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FINANCING PUBLIC HIGHER EDUCATION IN AFGHANISTAN: ALTERNATIVE SOURCES AND OPTIONS

Hassan Aslami
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**FINANCING PUBLIC HIGHER EDUCATION IN AFGHANISTAN:
ALTERNATIVE SOURCES AND OPTIONS**

A Dissertation Presented

by

HASSAN ASLAMI

Submitted to the Graduate School of the
University of Massachusetts Amherst in partial fulfillment
of the requirements for the degree of

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September 2021

College of Education

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Associate Dean of Academic Affairs
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DEDICATION

I dedicate this dissertation to my family

ACKNOWLEDGEMENTS

First and foremost, I offer my profound gratitude to Allah SWT for his love, protection, and blessing to my family and me and for giving me the ability and strength to finish this research.

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ABSTRACT

FINANCING PUBLIC HIGHER EDUCATION IN AFGHANISTAN: ALTERNATIVE SOURCES AND OPTIONS

September 2021

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Adequate financing is key to achieving the priority goals of higher education – access, quality, and relevance. In Afghanistan, the demand for higher education has increased remarkably while public higher education institutions still rely heavily on inadequate government funding. In addition, the constitutional provision guaranteeing free higher education up to the bachelor's level in public institutions, the overall weak economy of the country, and the lack of institutional autonomy, contribute to financial austerity in public higher education institutions.

This study explored alternative funding sources and options for financing public universities in Afghanistan. An integrated theoretical framework guided this study as it explored alternative options and the implementation of policies, practices, and procedures for revenue diversification.

This study used a qualitative research design based on Wolcott's (1994) three dimensions: description, analysis, and interpretation. The main data collection methods were document review and semi-structured interviews with 40 key informants. The research participants represented higher education institutions including leaders and administrators from public universities, faculty, students and alumni, as well as officials

from the Ministry of Higher Education. Other participants included representatives of the private sector and international donors and organizations.

The findings suggest several potential supplemental funding sources for Afghan public higher education. The major additional sources include entrepreneurial activities, user charges, a dual-track tuition system, donations, and tuition fees. The study discovered that public universities could also generate substantial additional income through partnerships with private and public sectoral ministries and institutions.

The findings also reveal several barriers to revenue diversification in Afghanistan higher education. The key economic factors include lack of financial capability of cost-sharing partners — families, students, businesses, and employers — limited employment opportunity for students, and nonfunctional financial autonomy. The organizational barriers comprised lack of proper institutional structure and capacity, accountability mechanisms, and an appropriate legal framework. Other major impediments are the centralized governing system, political pressures, and prevalent administrative corruption.

The study concludes that revenue diversification is essential to achieve the goals of the higher education system. Therefore, the study recommends that the public universities utilize one or two of the most feasible alternative sources such as entrepreneurial activities, user charges, and donations. Other recommendations include improving institutional capacity, garnering stakeholder and political support, and creating the necessary policy and legal framework to make revenue diversification possible.

Keywords: *higher education financing, additional financial sources, revenue diversification, cost-sharing, financial autonomy, Afghanistan*

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LIST OF ACRONYMS AND ABBREVIATIONS

AFS	Alternative Funding Sources
AHEAD	Advancing Higher Education for Afghanistan's Development
ANDS	Afghanistan National Development Strategy
BDO	Business Development Office
BMET	Biomedical Equipment Technology
GDP	Gross Domestic Product
HE	Higher Education
HEDP	Higher Education Development Program
HEP	Higher Education Project
HEIs	Higher Education Institutions
HR	Human Resources
IRB	Institutional Review Board
INGO	International Non-governmental Organizations
KU	Kabul University
KUMS	Kabul University of Medical Sciences – Abu Ali Ibn Sina
KPU	Kabul Polytechnic University
MoF	Ministry of Finance
MoJ	Ministry of Justice
MoAIL	Ministry of Agriculture, Irrigation, and Livestock
MoHE	Ministry of Higher Education
MoUDL	Ministry of Urban Development and Land
NGO	Non-governmental Organization

NHESP	National Higher Education Strategic Plan
PPP	Public-Private Partnership
PuP	Public-Public Partnership
SREU	Professor Shaheed Rabbani Education University
UNFAO	Food and Agriculture Organization of the United Nations
USAID	United States Agency for International Development
USWDP	University Support and Workforce Development Program
WHO	World Health Organization

CHAPTER 1

INTRODUCTION

Development and growth in every country are largely dependent on the quality of the university system. The World Bank has shown that no nation moves into the realm of developing economies without a high-quality higher education system (World Bank, 2002). It has also been demonstrated that the “quality of higher education” is the key to economic development (Hanushek & Woessmann, 2007, p. 3). I argue that no priority goal in higher education, access, quality, or relevance, can be achieved without appropriate investment. I concur with Barr (1999) that high quality and increased access to higher education are beyond the financial resources of most developing countries. Thus, without adequate investment in higher education, achieving high quality will likely lead to decreased access or vice versa. In other words, low investment in higher education will result in either low quality or reduced access or, in some cases, both. Therefore, any attempt to increase access, improve quality, and ensure relevance between academic programs and labor demand in the market requires increased investment. By investment, I mean a mix or hybrid funding, from both public and alternative sources, including the private sector, donations, entrepreneurial activities, and tuition fees. Excessive reliance on public financing is likely to reduce both access and quality.

Financing higher education has become a major issue, particularly since the first decade of the 21st century, as the cost of higher education has increased significantly (Altbach et al., 2009). The increase in higher education cost per student has been magnified by large enrollments, which have been accompanied by the inability of governments to fund public higher education adequately. Globalization and new technology have also

contributed to the increasing demand for higher education and the need for increased funding (Altbach et al., 2009). The world is changing rapidly, the economy is increasingly global, organizations are merging, and technology is being reinvented quickly, which affects all aspects of our lives, including the way we learn. For example, new technology allows universities to offer academic programs through e-learning worldwide (Altbach & Knight, 2007). Globalization has brought people, cultures, markets, and practices closer, increasing the demand for global partnership and collaboration in many aspects of our lives, including in higher education. One result of globalization is using English as the primary language for scientific communication (Altbach & Knight, 2007).

Many developing countries provide free public higher education; this practice causes financial austerity for universities, results in high student-faculty ratios, and limits access to Higher Education Institutions (HEIs) because they do not receive the needed resources to expand their capacity (Johnstone & Marcucci, 2010). According to Babury and Hayward (2014), lack of access to higher education can create a national dilemma, particularly in developing countries. The authors argue that admissions based on a nationally competitive examination coupled with the limited capacity of public higher education deny higher education opportunities to a sizeable number of qualified applicants. For example, according to Boardman (2012), in Afghanistan in 2012, some 35% of high school graduates who took the national entrance test could not gain entrance to any post-secondary higher education institution. He continues to say the high unemployment rate and lack of access to higher education institutions in Afghanistan put the high school graduates in difficult situations. Many of them are left with no option but to either flee the country and seek asylum abroad, join terrorist groups due to their resentment about lack of

jobs and government failure, or pursue illegal activities such as working in poppy fields or join gangs involved in robbery and kidnapping.

Additionally, many university graduates, with credentials, cannot find a job because of scarce employment opportunities in the local job market. One of the reasons is the lack of collaboration between academia and employers to equip the students with the skills necessary for the available and potential jobs. Thus, this research is important not only for exploring potential non-government or alternative funding sources for public higher education but also for understanding how the sources can be expanded to increase access and improve the quality in Afghan public institutions of higher education. Johnstone (2004a) also reminds education leaders about not merely relying on state or government financial support but also involving other key non-governmental stakeholders. In sum, creating effective models for financing public higher education is an increasingly important issue.

In this dissertation, I explored alternative revenue sources for public HEIs, the importance and feasibility of each source, strategies to attract and sustain funding from alternative sources, identify major challenges towards diversifying revenue sources, and propose recommendations for addressing the challenges.

Research Purpose and Significance

In this exploratory research, I examined the current funding of public higher education in Afghanistan and specifically explored potential alternative sources and policy options to increase and sustain funding for public HEIs in Afghanistan. The findings of this research will be important to the Afghan government, particularly to the Ministry of Higher Education (MoHE), to support and make necessary policy changes to increase funding for

public HEIs. The results will also be important to the Afghan members of Parliament who must endorse the changes, to the faculty members who will benefit from better incentives, to the students who will have more access to higher education and better learning facilities, and to the private sector to partner with HEIs and gain access to their rich resources. The results are also of interest to potential and actual foreign direct investment and foreign indirect investment in the country. Finally, this research is critical for the members of civil society to increase their support and advocacy for increased funding and full financial autonomy to public HEIs that will eventually lead to the economic development of the Afghan society.

Research Questions

Based on the conceptual framework drawn from the review of literature (discussed in Chapter 3), this study examined several potential non-government and alternative sources for funding public HEIs in Afghanistan. The research questions that guided this study were the following:

1. What are the perceptions of key stakeholders (students, faculty, education leaders and administrators, private sector, international donors and organizations, and government officials) regarding potential alternative sources and their appropriateness and value to finance public higher education in Afghanistan?
2. What are the perceptions of existing and potential challenges in financing public higher education from alternative sources in Afghanistan? Including:
 - a. Financial capabilities of cost-sharing partners
 - b. Structural barriers
 - c. Human resources capacity
 - d. Political pressures

- e. Legal impediments
 - f. Administrative corruption
3. What are the perceptions about what is needed to make it possible for public HEIs to access alternative funding sources? More specifically, given the current situation of Afghanistan:
- a. How to increase and efficiently use the financial resource?
 - b. What structural improvements are required?
 - c. What human resource capacities are required for managing the revenue from alternative sources?
 - d. What legal support is needed for the financial policy reform?
 - e. What forms [and levels] of political support are essential?
 - f. What types of transparency and accountability improvements are needed?

Background and Statement of Problem

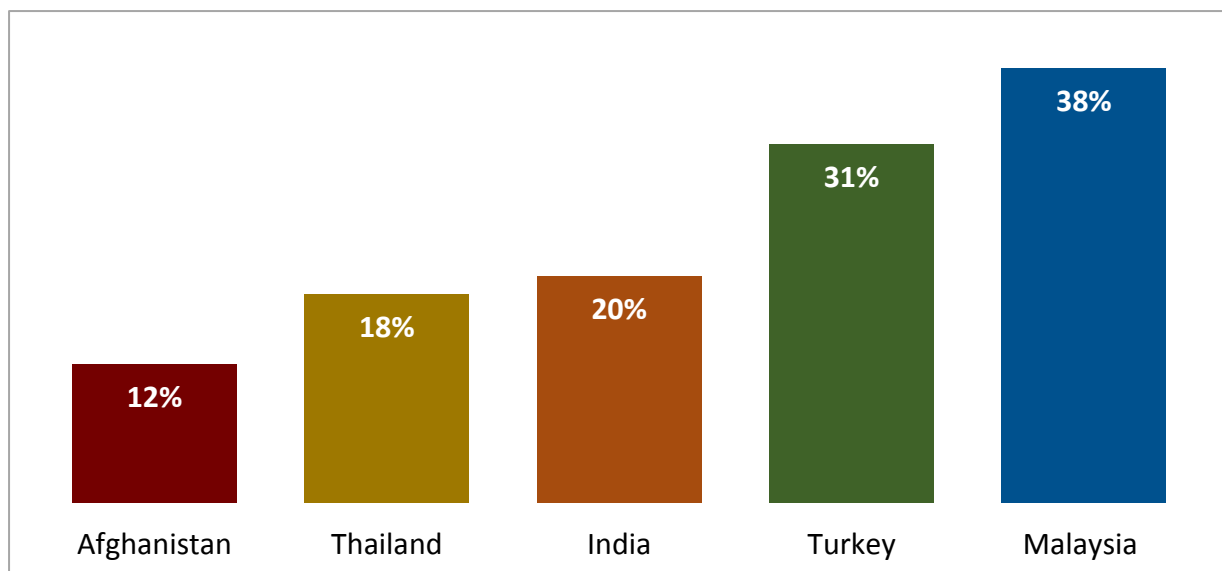
Afghanistan was one of the leaders in higher education in the south-central region of Asia before the 1980s. However, the Afghan higher education system is now well behind the rest of the region as years of war have exacted a terrible toll on Afghan universities and society. For example, enrollments in higher education institutions were composed of 1% of college-age students in 2003, 3% in 2011, and 9% in 2018, still among the lowest in the world (UNESCO, 2020; World Bank, 2020c).

In addition to instability and war over the last four decades that affected all aspects of Afghan society, including higher education, many other factors contributed to low enrollment and poor quality in the HE institutions. These factors include: (i) the inability of the government to adequately invest in higher education, (ii) the lack of donor interest in

funding HE, (iii) the overall weak economy of the country, (iv) the lack of autonomy of public HEIs, and (v) lack of infrastructure and a safe environment. Below, I briefly describe each of the factors.

Lack of government funding

Public higher education institutions (HEIs) rely heavily on government support, but higher education is not a priority for the Afghan government. At the national level, security, health, roads, communication, and basic education are the top priorities (MoHE, 2014). When it comes to education, most of the education budget goes to primary and secondary education, leaving higher education at the bottom of the list. For instance, in 2014, only 12% of the education budget was allocated for Higher Education, which is very low compared to other developing countries (World Bank, 2020b). The usual allocation for higher education in developing countries is about 20-30% of the education budget, shown in the figure below.



(Altbach et al., 2009; World Bank, 2020b).

Figure 1. *Percentage of Education Budget Allocated for Higher Education*

The public universities are obliged to provide free higher education up to bachelor's degrees because it is mandated in the Afghan Constitution. Limited government funding and the inability of the public universities to charge tuition and fees have contributed to the financial austerity that the Afghan Higher Education system is currently facing. For example, as presented in Table 1, the total annual budget for HE in Afghanistan in 2018 was \$114 million, or around \$600 per student, of which approximately 40% covers the cost of food and lodging. The expenditure per student without the food and living cost is estimated at \$400, which is far below the rate in the neighboring countries and the region where the expenditure is estimated at \$800 to \$1000 per student (Hayward, 2015).

Table 1 shows the budget that the Ministry of Finance (MoF) allocated to Higher Education for the fiscal years 2005 through 2018. However, we need to bear in mind that the figures presented are taken from the MoF approved budget documents for each fiscal year and are not necessarily the actual expenditures. Usually, the public institutions would neither be given the total budget promised nor utilize it entirely because of low capacity. Therefore, the range of actual expenditures is normally between 60-70 percent of the projected allocation. For instance, in 2016, the Afghan Parliament began impeachment proceedings for the Afghan ministers who failed to spend 70% of their development budget. Farida Momand, the former Minister of Higher Education, was one of the seven ministers whom the Parliament dismissed because the MoHE had spent 67% of its development budget.

Table 1. National Budget of MoHE 2005 – 2018

Year	Afghanistan Higher Education Budget (USD)		
	Operating Budget in millions	Development Budget in millions	Total Budget in millions
2005	12	16	28
2006	13	15	28
2007	18	11	29
2008	19	35	53
2009	25	43	68
2010	39	21	60
2011	44	26	70
2012	44	59	103
2013	61	73	134
2014	71	73	144
2015	81	53	134
2016	72	60	132
2017	77	42	119
2018	82	32	114

(MoF, 2018)

The fact that public higher education is free in Afghanistan and, therefore, institutions cannot charge those who can afford tuition and fees to supplement the limited government funding exacerbates the lack of funds. The constitution is interpreted in a way that obliges the public HEIs to provide not only free education but also free housing and food for those traveling to other provinces to get a university education, which makes the financial situation more dire. In brief, on the one hand, the government funding is not adequate to meet the minimum needs of the public higher education system; on the other hand, around 40% of the total higher education operating budget is spent providing free food and housing for students (MoHE, 2019).

Lack of Donor Interest

Higher education is also not a priority for international donors, as became evident from their lack of interest in funding the National Higher Education Strategic Plan (NHESP) for 2010-2014. The NHESP called for an investment of 564 million dollars over five years, an amount deemed modest by donors and other ministries when it was set in 2009 (Babury & Hayward, 2014). However, only 60% of the pledged funding was provided in year five of the plan. Besides, the assistance from the international organizations greatly depends on political conditions, which may cause funding to dwindle or evaporate suddenly. Additionally, the lack of capacity of the Afghan government to account for and spend the donor money is an issue. USAID and the World Bank are the major donors to higher education in Afghanistan (Boardman, 2012). Additional support comes from other donors like Japan, India, France, and the UK.

Overall Weak Economy of the Country

Afghanistan has the weakest economy in the world, with a GDP per capita of USD 499 (IMF, 2020). The population faces weak basic infrastructure (food, healthcare, electricity), security, unemployment, and poor sanitary conditions. In 2020, over 54 percent of Afghans live below the poverty line, with a 24 percent unemployment rate (TOLONews, 2020). Recently, President Ghani highlighted the poor economy of the country and estimated that 90 percent of Afghans are currently near or living below the poverty line. The Afghanistan economy worsened sharply after the withdrawal of NATO forces which the ongoing fight between the Afghan government and Taliban heightened. According to a quarterly report by the Special Inspector General for Afghanistan Reconstruction, COVID-19 had a severe impact on the country's economy that will contract

the economy at least by 3 – 10 percent, and the country is likely to enter a recession (SIGAR, 2020). The same report revealed that domestic revenue shrunk by 23.4% in the first six months of 2020 compared to the same period in 2019. The report also showed that income from taxes and customs dropped by 31.6% during the same period. In a nutshell, high levels of poverty, conflict, fighting COVID, decrease in foreign assistance, and other competing priorities put the Afghan government in a position of being unable to adequately fund higher education in Afghanistan.

Lack of Infrastructure and Safe Environment

Another key reason that public higher education cannot serve all qualified candidates is the lack of qualified faculty, staff, and limited classrooms at public universities. Currently, classes are over capacity; for example, 100 students are sitting in a classroom originally designed for 40 people. In addition, universities do not have enough dormitory spaces or adequate sanitation facilities. The existing dormitories can only accommodate 10 percent of all female students. As a result of the space issue, nine universities teach students in 2 or 3 shifts to efficiently use their existing infrastructure and facilities (MoHE, 2014).

The lack of safe, suitable housing is the primary concern of many families to allow their daughters to pursue higher education. Both infrastructure renovation and expansion should be top priorities for MoHE in the coming 5-10 years. Immediate infrastructure needs are to provide a minimum of 10,000 more dormitory spaces for women, to construct and equip other facilities, including classrooms, libraries, teaching halls, conference rooms, research centers, women's bathrooms, auditoriums, gymnasiums, and build office space for administrative staff. These facilities have a direct impact on access and quality as a whole,

and on women's participation, in particular. Public higher education needs additional funding to expand to respond to the growing demand for university enrollment. But where will this additional funding come from? This research will contribute to answering the question.

