

EDUCATION

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EFP Takeaways

Evidence on Gray University Degrees from India

Background

Academic degrees can be bought in India, these are known as gray degrees. The primary reason that people purchase degrees is to give themselves broader opportunities and access on the job market. Despite this open secret regarding bought degrees, there is a scarcity of research on the effect that A new study by Tanmoy Majilla and Matthias Rieger at Erasmus University Rotterdam in vol. 15, issue 2 of *EFP* examines the potential effects of these gray degrees and employment outcomes in India.

The Study

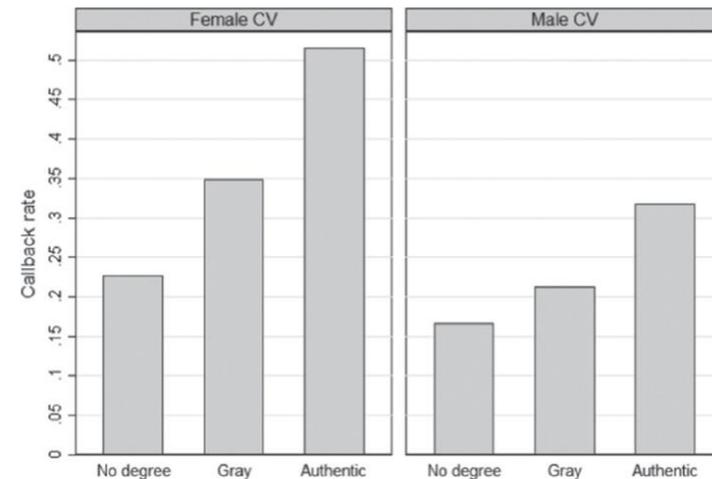
To examine how gray degrees influence outcomes on the labor market, Majilla and Rieger conducted an experimental study. First, they identified a list of universities offering gray degrees in India through qualitative exploration. Next, they compiled a list of universities and degrees, which included both bought/gray and authentic/control degrees for use on sample resumes. The authors then submitted over 396 applications to 132 job postings. The applications were from both male and female applicants with no, gray, and authentic degrees for a total of 18 resumes. Each job received three different resumes/applications. They then measured results of applications, or whether the applicant received a callback.

Findings

Their analysis revealed the following:

- Applicants with a gray degree were significantly more likely to receive a callback for labor market entry when compared to those with no degree.
- Gray degrees are more effective for female job seekers/applicants than their male counterparts.
- Those who can afford to buy gray degrees are better positioned in the labor market.

The figure below displays call-back rates by gender.



As such, there are several policy implications to consider. First, the gray degree market requires regulation in India. Next, Indian authorities or government could identify a list of questionable degrees to help employers identify those who have earned an authentic degree from those who simply purchased a degree/credential. Lastly, authentic degree providers should work to better distinguish themselves.

For more details:

- View the [full issue](#).
- See the [full article in Education Finance and Policy](#).
- [Sign up here to receive future EFP Takeaways](#).
- Summary of: Majilla, T., & Rieger, M. (2020). Gray university degrees: Experimental evidence from India. *Education Finance and Policy*, 15(2), 292 – 309.