

## Economic challenges and opportunities of financing of higher education in Zambia: A focus on Copperbelt University (CBU) and the University of Zambia (UNZA)

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### Abstract

The study on the challenges and opportunities of financing higher education in Zambia was motivated by the fact that educational financing was apparently becoming one of the major challenges governments were facing causing academic unrests from time to time (Altbach and Peterson, 1999, World Bank, 2010). The study focused on three objectives and these were: To assess the challenges of financing higher education, to establish financing opportunities for higher education and to ascertain a cost effective financing model for higher education. The focus of the study was on the two major public universities in Zambia. The study used a descriptive case study research design in order to deepen the perception and get a clear insight of the challenges and opportunities of financing higher education. Data for the study was collected through examination of records, documents and study reports of individuals and organizations. The findings of the study were that funding higher education in Zambia was challenging. For instance, it was clear that Zambia and the country's low Gross Domestic Product (GDP) current overdependence on mining and limited Tax funding were rife amid the overemphasized increasing enrollments and unit cost of higher education; thus, universities relying on public funds have often compromised on quality. However, the provision of higher education in Zambia was now becoming more diverse due to the growing number of private institutions engaged in offering university education across the country.

The study thus recommended that;

1. The government through the Ministry of Higher Education should review the time necessary for students to complete certain programmes in order to create additional space for more students to enroll and reduce the current cost of higher education.
2. The government through the Ministry of Higher Education should engage into citizen awareness campaigns on the importance of cost sharing in higher education provision.
3. The government through the Ministry of Higher Education should revise the criteria for awarding bursaries to vulnerable students for example by working with local community leaders to determine those that are actually vulnerable and in need of assistance to pursue higher education.
4. The government through the Ministry of Higher Education should promote as much as possible delivery of higher education by private institutions.
5. The government through the Ministry of Higher education should help public institutions of higher learning to broaden their horizons by redesigning their academic programmes so that they embrace electronic mode of organization and delivery of tertiary education in order to reach out to international students at a much lower cost.

**Keywords:** higher education, challenges, opportunities, funding

### 1. Introduction

#### 1.1 Background of the study

Higher education is the education being offered by third level institutions such as colleges and universities. The study however, focused on the two major public universities in the country i.e. the University of Zambia and the Copperbelt University. At independence, Zambia did not have any public university. According to MOE (1996:91) <sup>[9]</sup>, "the establishment of the University of Zambia in 1965 gave a remarkable beginning of higher education in the country." It is on record that the University of Zambia was opened in 1965 after the first Republican President Dr. Kenneth D. Kaunda assented to the University of Zambia Act Number 66 of 1965 although the first academic session took effect on 17<sup>th</sup> March 1966. The Copperbelt University was once a section or constituent of the University of Zambia which came into

being following the new University Act that came into being in 1979 which eventually responded to the need to provide University training in the fields of Accountancy and Business administration which were not being offered at the University of Zambia at the time. Thus, the Copperbelt University opened in 1978 as part of the supposed University of Ndola situated at the Riverside campus of the Zambia Institute of Technology (ZIT). In 1987 The Copperbelt University became an autonomous institution, a fully-fledged University following the changes that took place in the University Act. Following the Higher Education Act "Universities Act No.26 of 1992" which provides for the establishment, regulation, control and functions of public universities; to provide for the registration and regulation of private universities; to repeal the University of Zambia Act, 1965 and the Copperbelt University Act 1987 which defines the public university as

“any university which is wholly or partly maintained or financed by the Government, or a local government authority out of public funds. The government of Zambia holds higher education in higher esteem due to its central importance to the economic and social development of the country as its activities advance and preserve society’s intellectual, scientific, cultural and artistic endeavors (MOE, 1996) [9]. In other words, higher education is very cardinal in creating new knowledge and developing new insights through research as one of their roles is to act as conduits for the transfer of knowledge and skills generated elsewhere in the world (MOE, 1996) [9]. In order to benefit adequately from this investment in human capital, higher education institutions must have financing to provide quality training and sound professional prospects to their students.

Institutions of higher learning are however, faced with a number of challenges which are acting as barriers. These can be grouped into tangible barriers such as resources like books and intangible barriers such as lack of motivation. One major challenge affecting higher education and a hindrance factor was government’s inability to finance the educational sector as expected. The running of education as proposed by Kelly depends on real resources which include staff, buildings, equipment and others all of which require adequate funding. Although the financing of higher education can also be done by individuals, public and private enterprises, government plays a major role although it does not generate funds for education per se rather its role was simply to allocate funds coming from the suppliers of finance; the central government is engaged in disbursing funds raised locally and those obtained through bilateral and multilateral arrangements (Kelly, 1991) [6].