Lack of University Financial Autonomy

Higher education institutions do not have the freedom to generate and control the income from non-governmental resources. The HEIs suffers from the over-centralization of the financial system, which is primarily under the control of the Ministry of Finance. In other countries, universities receive a big portion of their annual budget from non-governmental sources, e.g., universities in Russia receive 50% of their revenue from dual track tuition, and in Ghana, 10% from entrepreneurial activities (Johnstone et al., 1998; Johnstone, 2004b).

The MoHE acknowledged that the public higher education system suffers from over-centralization of financial, administrative, and academic affairs. In late 2013, the Government of Afghanistan, in the face of scarcity of resources, granted some level of autonomy to the public universities to diversify their revenue sources to meet the challenges of expanding access, enhancing quality, and ensuring relevance. Financial autonomy was granted to eight universities — four of which were declared financially autonomous in 2013. The target articulated in the Afghan National Higher Education Strategic Plan 2015-2019 was 10 public HEIs through the end of 2019 (MoHE, 2015). As per the Plan, the following responsibilities were to be delegated to the HEIs, although the MoHE reserved the right to review the process to ensure quality and adherence to rules and regulations.

- Administer the university entrance exam for enrollment of students based on accepted standards and principles.
- Hire qualified faculty and administrative staff through a free competition based on merit and existing laws.
- Propose and establish new academic programs based on a thorough needs assessment and approved by an appropriate committee at the MoHE.
- Generate revenue from services, research, and philanthropies as the step towards institutional self-reliance (pp. 60-61).

There has been no progress on the first two areas and minimum progress on the last two points. The problem includes the lack of adequate autonomy, the lack of clarity in financial autonomy regulations, and the lack of capacity at the universities. To get the maximum benefit even from the partial autonomy and make a successful transition to full autonomy, the Afghan HEIs need to identify and implement some essential policy and structural changes. They also need to enhance their human and technological capacity and make technical and infrastructural improvements.

Historical Background of Financial Autonomy

Granting financial autonomy has been one of the most significant reforms implemented by the Afghan Ministry of Higher Education. In November 2013, the Afghan government approved a *Regulation* allowing Afghan public universities to generate supplemental revenue from alternative sources (MoJ, 2013). These alternative sources can include delivering academic and professional services, public-private partnerships, and receiving donations.

Article 2 of the Financial Autonomy Regulation articulates the key objectives for granting more autonomy to the public universities as follow:

1. Expand the services of public universities in natural and social sciences. 2. Find financial resources and funding to conduct academic research and expand public universities. 3. Provide budgetary and academic autonomy for public universities. 4. Facilitate the condition for donors to directly support the universities financially, provide rules for opening bank accounts for the universities, and describe ways that the universities can use funding (MoJ, 2013, p.1).

At the outset, four public Kabul-based universities, including Kabul University, Shaheed Rabbani Education University (SREU), Kabul Polytechnic University (KPU), and Kabul University of Medical Sciences – Abu Ali Ibn Sina (KUMS), were declared financially autonomous by the higher council of higher education institutes. These universities are the oldest and largest institutions of tertiary education in the country. Throughout their long history, over 80 years, these universities have provided higher education to a large number of Afghans as well as to some international students. These universities have a good reputation in the country and are considered as mother universities for other smaller universities in the provinces.

The financial autonomy bylaw also articulates that “The establishment of financial autonomy will be a gradual process that will be granted to universities based on their workload and their ability to demonstrate strong financial and administrative capacity” (MoJ, 2013, p. 7). The bylaw further notes that public universities should submit their proposals to the MoHE for review and approval of the High *Council* of Higher Education Institutions to be granted financial autonomy.

In 2018, four more major universities of Nangarhar, Herat, Kandahar, and Balkh were granted financial autonomy. These are the largest provincial universities located in four key economic zones, bordered by neighboring countries – Pakistan, Iran, Tajikistan, and Uzbekistan. In addition to serving students from their respective and adjacent provinces, these universities also support the smaller universities and higher education institutions in their regions, mainly with teaching, development of curriculum, and teaching materials.

USAID, a major donor to higher education, through its University Support and Workforce Development program (USWDP, 2019 - 2019), supported public universities to develop the legal framework for university financial autonomy. With assistance from the program, MoHE conducted awareness workshops about the Financial Autonomy bylaw for the leadership of public universities and stakeholders, including the Ministry of Finance. Right after the approval of the *regulation*, a Financial Autonomy Committee was established at the MoHE. The committee is led by the Deputy Minister for Finance and Administration with the membership of the Director of Finance, Vice-chancellors for Finance and Administrations, and Vice-chancellors for Academic Affairs from four Kabul-based universities to oversee and help with the implementation of the reform. At the university level, Boards of Trustees were established at all Financially Autonomous Universities to serve as the decision-making body for all financial autonomy-related issues and provide technical support to different departments and faculty within their campuses.

Moreover, capacity-building training was provided at the MoHE, the Kabul-based, and four provincial universities to help them with the implementation of Financial Autonomy. The training included public financial management, public procurement, human

resources management, and financial legislation. With support from USWDP, over ten policy documents, procedures, and guidelines were developed to assist with the implementation of the Financial Autonomy Regulation. These include:

- Financial autonomy implementation manual
- Incentive policies for HEIs and teaching hospitals
- Inventory and fixed assets procedure
- Scope of work for the Board of Trustees
- Scope of work for innovation and partnership office
- Revenue generation tracking system
- Costing scheme for degree programs

Additionally, as the bylaw requires, all four Kabul-based universities opened private bank accounts, while the process for the four provincial universities was underway as of March 2020. The university bank accounts are the essential first step for them to embark on income-generating activities. The accounts are also necessary for those donors who are interested in direct contributions and are reluctant to contribute through the Ministry of Finance or national budget. At the university level, the Board of Trustees is responsible for monitoring and managing deposits and approving expenditures of the funds.

Definitions and Terms

Cost-sharing: As a government policy, cost-sharing mainly refers to shifting some higher education costs from governments to private sources, particularly parents and students (Johnstone, 2004a; Johnstone & Marcucci, 2010; Sanyal & Johnstone, 2011). Cost-sharing has been regarded as one of the most promising strategies for financing HE worldwide. It also refers to the diversification of revenue sources by engaging various

parties to share the costs of HE. Especially when the funding reduces or drops from one party, HEIs call for an increase from one or more other sources (Ahmad, 2015).

Entrepreneurship: Askun and Yildirim (2011) define entrepreneurship as a “process and purposeful activity that combines risk, creativeness, personal success, and innovation, and requires taking financial, moral, and social responsibility to set up a new and profitable business idea” (p. 664). The concept also refers to one’s ability to turn an idea into action, including innovation, creativity, risk-taking, and the ability to plan and manage academic and commercial activities (Pietrzykowski, 2011). Aligned with these definitions, in this study, entrepreneurship refers to partnerships and engagements of public universities with the private and public firms in the areas of research, services, and academic programs to diversify and increase their financial sources. The concept has social implications that refer to universities' social responsibilities to contribute to development efforts, equip students with practical experience, and align the academic programs with the needs of employers and society.

Entrepreneurial University: An entrepreneurial university is defined both as a knowledge-producer and disseminating institution with a common strategy to be best in all its activities: possess good finances, select good students and faculty, produce quality research, capable of establishing productive and creative links between education and research, and develop multiple support measures, administrative techniques, and strategies for entrepreneurship (Kirby, 2006; Guerrero & Urbano, 2012). According to Stolze (2020), the notion of the entrepreneurial university was first introduced in 1983 at the Massachusetts Institute of Technology (MIT) and Stanford University. At that time,

entrepreneurial universities were defined as new revenue sources, generating research contracts, and fostering industry partnerships (Etzkowitz, 1983, as cited in Stolze, 2020).

Dual-Track Tuition: A dual-track tuition system allows a certain number of free seats in higher education based on merit criteria, positive discrimination, or income level, while another specific number of places are available on a tuition or reduced fee-paying basis. This type of policy is prevalent in countries where free higher education is enshrined in their constitutions, where public resources are highly constrained, or where a strong resistance to tuition fees is expected. Some countries that implement the dual-track tuition system include Russia, most countries which were once part of the Soviet Union, eastern and central Europe, and several African countries; Uganda, Ghana, Tanzania, and Kenya (Altbach, 2009; Marcucci et al., 2008; World Bank, 2010).

International Donors: After governments, international donors are the second main source of funding for HE, particularly in developing countries. One of the main reasons that donor funds are so attractive is that they do not involve increasing public financing or raising tuition, two politically difficult tasks (Johnstone, 2004c). Usually, the donor contributions are either used: (i) toward improving overall institutional budget (direct funding to public HE) through direct on-budget financing for the Afghan government, (ii) toward improving the quality of universities through off-budget support managed by NGOs or contractors, and/or (iii) toward students, in the form of scholarships, cost of living, and grants.

On-budget: On-budget refers to aid that donors provide directly to the governments through their national budget for specific goals agreed to by both the government and the donors. In on-budget funding, the government has more authority over using the funds for

national priorities. According to MoF (2013), on-budget resources are aligned with plans of budgetary units, are captured in fiscal budget, are appropriated by Afghan Parliament, and are managed by the national treasury system.

Off-budget: Off-budget refers to donor aid that is not part of government's national budget and is not managed by the government system. Such resources are spent directly by donors or the implementing organizations contracted by donors outside the government budget. Wardak (2016) notes that governments have no control over these funds because such funding is not part of the national budget.

Philanthropy: The term “Philanthropy” is derived from two Greek words, Philos (love) and Anthros (humankind). In this study, philanthropy is defined as voluntary private giving in the forms of money, assets, goods, and services for the public good. In the Islamic faith, philanthropy is a moral obligation. Zakat (almsgiving), Sadaqah – pl. Sadaqat (donation – a voluntary or discretionary charity) and waqf – pl. Awqaf (religious endowment - a voluntary philanthropic donation for specific purposes) are decisively emphasized in the Quran and the Prophet’s tradition (Alam, 2010; Fauzia, 2008). Zakat is one of the five pillars of Islamic faith and the most practiced and obligatory forms of philanthropy, whereas Sadaqah and Waqf are voluntarily and recommended charity deeds in Islam.

Public-Private-Partnership (PPP): There are various definitions for PPP, but the most common one in the education sector can be described as a “Contractual relationship between public universities and the private sector for a specific project, with simultaneous involvement of government and private sector, and with an understanding to share the costs, benefits, risks, and rewards” (Talik, 2010, p. 3). The Government of Afghanistan

defines PPP as an alternative funding method so that public institutions can expand their service delivery and physical infrastructure at the national level by 1) attracting and utilizing private sector business expertise; 2) using public properties and assets effectively; 3) reducing reliance on foreign aid; and 4) using the existing capital in the private sector and banks to reduce the investment burden on government (MoJ, 2016, p. 4-5).

Public-Public-Partnership (PuP): The existing literature shows that the meaning of PuP depends on the context in which it is used. The closest definition of PuP is a partnership between two or more public institutions in the same country (Lobina & Hall, 2006). The general objectives of PuP are to assist the partner institution in improving service delivery, building institutional capacity, providing technical support, reducing privatization, and increasing the level of public participation (Hall, Lethbridge & Lobina, 2005). In this study, PuP is the partnerships of public universities with governmental ministries and institutions primarily for revenue-generation purposes; and secondly to assist them with development efforts in various sectors, mainly education, engineering, agriculture, medical, and technology.

Institutional Autonomy: Autonomy is categorized as substantive and procedural, and financial autonomy. Substantive autonomy is related to over 40 academic issues, such as autonomy with curriculum design, faculty appointment, and research policy. Procedural autonomy is concerned with the overall management of universities, such as budgeting, financial management, and non-academic staff appointment (Aturupane et al., 2013).

Financial Autonomy: In this study, financial autonomy refers to granting financial permission to public universities to expand their income sources by providing academic and professional services but not necessarily full financial autonomy. According to the

current financial autonomy regulation, the given autonomy allows public universities to open bank accounts, to receive direct donations, and to manage their revenue. The regulation also articulates monetary incentives to be awarded to university professors, staff, and students for their academic and professional services (MoJ, 2013). Granting financial autonomy does not mean decreasing public funding but encourages universities to attract additional resources from alternative sources because government funding is inadequate.

User-charges: There are various types of user charges in higher education around the world. In this study, the main user charges include (i) fees on using dormitories and food, (ii) fees on using universities facilities and equipment, and (iii) and fees for academic and administrative services such as diploma, transcript, university entrance exam, and identification cards.

Tashkeel positions: The literal meaning of *Tashkeel* is 'forming' or 'shaping.' However, the term is widely used for the positions of government employees in Afghan public institutions. The Afghanistan Civil Servants Regulation describes *Tashkeel* as a structure in which civil servants' responsibilities, assignments, reporting lines, and supervision mechanisms are well-defined (IDRACSC, 2020). In line with the definition, in this study, *Tashkeel* positions refer to civil servants or government employees in public institutions, including those in public universities.

Organization of the Study

This study is organized into eight chapters, as described below:

Chapter 1 includes the study's introduction, research purpose and significance, research questions, background and statement of the problem, the historical background of

financial autonomy, and definitions of terms. In brief, the chapter provides a direction for the research study.

Chapter 2 presents the context for this research. It provides general background information on Afghanistan, its current higher education system, including donor support, current policy environment, geographical information and ethnic composition, and historical background of modern Afghanistan, especially from its independence in 1919 till the present.

Chapter 3 provides a concise overview of the research literature on financing higher education, the rationale for cost-sharing, and different non-governmental revenue sources for public HEIs, mainly in low-income contexts. This chapter also discusses some key challenges to revenue diversification and three key theoretical perspectives: (1) A Conceptual Framework for Worldwide Trends in Financing Higher Education, (2) Organizational Theory, and (3) Social Analysis Framework. Lastly, this chapter proposes an integrated theoretical framework for this study to explore potential sources of funding to the public HEIs.

Chapter 4 describes the research design, provides detailed information on research participants and universities, data collection instruments, data analysis methods, and data validity and reliability measures. It also explains ethical considerations, the researcher's positionality, and limitations of the research that may have an impact on the study's results.

Chapter 5 reports the research findings in seven main categories: entrepreneurial activities, user charges, dual-track tuition system, donations, partnerships, privatization of higher education, and tuition fees.

Chapter 6 discusses the key challenges for diversifying the revenue sources to

higher education in seven main categories: limited financial resources, structural barriers, human resources capacity, political pressure, legal impediments, administration corruption, and security threats.

Chapter 7 discusses and summarizes the findings with reference to the research questions, literature review, and the study's theoretical framework. Overall, this chapter combines the different patterns and themes underlying the research findings to make inferences and draw conclusions.

Chapter 8 presents a set of key conclusions on three levels: macro-level, meso-level, and micro-level, provides a set of recommendations, and concludes with suggestions for further research on the topic.

CHAPTER 2

CONTEXT

The study focused on the public higher education sector in Afghanistan. Afghanistan has a long history as a crossroads and intellectual center in the south-central region of Asia. In 1932, in cooperation with the Turkish government, the Medical Faculty was established, which laid the foundation for higher education in Afghanistan. By World War II, Kabul University, the largest university in the country, had developed an outstanding reputation recognized regionally and internationally that attracted students from around the region (MoHE, 2014). However, the last four decades of war and instability not only hampered the growth of higher education but destroyed what had already been achieved. Afghanistan has now become one of the countries with the lowest higher education student populations in the world.

Geographic Information and Ethnic Composition

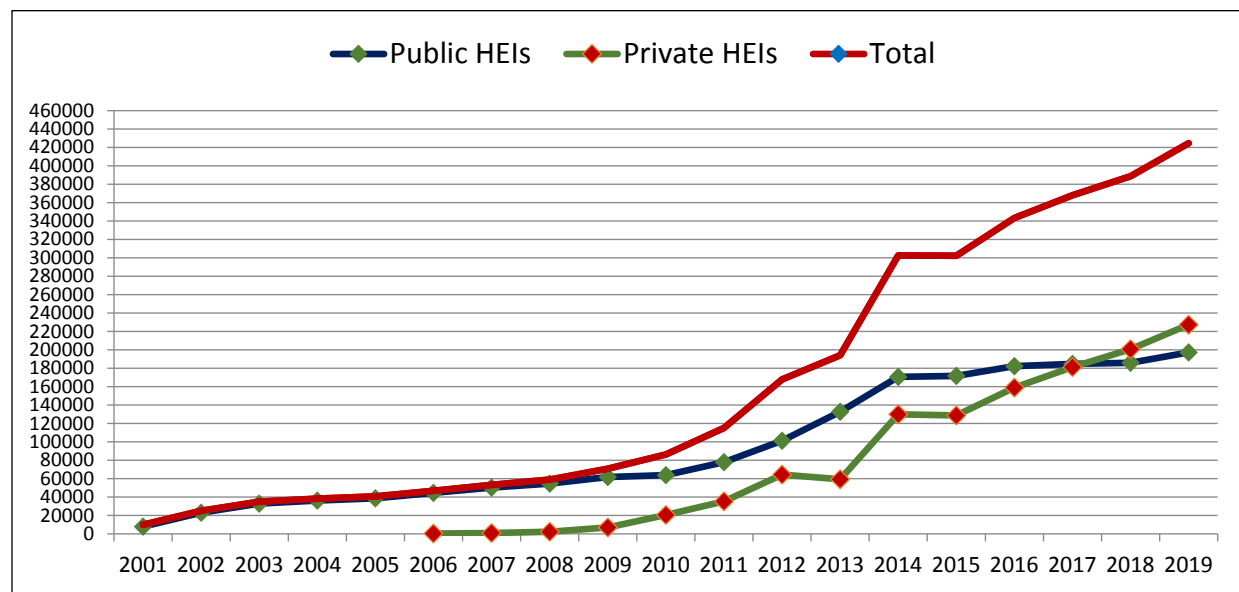
Afghanistan is strategically located at the intersection of Central, South, and West Asia and is bordered by six countries, Pakistan, Iran, Tajikistan, Turkmenistan, Uzbekistan, and China. The great silk route of ancient eras ran through Afghanistan. The country has a population of about 32 million (about 50 percent female). The country's land area is approximately 650,000 square kilometers of mostly mountainous landscape (NSIA, 2019). The major ethnic groups in the country are Pashtun, Tajik, Hazara, Uzbek, Turkmen, Aimaq, Baloch, Pashae, Gujjar, Arab, and Brahui.

