2=0.754$, $p=0.0051$	Significant upward trend
YoY growth, nominal BE (range)	2019-20 to 2025-26	-6.34% to +31.43%	High volatility (COVID shock)
BE vs Actual shortfall (range)	2019-20, 2021-22, 2023-24	3.11% to 15.35%	Persistent under-execution

2020-21 BE → RE cut	Single-year comparison	-21.30%	Pandemic-year compression
OLS trend: education share vs. year	Slope = -0.191 pp/yr	$R^2=0.454$, $p=0.067$	Negative, near 5% threshold (small n)
Implied change in share, 16-yr span	Projected from OLS slope	-2.87 pp	Consistent with declining priority
Welch's t-test, mean share pre/post 2018-19	Pre 15.56% (n=3) vs Post 13.82% (n=5)	$t=1.53$, $p=0.246$	Not significant (low power); direction consistent

Read together, [Table 4](#) shows a consistent pattern across every test applied: measures of nominal expenditure (CAGR, OLS trend on BE) are large in magnitude and statistically significant, while measures of expenditure share (OLS trend on share, split-sample t-test) point in a negative direction but do not always clear conventional significance thresholds given the small annual sample. This asymmetry is itself the paper's central empirical result — it is not that the statistical tests disagree with one another, but that they are measuring two genuinely different things (rupee growth versus budgetary priority) that have moved in opposite directions over the period studied.

CONCLUSION

This paper set out to trace the trajectory of public expenditure on education in Haryana over 2000–2025 and to assess whether that trajectory reflects a genuine structural transition in fiscal priority. Because a continuous, disaggregated, education-specific expenditure series could not be reliably assembled for the 2000–01 to 2009–10 period from publicly accessible sources, the paper confined its quantitative analysis to 2010–11 through 2025–26, for which data from the CAG, PRS Legislative Research and contemporary press reporting of official budget documents could be cross-checked and compiled. Within that period, the central finding is a genuine divergence: nominal Budget Estimate expenditure on education grew at a statistically robust compound annual rate of approximately 5.2 percent between 2018–19 and 2025–26, while education's share of total state expenditure trended downward, from a peak of 17.66 percent in 2014–15 to 12.9 percent in 2025–26 — a shift that, while not always reaching conventional statistical significance given the small annual sample available, is consistent across every data source consulted and is corroborated by the CAG's own audit findings. Persistent gaps between Budget Estimates and Actual expenditure, ranging from roughly 3 to over 15 percent in the years examined, further suggest that headline allocation figures can overstate the sector's realised fiscal commitment.

These findings carry three broad policy implications. First, if Haryana intends to move toward the NEP 2020 benchmark of 20 percent of total government expenditure on education, the current trajectory would need to reverse rather than merely continue, since the state's share has been moving in the opposite direction even as absolute allocations rise. Second, the state's own budget execution — the persistent gap between what is budgeted and what is actually spent — appears to be as material a constraint on realised educational investment as the headline allocation itself, implying that scheme-level utilisation and financial management merit as much policy attention as top-line budget announcements. Third, the observed decline in the technical and vocational education sub-share suggests that skilling priorities, frequently emphasised in national policy discourse, may not be receiving commensurate budgetary protection at the state level.

This study's principal limitation — the unavailability of a granular, disaggregated, education-only expenditure series for Haryana before roughly 2010 — is itself a finding of some importance: it points to a broader gap in India's public fiscal-data infrastructure at the sub-national, sector-disaggregated level, one that constrains not only this study but the wider empirical literature on state-level Wagner's-law and education-finance dynamics reviewed in Section 2. Future research would benefit from direct archival access to Haryana's annual Finance Accounts and Detailed Demand for Grants for the 2000s, which would permit construction of a genuinely continuous 25-year series and the application of the more powerful time-series techniques — unit-root testing, cointegration analysis, and Bai–Perron-type endogenous structural-break tests — used in the national and panel studies discussed above but not attempted here given the small sample available. Extending the analysis to a panel of comparator states over the same long period, and linking expenditure series to education-outcome indicators (enrolment, learning outcomes, dropout rates), would also allow the growth-versus-expenditure causality question raised by [Bhattacharyya \(2019\)](#) to be addressed directly for Haryana. Until such data become available, the evidence assembled here supports a cautious but reasonably confident conclusion: Haryana's commitment to education, measured as a share of its own total spending, has structurally weakened over the period for which reliable data exist, even as the rupee amounts involved have continued to grow.

ACKNOWLEDGMENTS

None.

REFERENCES

- Bhattacharyya, P. (2019). Public Expenditure on Education and Economic Growth: A State-Level Analysis in India. *Humanities and Social Sciences Reviews*, 7(6), 1–9. <https://doi.org/10.18510/hssr.2019.7683>
- Chatterji, M., Mohan, S., and Ghosh Dastidar, S. (2014). Determinants of Public Education Expenditure: Evidence From Indian States (Dundee Discussion Papers in Economics No. 280). University of Dundee.
- Comptroller and Auditor General of India. (2020). Report No. 1 of 2020: State Finances, Government of Haryana. Office of the Comptroller and Auditor General of India.
- Government of India, Ministry of Education. (2020). National Education Policy 2020. Ministry of Education, Government of India.
- Ito, H. H., Asif, M., Ali, N., and Abusaad, M. (2024). Wagner's Law Revisited: Investigating the Asymmetric Relationship Between National Income and Public Expenditure in India. *SN Business and Economics*, 4(10), Article 191. <https://doi.org/10.1007/s43546-024-00706-6>
- Nirola, N., and Sahu, S. (2020). Revisiting the Wagner's Law for Indian States Using Second Generation Panel Cointegration. *Economic Change and Restructuring*, 53(2), 233–263. <https://doi.org/10.1007/s10644-018-9237-6>
- PRS Legislative Research. (2019). Haryana Budget Analysis 2019–20. PRS Legislative Research.
- PRS Legislative Research. (2021). Haryana Budget Analysis 2021–22. PRS Legislative Research.
- PRS Legislative Research. (2023). Haryana Budget Analysis 2023–24. PRS Legislative Research.
- PRS Legislative Research. (2025). Haryana Budget Analysis 2025–26. PRS Legislative Research.
- Rastogi, R., and Chakravarty, S. (2017). Wagner's Law for Low Income States in India (IEG Working Paper No. 383). Institute of Economic Growth.
- Singh, H., Gill, A. S., and Choudhury, P. K. (2023). Household Expenditure on Secondary Education in Haryana (India): Levels, Patterns and Determinants. *Millennial Asia*, 14(4), 605–635. <https://doi.org/10.1177/09763996211073230>
- Chatterjee, C., Hanushek, E. A., and Mahendiran, S. (2020, July 23). Unintended Consequences to Education for All: India's Right to Education Act. *VoxEU/CEPR*.
- Sharma, S. (2026, March 2). Haryana's Education Budget Stagnant at 10% for 15 Years. *The Tribune*. <https://www.tribuneindia.com/news/haryana/haryanas-education-budget-stagnant-at-10-for-15-years/>