“Public higher education institutions in Zambia i.e. the University of Zambia and Copperbelt University derive most of their funding from the government.” However, due to the economic recession and the fall of copper prices on the global market, the government’ financing capacity has drastically reduced despite the fact that levels of expenditure need to be sustainable for education policies to bear fruit and have a lasting impact. (Kelly, 1991) [6]. The challenge of financing higher education is believed to be worse in Africa. Moreover, financial constraints do not only have an effect on the education sector but it was intersectoral and further affects individual students and also public institutions generally relying on the government for their funding.

**Table 1:** The table below shows the Copperbelt University Funding Sources (Estimate data, 2007)

Sources of Funding	Percentage of total Funding/income
Student fees	25%
Government subsidy/grants	70%
Other (internally generated income)	5%
Total	100%

Source: SARUA (2009) [14]

In order to promote financial freedom and enhance managerial, administrative and academic freedom, arrangements are often made to ensure that institutions sourced funds for their own resources and from cost-sharing schemes. This arrangement aim at promoting the development

of a culture of revenue-generation to meet general running costs. The revenues generated will also be in the form of grants that, within agreed parameters match revenues generated by the institution (MOE, 1996) [9]. Some people may wonder why the government would not let recipients of education pay in full but it was in government’s interest to equalize the distribution of its resources, spreading benefits of services to those who cannot afford. This means that the government is able to transfer resources from the more privileged to the poor and less privileged. Moreover, considering its high cost, education is often jointly financed by private individuals and by the State thus it always costs recipients something (Kelly, 1991) [6].

Student enrollments have continued growing significantly not only in Zambia but also worldwide as the demand was growing exponentially. It was estimated that more than 150 million people will be seeking higher education by 2025 (Chihomboni, 2013) [3]. Thus, the high student’s enrollment was posing a challenge to the financing of higher education especially with the high poverty levels among the population coupled with the high unemployment rates and the decline of the economy. Moreover, the coming in of the Copperbelt University also contributed to the increasing demand for higher education financing because it meant that the government either had to double or even treble its financing contract to meet the costs of the two institutions then, the trend which has kept growing with the coming in of more public universities on board.

We need to point out here that University education is very expensive for an ordinary Zambian without government intervention. In line with the above mentioned, Johnstone, (2004) [4] suggests that the problem of financing higher education was in fact more problematic in Sub-Saharan Africa than anywhere else in the world despite being a worldwide problem. Furthermore, he attributes the challenges to the high and increasing unit (or per student) cost of higher education entrenched in tertiary education function that was both capital and labour intensive and secondly to the pressure for the increasing enrollment arising from the high birth rates which contribute highly to the rapidly increasing numbers of young people completing secondary education with high ambitions for tertiary education (Chihombori, 2013) [3].

Although the fees being charged by higher institutions of learning could seem as if they were somewhat irrationally high, in the actual fact, they were not able to meet the economic costs of education (MOE, 1996) [9]. While the government has the responsibility to support students in university education, the trend has strained public resources in a way that can no longer be sustained (MOE, 1996: 104) [9]. In fact it was in the same vein that the government was now considering increasing private resources in higher education provision although the trend was seemingly retrogressive to students coming from poor families as finances have been cited to have had an impact upon students’ failure to pursue programmes of their choice for instance. The issue of equity and greater access to education has been confronting governments for a long time. To the contrary, it was not the quantity that matters; hence most governments cannot cope with the cost. However, it was another challenge for the governments to change the minds of people which were initially oriented to see the government play a major role in financing public universities, a subject matter which is

leading to severe pressures to modify traditional state support for higher education (Kapur and Crowley, 2008) <sup>[5]</sup>.

## 1.2 Statement of the problem

The 1996 national policy document; 'Educating Our future', points out that; the State's aim was to make it possible for its citizens to live useful lives, taking into account knowledge and skills appropriate to their age, the social and economic roles, the complexity of the modern world and the social environment in which they live (MOE, 1996) <sup>[9]</sup>. Despite the high demand for admission only very few applicants rated at about a quarter of the total applicants' population are admitted each year due to institutions' lack of capacity which we might be attributed to inadequate space or facilities and other factors such as the high rate of population growth among other things (Kelly, 1991) <sup>[6]</sup>. Apart from the said inability to enroll adequately, it is common to find dilapidated infrastructure at both the Copperbelt University and the University of Zambia coupled with the declining quality of teaching, research and the decline of governance systems, persistent student unrests or protests characterize the whole process (World Bank, 2010) <sup>[17]</sup>.