Current Structure of Higher Education

Afghan higher education has been trying to grow. The number of public universities increased from 7 in 2001 to 38 in 2018, and the number of students at public universities

increased from 7,000 to 197,247 in 2019, an increase of over twenty-fold. Similarly, the number of female students at public HEIs grew from nearly zero in 2001 to almost 54,861 by 2019 (28%) (NSIA, 2019). Though the number of public universities increased considerably, their facilities are not adequate to meet the increased demand.

Private HEIs were not allowed until 2006. The first two private HEIs were the American University of Afghanistan and Kardan HEI. The number of private HEIs has also expanded from 2 institutions in 2006 to 131 in 2019, with 227,374 students (26% females) (MoHE, 2019; NSIA, 2019). It is worth noting that private higher education was illegal until 2006. Figure-1 shows the increase in student numbers both in public and private universities from 2001 through 2018.

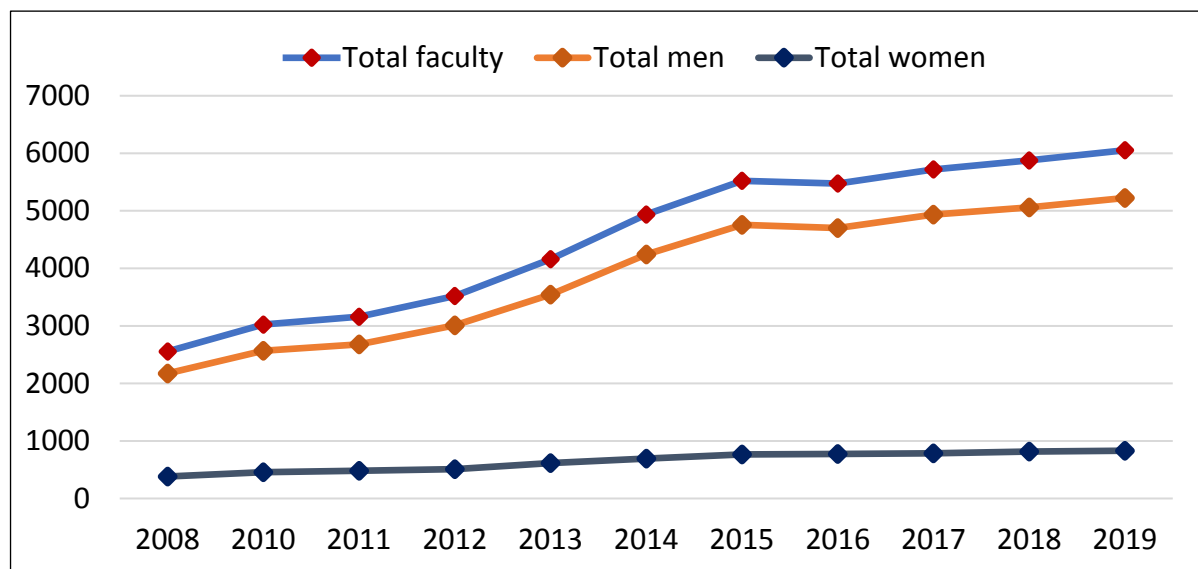


(MoHE 2019; NSIA, 2019)

Figure 2. *Growth of the students by year for both public and private universities*

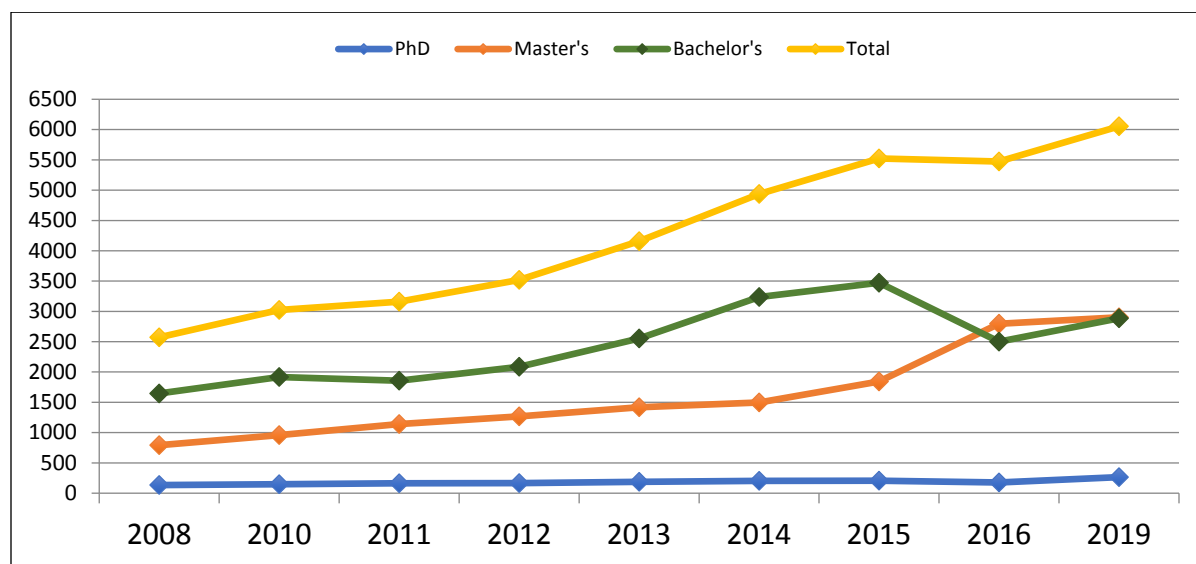
The number of faculty members increased from 2,572 (391 female) in 2014 to 6,053 (830 female) in 2019. Although there has been some improvement in increasing the number of women in higher education, they are still under-represented and make 14% of the total number of faculty members. There have also been several achievements in terms

of improving the qualification of faculty members. In 2019, 4.3 % of the faculty hold PhDs, 47.9% Masters and 47.8% bachelor's degrees compared to 4.1% PhDs, 30.4% Masters, and 63.6% bachelor's degrees in 2014 (MoHE, 2014, MoHE, 2019). Figures 2 and 3 provide more statistical information on faculty qualifications over the years.



(MoHE, 2019; NSIA, 2018)

Figure 3. *Growth of the number of faculty members by year in public universities disaggregated by gender*



(MoHE, 2019; NSIA, 2018)

Figure 4. *Growth of the number of faculty members at public universities by qualifications*

Until 2003, there were no graduate programs at public universities. By 2020, 44 Master's degrees had been established. These programs are a major source of revenue for public universities through student fees. The number and kind of graduate programs are listed in the table below.

Table 2. Master's Degree Programs at Public Universities in Afghanistan

Name of institution	No of master's program	Field of study
Kabul University	21	Public Policy, Management, International Relations, Educational Management, Finance and Banking, National Economic, Mathematics, Business Administration, Dari Language and Literature, Pashto Language and Literature, Arabic Language and Literature, Sharia and Law, Interpretation and Hadith, Information Technology, Information System, Atomic and Nuclear Physics, Visual and Performing Arts, Animal Science, Agronomy, Clinical Veterinary, Gender and Women Studies
Nangarhar University	5	Business Administration, Islamic Studies, Pashto Language and Literature, Jurisprudence and Law, Public Law,
Shaheed Professor Rabbani Education University	5	Education, Education Leadership and Management, TESOL, Curriculum, Pashto Language and Literature, and Dari Language and Literature
Afghanistan National Agricultural Sciences and Technology University	4	Agronomy, Horticulture, Plant Protection, Animal Sciences
Kabul Polytechnic University	3	Industrial and Civil Engineering, Geology and Mining, Hydraulic and Hydraulic Structures
Herat University	2	Business Administration, Dari Language and Literature
Balkh University	2	Business Accounting, Dari Language and Literature
Kandahar University	1	Public Health
Kabul University of Medical Sciences	1	Public Health

(Azimi & Balakarzai, 2020; KU, 2020; MoHE, 2019)

Donor Support to Higher Education

Higher Education in Afghanistan received substantial assistance from many countries between 2002 and 2020, including the United States, India, Japan, Germany, France, Norway, Russia, and some others. Here, I provide brief information on the support provided by the USAID and the World Bank, the two major donors to public higher education in Afghanistan.

USAID Support to Afghan Higher Education

The United States Agency for International Development (USAID) has played a significant role in supporting Afghan higher education in the last two decades through funding three HE projects. The Higher Education Project 1 and 2 (HEP 1&2) between 2006 and 2013, and the University Support and Workforce Development Program (USWDP) between 2014 and 2019.

The Higher Education Project (HEP 1) was the first USAID-supported project to rehabilitate and strengthen the higher education system in Afghanistan. It was a \$38 million project, implemented between 2006 and 2010. The project focused mainly on the Education Faculties at 17 public HEIs. The major supports that the project provided included faculty professional development in generic pedagogy, computer literacy, English language proficiency, and institutional planning. Also, the project provided some scholarships to Afghan faculty members to complete their master's degrees abroad. The project also established a Professional Development Center in each HEI, assisted with developing the first National Higher Education Strategic Plan, and established a first-ever Master of Education program. In 2010, the USAID provided an additional \$4.75 million to expand the project activities to Kabul University of Medical Sciences to improve their curricula, teaching methods, and pre-service medical programs (UMass-CIE, 2012). The Academy for Educational Development, with technical assistance from the University of Massachusetts and Indiana University, implemented this project.

In 2011, an additional \$10 million was provided for HEP 2. The major goal of the project was to continue the support to the MoHE and 18 HEIs. The University of Massachusetts was the prime contractor for this phase of the project during 2011 – 2014.

The project also helped Kabul University to establish a master's degree in public policy. As part of the policy development efforts, HEP 2 assisted MoHE in developing the Financial Autonomy Regulation in 2013, allowing universities to diversify their revenue sources.

In 2014, USAID provided an additional \$92 million through the University Support and Workforce Development Program (USWDP) (USAID, 2014). USWDP activities were designed and implemented by a consortium led by FHI 360 that included: University of Massachusetts Amherst (UMass), Purdue University, the Afghanistan Holding Group, and Altai Consulting. Thirteen additional partnerships were established between US-based universities and colleges and 11 Afghan public universities to design, strengthen, and implement thirty (9 Master's, 20 Bachelor's, and 5 Associate Degrees) new and existing market-oriented academic degree programs (USWDP, 2019). Since Afghan HEIs can charge tuition for both Master's and Associate Degree programs, they have proven to be a good source of revenue.

USWDP implemented capacity development activities to improve the academic, administrative, and financial functions of universities to manage education resources and ensure quality academic programs. The project also helped universities create learning environments that foster well-qualified and professional faculty members, highly capable and motivated students, diverse, innovative, and market-oriented academic programs, and sustainable public-private collaborations to move Afghanistan toward the higher education system it deserves (USAID's University Support and Workforce Development Program [USWDP], 2019).

USWDP has also assisted in making some substantial revisions to the Afghanistan Graduate Education Bylaw, which the Afghan President approved in 2018. This revised

bylaw delegates several authorities to the master's programs board to determine tuition fees and spending programs' revenue and provides more academic freedom to the faculty members for curriculum enrichment. We need to keep in mind that graduate programs are one of the critical sources of generating revenue through student fees.

USWDP also made major contributions to improve research capacity at Afghan public HEIs being a major potential means for bringing supplemental revenue to public universities. The support includes developing the research capacity of the university professors, systematizing research efforts, and increasing the relevance of research to workforce needs. In addition, in close collaboration with the MoHE's National Research Commission, a Research Horizon Program – a research grant competition process, including related policies and guidelines was developed to promote quality faculty research in the major public universities. USWDP also provided some research grants to pilot the process, and MoHE has committed to continuing the practice on its own. A working Research Manual was developed as a starting point towards creating a MoHE and universities contextualized research guideline.

To further assist with improving the research culture in public universities, USWDP made improvements in the main libraries of Kabul and Kandahar universities. The upgrading included installing security systems, establishing computer rooms, and shifting from the traditional closed shelf system to the new and modernized open system (USWDP, 2019). Such support helps universities to improve their research capacity to conduct research and commercialize their research products.

In August 2020, USAID funded the fourth higher education project called Advancing Higher Education for Afghanistan's Development (AHEAD) with total funding of USD 50

million during 2020-2025. FHI360 leads the program with the technical support of four partner universities: The University of Massachusetts, Virginia Tech, University of Minnesota, and the American University of Afghanistan. The program support ten Afghan public and private universities and technical and vocational education and training (TVET) institutes. This five-year program builds upon the results of USAID's three previous higher education investments. The program will support the MoHE and HEIs to further improve financial policies and implementation of financial autonomy in universities where it has been approved, over the period of the project (FHI360, 2020).

World Bank Support for Afghan Higher Education

The World Bank has supported the Ministry of Higher Education and Afghan universities through two projects. The first project was the Strengthening Education Program (SHEP). This \$40 million program was implemented from May 2005 – June 2013. The program was designed to restore the basic operation and improve quality at MoHE and public universities (World Bank, 2016). Some major achievements of the program included updating curricula at select universities and faculties, supporting some faculty to complete their master's degrees, providing faculty professional training, assisting MoHE and some universities in developing their strategic planning, and developing a Higher Education Management Information System (ARTF, 2021).

The second project is the Higher Education Development Project (HEDP). This \$50 million project started in July 2015 and will end in December 2022. The key objectives of the project include the followings:

- Increasing Access to priority degree programs for economic development.
- Modernizing and enhancing the quality of teaching and learning

- Improving the qualification and skills of university staff members
- Strengthening governance, quality assurance, and accreditation
- Stimulating development-oriented research (HEDP, 2020)

Some key achievements of the program are: establishing ICT centers at seven public universities, support internal quality assurance units at ten universities, assist with the development of policies for e-learning, providing about 150 scholarships to university professors, and providing need equipment and support as per the MoHE's priorities (World Bank, 2020a). It is worth mentioning that both of these were on-budget programs funded through the Afghanistan Reconstruction Trust Fund (ARTF), in which the MoHE had more control of the allocation and spending of the program funding than in USAID's off-budget projects.

Current Policy Environment and Issue

In the past fifteen years, the MoHE has significantly strengthened its existing operational and policy capacity. The MoHE has developed and amended over 20 different policy documents. This includes strategy papers, guidelines, procedures, and best practices based on the Afghan government and international standard operating procedures. These MoHE activities comply with the complex and extensive set of Afghan government regulations, policies, and procedures, particularly with the Afghanistan Procurement and Labor Laws.

Given the major portion of the development budget for the public higher education system comes from external donors, leaders within the MoHE realized the need for additional due diligence and the development of specific policies and procedures. The MoHE now has a good administrative and financial system that can maintain accurate

reporting of all procurements, payrolls, and contracting expenditures. However, further clear policies, guidelines, procedures, and an accounting system must be developed, and processes and mechanisms need to be in place, especially for the revenue that will be given by or generated from alternative and non-governmental sources.

Historical Background

Afghanistan was a cradle and crossroads of civilizations in its history. Islam came to Afghanistan in the 7th century, and ever since, religion has provided the spiritual, philosophical, and cultural context for the Afghans (Samady, 2001). The Islamic tradition influences all aspects of the social, political, and cultural life of the Afghan community. Throughout history, the people of this land contributed to the enrichment of the culture of the region; some of these intellectuals include IbnSina Balkhi (Avicenna), Abu Rayhan Biruni, Hakim Sanai, Khwaja Abdullah Ansari, Maulana Jalaluddin Rumi, Kushal Khan Khattak, and Rahman Baba (Samady, 2001).

Afghanistan achieved its independence under King Amanullah in 1919 from Britain. During his rule, which lasted from 1919-1929, there were remarkable developments and transformations in education. In 1921, the government established formal education for women by creating the first girls' school in Kabul. Over the years, schools for primary and secondary education became widely established, and for the first time, women had access to and were encouraged to enroll in higher education.

Many college students, including women, were provided stipends to study abroad in nearby countries like Turkey and others throughout the region (Equality for Peace and Democracy [EPD], 2011). The government policy was to promote social progress through education. According to Samady (2001), some historians believe that the modernization

programs of King Amanullah, especially in education, were too progressive for the traditional society in Afghanistan. After King Amanullah's departure to Europe, Habibullah Kalakani, who was against modernization, captured the city in 1931 and came to power. He closed all the modern schools. However, his term did not last long, and in 1932 Nader Shah became the King of Afghanistan, and the schools were reopened. Nader Shah was murdered by a student in 1933, and his son, Zahir, became the king of Afghanistan at the age of nineteen (Samady, 2001).

During the reign of King Zahir (1933 to 1973), several key achievements were recognized. These include the expansion of primary and secondary schools and universities throughout the country. His regime provided books, clothing, and housing for students and allowed students to pursue higher education in foreign countries such as France, Turkey, the UK, the US, Germany, and Japan. By 1940, Afghanistan, with an estimated ten million population, had 324 schools with 60,000 students and 1,990 teachers. This number increased to 365 primary, secondary, vocational, and teacher training schools with 95,300 students in the 60s. In the same period, the faculties of medicine, science, engineering, economics, law, and education were established at Kabul University with assistance from the USA, France, and Germany. The USSR assisted with the establishment of the Kabul Polytechnic Institute (Samady, 2001). During 1948 – 1955, every year, twenty-five top graduates of secondary schools received scholarships to study in American and European universities in different fields such as economics, engineering, science, and law. When these scholars returned to Afghanistan, they undertook responsibilities at Kabul University or other economic or social development organizations (Samady, 2001). Kabul University also began admitting girls into the humanities and sciences (especially medicine). During this

period, the number of female teachers and professors within secondary and higher education in Afghanistan increased rapidly (Centlivres-Demont, 1994).

Under King Zahir, a modern constitution was created and adopted in 1964, which emphasized providing educational opportunities for the citizens of Afghanistan, especially women (Conflict monitors, 2011). The constitution made primary education compulsory for all boys and girls wherever the government provides education services. This was very much a turning point towards gender equity and provided many opportunities for women. It was the most peaceful period in Afghanistan's modern history lasting from 1933 to 1973 under King Mohammad Zahir. During World War II, Afghanistan remained impartial; however, some schools were affected because of the departure of foreign teachers.

King Zahir's rule did not last, and in 1973 the King-established government was overthrown by former Prime Minister Mohammed Daud after a relatively peaceful coup. With it, Afghanistan was declared a republic (Conflict monitors, 2011). Daud's period (1973-1978) was also one of the "golden" periods of Afghanistan's contemporary history. Significant developments took place in education and other sectors, including health, business, foreign relations, and the construction of several major highways. For instance, at Kabul University, females made up 15.4% of the student body in 1976, the highest percentage ever for female enrollment (Centlivres-Demont, 1994). Afghanistan was beginning to establish itself on the global stage.

However, this period of educational prosperity did not last, and in 1978 Mohammed Daud and his family were assassinated during the Saur Revolution by Nur Mohammad Taraki, leader of the People's Democratic Party of Afghanistan (PDPA). The PDPA was working towards having women become more active participants in government. However,

the resistance group, the Mujahedeen, emerged during this time as a response to the PDPA and their liberal and socialistic ideology, which brought about a civil war in 1979.

With the civil war in 1979, the USSR, which had previously established positive relationships with Afghanistan, invaded the country on December 25th, 1979. Although approximately 120,000 troops were dispatched to the country, it failed to bring stability or establish effective control of any region beyond major cities. Unable to defeat the Mujahedeen and with the loss of 14,500 troops, the USSR signed the Geneva Accords in 1988 and began to withdraw its troops. Between May 1988 and February 1989, the USSR removed what remained of the original 120,000 troops and left the country under the control of President Mohammed Najibullah (Conflict monitors, 2011). President Najibullah had a strong army with at least 100,000 soldiers, jet fighters, heavy artillery, rockets, and tanks; all provided with the support of the Soviet Union. Eleven Mujahedeen groups opposed the Najibullah regime throughout the country (Hayward, 2015). Afghanistan was now under a so-called communist government.

During this communist period, education became a renewed policy focus for the government, but more specifically, education for women. According to Samady (2001), in 1991, there were a total of 577 primary schools with an enrollment of 628,000 students, including 212,000 females. The regime modified the cultural and traditional aspects of the school curriculum to reflect and adapt the education system to that of the Soviet Union, which was aligned with the government's ideology and political culture (Samady 2001). For example, science and mathematics were given more emphasis, and Islamic study courses were reduced. In addition, the general education system (8+4) was changed to (4+4+2) and then switched to a (5+3+3) system. The reforms happened with assistance

from Soviet education advisors and experts. Primary education was compulsory for all citizens regardless of their race, sex, and socioeconomic position. The students were also entitled to choose the medium of instruction in their mother tongue. This was in addition to the more widely utilized instruction in Pashto and Dari. The regime also added Uzbeki and Turkmeni languages as media of instruction at schools (Samady, 2001). Moreover, school attendance became government mandated. However, there were still only a small number of primary schools in rural areas because of the government's inability to manage the remote regions, making it difficult to enforce such rules. Thus, enrollment rates outside of major cities such as Kabul remained low (EPD, 2011).

Centrlivres-Demont (1994) notes that despite these restrictions and limitations of primary schooling, there was an increase in the percentage of student enrollment at the high school and university levels. The increase in women was identified as a direct result of mandatory military service imposed by the government on the male population in 1984, leaving more available spots within universities which women could fill. During this period, 57.7% of students enrolled at Kabul University were female. In 1988, the government made efforts to support education for both men and women by increasing university spending. Centrlivres-Demont (1994) credits this push for education by the government as a way to increase public approval. Overall, in 1991, approximately 24,000 students were enrolled in higher education, and 7,600, about one-third of the students were at Kabul University (Samady, 2001). At this time, Technical and Vocational Education was also the mandate of the Ministry of Higher Education. Under the Soviet regime, the government continued to provide funding to higher education, and charging any tuition fees or user charges remained illegal.

This period of increased enrollment came to an end when the Mujahedeen party established the Islamic State of Afghanistan in April 1992. When the Mujahedeen came into power, factions quickly formed within the party. The different ethnic groups that had once been united in their pursuit of government control were now engaged in inter-group conflict. As a result of this civil conflict, education in many regions came to a grinding halt, as over two thousand schools were damaged or destroyed. Universities became battlegrounds during this violent period. Student enrollment in higher education fell from 24,000 in 1991 to 10,700 in 1995 (Samady, 2001), out of which 4,169, almost 40% were enrolled at Kabul University. The instability within the government was caused by rivalries among different Mujahedeen leaders. The constant conflict allowed another group, the Taliban, to slowly assert power over regions throughout the country (EPD, 2011).

Led by Mullah Muhammad Omar, the Taliban began to take over parts of the country. Following the peaceful capture of Kandahar in 1994, Ghazni and Herat in 1995, and Kabul in 1996, the regime eventually fully established itself as the ruling government power and became known as the Islamic Emirate of Afghanistan. Recognized internationally by only 3 Asian countries: Pakistan, Saudi Arabia, and the United Arab Emirates, this group consisted largely of ethnic Pashtuns who had been educated in Pakistan's Madrassas (religious seminaries) and ascribed to a very conservative interpretation of Islam. This interpretation had severe and wide-ranging implications for women and education. This period is generally considered to be the most damaging time for women's education in Afghanistan's modern history.

During the period of Taliban rule, public girls' schools were closed. A few aid organizations tried to find alternative means of promoting girls' education through home

schools and special community structures in some rural areas. Consequently, in 1999, girls constituted only about seven percent of primary school enrollment (Samady, 2001). Women were heavily restricted in their movements outside of the home and were only allowed to leave the house with a Mahram or male relative accompanying them. The government's impact on education negatively affected both men and women. Educating women became forbidden, while men's education also compromised because many teachers fled the country. The government restricted school funding and cut the number of universities in half, from fourteen to seven. Additionally, only a few women within the entire country were permitted to complete their medical degrees during the Taliban regime (EPD, 2011).

After the fall of the Taliban regime in 2001, the UN-sponsored Bonn conference was held on December 6, 2001, which resulted in the Bonn Agreement. Based on the agreement, the Afghan Interim Authority was established, and Hamid Karzai was appointed Chairman on December 22, 2001. Karzai was then nominated as interim President of the Transitional Islamic State of Afghanistan in June 2002. He was elected as President of the Islamic Republic of Afghanistan in October of 2004 and re-elected in November of 2009.

Since the establishment of the Interim Authority in 2001, the government has received military and non-military assistance from many governments and international organizations, which has resulted in significant development. During this post-2001 period, education has evolved considerably. The number of schools increased from 3,200 in 2001 to 16,625 (14,985 public schools and 1,640 private schools) in 2019. The number of students enrolled rose to 9.65 million (9.1 million in public schools and .55 million in private schools), and girls made up 39% of the student body (NSIA, 2019). The constitution

of Afghanistan guarantees equal participation of all Afghan citizens (men and women) in the socio-economic arena and their right to education, work, and political participation.

Despite some progress made in the inclusion of women in socio-economic areas, women continue to face numerous challenges. For instance, on the human development index (a combination of education, longevity, and economic performance), Afghanistan is ranked very low, 174 out of 178 countries, particularly for social indicators concerning women (United Nations, 2009). According to tradition, women are generally banned from going to school after a certain age and are not allowed to work outside their houses. They should be hidden from public view so that men can preserve their honor, especially in rural areas.

However, the situation is dire when it comes to women's enrollment in higher education. Only 26% of the current university-student population of Afghanistan is women (NSIA, 2019). While lack of access to education negatively affects both men and women, women have historically been severely disadvantaged due to their gendered roles and other obstacles. Women constitute half of the population of Afghanistan. Thus, they are a huge reservoir of human resources that are needed to accelerate national development. Educated women can play a critical role in the socio-economic development of Afghanistan. Women's education is also important in bringing up healthy children and educating them to become effective drivers of the economy.

According to NSIA (2019), Kabul University is the largest university with over 23,000 students, followed by Balkh, Herat, and Nangarhar universities with student enrollments ranging from 14,000 to 18,000. The next category of institutions includes Kandahar, Shaheed Professor Rabbani Education, Khost, Paktia, and Jawzjan universities

with student bodies ranging from 9,000 to 7,000, followed by Parwan, Badakhshan, Takhar, Alberoni, Kabul Polytechnic, Kunduz, Baghlan, and Kabul Medicine universities with 5,000 to 3,500 students. The remaining institutions are much smaller in size. Qayoumi (2015) notes that the faculties with the largest student enrollments are agriculture and Sharia (Islamic Education), followed by education, language and literature, and science. The majority of female students are majoring in education and medicine.

This contextual review shows that despite a significant increase in demand for higher education, historically, since the establishment of the first HEI in 1932, the Afghan government has been primarily responsible for funding higher education through the bachelor's level and has tight control over the public HEIs. Relying primarily on scarce public resources has resulted in financial austerity at public HEIs that could not meet the high demand and improve the quality. As a result, in 2006 the Afghan government authorized the establishment of private HEIs to reduce the financial burden on the government and to respond to high demand. Moreover, in the last two decades, some international donors have also supported public higher education both through on- and off-budget mechanisms. In addition, the Afghan government has approved a regulation granting financial autonomy to public universities to increase their revenue by diversifying their income sources.

CHAPTER 3

REVIEW OF LITERATURE

Financing higher education (HE) has become a major issue as the cost of HE has continued to increase significantly due to rapid and large-scale growth in enrollment, and governments fail to provide sufficient funding (Akinyemi 2013; Altbach et al., 2009; Chou, 2015; World Bank, 2010). For example, in Afghanistan, the number of students in HE (both in public and private HEIs) increased from 7,000 in 2001 to 424,621 in 2019 (Babury & Hayward, 2014; NSIA, 2019). In Nigeria, this number increased from 448,000 in 2000 to 950,000 in 2011 (Olayiwola, 2012). In the continent of Africa, a projection from the World Bank (2010) estimates a three-fold growth of students from 6 million in 2000 to 18 million in 2015.

In response to the above realities, public higher education institutions (HEIs) in most countries began shifting part of the HE costs to individuals and others as governments alone cannot finance the needs of mass education. Inadequate government funding usually results in larger classes and often lower quality, which is the case, for example, in Afghanistan, Egypt, and many African countries. University administrators in Nigeria, for instance, complain that the inadequate funding from the government has resulted in the deterioration of facilities, caused internal and external brain drain, reduced university's research and managerial capacity, and significantly limited admission capacity (Olayiwola, 2012). Most people who are concerned about the quality and relevance believe that no treatment in HE – access, quality, or relevance – can be achieved without appropriate financing (Blanco-Ramírez & Berger, 2014). Thus, some countries started to reform their financial policies to encourage various cost-sharing means including,

privatization, institutional autonomy, and internationalization of HE (Bhayani, 2014; Johnstone et al., 1998; Vossenteyn, 2004). Qayoumi (2015) claims that “good governance depends on a credible path of upward social mobility for young people. This path cannot be created without investment in institutions of higher learning that provide the leaders and managers who are the key constituency for change and make the state, market and civil society function” (p. 1).

The demand for HE has dramatically increased in Afghanistan, especially after the fall of the Taliban regime in 2001. There has been a twenty-fold increase in the number of applicants to HE (NISA, 2019). However, the capacity in public HE institutions remains inadequate given the lack of physical infrastructure, qualified instructors, and, most importantly, adequate financial resources. In addition, free HE up to the bachelor’s level is guaranteed by the Afghan constitution at the state institutions (GoIRA, 2004). Therefore, Afghan public HEIs provide education, housing, and food to the citizens of Afghanistan without charge to the students. Until recently, Afghan HEIs could not generate revenue from private sources, leaving the government as the only funder of public HE (Boardman, 2012).

Currently, HE in Afghanistan relies heavily on government funds; however, the Afghan Ministry of Higher Education (MoHE) recently approved a bylaw granting public HEIs the legal right to generate and manage revenue from non-governmental sources (Babury & Hayward, 2014). The new revenue may come from international or bilateral donors, the private sector, user charges, tuition fees, and entrepreneurial activities, to name a few. For the public HEIs to survive in today’s competitive market, they have no choice but to generate revenue to supplement what they receive from the government.

Nevertheless, all of these options will be challenging due to legal barriers, lack of adequate capacity, and political will. In addition, the new regulation for financial autonomy has not been adequately implemented, and most universities do not have the staff or system necessary to build out entrepreneurial activities and diverse revenue streams.

This review of research surveys the relevant literature about financing public HE from non-governmental or private sources in developed, transitioning, and especially developing countries. The review provides information on the different types of private or alternative sources, how public HEIs can generate funds from these sources in Afghanistan, and how these new funding sources can be sustained to increase access and improve quality. The analysis and interpretation of relevant literature provide the basis for formulating the study's conceptual framework, informing key questions for empirical research, and exploring alternative revenue sources for public HEIs in Afghanistan. The following research questions guide the review of the pertinent literature:

1. What does the existing literature say about potential non-government funding sources for HE in different contexts?
2. Who are the potential key stakeholders to share the cost of higher education?
3. What are the problems confronting the diversification of revenue sources and cost-sharing?

The literature review is derived both from primary and secondary sources. The primary documents included The Afghan Constitution, Afghanistan National Development Strategy (ANDS), Higher Education Law (HEL), Afghanistan National Higher Education Strategic Plan I and II (NHESP), the Regulation for University Financial Autonomy, and other relevant policies, regulations, guidelines, and reports on HE, with a particular focus

on financial matters. The secondary sources comprised of academic databases such ERIC, Google scholars, Google advanced search, JSTORE, Pro-Quest dissertation and thesis database online, and empirical research studies published on the topic in various related journals.

The literature review is organized into six sections: 1) a general introduction to cost-sharing, 2) the rationale for cost-sharing, 3) a review of government and various non-government sources of funding for public HE, 4) a review of contributing factors for successful supplementation of revenue, 5) a discussion of challenges to cost-sharing or revenue diversification, and 6) a review of various conceptual frameworks that informed the theoretical framework and research questions for this study.

Cost Sharing in Higher Education

Cost-sharing has been identified as one of the most promising strategies for financing HE worldwide (Ahmad, 2015). Nonetheless, in many countries, people view HE as a public good and believe governments are responsible for bearing the cost of HE (Vossenteyn, 2004). Many countries that provide free HE are obligated to do so because it is mandated in their constitutions (Johnstone & Marcucci, 2010; Psacharopoulos & Papakonstantinou, 2005). The constitution of Afghanistan articulates, “Education is the right of all citizens of Afghanistan, which shall be offered up to the B.A. level in the state educational institutes free of charge by the state” (GoIRA, 2004, Article 43). Recently, however, HE is slowly being viewed as a shared responsibility between students and society (Vossenteyn, 2004). Barr (2004) argues that the belief that HE is a basic right does not mean it must be free, but rather that every eligible person should not be denied a place because of their background. He reasons that food is also a basic right, but it should be

accessed for a price. From the social demand point of view, Salmi and Hauptman (2006) and Pillay (2003) affirm that HE benefits not only society but also individuals; thus, both society and individuals should contribute to the cost of education.

The concept of cost-sharing has been advanced by Johnstone (1986, 1998, 2003, 2004b). The promotion of financing diversification has been a matter of necessity and changing views about who should contribute to HE and the rationale that supports diversification. Currently, in most countries, the costs of HE are borne by a combination of six key sources: (1) governments, through tax revenues or governmental borrowing; (2) parents, through payments for students' tuition, living costs, books, etc.; (3) students, through their savings, current earning from term-time employment, grants and loans; (4) philanthropists and donors, either individuals, foundations, institutions, or businesses, through endowments, scholarships, and other donations; (5) the private sector, through privatization of HE and PPPs; and (6) entrepreneurship activities, through the encouragement of faculty and institutional entrepreneurial activities (Ishengoma, 2004; Johnstone 1986; Johnstone et al., 1998; Johnstone, 2004a; Johnstone & Marcucci, 2010; Sanyal & Johnstone, 2011). Apart from the first source (government), the remaining funding sources for HE are non-governmental sources. The next section briefly discusses the emergence of cost-sharing in several countries.

In the past, HE was free in most countries in East and Central Europe, Germany, and other former Soviet Union countries as they were constitutionally obligated to provide free HE (Johnstone & Marcucci, 2010). Most of these countries started adopting tuition fees once they felt the need to share some cost of HE with students and their parents (Johnstone & Marcucci, 2010; Tilak, 2015). For example, in 1990, Russia began to require students and

their parents to contribute to the HE expense through tuition fees (Johnston, 2003, 2004a). Years of political and economic transformation also brought enormous reforms in the higher education sector in Russia (Bain, 2001). During the first years of the 21st century, 50% of HE revenue in Russia came from tuition through the dual-track system (Johnstone, 2004b). China in 1997, Britain in 1998, and Austria in 2001 also began to require students and their parents to pay tuition fees (Johnston, 2003, 2004a). In 2009, Latin America also featured public tuition fees that were very low, ranging from minimal or moderate fees in Mexico and Columbia to high tuition fees in Chile (Johnstone & Marcucci, 2010).

The increase in demand and decline in the level of government funding are the main factors promoting cost-sharing. Almost all South Asia countries have introduced or raised tuition fees and various user charges (Tilak, 2015). According to a recent report, the five main sources of funding for HE in Pakistan are: “1) public sector, 2) private commercial sector, 3) donors; 4) community civil society organizations, and 5) public-private partnerships” (Qutoshi, 2015, p. 15). In addition, the Gulf States, even with the support of the world's largest oil revenues, are increasingly shifting part of HE costs to the private sector in the wake of increasing numbers of students entering HEIs (Barr 2004; Bhayani, 2014).

The financing of HE is also undergoing change across most European countries due to both national and international factors. According to Cretan and Gherghina (2015), these factors include:

the role each society assigns to higher education; the interests of the whole range of higher education stakeholders and customers; the level of economic development of each state; the restructuring of the national economy; the political regime and

political decisions within the sector of higher education; the globalization of the economy; the internationalization of higher education; the massification process of higher education; the demography of each state; the development of technologies as well as the development of knowledge-based economy and society (p. 4).

Nevertheless, there are some countries such as Brazil, Sri Lanka, Greece, Sweden, and Afghanistan where public HE is free (Psacharopoulos & Papakonstantinou, 2005; Boardman, 2012; Tilak, 2015). Some other African countries: “Burundi, Cameroon, Cape Verde, the Central African Republic, Chad, the Republic of Congo, Eritrea, Guinea, Mali, Mauritania, Niger, Nigeria, Sudan, and Togo do not charge tuition fees or charge insignificant ones” (World Bank, 2010, p. 59). However, most of these countries cannot bear the full burden of financing tertiary education (Ahmad, 2015). For example, The Federal Government in Nigeria can neither provide adequate funds to public universities nor allow individuals or the private sector to contribute to funding the system (Akinyemi 2013; Olayiwola, 2012).

The above review suggests that cost-sharing or diversification of funding is critical to financing HE properly. As Ahmad (2015) asserts, both human and institutional development requires huge amounts of financial resources that can realistically be provided only from diverse sources. Cost-sharing appears to have been successful in many countries for many reasons. The next section will discuss some key motives and rationales for cost-sharing.