In addition to the above mentioned, it was also becoming clear that there was in fact more to it. For instance, it was not only the poor state of infrastructure which was reportedly shocking at CBU, they were also inadequate. Further and for instance, the School of Business at the Copperbelt University operates under severe funding problems and claimed the underfunding resulted into deficiencies in teaching aids, textbooks, and research and library facilities. This left much to be desired as it led to the scramble for reading places when the library opened while the challenges also contribute to bitterness by staff due to low salaries. Thus, both staff dissatisfaction and student unrests have often arisen from government's failure to pay adequate staff emoluments and different categories of allowances to students respectively. For instance, book allowances given to students to purchase books were very inadequate compared to the prices of books while the university does not buy books instead students depend on few mutilated and outdated editions. Amid the said problems and others, it was becoming clear that the State seem unable to meet the costs of the numerous demands of the university as low funding was apparent thereby leaving the university with numerous challenges as noted above. While enrollments have continued rising in public universities, resources and the faculty, have not kept up with the needs. Thus, the study sought to assess the challenges, establish financing opportunities and ascertain cost effective financing model for higher education at University of Zambia (UNZA) and Copperbelt University (CBU).

## 1.3 Significance of the study

The study was necessary because the findings would help stakeholders such as the Government of the Republic of Zambia and the Ministry of Higher Education, the University of Zambia, Copperbelt University management, donors, development partners, the international community, and other interested parties and Zambians at large to understand the consequences of inadequate financing of higher education. On the socio-economic development of the nation. In other words, the findings would contribute some knowledge to the ongoing arguments on the challenges of funding higher

education in Zambia and empower the policy makers with the ideal knowledge for decision making and also provide some insight into the perceived solutions and further offer some insights to other higher education systems with similar challenges with a view of reforming their higher education financing systems and to other researchers wishing to take on similar studies and to address the matter further.

## 1.4 Literature Review

There were dilemmas surrounding the development and expansion of higher education. For instance in South-East Asia tensions were reported to have emerged between the desires to expand the quantity of higher education and improving the quality. Besides the increasing populations, the high enrollment rates in public universities were also attributed to the fact that they were much better known institutions of higher learning having been established decades ago before the private ones came into existence and also due to the heavy subsidies by governments resulting in lower tuition fees making them more attractive to students (Punyasavatsut, *et al.*, 2005) <sup>[10]</sup>.

Higher level institutions in Sub-Saharan Africa face the difficult policy challenge of balancing the need to raise educational quality with increasing social demand for access leading to increased funding challenges World Bank (2010) <sup>[17]</sup>. The report noted further that the enrollment rate was relatively higher than the financing capabilities, reaching a critical stage where the lack of resources has led to severe decline in the quality of instructions and in the capacity to remain focused and to innovate due to the overstretching of public funding in most countries (World Bank, 2010) <sup>[17]</sup>. Moreover, access is reportedly an important issue everywhere in Africa due to the rising demand for skilled personnel for the developing economies although funding is reportedly the greatest challenge (Altbach and Peterson, 1999) <sup>[2]</sup>.

Perhaps we need also to understand the sources of education finance in Zambia; education was regarded as a public good with clearly defined social profitability or externalities that accrue to society. Thus, the government was tasked to intervene in the provision of higher education to citizens. Therefore, public finance has been cited to represent on average the bulk of national educational expenditure reaching about 80% or more of the total although there could be variations in different countries (Altbach and Peterson, 1999) <sup>[2]</sup>. However, the level of educational expenditure was mostly determined as the share of the Gross National Product (GNP) that countries devote to education or measures of per student expenditure (Sarvedra, 2002) <sup>[13]</sup>. From the percentage of government expenditure as cited above, we can thus observe that finances also come from other sources which include households, civil society organizations and private sector while international sources also play an important role in developing countries (Sarvedra, 2002) <sup>[13]</sup>. Furthermore, countries in the Middle East, North Africa and Sub - Saharan Africa are reportedly to have sustained the highest education finance efforts in the world although the main challenge higher education was facing was the preservation of past achievements while adapting to new market economies and democratic practices in a context of stagnant public resources (Sarvedra, 2002) <sup>[13]</sup>.

Despite the higher public investment in higher education which has doubled in some countries, generally, there has

been a decline in public expenditure per student. The decrease has been at 30 percent the last fifteen years, although the decline may as well vary from country to country across the world regions. For instance, in Thailand, most of the resources supplied to the higher education sector were channeled to producers of educational services and the growth of budgets for education expenditure did not keep pace with the growth in the number of students enrolled. World regions which recorded significant reductions in the resources available per student include Latin America and the Caribbean and South Asia Region (Saarvedra, 2002; KMUTT, 2005) <sup>[13]</sup> <sup>[7]</sup>.