Rationale for Cost Sharing

There are many rationales for diversifying the sources of revenue for HEIs. The four most common rationales include: (1) to address the inability of governments in many

countries to provide the needed financial support to HE; (2) to provide greater access and quality – more revenue can help to improve physical and instructional capacities and consequently increase enrollment and quality in HE; (3) to provide greater equity – more funds can help to increase diversity in enrollment through providing financial aid to all eligible students including those from disadvantaged backgrounds; and (4) private versus public good. Because HE is viewed as a public good that benefits society as well as an individual or private good, students and parents should bear some portion of the HE cost (Bhayani, 2014; Ishengoma, 2004; Johnstone, 2004a; Johnstone, 2004b; Tilak, 2015; World Bank, 1994).

The first rationale for cost-sharing is the inability of governments to fund mass HE due to a dramatic increase in demand, particularly in developing countries. If other parties do not share the education cost, governments can fund only a limited number of students, which undermines equitable access and harms education quality (Barr, 2004; Johnstone et al., 1998; UNESCO, 1995; World Bank, 1994). For example, in Afghanistan, the major reason public HE cannot absorb all qualified candidates is the lack of financial resources, which impacts and limits available space, staff, and faculty. Thus, the public HE needs supplemental funds to expand their capacity in response to the growing demand for university enrollment.

The second rationale is to provide greater access and quality. Oketch (2003) asserts that supplemental money is a proactive means to promote access through providing grants to students or directly to universities to support students from poor backgrounds or marginalized groups, as was the case in sub-Saharan Africa. High quality and good access to HE are beyond the government's financial resources in most developing countries (Barr,

1999). Unfortunately, the HE system in most developing countries suffers from over-centralization of the financial system, while in developed countries, universities receive a big portion of their annual budget from non-government sources. For instance, in the U.S., donations are a major source of income and play a substantial role in financing HE (Weisbrod et al., 2008). According to the World Bank (2010), the goals of HE, which includes quality and access, can best be achieved by instituting a diverse (a combination of public and private) financing arrangement.

Consequently, sharing costs is required to provide the infrastructure such as classrooms, offices, libraries, laboratories, and dorms to accommodate more students, hire qualified faculty members, design and implement market-driven degree programs, and equip universities with new technology that is essential for high quality. Moreover, augmented funding from alternative sources such as merit-based scholarships, competitive funds, and other mechanisms contributes to student learning and promotes quality (Salmi & Hauptman, 2006). In the long-term, investment in HE also promotes national growth. According to a study conducted by Benoît (2012), there is a positive relationship between national wealth and access to tertiary education. He notes that the tertiary education Gross Enrollment Rate (GER) increased from 26 to 40% as the average GDP per capita increased by 45% worldwide.

The third rationale is greater equity based on two propositions. First, higher education should be accessible equitably to all students with the academic ability to benefit. Johnston (2004b) argues that free HE is not often equitable because students from middle- and higher-income families benefit more than their peers from low-income families. Johnston goes on to say that affluent students have access to better secondary

education and, thus, can more easily pass the rigorous public HE entrance examination (Johnston, 2004b). Therefore, since the playing field is not even for all students, it is hard for low-income students to compete with their peers from high-income families and benefit from public HE, which is meant to be free and accessible to everyone. Thus, the inequality in family income often results in inequality in access to HE (Stone, 2012).

On the other hand, if wealthy children cannot enter public universities, they have alternatives such as the private sector or study abroad, which is not the case with children of low-income families (Johnston, 2004b). Therefore, the added revenue from cost-sharing can be used to increase the participation of disadvantaged groups such as females, financially disadvantaged students, and students from other minority groups. For instance, in Afghanistan, low-income families prefer to send their sons rather than their daughters when they have to choose only one child for economic reasons. Also, men can more readily find work to pay their fees for preparation courses or private HE, while women are financially dependent as they normally cannot work outside the home because their parents or families will not let them.

Finally, the rationale behind why parents or students should contribute to the cost of HE is the fact that higher education is not a purely public good but also has personal and private benefits (Johnstone et al., 1998; Johnstone, 2004a). Though it is difficult to measure how much of the HE benefit is public and how much is private, there is good evidence of substantial private benefits such as higher financial earnings, greater social status, and the personal satisfaction of being better educated (Barr, 2008).

In the next section, I discuss governmental or public funding as a major source of financial support, especially for public universities, followed by a review of various alternative sources.

Governmental Funding

Governments are the major source of funding for HE worldwide. Economists in market economies prefer to regard the public source not as a government but as people who pay taxes (Johnstone, 2004b). From this perspective, governmental funding is a form of individuals investing in the public good that benefits a particular group of people – those who enter HE. Taxes are paid to the governments on incomes, sales, and services, which are then reallocated for public spending, including higher education. Nevertheless, many developing countries lack effective taxation systems.

Governments in developing countries play a more pivotal role in improving the HE system than governments in industrialized countries. According to Schiller and Liefner (2007), governments in developing countries often have stronger and more stable financial sources than most alternative funding sources (students, parents, private sector, business companies, which are generally very weak financially). In addition, governments have access to information about the long-term benefits of education. They are in a better position to make development plans, whereas other contributors such as international donors and philanthropists do not have access to such information.

The level of public funding varies from one country to another and is dependent on several factors, including economic status, political will, and national priorities. In Nigeria, state funding constitutes 78% of the total budget of the public universities, with an additional 18% of the budget coming from the federal government, and the remaining

budget from university revenue, donations, and endowments, whereas private universities must rely mainly on tuition fees (Ahmad, 2015). According to Akinyemi (2013), the government funding in Nigeria between the 1960s and late 1970s was considered sufficient; however, the situation began to change during the early 1980s due to paucity of public resources. As a result, neither enrollment nor education quality has improved since then.

The government of Pakistan allocates 11% of the education budget to HE and claims to provide over 10,000 fully funded scholarships (6,000 inside the country and 4,000 abroad) to scholars (Aziz et al., 2014; Rashid & Mukhtar, 2012). However, this allocation should be at least 25% according to UNESCO standards (Qutoshi, 2015). In India, the government allocated three-quarters of the education budget to HE during 1986-87 while other sources contributed 10% of the HE budget (Rani, 2004). Currently, India spends 3.5 percent of its GDP on HE compared to 2.2 percent in Pakistan and Bangladesh, which is much less than the UNESCO standards (Tilak, 2015). In Africa, the average public budget covers 41% of the HE cost (including study abroad spending), which is double the OECD countries' average of 19% (World Bank, 2010).

According to Salmi and Hauptman (2006), typically, governments provide funding to universities for two key areas: (1) operations and instructional costs; and (2) research costs, including research equipment and facilities. They go on to say that there are different ways to decide the level of public funding to HE. The most traditional way is based on historical trends and negotiating budget line items for operations and development. The line-item budget restricts the ability of HE institutions to allocate and spend public money. The right to switch money from one line to another is generally controlled centrally by the

government – specifically by the Ministry of Finance. Another type of budgeting, according to the authors, is block grants that give more autonomy and flexibility to the institutions than the line-item budget. Australia use block grants. Some other countries, such as the United States and South Africa, use categorical or earmarked funding, which provides funding for specific purposes. For example, the institutions with students from minority groups or located in rural areas receive funds to expand their capacity. Many other governments moved away from negotiated or categorical budgets to some type of formula for allocating funds to HEIs. The main factors in formula-based funding include the number of faculty members, staff, and students. Nepal and some Eastern European countries use funding formulas (Salmi & Hauptman, 2006).

Despite various forms of governmental funding, Bray (2000) believes the main source for financing public institutions should be through income from taxation. He argues that some countries like Japan and Taiwan have established good taxation systems that generate adequate revenue from incomes, sales, and corporation taxes. While other countries like China, Cambodia, and Bhutan have much weaker systems either because of recent transitions from socialist systems or from general underdevelopment.

The Afghan government primarily funds public HE with money coming from donors. HE has not been a funding priority for the Afghan government, although it is a high priority according to the National Development Strategy. The Ministry of Higher Education (MoHE) made several requests for additional funding to increase enrollment capacity in public HE institutions. However, they were largely ignored by the Afghan government and donors (MoHE, 2015).

Although without public funding, students, parents, donors, and the private sector combined would still not have sufficient resources to invest in HE (Sanyal & Johnstone, 2011). Supplementing government funding for HE with alternative revenue seems to be essential for three key reasons: 1) competition for other societal needs for public funding such as health, basic education, clean water, housing, and improved transportation; 2) increasing demand for HE; and 3) the technical and economic difficulties in collecting sales, income, and property taxes, especially in low-income countries. The next section reviews several potential alternative revenue sources that could supplement public funding for HE.

Non-Governmental Funding Sources

In this section, I review the literature on funding HE from different nongovernmental sources; tuition, user charges, donations, entrepreneurial activities, public-private partnerships, and privatization of higher education.

Tuition

Charging tuition and other fees for public HE is imperative, especially when: (a) there is a critical need for additional revenue both to expand capacity and improve quality; (b) there is little or no chance for an increase in funding from public sources; (c) there is less chance for enrollment of students from low-income backgrounds (mainly due to low scores in university entry examination); and (d) the costs of public HE are borne solely from public sources (Ishengoma, 2004; Johnstone, 2002, 2003). Many other authors note that without charging tuition and fees, public HEIs may not operate properly (Teixeira & Koryankina, 2015). Below, I will review parental/family and student cost-sharing as the main tuition fee contributors.

Parental or Family Contribution. Parents are the primary party that shares higher education costs by paying tuition, fees, or living expenses. Parents cover the expenses from their savings, current income, and even through borrowing. On average, parents' or families' contributions account for nearly one-quarter of national expenditure on HE, from 10% in Chad, Republic of Congo, and Mali to more than 50% in Guinea and Uganda (World Bank, 2010). The family includes parents, and in many countries, grandparents and extended family members (Johnstone, 2004b).

The World Bank and many development experts also consider the family as the major non-governmental source of revenue for HE, particularly in underfunded and overcrowded HEIs in developing countries (Johnstone, 2003, 2004b; World Bank, 1994; Zideman & Albrecht, 1995). Johnstone (2004b) claims that in places where students and their families do not pay tuition or fees, some students stay longer than the actual duration of the program. The lack of parental cost-sharing also wastes the limited resources of the government and denies the entry of new students because it limits available spots for new students. Conversely, when parents or students pay the tuition, they are motivated to study hard and graduate on time (Johnstone, 2004b).

There are many reasons that parents share the cost of HE. According to Johnstone and Marcucci (2010), parents take great pride in having their children in HEIs, and more importantly, someday, the parents will become financially dependent on their children, especially in low-income countries. They also sacrifice to send their children to higher education since they know that is the only way they will get a decent job. However, parental contribution to HE raises many questions and complications: e.g., how much they should contribute, how to determine their contribution, should contributions be voluntary

or be a formal obligation, how can they be implemented in countries that do not have good information systems and many other questions. There is not enough family income to support their children in a country like Afghanistan, where fathers generally have income while mothers do not have any income to contribute. It means that some parents go into debt to pay for their children's education, and it would take them years to pay it back.

In many Western European countries (e.g., Belgium, Austria, France, Germany, UK, and Belgium), Asian and American countries (e.g., China, Japan, Canada, and the United States), and some African countries (e.g., Kenya and Uganda) parents contribute to their children's tuition and cover their cost of living, both in public and private universities (Vossenteyn, 2004). For example, German law obligates parents to contribute to their children's costs of food and lodging (tuition is free), and if they refuse to do so, they can be taken to court (Johnstone, 2004a). Vietnam is also among the countries where students were forced to pay the cost of living due to inadequate government funding (Bray, 2000). Conversely, in the Nordic countries of Norway, Denmark, Finland, Sweden, and Iceland, parental contributions are typically prohibited, both culturally and legally (Johnstone & Marcucci, 2010). The Scandinavian culture believes students are independent adults, and, therefore, there is not any official obligation for parents to make any contribution toward tuition or costs of student living. However, some Scandinavian parents willingly contribute some of the costs (Johnstone, 2004a). We should bear in mind that the Scandinavia countries have high per-capita incomes, and the parents may believe that they have already contributed to their children's education cost through paying high taxes, while this is not the case in many developing countries. Also, the Scandinavian countries have an effective

loan system that provides loans for students' tuition fees and living costs (Johnstone, 2004a).

Student Contributions. Students are the second party that share the costs of HE through part-time jobs, summer vacation earnings, and/or loans. Loans have many forms, such as employment contingent loans, regular loans, monthly installment loans, and loans that would subtract from employees' paychecks (Johnstone, 2004b). The author also asserts that in countries where public HE is not free, students bear some of the costs based on both the personal benefits of HE and the long-term return on their investment. Some other authors state that the level of education impacts all aspects of college graduates' life. Normally, they experience more stable employment, higher income, overall better quality of life with a healthier lifestyle, and reduced healthcare costs in comparison with non-college graduates (Baun et al., 2013).

Given the above private benefits, Vossenteyn (2004) argues that different tuitions emerge for different disciplines, subjects, and institutions because the educational costs and personal return vary between programs. The tuition should also act as a stimulating market device to improve education quality and guarantee that students receive value for their money (Johnstone et al., 1998). Vossenteyn (2004) also believes that tuition contributes to sustaining the equity principle because the core beneficiaries of HE pay part of its costs; and finally, bearing some costs of education presumably assists students in making better enrollment decisions based on their interests, aims, and abilities.

Having a long-standing tradition of free HE, Russia recently began introducing tuition due to severe financial austerity and with the development of market relationships in the education sector. The introduction of tuition with the implementation of a student

loan system has played an important role in the economy of public HEIs in Russia. However, the reform was not an easy task; Russia has made impressive improvements where more than two-thirds of students now pay tuition fees in public HEIs (Bain, 2001). India raised tuition and restructured its student loan program during the early 1990s. India offers subsidized interest loans only to needy students (Johnstone, 2004b). Pakistan and Bangladesh have also begun charging tuition and other educational fees. The Government of Pakistan and Bangladesh launched a student loan program in 2002 in partnership with commercial banks to offer loans based on merit and need to students who pursue studies in technical and professional education and scientific studies. Pakistan offers interest-free loans to all students (Tilak, 2015).

In Africa, the concept of sharing costs of HE has grown exponentially since the 1980s (Oketch, 2003). For example, in Tanzania, cost-sharing dates back to the 1960s when students paid tuition for their tertiary education, and those from low-income families received financial assistance from the government (URT, 1998). Zimbabwe and Ghana have also recognized the need for private funding in HE (Oketch, 2003). As of 2009, over 26 countries in Africa had introduced some type of tuition or fees. This is also the case in China (since 1988), Hungary (since 1997), and Australia (since 1998), where public universities admit up to 25% of their total students on a full fee-paying basis. Some other countries opt to charge tuition only to part-time students (Vossenteyn, 2004). The Afghan HEIs only charge minimal tuition to students who enroll in night shifts. Each semester's fee is 5000 AFS (\$65) for students who are civil servants, 7000 AFS (\$92) for other students in the bachelor's programs, and 20,000 AFS (\$260) in graduate programs (Baharustani, 2012; MoHE, n.d.). There are some opponents of charging tuition who believe in government

subsidies for HE. According to Johnstone (2004a), advocates of government subsidies to HE are against cost-sharing and student loans based on the belief that it is extremely difficult, especially in developing countries, to verify families' income and ascertain their financial needs. The opponents of charging tuition also argue that those countries that require students to pay tuition and/or fees have good financial aid programs, including student loans. Therefore, they oppose student loan programs in developing countries. They also believe that such programs are costly and sometimes technically, politically, and culturally inappropriate (Reed & Szymanski, 2004). These authors also argue that loans are an additional financial burden on low-income students who will face more debt-related challenges than borrowers from upper socioeconomic statuses. This can prevent poor students from attending college, which may lead to social exclusion. The opponents of tuition further argue that access and quality decisions can be encouraged in other ways, such as quality assurance mechanisms rather than introducing tuition (Vossenteyn, 2004).

Research also shows that some low-income students are less likely to pursue HE because of the fear of high debt and the concern that they will not be able to repay the loan after college (Burdman, 2005; Perna, 2008). Perna (2008) argues that the use of loans to cover HE expenditures may, in fact, limit college opportunities for individuals who do not want to or cannot financially incur college debt, thus excluding those from financially disadvantaged backgrounds. In addition, one of the main reasons that countries provide free public HE is that they consider HE to be a public good and a basic right of all citizens without discussing its private benefits (Marginson, 2011). The opponents of tuition also believe that individuals with at least a college degree make higher tax payments and are more likely to participate in elections and be more civically engaged (Baun et al., 2013).

In disagreement with the advocates of free HE, some recent statistics show that many students and their parents are willing to pay for HE even in the poorest countries of the world, like Afghanistan. A recent report by Afghanistan National Statistics and Information Authority (2019) shows that over 220,000 students were enrolled in Afghan private HEIs in 2019 compared to 288 in 2006. This rapid increase is a reminder to the public HE sector leaders that they should not walk away from this revenue due to political or theoretical reasons. The Senior Advisor to the Afghan President, Qayoumi (2015), also notes in a white paper that the Ministry of Higher Education (MoHE), in partnership with relevant bodies, needs to identify and introduce an appropriate tuition system as a means to improve the quality of the universities. He suggests the development of “student loans, grants, and/or scholarships for students who come from the lowest economic strata and who would not be able to fully or partially pay the tuition should be eligible for such financial subsidies” (Qayoumi, 2015, p. 6).

A word of caution is necessary here about introducing tuition. Requiring a tuition fee does not necessarily exclude students from disadvantaged backgrounds, but a well-developed financial support system should be in place before charging tuition (Banya & Elu, 2001). It is also vital that the introduction of tuition is not an excuse to lower government contributions. Barr (2008) poses many questions for a country to implement a tuition fees policy successfully. Among others, his two major queries are: Does a country have the capacity to provide loans and collect payments? Is the country free of administrative corruption so that the system can operate as articulated? Answering these questions affirmatively will be difficult for Afghan educational leaders, mainly because, as per the corruption perception index of Transparency International, Afghanistan is ranked

174 out of 176 countries in terms of corruption. Those countries that implement tuition should have both the institutional and fiscal capacity to effectively collect tuition and implement loan programs. Barr (2008) suggests that private loan arrangements are not preferable for developing countries with neither the institutional nor the fiscal capacity to manage a successful loan system.

Dual Track Tuition System

The dual-track system was developed out of necessity because most countries could not keep pace with the rising cost of higher education (HE), and where education leaders could not undertake the political price of making legal changes to free higher education. Dual-track tuition policies are especially popular where only a limited number of highly qualified applicants are admitted to free public universities while other qualified students but with somewhat lower-scoring on admission examinations are permitted entry on a fee-paying basis (Marcuci et al., 2008). The dual-track system preserves the constitutional framework by providing free higher education in state universities for regularly admitted students (Altbach, 2009).

Originally, the dual-track tuition policies were implemented in the former Soviet Union countries. Later, the policies spread to other countries that lack sufficient revenue to accommodate all of the qualified applicants (Bain, 2001). The policies have also been introduced in many African countries (e.g., Tanzania, Kenya, Uganda), increasing their admission capacities. In Uganda, as of 2002, 80% of students at Makerere University were admitted on a fee-paying basis - mostly privately sponsored (Carrol, 2004). In Tanzania, besides making other donations to HE, many wealthy individuals, parents, corporations, NGOs, religious organizations, private companies, and national and international

organizations contribute tuition for the qualified students who are admitted to public universities on a fee-paying basis, especially those from low-income families (Ishengoma, 2004).

Though the dual-track policies have been regarded as an effective alternative revenue source, an obvious critique of the policies is the equity issue (Marcucci & Johnstone, 2007), mainly because of the fear that students from advantaged backgrounds will occupy most of the free seats. Another equity concern is the spending of national tax money for some students, possibly those who are already well-off, while depriving others. Nevertheless, if funding is in short supply, merit is a reasonable way to decide whom to support.

User Charges

User charges or fees are other major sources of income for higher education (HE). User charges are often desirable in countries where tuition remains taboo; some examples of user charges include fees for the university entrance exam, continued enrollment, using facilities, or enrollment in a particular program (Vossenteyn, 2004). Such charges have been imposed in many countries, including transitional economy countries such as China and Russia, and in sub-Saharan Africa, where a bulk of higher education budgets are spent on students' living costs (Altbach et al., 2009). In Nigeria, students' contribute through diverse user charges, including "examination fees, registration fees, hostel maintenance fees, acceptance fees, student union fees, medical registration fees, identity card fees, departmental registration fees, library fees, management information system fees, and late registration fees" (World Bank, 2010, p. 5). In the Nordic countries (Norway, Finland, Sweden, and Denmark), where tuition is free, the students are responsible for paying their

living expenses without support from the government or parents (at least not officially) (Altbach et al., 2009).

Different user fees produce sizeable income for HE in African countries while the governments heavily subsidize the fees for residence and dining hall (Johnstone, 2004b). According to a World Bank (2010) report, many African countries have discontinued providing free food and housing and introduced fees for the services. In some other countries, these services have been privatized and run by private contractors. For example, in Malawi, the cost of lodging — run by private contractors — became students' responsibility in 2002. In Uganda, the Makerere University Council stopped government-sponsored free meals and instead has provided a daily meal allowance to students since 2010. In Tanzania, students became responsible for paying for their housing, food, and student union fees starting in 1993 (World Bank, 2010). In addition to shifting food and housing costs to the parents and students, Tanzania has started generating revenue from hotels, cafeterias, and other campus facilities (Ishengoma, 2004). In Ghana, as of 2009, nonresidential students pay a small facility user fee while the residential students pay both for the university residential facility and dormitory user fees. Ghanaian HEIs also introduced academic fees for undergraduate students, ranging from \$235 to \$323 per year (depending on the program) (World Bank, 2010). In India, over 40 universities began implementing modest to steep increases in student fees. These fees include examination fees, admission fees, entrance fees, registration fees, and other services such as using laboratories, gymnasiums, and other similar facilities (Rani, 2004; Tilak & Rani, 2002).

Elu (2000) believes that user charges increase incentives for both institutions and students by encouraging them to make more careful decisions about their educational

options. Despite the fact that the HEIs can generate sizeable revenue from the user charges, a comprehensive exploration is needed to identify what charges could be potentially adaptable in the Afghanistan HE institutions.

Alumni Donations

Alumni donations are a major revenue source in American universities, followed by donations given by foundations, individuals, corporations, organizations, and parents, respectively (Weisbrod et al., 2008). Donating to HE has a long history in the U.S that goes back to the 17th century (Harrison et al., 1995). In 2004, some 27.4% of all private philanthropy came from alumni. The tradition of alumni donations accounts for billions of dollars annually. Alumni donated more than \$6.7 billion to their former institutions in 2004 (Marr et al., 2005). Thus, alumni donation is a major funding source in the U.S. However, not all alumni donate to their alma mater. Nationally, only 12.8% of alumni give back to their former schools across the U.S. each year (Thomas & Smart, 2005).

Furthermore, alumni do not become donors immediately upon graduation, and part of what is needed is the development of a tradition of alumni giving (Page, 2012). It takes time, but in Ghana, the universities worked on it thoughtfully and gained substantial contributions after several years. Alumni donations can play a more important role in financing public HE in Afghanistan than in the U.S because higher education is free in Afghanistan. In Afghanistan, it is important to identify what factors would motivate alumni to donate to their former institutions and establish mechanisms to solicit their contributions.

Factors Motivating Alumni to Donate. Donations from alumni are different from those of non-alumni because factors influencing each group to donate differ greatly (Marr

et al., 2005). Studies have shown that influencing factors for alumni giving in the U.S include student wealth, academic success, type of financial aid, and membership in alumni association (Baade & Sundberg, 1996; Marr et al., 2005; Page, 2012).

First, alumni giving partly depends on the wealth of students and their families (Baade & Sundberg, 1996). It is widely believed that there is a strong association between alumni donations and the graduates' incomes (Clotfelter, 2003). This allegation is supported by the fact that among the top 10 institutions that receive the highest donations from alumni are the elite universities and colleges that are often attended by students from privileged backgrounds such as Princeton University and Carleton and Amherst Colleges (The Alumni Factor, 2015). However, universities in Afghanistan, particularly public institutions, do not have control over their admissions process because high school graduates enter public universities through the national university entrance examination (*Kankor*). The test score is the only criteria that determine who will be admitted to which school/institution. However, there is a belief that students from well-off families generally do better on the exam than students from disadvantaged backgrounds. The financial status of HE students in Afghanistan is not a direct factor influencing HE admissions. The student body in Afghan universities is mixed in terms of socio-economic status, which means that there are always more wealthy and less wealthy students in each major public university.

Second, student success in college is an important factor of alumni donation. Research has shown that students with higher GPA are more willing to donate to their alma mater than their peers with lower GPA (Marr et al., 2005). In addition, academically successful students believe their college education contributed to their career success, enabling them to find better jobs, and is likely to foster good memories of college, all of

which are influential to their motivation for giving (Sun et al., 2007; Page, 2012). Thus, Afghan universities should improve the academic experience of their students in order to attract more alumni donations. Boardman (2012), in his review report of Afghanistan's HE, suggests that in order to improve students' academic success, Afghan universities should (a) establish a first-year student orientation program, (b) provide transition courses for students who need them, and (c) establish active learning communities. Boardman goes on to say that the suggested programs, which do not currently exist in Afghanistan, have proven to be effective in improving the academic ability of students in other countries, including the U.S.

Third, the type of financial aid that students receive while in college impacts their contributions after graduation (Marr et al., 2005). The results of one study show that students who receive grants to pursue their college education are more willing to give back than their peers who receive loans (Page, 2012). This suggests that students who receive financial assistance through a grant mechanism rather than a loan are more likely to donate. This may be due to their sense of obligation to give to others because they received funds, not because they paid less for their education. Since students do not pay for their education in Afghanistan, it is worth exploring whether this is likely to be a strong factor to influence the likelihood of future graduate donations.

Fourth, membership in alumni associations has an impact on alumni donations to their alma mater. Alumni Association membership increases the likelihood of participation in philanthropic activities. Cunningham and Cochi-Ficano (2002) argue that members of alumni associations are more likely to contribute to their former school than their peers

who are non-members. Establishing alumni associations is another strategy that Afghan universities can use to motivate their alumni to contribute.

Considering the importance of alumni donations, the Afghan Ministry of Higher Education (MoHE) has recently identified alumni donations as a key funding source in its national strategic plan. According to the plan, the members of this alumni association can be local administrators, authorities, clergymen, graduates, and interested citizens. The ministry further mentions in the plan that with the participation of “students, faculty members, staff, and administrators at each institution, it should be possible to attract donations and launch fundraising campaigns at least once a year” (MoHE, 2015, p. 69). However, attracting and managing donations from alumni needs a strong organizational structure and must maintain close relationships with all stakeholders and interested donors. Therefore, all these prerequisites need to be explored to initiate and expand alumni contribution to Afghan HEIs.

Philanthropy

Philanthropic donations are another significant revenue source for public HEIs. Charitable contributions are crucial, particularly in developing countries like Afghanistan, where most of the students, their parents, or extended family members cannot bear the cost of HE. Philanthropic donations tend to be mostly charitable giving, guided largely by religious tenets (Lindahl & Conley, 2002). However, Harbaugh (1998) argues that the two most effective motivation factors for such giving are: ‘intrinsic benefit’ – a warm glow, and ‘prestige benefit’ – when others know how much you have given (p. 277). Frank (1996) considers altruism and self-interest as the key motivating factors for giving. His description of factors matches the contemporary dominant model of social sciences that people are

essentially selfish and pursue their self-interest and goals through different means.

Ostrower (1997) gives a different perspective on philanthropic donations. She claims the motivating factors to engage in the philanthropic activity either define oneself as an elite or as having reached the highest prestige level. Boulding (1973) uses the term “grants economics” to explain philanthropic giving not just in terms of helping others but providing the donors with some return in the forms of “status, recognition, or some subtle psychological transfer” (p. 2). Hereafter, I review some literature about philanthropy in the Islam faith, types and approaches of philanthropy in different countries, especially in higher education, and their associated advantages and potential challenges.

Philanthropy in Islam. Philanthropic donations (e.g., Zakat and Waqf) are very important in Islamic countries, such as Afghanistan. They are accepted legal precedents for givers to establish endowments. Generally, philanthropy is understood as a moral obligation in the Islamic faith. Philanthropy plays an essential role in making just and fair societies, narrowing social distance, reducing inequalities, and combating poverty through different mechanisms in Islamic countries. *Zakat* (almsgiving), *Sadaqah* – pl. *Sadaqat* (donation – a voluntary or discretionary charity, not necessarily monetary for unrestricted purposes) and *waqf* – pl. *Awqaf* (religious endowment - a voluntary philanthropic donation for limited purposes) are strongly represented in both the Quran and Prophet’s tradition (Alam, 2010; Fauzia, 2008). These practices share some likenesses and dissimilarities with the forms of philanthropies practiced by followers of other faiths such as the tithe in Christianity, the Tzedakah in Judaism, Zoroastrian, and Sasanian philanthropic institutions (Alam, 2010).

Zakat is one of the five pillars of the Islamic faith and is the most practiced and obligatory form of philanthropy. Sadaqah and Waqf are voluntary and recommended charity deeds in Islam. All Muslims are obliged to donate an amount equal to 2.5 percent of their annual income by those who have resources remaining after meeting the basic needs of their families. Zakat is typically giving by individuals to individuals. However, there are well-structured religious institutions and foundations that receive Waqf called Awqaf or *habs*. The latter term is only used in North Africa, the former, with slight variations, in the rest of the world. Awqaf is rooted in the Arabic language that literally means to stand, to allocate, and to immobilize (Babacan, 2011). Its second meaning is philanthropic organizations or foundations (Çizakça, 2000). These organizations can be endowed by institutions, families, and individuals and mostly serve religious purposes except for the Turkish Awqaf that also provides secular services (Kuran, 2001). There is not much data available on the magnitude of philanthropic giving to Waqf institutions or Muslim communities, but it is estimated to be between \$250 billion and \$1 trillion annually (Morvaridi, 2013). Despite such a vast philanthropic wealth, many believe that either it is mismanaged or misappropriated in most Islamic countries.

Philanthropic Donations in Different Countries. Philanthropy has been an essential aspect of higher education growth in the United States through the years. Americans liberally support universities and colleges as far back as the 17th century (Thomas & Smart, 2005). Philanthropic support to international students has also been a cornerstone of the Americans' charitable donations. For example, Americans donated a total of USD 3.9 billion to support students from developing countries for the academic

year 2007-2008 (Adelman, 2009). The American colleges, universities, and private donors, including businesses, foundations, and religious organizations, provided the funds.

Western industrial philanthropists shifted their attention to higher education for African-Americans and decided to concentrate on some elite universities like Dillard and Fisk. However, W.E.B. Du Bois was hesitant about the “enlightened philanthropists” supporting black higher education (Gasman, 2002, p. 495). Du Bois, despite witnessing the impact of the philanthropy on his alma mater, still believed that “Education is not a private philanthropy: it is a public service, and whenever it becomes a gift of the rich it is in danger” (Du Bois, 2001). It is important to note that his criticisms were not against providing African-Americans access to higher education but, in general, on the effects of capitalism and its complicity in racism.

Presently, philanthropy in higher education is tied to major economic indicators globally. Using the data gathered from 375 institutions, Bruce McClintock, from a fund-raising firm, conducted an annual survey over ten years period, confirmed a relationship between gift designation (current unrestricted, capital, restricted endowment, and deferred) and significant economic indicators. The philanthropic donation has immensely increased since the 1970s in the United States (Drezner, 2006). Donations to different aspects of education multiplied by 1,131 percent – from \$ 2.75 billion in 1970 to \$ 33.84 billion in 2004 (AAFRC Trust, 2005). Consequently, many universities in the U.S. have large endowments. For example, Howard University has an endowment of over 300 million, while significantly smaller than the endowments of Harvard, Stanford, and Cornell universities (Council for Aid to Education, 2005).

Similarly, Turkey has a long tradition of philanthropic donation, which has taken different forms. Since the 1960s, secular, wealthy philanthropists have contributed considerably to social welfare in Turkey. The principal activities or projects supported included the development of education, medical, and cultural institutions. According to Forbes Magazine, 34 billionaires in Istanbul City alone are involved in philanthropic donations in one way or another (as cited in Çizakça, 2000). For instance, the owner of Fiba Holding alone has invested \$50 million in building 36 primary schools in the marginalized and underprivileged regions of Turkey (The New York Times, 2007, as cited in Çizakça, 2000).

In Indonesia, the data from two surveys on Indonesian philanthropy show that 98% of Muslims, the highest rate in the world, donate their wealth through various charitable mechanisms and foundations (Fuazia, 2008). The author goes on to note that between 1965 and 1998, the Indonesian Government tried to link Waqf institutions to development ideology. Consequently, several universities (Islamic University of Sultan Agung Semarang – UNISULA, Islamic University Djakarta – IUD, Yayasan Wakaf Universitas Islam Indonesia—UII) were established with the financial support from the Waqf foundations.

In Nigeria, many universities established endowment funds, so that wealthy and prominent citizens could donate to improve education quality. Donations to universities were in the form of money, property, and/or goods. Some big firms, such as Chevron and Julius, contributed to the Nigerian Universities to improve physical structures. Whereas the Lion Club or Rotary Club, in addition to donating buildings, also provided books and monetary aid to the universities (Akinyemi, 2013).

In India, Awqaf institutions have been running 2,500 secular colleges, schools, orphanages, over 60,000 madrasas (religious schools), and 200,000 mosques (Rashid, 1997, as cited in Çizakça, 2000). In Singapore, Waqf is defined as an endowment in the form of money or land given in support of Muslim mosques, schools, or charitable purposes (Çizakça, 2000; Ibrahim & Gordon, 1975). There are over 47 registered Waqf institutions in Singapore. Eighteen of these are cash Waqf, which do not have fixed assets and do not earn rent. They earn income only through returns from cash investment (Çizakça, 2000). In 1980 the Pakistan government made the collection of Zakat compulsory. The majority of Zakat money supports a large number of madrassas (religious schools), pays student fees, provides free food, housing, and modest stipends (Ahmad, 2004). In addition to the local philanthropists, the charity foundations receive significant funds from international charity organizations, mainly through diaspora philanthropy that will be discussed in the section below.

Diaspora Philanthropy. Diaspora philanthropy or migrant remittances are the largest source of financial support, particularly in countries with massive out-migration, such as Bangladesh, India, China, Pakistan, and Mexico. The Diasporas are perceived as sources of financial flows or economic opportunities and also as means for technology transfer, progressive attitudes, political support, and a good image of the home country (Newland & Partrick, 2004). Brinkerhoff (2014) lists the potential advantages of the Diaspora contributions as the followings:

- a. Addresses the needs of underprivileged and neglected minorities in the countries of origins;

- b. Provides ongoing support through faith-based infrastructure as well as other mechanisms for transferring funds for development projects and programs; and
- c. Inserts or introduces new norms and practices to encourage philanthropy programs in the country of origin to be impactful, transparent, and accountable.

In some countries, the diaspora giving is organized by migrant associations or philanthropic Home Town Associations (HTAs). For instance, over 2,000 HTAs have been established in the United States, and many exist in Europe, South Asia, Africa, and Latin America (Morvaridi, 2013). These philanthropic associations provide funds for large projects, activities, or services, mostly in their countries of origin, through collective funding decisions. The religious philanthropy institutions play an important intermediary role for the U.S. and UK-based Pakistani Diasporas because they help donors know the results of their donations. Their contributions are mainly through Zakat to the needy, and they tend to be identified as Muslims above being Pakistani (Brinkerhoff, 2014). Indian, Mexican, Chinese, and Colombian Diasporas also have established separate charitable organizations in the U.S.

Today, over 35 million Chinese live outside China, making them the largest of all Diasporas. They reside in traditional migration countries like Indonesia, Malaysia, Hong Kong, Vietnam, European countries, United States, Australia, and New Zealand. According to Newland and Patrick (2004), as of 2000, the Chinese-born population increased to over 1.5 million in the United States; and as of 2001, to over 247,000 in the United Kingdom. The authors continue to say that the volume of remittances of Chinese Diasporas was - £4 billion between 1991 and 98, which is smaller than the size of the remittances of the Indian Diasporas. In the same period, the volume of remittances of 20-million Indian Diaspora was

seven times more than the Chinese Diaspora, which equaled 35% of India's GDP. Mexico is the second-largest recipient of diaspora remittances in the world. The Mexican Diasporas are heavily concentrated in the United States and help local development projects in Mexico through their Foreign Ministry, Consulates, and cultural centers in the United States (Newland & Patrick, 2004).

Diaspora philanthropy can be a rich source of financial resources in Afghanistan to help with various development activities, including higher education. In the last four decades, over five million Afghans have migrated to neighboring countries, Europe, Australia, and United States, primarily due to the invasion of the former Soviet Union in the 1970s and afterward because of civil war and instability. Although the number of Afghan Diasporas is much smaller than those of China and India, it still equals about 20% of the country's population. Currently, the Afghan Diasporas mainly contribute to their extended families in Afghanistan. However, ways and mechanisms need to be explored to mobilize and channel a portion of such resources to development efforts in the country, particularly to higher education.