Of course the decline in the public expenditure per student could also be attributed partly to the high enrollment although the cost of education has also risen drastically. Generally, university education is very expensive; teachers, learning materials, equipment and facilities are all very costly (Saavedra, 2002, Altbach and Peterson, 1999) <sup>[13]</sup> <sup>[2]</sup>. Thus, universities are finding it very difficult to maintain teaching staff while lecture theaters and halls are overcrowded and buildings are falling into disrepair whereas teaching equipment cannot be replaced... Additionally, Altbach and Peterson, (1999) <sup>[2]</sup> report that the professoriate is being asked to do more with less, student teacher ratios are very high, academic salaries and morale have deteriorated although it was a well-known fact everywhere that the university cannot be an effective institution without a committed academic profession and a conducive working and learning environment was fundamental. Hence, in most instances, the lack of resources has been cited to contribute to student protests and strikes that jeopardize the completion of the academic year (Altbach and Peterson, 1999) <sup>[2]</sup>.

In fact, most of the higher education institutions in Sub-Saharan Africa and in other parts of the developing world were believed to have similar experiences such as dilapidated infrastructure, declining quality of teaching, insufficient teaching equipment... while most of these weaknesses were due to financing (Chihombori, 2013) <sup>[3]</sup>. Similarly, (SARUI, 2009 : 17) <sup>[14]</sup> claim the main challenges facing the Copperbelt University include; “inadequate government funding, student bad debt, poor research facilities, lack of alumni support and the inability to charge economically aligned fees.” It was however quite difficult to determine the adequate levels of resources a country should devote to education that would determine the quantity and quality of education although it was believed a good education financing system generates an adequate level of funding while promoting efficiency and equity aimed at optimizing the distribution of quality and its benefits among members of society (Saarvedra, 2002) <sup>[13]</sup>.

Thus, the rapid expansion in student enrollments accompanied by the dwindling financial resources has a negative impact. In other words, while the student numbers have grown drastically, it has not been so with the resources. In fact, the high demand for higher education has contributed to the rising demand for students seeking to attend university in other countries such as the United Kingdom, the US and India. The implication was that “the current growths in student enrollments exceed the capacity of most African economies to meet the high demand for university education” (Altbach and Peterson, 1999:33) <sup>[2]</sup>. As a result of the overemphasized high enrollments, universities relying on

public funds have seen an increase in the cost of higher education and often compromised on quality.

It was inevitable that the nation experiences different challenges with regard to funding of higher education especially relating to the inadequate allocation of funds to the sector and institutions per se. Of course the challenge was not unique to Zambia rather it was almost everywhere in Africa and beyond. For instance, Kenya and Tanzania were among the African countries which have been cited to have experienced similar problems; some of the reasons could be due to the narrow tax base and fiscal constraints of most African economies and their over-dependence on foreign aid for most of their investment budget. This could further be witnessed by the high levels of lobbying through political processes for resources and through the establishment of the Private Public Partnership (PPP) initiative. At this stage, the aforesaid would not be complete without mentioning bodies such as the International Monetary Fund and The World Bank and programmes such as the Structural Adjustment whose aims were either to stabilize or adjust policies with a view to reducing state involvement in providing social services, education inclusive. Additional observations include the high rates of inflation which has seen increased funding in public universities being quickly offset (Altbach and Peterson, 1999) <sup>[2]</sup>. Although financial constraints in higher institutions of learning were a matter of global concern, it can be well understood at national level because the impact may be different from one country to another.

The most important point however, was that an efficient allocation and use of scarce educational resources and their equitable distribution was cardinal at improving access and quality education. Indeed, governments have to unwind rules and increase autonomy and decentralization while they must learn from other countries who were effectively managing the loans and grants. Thus, flexibility was cardinal if higher institutions of learning would be able to make positive headways to the global challenge of funding. For instance, the privatization of higher education was now a worldwide phenomenon of considerable importance (Altbach and Peterson, 1999) <sup>[2]</sup>. Therefore, private initiatives were very important although private universities’ major intention was most notably that of profitability, they help society in expanding access to higher education as they have now become one of the business opportunities.

Participating in higher education can be a mode of investment that can generate high returns especially now that policy-makers view higher education as something that benefits the individual rather than as a public good where the benefits accrue to society (Punyasavatsut, *et al.* 2005) <sup>[10]</sup>. Thus, government may give responsibility for funding higher education to individuals and households. To reflect this shift in benefits, arguments still exist concerning the balance between the two and a clear understanding is necessary to determine the amount of public and private resources that should be invested since they both have an element of economic benefits. In view of this, economists carry out cost-benefit and rates of returns analysis to estimate the social and private rates of returns to investment in education although non-economic benefits were also a necessary contemplation (Al-hajry, 2002) <sup>[1]</sup>.

Supporting the idea of cost sharing considering the human capital concept, education and training raise future income

through increased earnings therefore it was ideal for human beings to invest in themselves (Woodhall, 1997) <sup>[16]</sup>. Cost sharing has high reaching benefits in higher education provision although resistance was inevitable especially to the beneficiaries of the system. However, it was high time citizens started widening their focus such as to think of the strain on government resources if the government had to bear most of the costs other than just to support their personal interests and those of their immediate family members. Thus, while there were a number of individual benefits, the growing challenges which have already been stressed should also be taken into consideration. It was in this vein that current approaches to higher education funding seem to emphasise the need for users to pay for the cost of instruction considering its costly nature and the constrictions on public expenditures in many countries especially in the poorer parts of the world (Altbach and Peterson, 1999) <sup>[2]</sup>.