Challenges of Philanthropic Donations. Although the philanthropic donation is significant and keeps increasing in the Muslim world, challenges remain on different fronts. Many Islamic countries cannot properly mobilize and manage this enormous wealth, and a big portion gets lost due to weak governance systems. Part of the problem is the philanthropists, especially the Muslims, who are mainly concerned with fulfilling their obligation of giving (e.g., Zakat) consider the charitable institutions responsible for proper management and usage of the resources. In many Muslim countries, due to disputes over poor and corrupt Waqf management and governance, governments seize upon these

abuses as an excuse to take control over charitable assets by greatly limiting or even eliminating privately managed charities. For example, a study done by the Aga Khan Foundation showed that philanthropic giving in Pakistan is four times more than funds that the country receives from foreign aid (Alam, 2010). However, seizing the control over endowments (awqaf) by states has disrupted the philanthropic capacity, the aspiration of the Muslim communities and became a challenging barrier to development.

Another fundamental issue is whether or not philanthropic organizations fit within the accountability framework. The capability of many of these organizations, for instance, in terms of human resources, technical expertise, political power, and knowledge of universal human rights is another obstacle. Another barrier is the belief that government should be the primary agent for social protection and welfare provision. Thus, the faith-based organizations, NGOs, and foundations should only play an advocacy role to empower the poor, to defend their rights rather than provide actual services (Morvaridi, 2013). The philanthropists, both institutions and individuals, cannot trust the government due to enormous administration corruption in many developing countries, including Afghanistan.

Despite numerous advantages and challenges, philanthropy foundations continue to grow along with the expansion of the middle class. Even in some of the world's poorest countries around the world, home-grown philanthropy is growing (Adelman, 2009). The magnitude of the Islamic charitable sector is currently poorly understood by higher education leaders. Now is the right time to recognize the potential benefits of Islamic charities, particularly in low-income contexts. The philanthropic giving should be on the list of supplemental revenue for public or governmental funding (Johnstone, 1998). This additional revenue could be used for establishing new universities, as has been done in

Indonesia. These resources need to be tapped to the extent possible, with the aid of Waqf and other charity foundations, because they can be a major alternative source to support Higher Education. As the initial step, the tradition of philanthropic giving to higher education can be built by providing scholarship funds to colleges and universities or improving the infrastructure in universities.

Entrepreneurship

Entrepreneurship is a broad concept that takes different forms, such as scientific projects, new enterprises, and modern knowledge economies (Audretsch, 2007). In Higher Education, entrepreneurial activities are viable forms of cost-sharing (Altbach et al., 2009). As part of the revenue supplementation strategy, Clark (2003) claims that university entrepreneurial activities are a necessary route to the financial sustainability of universities. Akinyemi (2013) affirms that entrepreneurial activities, besides looking for innovative ways of generating funds, also focus on academic excellence, mainly when the results of research and creative ideas are sold to development organizations.

Entrepreneurial activities can be achieved through various relationships, including ones between faculty and university, students and institutions, and institutions with other public and private organizations (Mcnerney, 2009). Some of these activities include: university and industry partnerships for providing research services, selling of specialized marketable teaching or scholarships, commercializing research discoveries, establishing or renting university facilities such as libraries, laboratories, guesthouses, and/or petrol stations (Ahmad, 2015; Altbach et al., 2009; World Bank, 2010). Entrepreneurship helps to create jobs and ameliorate the problems caused by the recent global economic crisis; however, for entrepreneurship to solve unemployment problems, there is a strong need for

adequate human resources and know-how at the national level. To build an entrepreneurship-driven economy, universities need to offer entrepreneurship courses for students to acquire entrepreneurial skills, knowledge, and mindsets (Askun & Yildirim, 2011).

In the last three decades, the idea of entrepreneurship in education has rapidly grown, attracting the attention of policymakers, academicians, technologists, and the functions of universities to design and implement entrepreneurial activities have been widely studied. Nowadays, an entrepreneurial university not only shares knowledge with students in courses but also provides opportunities to set up businesses with industry with the emphasis on learning by doing, so both academics and students can commercialize their intellectual property, discoveries, and inventions (Askun & Yildirim, 2011; Kirby, 2006). According to Power and McDougall (2005), academics, students, and administrators should understand that the mission of commercializing knowledge or intellectual property should be compatible with other important purposes and functions of academia. The entrepreneurial university needs to design its education programs with different content and teaching methods from traditional universities to engage in entrepreneurial activities to increase their revenue.

Guerrero and Urbano (2012) suggest that entrepreneurial universities need to become entrepreneurial organizations. They are expected to emphasize it in their strategies and focus on incorporating entrepreneurship education into their programs and courses (Yildirim & Askun, 2012). They should link the expected outcomes with their missions, teaching, research, entrepreneurial activities, and administrative functions to create a shared vision. Dill (1995) and Sporn (2001) accentuate the need for experienced

and full-time managers with leadership skills to fulfill the university mission. In addition, Powers and McDougall (2005) underscore the need for technical human resources to develop innovative research and quality education in such universities.

Today, universities are expected to introduce solutions to social and industrial needs, contribute to economic growth, and create new knowledge through research rather than merely teaching. This new mission also requires the entrepreneurial university to create networks, collaboration, and partnerships with businesses and universities nationally and internationally. Gallagher (2000) believes that entrepreneurial universities should also aim to create new firms or generate wealth by investing in businesses. Guerrero and Urbano (2012) propose the following compatible model for the entrepreneurial university in a summarized fashion.

- Formal factors: entrepreneurial organizational and governance structure, support measures for entrepreneurship, entrepreneurship education.
- Informal factors: the university community's attitudes towards entrepreneurship, entrepreneurial teaching methodologies, role models, and reward system.
- Resources: human capital, financial, physical, and commercial.
- Capabilities: status and prestige, networks and alliances, localization (p. 46).

Presently, the mission of HE is beyond research and teaching – it is a social contract for meeting societal needs (Bhayani, 2014; Slaughter & Rhoades, 2004). Kezar and Burkhardt (2005) further argue that the mission of HE is to serve societies through advancing knowledge, developing intellectual talent, creating leaders, and eventually contributing to the economic development of society. An entrepreneurial university with the emergence of knowledge-based innovation embraces a third mission of creating and

commercializing intellectual property; the precise shape of such transformation varies primarily because of academic and national traditions (Etzkowits et al., 2000).

Academia in the US has become entrepreneurial in its inner dynamic as well as external connections. The entrepreneurial academic began in the US during the late 19th century. The emergence of the entrepreneurial university in the US happened “bottom-up” in contrast to the recent introduction of “top-down” academic entrepreneurship in Europe (Soete, 1999). Some significant elements of becoming an entrepreneurial university were seen in the transformation of Stanford University in the early 20th century. These changes include forming a research base with commercial potential, developing mechanisms to commercialize research, and integrating the university's academic and non-academic elements in a common framework (Etzkowitz, 2003). Based on the transformation, the professors were required to act more like industry researchers and entrepreneurial leaders to break up the old tradition and create a new environment. These initiatives aimed to contribute to national economic growth and improve the fiscal situation of HEIs and university professors.

Australian public universities, according to Gallagher (2000), are becoming entrepreneurial in numerous ways. Firstly, as multi-million-dollar academic institutions, they generate revenue from diverse sources, develop new products and new markets, achieving good returns on investment by adopting modern commercial management practices while still attempting to preserve academic values and collegial processes. Secondly, as knowledge contributors, they produce new knowledge by developing research, teaching, and consultancy services to solve business problems and contribute to their growth. Thirdly, as workforce producers, they equip their graduates with relevant

capabilities for quick employment by employers or becoming self-employed professionals. Finally, as new enterprises, they create multiple links with local communities, businesses, and other universities and organizations both nationally and internationally as partners.

In 2004, the Nigerian National University Commission mandated that public universities provide 10% of their total annual budget, and thus the universities had to embark on some entrepreneurial income-generating activities. Some of these income-generating efforts include consultancy services, medium and small research, technical and capacity building training for industries, government, and private organizations, and assisting enterprises with food processing (Okojie, 2007; Ahmad, 2015). Other commercial ventures in Nigerian universities included building hotels, guesthouses, parking lots, and renting out their halls (Akinyemi, 2013). Indian universities also generate funds from other sources such as renting university land, buildings, and other facilities, selling university publications, consultancy services, and carrying out research projects (Rani, 2004).

China and Russia have extended university entrepreneurial activities to include farms, firms, and factories, especially those owned or operated by public institutions (Johnstone et al., 1998). Policy reforms in the Chinese HE system have given more autonomy to HEIs to generate revenue from diverse sources. In 1992, HEIs in China made 14% of their income from entrepreneurial activities, while over Y1 billion was generated in Shanghai alone through partnering with over 700 enterprises (Johnstone et al., 1998). Universities in Ghana claimed to generate 9 percent of their profit from entrepreneurship in 1991. Some other African universities, such as Eduardo Mondlane University in Mozambique and the University of Zambia, also began taking similar initiatives and have generated significant profits (Johnstone et al., 1998).

In the European Continent, academia attained a significant degree of liberation from controlling bureaucratic institutions such as the Ministry of Education, Culture, or Science. For example, in 1972, French universities gained autonomy, and universities in Italy obtained private funding in 1980 to cope with a financial crisis resulting from severe public finance cuts (Etzkowitz et al., 2000). Because the notion of entrepreneurship is relatively new compared to other business concepts in academia, it continues to require a well-defined multidisciplinary approach on how it should be institutionalized. Raichaudhuri (2005) suggests the following essential elements for forming an entrepreneurial university that could create value:

The Theory-Practice Balance: The precondition for developing entrepreneurship programs/courses is the existence of both competent academics and practitioners to combine the rigors of academia with the reality of the business world.

Content: Entrepreneurial education requires integrating various skills and knowledge during the program/course content design stage instead of exclusively focusing on conventional management programs. The entrepreneurial programs and courses have to “illustrate early lifecycle challenges such as opportunity recognition; identifying and acquiring financial, human and technical resources; market entry; protecting intellectual property; legal requirements of the new business, and strategic choices under resource constraints” (p. 667). The subsequent development challenges include growth issues and new market development to be considered in education programs.

Skills: Concerning the skill inputs, entrepreneurial education must include courses such as technology, creating thinking, leadership, and negotiation to expose

students to the forefront of technological developments, environmental changes and to identify emerging opportunities.

Despite several advantages of entrepreneurial activities, there are debates among scholars and practitioners about the degree to which universities should be involved in market-like endeavors (Slaughter & Rhoades, 2004). However, in reality, the mainstream literature approves a certain level of commercialization in response to the dearth of public funding. Schiller and Liefner (2007) believe that HEIs can assist in training personnel and improve learning by exposing business companies to new ideas. They go on to argue that HEIs can also promote business capability and enhance learning through industry and academia partnerships (Schiller & Liefner, 2007). In developing countries like Afghanistan, we expect weak university and industry relations due to technological constraints. Both universities and industries are not adequately technologically advanced. In order to have strong partnerships between universities and industries, it requires much investment to improve technological capabilities and implementation of policy reforms that promote university-industry collaboration (Schiller & Liefner, 2007).

Public-Private Partnership

This section mostly contains the literature review on the concept of Public-Private Partnership (PPP) both as a national policy for development sectors and as an alternative source of revenue for higher education institutions. Some authors consider PPP a “Language Game” to cloud its main purpose of privatizing higher education (Khanom, 2010, p. 154). This issue is discussed in detail in the next section. This section focuses on joint ventures both by public and private sector or partial privatization.

PPP is currently considered as a desired means for delivering public services both in developed and developing countries. PPP becomes an increasingly accepted and popular choice for managing the public sector in the face of the shortage of public resources, lack of capacity, and legal barriers (Ismail, 2013; Khanom, 2010). PPP is generally seen as established long-term cooperative arrangements between private and public actors to achieve diverse goals. PPPs are also viewed as useful means to facilitate public infrastructure projects, including the ownership, financing, designing, construction, and/or operation of public sector facilities and services around the globe (Akintoye et al., 2003; Yuan et al., 2011).

The concept of PPP dates back to the 1960s (Pongsiri, 2002). However, it was introduced in the public policy across the world in 1990 as part of the New Public Management (NPM). The NPM shifted the role of governments, which have been struggling with the paucity of financial resources, and to bring greater financial sources, skills, and management capacity to the public sector by utilizing the alternative resources of the private sector (Ismail, 2013; Khanom, 2010; Ninth Malaysia Plan, 2006; Robinson, 2000). PPP gained increasing centrality in the national policies of many countries following the 2007-2008 global financial crises when governments were seeking to tap the private sector's expertise and capital to fund major public sector projects (Cheung et al., 2012; Ose-Kyei & Chan, 2015). Tapping private resources also helped reduce the pressure on the public sector so that governments can focus on other priorities (Ose-Kyei & Chan, 2015).

There is a broad range of PPPs with different features and types of involvement (Khanom, 2010). PPP is also considered a management and governance tool that plays a critical role in delivering goods and services to the citizens (Hodge & Greve, 2007).

According to Khanom (2010), the main focus of PPP is on inter-organizational arrangements, mainly fostering cooperation between organizations and sharing the risk. Such cooperation can also result in delivering services and/or producing better products that neither organization (public nor private) could achieve alone. Van Ham and Koppenjan (2001) also consider PPP as durable cooperation, producing or delivering services, sharing cost, and risk. The durability underscores the need for long-term collaboration. Khanom (2010) also accepts that PPP involvement should be between 10-30 years. Secondly, the partners jointly produce or deliver goods and services both stand to benefit, though sometimes implicitly. Thirdly, the partners bear and share the cost for producing and delivering something. Lastly, risk-sharing is a vital component of PPP. Risks are prudently assessed, identified, and normally bear by both parties or given to the partner with better mitigation techniques for such risks, unlike other procurement methods (Bing et al., 2005; Ose-Kyei & Chan, 2015).

Nevertheless, in many countries, the concept of PPPs is relatively new and disputed in the education sector, both as a policy issue and a specific intervention (Steiner-Khamsi & Draxler, 2018). The proponents of the PPP argue that PPPs could have a positive impact on the education sector. Patrinos et al. (2009) describe some of them as following. 1) PPPs can create competition among education institutions by increasing the quality of education to attract students; 2) PPPs will give more autonomy to the public institutions in hiring teachers; 3) PPPs contract include measurable outcomes to be provided with best or low cost using an open bidding process; and 4) PPPs will help by increasing the efficiency of the delivery of services through risk-sharing between public and private sector. However, the same authors assert that the opponents describe several negative impacts of the PPP; such

as 1) PPPs may lead to complete privatization and can limit the government control over the public service delivery; 2) PPPs cause socioeconomic segregation since students from a better economic status family will join better institutions while the poorer students will be left behind in the deteriorating public institutions; 3) some teachers and employees may resist the PPP and see it as a threat to their job stability. As per my (author) experience, PPP can also lead to interference of private companies in university policies that is unethical or unfair.

PPP in Education. The key purpose for developing PPPs in education is to maximize the potential for increasing access and improve quality, especially where access is limited, mainly for the marginalized group (Patrinos et al., 2009). PPP is also presented as an effective tool to deal with many aspects of the education sector, such as “education provision, financing, management, access and quality” (Mgaiwa & Poncian, 2016, p. 1). PPP has been brought into the education sector worldwide, including in developing countries. The notion first originated by bringing technology for individualized learning purposes in the 1960s and then rapidly became a business model for technology companies like Dell, IBM, and later Apple (Steiner-Khamsi & Draxler, 2018). The authors continue to explain the emergence and impact of the PPP in education as follows:

1. Businesses benefited from switching the role of government to governance. This shift required the governments to introduce neoliberal reforms between 1980 and 1990 because of their new role and how the education system is regulated and managed.
2. Businesses focused on the standardization of education based on economy prospects; and

3. Governments framed and reframed PPP as a global solution to their local problems. PPP started in a few countries and was later adopted as an international best practice throughout the world (Robertson et al., 2012). The role of the International Monetary Fund, The World Bank, USAID, DFID, and other international and bilateral aid organizations was substantial in promoting and funding the PPP policies and projects (p. 2).

In Malaysia, the private sector has been involved in delivering public services since the 1980s because of the world economic recession impact. The Malaysian government required assistance from the private sector to participate in development activities (Ismail & Rashid, 2007). Later, the government officially announced and incorporated the PPP or Private Finance Initiative (PFI) in the Ninth Malaysia Plan and allocated USD 6 billion for various sectors that include education projects (Ninth Malaysia Plan, 2006). Based on the plan, the government transferred the responsibility of various development activities to the private sector, which mainly included construction, management, maintenance, refurbishment, and replacement of assets of the public sector (Ismail, 2013).

In Tanzania, public-private partnerships were first utilized in the education system in the mid-1980s after abandoning its socialist policies. Prior to this, the provision of higher education was the full responsibility of the government. Privatization of universities and colleges happened after 1980, as there was no single private higher education institution during the socialist era (Mgaiwa & Poncian, 2016). India and Latin America also implemented some forms of PPPs to increase access of students from financially disadvantaged backgrounds (Patrinos & Sosale, 2007).

PPP policymakers need to assume the potential risks during the design of the PPP projects. The risks should also be discussed with the private partners and all stakeholders. If the education institution lacks the required expertise in the design and implementation of the PPP activities. In that case, they should recruit experts who understand both the benefits and risks of PPPs. The process and implementation of PPPs in education are difficult and normally require different kinds of agreements such as support, operational, management, professional, educational services, and infrastructure (Patrinos et al., 2009). PPP is also described as a shared responsibility. PPP includes sharing or transferring a measure of responsibility and control in operations, which may cause shifts in arrangements, accountability, and creating new hierarchies for managers in the public sector (Pongsiri, 2002).

PPP Success Factors. The results of several research projects on PPP suggest that, to a large extent, the success of PPPs depends on the development of a sound legal framework and clearly defined agreements and contracts between government entities and private firms. Without thoughtful and thorough legal procedures and agreements from the beginning, the balance between private and public interest will not be guaranteed, and disputes are likely to happen. Consequently, PPP projects can either be delayed or terminated (Pongsiri, 2002). According to the Institutes for Public-Private Partnerships, developing a strong regulatory system is the key element for the success of PPP, especially in the developing countries, where normally governments sign PPP contracts with some private firms, but the PPP policy and/or framework for monitoring of the private contractors' performance to ensure their contractual obligation, have not been designed. In addition to a regulatory framework, technical procedures, financial manuals, monitoring

mechanisms, and trained staff are required to provide assurance to the private sector that the regulatory system includes protection from expropriation and arbitration of commercial disputes and aspects of agreements. Governments also increase their revenue by making more informed decision-making, improved performance, and raising efficiency and accountability (IP3, 2000, as cited in Pongsiri, 2002). The need for such regulation is especially emphasized for the countries with little or no history of PPP, where private investors doubt the safety of their investments.