In Zambia the cost sharing policy requires that government, institutions of higher learning and students share the cost (MOE, 1996) <sup>[9]</sup>. However, one scholar criticized the manner in which the cost sharing policy was being instituted in Zambia's public universities as he claims the universities were still dependent on government in financing different aspects of their budgets including capital projects and staff emoluments (Masaiti & Shen, 2013) <sup>[8]</sup>. In view of the foresaid, the idea of cost sharing was not meeting its intended purpose of relieving the government of the financial constraint. Therefore; it was true that the costs of higher education should be borne by the students unless there were convincing reasons for the costs to be subsidized. Indeed, students' financial contribution to their education was an ideal way of making universities not only effective but also sustainable (Johnstone, 2009) <sup>[4]</sup>. Perhaps we need to find the root cause of policy failure after so many years of its advocacy and introduction because it seems there were just some elements of rigidity in one way of the other.

## 2. Research Methodology

### 2.1 Research Design

The study used a descriptive case study research design in order to get a clear insight of the challenges of funding higher education in Zambia. An external desk research technique was used in the collection of data. The data for the study was collected through examination of records, documents and study reports of individuals and organizations. In other words data was collected from existing resources to assess the challenges of financing higher education, to establish financing opportunities for higher education and to ascertain a cost effective financing model for higher education on the two public universities in Zambia.

### 2.2 Target Population

The target population included all public universities in Zambia.

### 2.3 Sample Population

The University of Zambia (UNZA) and Copperbelt University (CBU)

## 3. Findings and Discussion

The results of the study show that the University of Zambia and the Copperbelt University derive most of their funding

from the government although the practice of funding higher education in Zambia was somewhat challenging due to constraints affecting the public budget (MOE, 1996) <sup>[9]</sup>. Thus, financing higher education seems quite challenging to execute meticulously due to various reasons some of which include the State's current Gross Domestic Product, the narrow tax base and the economic recession resulting in what we may term as poor financial position compared to the numerous responsibilities which the State has to fulfill both in the education realm and in other areas. The financial challenges were also in part due to the current growth in student enrollments being experienced in Zambia like in most African countries. This is due to the high and unavoidable population growth rate and the expansion of secondary schools which means that there were more people aspiring for university education now than never before (Altbach and Peterson, 1999) <sup>[2]</sup>. According to MOE (1996) <sup>[9]</sup>, deteriorating economic conditions in the nation have led to the state's failure to retain university staff many of whom leave the country because their salaries were not very competitive to those paid elsewhere in Southern Africa. However, this picture is changing gradually. This exodus translates into a massive financial loss in terms of investments in training and expertise. Additional challenges include the high student-teacher ratios and high teaching loads on the available staff (World Bank, 2010) <sup>[17]</sup>.

A further observation was that due to the overemphasized high enrollments, universities relying on public funds have often compromised on quality. Commenting on the same issues, other scholars claim, "the inadequacy of funding contributes not only to institutions' limited ability to offer adequate remuneration but also to investment problems in infrastructure, research facilities, and equipment, thereby hindering overall research capacity" (World Bank, 2010: 26) <sup>[17]</sup>. Similarly, a further evaluation of the Copperbelt University revealed that there is practically no research going on at the school because there are no funds at all (internal or external) available for research activities. In view of the said, individual public higher education institutions should be given power and responsibility to work as if they were private sector institutions i.e. they need to conduct self-evaluation, prepare institutional development plans based on their own particular needs and arrange budgets according to their projected resources and priority needs.

There were good examples of successful institutions of higher learning that generate income through entrepreneurial skills as can be seen from the Russian example where over 50 percent of the earnings come from the said activities although for most developing countries there was still much more to be done such as changing the mindset of most stakeholders (Altbach and Peterson, 1999) <sup>[2]</sup>. However, what has worked well for others would definitely work well for the University of Zambia, Copperbelt University and a nation as a whole, therefore, we need to adapt to new changes if our country is to forge ahead successfully. There was indeed much to learn from others' experiences especially that Zambia was a developing country. For instance, autonomy in budgetary, personnel and programmatic matters in some countries have increased the need for public institutions to learn to manage the enterprise by applying techniques from business and it has worked well for many European universities (Altbach and Davis in Altbach and Peterson, 1999) <sup>[2]</sup>. Perhaps one point of

emphasis to the aforesaid strategies was the much yearned matter of transparency and accountability which institutions of higher learning need to credibly portray not only to the government and students but also to society at large.

Some scholars further suggest that partnerships between the state and other stakeholders were essential as they lead to cost sharing between different partners. Some of the obvious partners being parents, hence, the coming in of the phenomenon of cost-sharing which was becoming a worldwide trend in the financing of education which is being achieved through the introduction and increase of tuition fees, withdrawal of subsidies and maintenance grants and the introduction of student loans (ibid.). Cost-sharing though not new in the Zambian education system stresses shared responsibilities to cover the cost of instruction (tuition) or user charges, the cost of lodging, food and other expenses related to student living that may significantly be borne by the government. Moreover, it was believed the great benefit of higher education was more private than social, it was from this perspective that the World Bank argued that students should pay for their own higher education costs (Pscharopoulos, 1994 in Chihombori, 2013) <sup>[3]</sup>.

Due to the numerous calls for the diversification in the financing pattern, Zambia like other Sub-Saharan African countries has diversified the financing mechanism. The aforesaid however, does not mean that educational benefits only accrue to individuals rather there were also some non-economic benefits such as social, political and cultural which accrue to the whole society (Omari, 1991 in Chihombori, 2013) <sup>[3]</sup>. These extended benefits thus declare education as a public good worthy justifying government financing intervention. The role of the state cannot be overemphasized in the issue of higher education funding. While the cost-sharing model was in place, the manner in which it was being applied in Zambia's public Universities does not seem to solve the problem because universities were still over dependent on government in financing different aspects of their budgets including capital projects and staff emoluments (Masaiti, *et al.*, 2013) <sup>[8]</sup>. Some of the most prominent challenges emanate from the maintenance of outdated practices that were rigid and which frustrate efforts of adopting good practices from other higher education systems (World Bank, 2010) <sup>[17]</sup>. Concurring with the aforementioned, it is argued that higher education in Africa suffers from institutional rigidities that make it difficult for colleges and universities to adjust their strategies to be more responsive to the market demand and cites the strict control of ministries of education as one of the major contributing factors.

Perhaps an element of resistance would also explain the fact that not all stakeholders in higher education were convinced that cost-sharing was desirable (Johnstone, 2009) <sup>[4]</sup>. However, resistance to cost-sharing was seen to have severe implications for instance, it has been cited to have contributed to the fall of the government in Ghana (Woodhall, 2004 in Chihombori, 2013) <sup>[16]</sup> <sup>[3]</sup>. In fact, the government should ensure that the decentralization of public universities was not only on paper but a reality whereas it needs to avoid interfering in matters of finance such as determining of cost sharing, releasing of grants, determining tuition fees and the engineering of the election of university administration and Council (Masaiti, *et al.*, 2013) <sup>[8]</sup>. Of course it appears the strategy of cost sharing has been met with some element of

opposition in many countries but it was a milestone in providing relief to the government. Apart from just providing relief, it may also diversify higher education revenue and promote equity and efficiency (Masaiti, *et al.*, 2013) <sup>[8]</sup>. Realizing the benefits, the government of the Republic of Zambia encourages and promotes participation and creates conditions that allow the human, financial and other resources under the control of private and voluntary agencies and religious bodies to be channeled into the education sector without hindrance (MOE, 1996) <sup>[9]</sup>.

As a developing nation, there were numerous lessons Zambia needs to learn from advanced countries such as the United States which include the manner in which they institute their tuition fees, loans, vouchers ... As a matter of fact, it was well known that poorer countries often tend to charge higher user fees and more often the comparison given here may be considered to be over exaggerated considering the economic disparities between the two nations. It has been observed further with dismay that the policy of cost – sharing lacked clarity to many concerned Zambians despite its numerous support in higher education finance world over (Scott, 2002 in Masaiti, 2013) <sup>[8]</sup>. Mobilizing private sources of funds helps to increase resources per student per dollar than rely exclusively on public sources. Therefore, private sources if well mobilized and properly utilized can increase the availability of the much needed funds (Saavedra, 2002) <sup>[13]</sup>. However, the cost sharing agenda would be more feasible only upon stepping up the awareness involving a wide range of stakeholders such as families, students, private sectors of the economy and social mediators involved with higher education especially that the benefits of cost-sharing were threefold; the diversification of higher education revenue, promotion of equity and efficiency (Johnstone, 2003 in Chihombori, 2013) <sup>[4]</sup> <sup>[3]</sup>.

Thus, the cost sharing measure which was already in place has to be embraced highly into the funding strategy accompanied by targeted scholarships or loans to promote students from poor families to access education too. There was need for a clear description of the intended beneficiaries of the grants and loans while transparency was equally cardinal. In fact it was on record that student loans too were already in place in Zambia and other Sub-Saharan countries, but the major outcry was in the manner in which they were being executed (World Bank, 2010) <sup>[17]</sup>. The deferred tuition fee (loan) policy was however one of the cost-sharing measures yielding positive results in expanding accessibility of higher education.

With an implantation of cost-sharing though, a loan's deferring effect is often welcome by many stakeholders (World Bank, 2010) <sup>[17]</sup>. However, depending on how they were structured, they were believed to address issues of equity, access and sustainability in higher education delivery. Perhaps, we must mention here that the repayment mechanism of the loan was seemingly a challenge too unless much more measures were put in place the repayment of the loans will continue to pose some challenges. For instance, there were some recommended possible modes of repayment which include the collection by employers at the point of wage or salary payment along with deductions for income tax withholding and insurance and pension obligations as the case was in developed countries such as Australia and the United Kingdom. Commenting on a similar subject, Masaiti & Shen

(2013) <sup>[8]</sup> asserts “In Zambia’s case graduates in two public universities are trained at a great cost (given grants) and are not compelled to pay back to government institutions” He thus suggests this kind of support was becoming very unsustainable as tax funding was limited due to the current massification in higher education and also to competing needs. On the other hand, student loans were thus becoming volatile especially with the current spate of unemployment and job losses on the market Masaiti & Shen (2013) <sup>[8]</sup>.

Another important alternative model of higher education financing mentioned was the student bursary scheme which aims at providing financial support to students through the Bursaries Committee (SARUA, 2009) <sup>[14]</sup>. However, the system was equally facing some challenges such as the inadequacy of the funds which often lead to lobbying through political processes and through the establishment of the Private Public Partnership (PPP) scheme. Conceivably, the inadequacies could be the reason why scholarships vary where some students receive 100% scholarships while others receive 75% owing to the socio-economic status and the exemplary results obtained... (SARUA, 2012) <sup>[15]</sup>. Perhaps the point we need to argue here was that bursaries should be given to students from poor families because the majority of those who do exceedingly well at secondary school were from elite families because of their families’ obvious exposure as a result of the environment of their upbringing. Therefore, the criteria for selection of beneficiaries need to be revised. In the same vein Johnstone (2006) <sup>[4]</sup> argued that higher education subsidization increases income disparities by transferring resources from the poor to the rich since the benefits mainly accrued to the rich. On the other hand, the argument here was that education subsidies if not properly managed was retrogressive unless targeted on the poor only (World Bank, 2010) <sup>[17]</sup>.

In fact, with the coming in of the widespread electronic modes of organization and delivery of tertiary education services, the cost of higher education has significantly been reduced. This reduced cost of education was also reported in admissions to Open University education. For instance, the cost of producing a graduate from the Open University is about one-third that of a regular university. Therefore, there were currently some cost effective means of accessing higher education across the globe (Salmi, 2000) <sup>[11]</sup>. Furthermore, there were looming challenges of heavy competition in higher education delivery in this century due to the global information communication revolution which has seen a tremendous growth in the delivery of lectures off-campus via satellite at a fraction of the cost (Salmi, 2000) <sup>[11]</sup>. Indeed if there were such cheaper and competitive means of offering higher education then the future of higher education was quite unprecedented and cardinal to offering better solutions to the much bemoaned ever increasing high cost of funding higher education not only in Zambia but across the globe. It was in this view that both countries and institutions of higher learning were being challenged to take advantage of the new opportunities and be proactive in launching meaningful reforms and innovations. In fact, despite just being an alternative solution to affordable education, this was also a competitive version of education provision.

Some questions may arise though, concerning the quality of programmes being offered by private institutions. But it is good to note that the government has in place means of

providing checks and balances. For instance, the regulatory role of the Higher Education Authority (HEA) whose mandate was to check on the issues of quality before registering the private universities cannot be exaggerated. Of course quality assurance is essential to ensure minimum standards of quality are met. Therefore, we cannot run away from the fact that each of these new ways of learning have their own advantages and disadvantages as can be seen from this assertion “distance learning is a world of extremes, when you look at the best university education around the world, some of it is now distance learning, when you look for the worst, all of it is distance learning (Salmi, 2000) <sup>[11]</sup>. Otherwise it is high time that as a nation, Zambia should be flexible enough and promote academic growth while embracing teamwork among designers of pedagogical support materials, facilitators of resource based course delivery, mentors of students and evaluators of learning outcomes (Salmi, 2000) <sup>[11]</sup>. Amidst all these uncertainties it was important that the core business of higher education at this era stressed service to the nation and its citizens in an ever more competitive marketplace. Furthermore, innovation must be at the heart of every institutional mission and it cannot be overemphasized.

Moreover, some scholars seem to propose that private universities were advantageous for the nation. For instance, while students in public universities may be easily used by politicians to gain political mileage, in private universities students have less engagement to political activities and these are safe from staff strikes and student demonstrations. Therefore, private universities do not only respond to the excess demand for university education but also were a more sustainable way of providing tertiary education. Besides, there was some proof from the United States that private institutions recorded higher graduation rates than public institutions most probably because students were more concerned with how much they invested in their education and so wanted to get the most in return (Woessmann, 2008 in Chihombori, 2013) <sup>[3]</sup>.

Nonetheless, if students in private universities can pay for the cost of education, it was indeed possible for students in public universities to pay equally. This theory seeks to shift the belief of the majority of students and the general citizenry from free education to cost-sharing in higher education. It was in fact clear for instance that Mulungushi University was on course in implementing the cost-sharing measure effectively. Why then can’t the government roll out the strategy used at Mulungushi University to the University of Zambia and the Copperbelt University? The findings of the study indicate that charging fees to students who can afford it would change the dynamics by creating a more accountable system of mutual responsibility where students would be more demanding on the quality and relevance of their education other than the handout type with sociopolitical underpinnings of the government.

Additionally, it was argued that the large number of higher education students were from middle, upper middle and upper income families who ordinarily can afford to pay at least a portion of the costs of their education if they have to (Johnstone, 2006) <sup>[4]</sup>. Thus, the government should heed to calls by scholars to lighten its burden by becoming more flexible such as by reducing further the sponsorship of

students from the current range of about 80% of students to a sustainable capacity especially with a view to assisting students from poor economic backgrounds. In other words, the aforementioned emphasises on issues of equity and equality of opportunities which must be seriously taken care of so that students from poorer backgrounds were not marginalized in terms of access to higher education (Al-hajry, 2002) <sup>[1]</sup>.

Among the opportunities that the University of Zambia and the Copperbelt Universities had, were their ability to expand their service delivery by providing numerous vocational training, expert and research services beyond the programmed in order to earn extra income due to the high public need for higher education although there was a call for transparency in the distribution of the generated revenue (World Bank, 2010) <sup>[17]</sup>. Furthermore, there were calls for universities now to be more organized in order to meet the diverse needs of many clients who include working students, mature students, stay-at-home students, travelling students, part-time students, day students, night students, weekend students... (Salmi, 2000) <sup>[11]</sup>

Furthermore, many lecturers were nowadays beholden to supplement their income by offering their services in the private sector (World Bank, 2010) <sup>[17]</sup>. Of course there were some dangers if no proper control measures were put in place especially in terms of staff services as the process may also be retrogressive to the institutions where they were expected to work diligently. Another opportunity for higher education would be to allow individual access to education and defer the payments to the later years of the graduate's service, this sounds quite reasonable in that it seems viable both to the wealthy and the poor students alike although it may not be the only opportunity. There was a belief that students would in this case borrow in order to fund their higher education although serious implications have been reported surrounding the approach. For instance, the student would be required to repay the funds to the funding agencies after graduation in case of student loans. But some scholars argue about market imperfections and the lack of capital especially in developing countries citing the long periods that may be required for particular programmes to complete increasing the risk to lenders who would equally find the process very doubtful (Chihombori, 2013) <sup>[3]</sup>.

#### 4. Conclusion and Recommendations

There have been numerous challenges and opportunities for funding higher education in many countries. In the world, including developed countries, and Zambia is not an exception. For this reason, most countries, including Zambia have been seeking long-lasting solutions to the problem of inadequate funding for Higher Education. Coupled with other challenges such as poor financial position resulting largely from a narrow tax base and very low productivity in most sectors of the economy, hence a low GDP, higher education has remained poorly funded. Additionally, financial challenges were as a result of the ever increasing student enrollments and growing demand for higher education i.e. the demand for higher education has been increasing faster than the funding capacity of African governments which on one hand has resulted into high teaching loads on universities' lecture staff and the deteriorating quality of education among other effects. Suffice to note further that Higher Education

sector has to compete for finances with other sectors of the economy for a very limited resource envelop. This situation has been exacerbated by the economic recession the world experienced, the Zambian economy included.

In view of the said, the study recommended that

1. The government through the Ministry of Higher Education should review the time necessary for students to complete certain programmes in order to create more space for more students to enroll and reduce the current cost of higher education.
2. The government through the Ministry of Higher Education should engage into citizen awareness campaigns on the importance of cost sharing in higher education provision.
3. The government through the Ministry of Higher Education should revise the criteria for awarding bursaries to vulnerable students for example by working with local community leaders to determine those that were actually vulnerable and in need of assistance to pursue higher education.
4. The government through the Ministry of Higher Education should promote private higher education delivery as much as possible.
5. The government through the Ministry of Higher Education should help public institutions of learning to broaden their horizons by redesigning their academic programmes so that they would join the outside world by reaching out to students by engaging in electronic modes of organization and delivery of tertiary education services at a far much reduced cost.

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