Steiner-Khamsi and Draxler (2018) believe that PPP success also depends on the consultative process with all stakeholders; however, many PPPs have been developed and implemented without public consultation and careful assessment of their potential impact, especially related to equity and the right to education issues. Patrios et al. (2009) recommend where the governments have not started or not been very successful with PPP in the education sector, as the first step, they must create a clear and enabling PPP framework that should include the followings:

- Defining the private provider in national strategies for the education sector;
- Setting clear objectives and streamlined criteria that the private sector must meet to establish partnerships with educational institutions. Setting such criteria helps in choosing private partners through a competitive and transparent process.
- Establish an effective quality control mechanism and appropriate performance measures to ensure the success of PPPs.

Ismail (2013), based on a survey he conducted on the perceptions concerning the importance of critical success factors (CSFs) both from the public and private institutions, summarizes the top five most important factors for the public sector: “(1) good

governance; (2) commitment and responsibility of public and private sectors; (3) project technical feasibility; (4) transparency procurement process; and (5) favorable legal framework. While, for the private sector, the top five most important CSFs are: (1) good governance; (2) available financial market; (3) favorable legal framework; (4) commitment and responsibility of public and private sectors; and (5) sound economic policy” (p. 13).

Public-private partnerships have the potential to be a significant alternative source of revenue for Afghan public higher education institutions that should be explored and aligned with the national PPP policy introduced by the Afghan government.

International Donors

International donors are the second major source of funding to HE. Normally, donor contributions are used to improve institutional budgets and university quality and to provide scholarships, costs of living, and grants to students. Donations from international donors lower the cost of HE that would have to be borne either by the government or other parties in a cost-sharing paradigm (Johnstone, 2004b). Each year, an average of \$3.3 billion aid was provided to support HE worldwide from 2002 through 2006. Of this, \$600 million (16%) was allocated to Sub-Saharan African countries (World Bank, 2010, p. 95). Based on the same report, on average, \$444 million was provided to fund African students’ study abroad programs over the same period. This amount is more than twice the direct allocation to HE. Universities in Nigeria also receive financial aid from donors to support both academic programs and staff development. Some of these supporting organizations include the Carnegie Foundation, John D. and Catherine T. Mac Arthur Foundation, and Ford Foundation, amongst others (Akinyemi, 2013).

The World Bank is the leading source of lending for HE in developing countries. The

total lending between 1970 and 1990 amounted to \$5 billion (Banya & Elu, 2001). The World Bank and other agencies cut their spending to HE and shifted the resources toward primary and secondary education in Africa from 1989 to 1993 (Banya & Elu, 2001). After recognizing that the exponential decrease in the funding was not politically sustainable, the World Bank decided to continue, but primarily to support those HE programs demanded by the market (Mamdani, 1993). Coleman and Court said that the British government also issued a proposal suggesting a shift from helping universities to assisting vocational training closer to communities' needs (as cited in Banya & Elu, 2011). According to a World Bank's report (2010), only 4 out of the 31 African countries received direct aid to their HE system. In Afghanistan, in 2012, the budget for public HE for the entire country was \$115.2 (\$57 million for the ordinary and \$58.2 million for the development budget). However, the ministry received only 22% of the development budget because of the failure of donors to deliver on their promises (Babury & Hayward, 2013b).

Foreign Aid in Afghanistan. Foreign aid is also called international donors, development cooperation, development assistance, and development partnerships (Stokke, 2013). Over the last two decades, Afghanistan has relied heavily on aid money for military assistance and civilian services (Ander, 2018). About 55 donors and hundreds of humanitarian agencies have supported Afghanistan with aid and development processes (Wardak, 2016). In 2017, donors contributed \$3.863 billion, covering 62% of total budgetary expenditures, whereas the Afghan government covered only 38% of the expenses through domestic revenue (Byrd & Farahi, 2018). According to the Development Corporation Report of 2013, foreign aid makes up nearly the entire development budget and about 52% of the operating budget of Afghanistan (MoF, 2012). International donors

channel their resources in two ways: off-budget, and on-budget, to support development efforts in Afghanistan. Between 2005 and 2021, USAID has allocated nearly \$200 million through off-budget projects to support Afghan higher education, while the World Bank has provided an additional \$100 million through on-budget support.

On-budget Aid. The Afghan government encourages donors to increase their on-budget funding through different modalities, including Afghanistan Trust Fund and Sector Wide Approach (MoF, 2013). In 2011, the United States pledged to provide 50% of its aid through the national budget. But providing the assistance was conditioned on improving absorptive and management capacity to ensure greater accountability and ability to protect the funds from fraud and abuse (US Senate, 2011). In 2013, many other donors were committed to providing 50% of their assistance through the national budget (MoF, 2013). In 2016, ODA increased its on-budget aid to the Afghan government by 59% (EQUALITY for Peace and Democracy, 2016). The on-budget funding includes both the operating budget and development budget. The first covers mainly recurrent costs, while the latter consists of the budget for infrastructure, system development, capacity development, and other development activities (Andar, 2018).

Providing on-budget aid allows the Afghan government to build capacity to absorb and manage resources and enhance its accountability to the donors and to the Afghan public (Andar, 2018; MoF, 2013). It also improves Afghan ownership, sustainability, and capacity, particularly in planning, executing, financing, reporting, monitoring, and auditing (US Senate, 2011; Wardak, 2016). On-budget projects can be planned and coordinated more effectively, and their implementation can be more efficient because the cost of execution of local institutions and contractors is significantly lower than those

implemented by international NGOs through off-budget (Wardak, 2016; World Bank, 2012).

However, the greatest challenge with the on-budget execution is the weak system to effectively and efficiently prioritize and manage budgetary expenditures compounded by political battles with Parliament, one of whose roles is to approve the national budget. The approval of the national budget has become a major vehicle for members of parliament (MPs) to pressure the Afghan government. The MPs condition their support for the budget by including projects in their provinces that may not be of high development or economic priority, and even more problematic, to contract or hire certain companies or individuals associated with MPs (Byrd & Farahi, 2018). Low capacity and corruption in state institutions are other hurdles for effective use of on-budget funds (Wardak, 2016).

Off-budget Aid. Until now, the majority of aid has been provided outside of the national budget. In off-budget assistance, donors directly contract non-governmental organizations and private firms to manage emergency and development projects. The Afghan government has little to no control over off-budget aid; however, it encourages the donors to design and implement off-budget programs in line with the Afghan government's National Priorities Plans (MoF, 2013).

The Afghan government claims 82% of aid money was provided outside of the government system without adequate consultation with the Afghan government (MoF, 2013, as cited in Wardak, 2016). Donors prefer off-budget assistance because of low local capacity, administration corruption, and lengthy and time-consuming processes in the state institutions (Wardak, 2016). Wardak asserts that off-budget support is important, especially for urgent humanitarian relief, repatriation of refugees, disaster recovery, and

emergency projects requiring immediate action that cannot be implemented through bureaucratic government processes.

However, off-budget aid is mainly criticized for its low impact, misalignment with the priorities of the recipient country, and lack of coordination among donors and the Afghan government that cause duplication of efforts. According to Wardak (2016), the Afghan government is often unaware of off-budget projects, especially during the design phase. They are only informed when the implementation phase starts, and at that point it is extremely difficult to amend or cancel the projects. The author goes on to say that off-budget projects are very expensive and have a very high overhead cost, salaries of international staff, and high operational cost. Hence, most of the off-budget resources flow back to donor countries rather than being spent on development efforts in Afghanistan. The off-budget actual spending in Afghanistan is estimated at 10-25 percent, compared to 70-95 percent for on-budget financing (World Bank, 2012, p. v). Since the government does not control the off-budget resources, this approach led to the creation of hundreds of donor-driven projects without consultation or cooperation with the government of Afghanistan and particularly without any sustainability plan in place (US Senate, 2011).

Despite the challenges, the funding from international donors is very important to the Afghan public sector and particularly to public HEIs. There are many bilateral and multilateral donors assisting HE in Afghanistan; however, their support is relatively low compared to the actual need. The Higher Education Strategic Plan for 2016-2020 highlights that donors ignored the success of basic education and the increased number of graduates from schools, as most of the graduates want to continue their higher education in public HEIs (MoHE, 2015). According to the World Bank report (2013), the reason for low funding

both from the government and donors was caused by allocating a substantial portion of the funding to basic education due to a nearly ten-fold increase in the number of students.

In addition, despite a growing focus on monitoring and evaluating performance indicators, the evidence for what works in aid and what does not, remains unclear. The above review of the opportunities and limitations of funding reminds education policymakers, especially in Afghanistan, about the importance of knowing all facets of “Aid Architecture” to receive proper funding from donors. Many new aid channels have recently been developed, and it is becoming increasingly complicated, as several nations that previously only received aid have now become donors. Also, the HE system needs to identify the human and technological capacity for creating transparency mechanisms, effectively managing donor resources, and consequently garnering their trust for continued funding.

Privatization of Higher Education

The final form of cost-sharing is through the privatization of higher education (HE). The private higher education institutions (HEIs) have increasingly played a significant role in meeting the demand for tertiary education services (Vossenteyn, 2004). Governments in most countries have increasingly utilized a neo-liberal philosophy by introducing some market elements to promote the privatization of tertiary education. The wave of privatization in HE has been very strong and quick, especially in the last two decades, even in those countries where the HE systems were predominantly public (Tilak, 2015).

The role of the private sector has been crucial for the provision of tertiary education in Asia, the Middle East, Africa, Latin America, Eastern Europe, and increasingly in the former Soviet countries (Johnstone et al., 1998; World Bank, 2010). According to some

estimates, the worldwide matriculation in private higher education institutions is about 30% of the student body (Bjoarnason et al., 2009). In the 1970s, few private institutions existed outside of the United States, Korea, Japan, the Philippines, and some Latin American countries (Sanyal & Johnstone, 2011).

Typically, the central, provincial, or local government fund public HEIs; however, privatization presents a different financial model as the private HEIs do not have a consistent form of funding. Private HEIs may entirely operate with private funding or with partial public funding. Some institutions are non-profit while others are for-profit, and they may be accountable to their owners or investors or the government for the portion of the share they receive from public resources. Private institutions rely primarily on income from student tuition and fees, supplemented by a range of entrepreneurial activities (Altbach et al., 2009). For example, in India, private higher education emerged and expanded rapidly in several forms. Rani (2004) elucidates three different types of privatization in India: (1) privatization within governmental HEIs through introducing self-financing courses; (2) converting government-funded private institutions into private self-funding institutions; and (3) allowing the expansion of self-financing private institutions with and without recognition, which may be labeled as commercial private HEIs. All of these forms of privatization have been adopted in response to the lack of the public sector's capability to address the demands of the rapidly growing college-age population. In some places, the privatization happened in response to religious-focused education, such as in Pakistan, India, and Bangladesh.

Currently, India has 191 private universities comprising nearly 3000 colleges (Planning Commission, 2013), 59 private universities in Pakistan, and 55 in Bangladesh

(Halai, 2013; Jewel, 2013). According to recent data between 1996 and 2005, the number of private universities has reached approximately 193–645 in Russia (Zajda, 2010, p. 180). Moreover, many other countries, notably the Republic of Korea, Japan, Indonesia, the Philippines, Brazil, and some other countries in East Asia, have restricted their government funding to a small number of selective and elite public institutions (Altbach et al., 2009). Only a few countries such as Singapore, Cuba, and Bhutan have no private HEIs (Altbach et al., 2009; Vossenteyn 2004). Looking internationally, the percentage of enrollment in the private institutions ranges from less than 10% to over 50%, as illustrated in the following table.

Table 3. Percentage of enrollment in HE in private institutions

Private Share of Enrollment	Countries
Large: over 50%	United Kingdom of Great Britain and Northern Ireland, Palestine, Indonesia, Singapore, and China
Medium: between 25% and 50%	Kazakhstan, Islamic Republic of Iran, Bangladesh, Malaysia, Qatar, and the United States of America
Small: between 10% and 25%	Georgia, Niger, Madagascar, Ghana, Bosnia and Herzegovina, Portugal, Egypt, China, Thailand, Vietnam, and Azerbaijan
Negligible or non-existent: Less than 10%	Italy, Australia, Sweden, Croatia, Turkey, Saudi Arabia, Sri Lanka, Ireland, Denmark, and Tajikistan.

(UIS Education database, 2012)

Though privatization has spread widely throughout the world, the rewards and costs of private institutions have been a topic of great debate among political leaders, business people, and the public. Proponents claim that privatization increases access, decreases reliance on public institutions, and produces the workforce needed in the market. Conversely, opponents argue that the rapid spread of privatization in HE systems raises a set of complex questions.

On the positive side, proponents argue that private HEIs contribute to meeting a critical access goal for HE. They claim the expansion of universities helps to enroll more students in HE regardless of their gender, age, ethnicity, or social background (Chou, 2015). Chen (2010) notes that the growth of private universities in Taiwan has made the HE more accessible. The private sector had a growth of 64.41% compared to only 8.7% in the public sector during the last decade (Prudence & Li-Tien, 2012). These numbers indicate that Taiwan had the highest university enrollment rate in Asia in 2012, with a rate four times higher admission rate than China and Hong Kong (Chuo, 2015). Also, most Gulf States have allowed privatization of HE. Adopting the market route in the United Arab Emirates (UAE) had the biggest impact, where about 70% of the students now study in private institutions. UAE is ranked second in terms of the number of students in tertiary institutions after Saudi Arabia (Bhayani, 2014). Private HE had impressive growth in Africa too. The World Bank (2010) reports 22% enrollment in Africa's private institutions in 2006, which is close to an average level of private admission in Europe (28%) but lower than Latin America (about 50%).

Privatization of HE in Afghanistan is a new phenomenon. Some private institutions are started primarily to make money or for political purposes. The first Afghanistan National Higher Education Strategic Plan for 2009-2014 states "access needs of Afghanistan cannot be met solely by public tertiary institutions alone," adding that "...the MoHE will encourage the development of quality private education – especially non-profit intuitions" (MoHE, 2010, p. 13). As a result of the significant increase in demand for HE accompanied by increased financial limitations, the government of Afghanistan has encouraged the private sector to establish and manage HEIs. The number of applicants for

admission to public HEIs has substantially increased while the public sector could only admit about half of the applicants (MoHE, 2019).

Another advantage of privatization is cost-sharing. The Afghan government has been financing the education systems out of public funds, but the allocation of funds has been very low (around 1 percent of the national budget) (MoHE, 2010). A significant portion of the cost of HE can be shifted from the government to students, who pay tuition (Geroimenko et al., 2012). Privatization also helps raise more money for the government by collecting income tax from private universities. Privatization gives flexibility to students in choosing institutions and fields of study. In contrast, admission to public institutions is determined based on Kankor (university entrance examination) results.

On the negative side, the opening of many private HEIs has been used as a lucrative and profit-motivated business. All private institutions in Afghanistan are for-profit, except Chragh Medical School and Hospital and American University of Afghanistan (Babury & Hayward, 2014). The Afghan private HEIs are offering education services funded primarily by student fees; however, some of these institutions are also supported by donors and entrepreneurial activities (MoHE, 2015). The Afghan MoHE has not regulated the amount of fees for private HEIs. According to the MoHE, “the average fee charged by private HEIs is 5,000 AFS per month, which comes to 60,000 AFS per year (\$800). However, some institutions are as expensive as \$5,000 per year (380,000AFS). The average rate is almost 2.4 times more than budget allocations for each student in public universities in 2014” (MoHE, 2015, p. 36); this poses a great challenge to many Afghan families as the average per capita GDP income was estimated at \$666 for 2014 (World Bank, 2015).

Another key problem of privatization in most Afghan private institutions is that most of their teaching staff are public university faculty members. According to Babury & Hayward (2014), a large number of faculty from Afghan public universities are teaching during regular hours in private universities, and their assistants often teach their classes at public universities in their absence. Based on the same report, students at Afghan public institutions often complain about the fact that some of these faculty members are seldom on campus or available to students. Low-quality education is detrimental and could negatively impact the employability of graduates as they will be unprepared for employment (Barr, 2004) and may have a negative impact on the benefiting society (Slaughter & Leslie, 1997). Thus, private institutions are accused of not operating in the public's interest but instead focusing on their own financial interest at the expense of damaging education's quality in the public sector.

A major detriment of privatization in many South Asian countries, including India, has been the drying up of philanthropy, as the profit-seeking private institutions have emerged as major players in HE. In addition, an increasing reliance on the private sector has resulted in shifting the balance from academic disciplines and research to commercial and resource generating studies (Tilak, 2015). Furthermore, most part-time faculty members who teach in private institutions received their graduate education with public funding. Normally, their governments pay their salaries during their graduate studies and cover all their studies, living, and travel costs. As a result, the government of Afghanistan is indirectly heavily subsidizing private HE (Babury & Hayward, 2014).

Fundamentally, private institutions are established not as substitutes for public universities but as a supplement to increase the capacity of educational services

(Geroimenko et al., 2012). However, private institutions are of two different kinds, especially in terms of quality. On the one hand, among these institutions, there are many elite universities with widely recognized records of achievements, which arise in response to societal needs that the public universities were failing to meet. Harvard and Stanford in the United States, Waseda in Japan, and the American University of Afghanistan are good examples of such private elite universities (Geroimenko et al., 2012; Babury & Hayward, 2014). On the other hand, many private universities, particularly in developing and transition countries, are often criticized for providing low-quality education and are unconcerned about the future careers of their graduates. In some cases, they only exist to sell diplomas. The Afghan MoHE acknowledges that the contribution of private HEIs is crucial to meeting the demand for HE. However, MoHE needs to address the challenges of the poorly performing private HEIs.

Contributing Factors for Successful Supplementation of Revenue

Institutional autonomy is instrumental in the success of cost-sharing. Here, I review some literature on the need for and the importance of institutional autonomy.

Institutional Autonomy

Institutional Autonomy is a prerequisite for generating income from non-governmental sources (World Bank, 2010). A study conducted by McNerney (2009) confirms that institutional autonomy is a significant precondition for increasing revenue from private sources. He claims, “without devolution in power from the centralized ministry to the institutions, the necessary incentives and mechanisms will probably be missing for the development of these alternative sources of funding” (p. vii). Vossenteyn

(2004) also claims that greater autonomy gives HEIs more incentives to develop non-government revenue sources.

The deregulation or liberalization happens partly by a “push” from government policies and partly by a “pull” from new market opportunities (Gallagher, 2000, p. 4). The author goes on to explain that the ‘push’ factors include a shift from governmental support to governmental assistance, expansion of income from nongovernmental sources, and offer of academic programs that are more responsive to student needs. Whereas the ‘pull’ factors comprise changing demand in higher education, technological development, globalization, and commodification of knowledge or commercialization of academic programs (p. 4-5). Institutional autonomy also encourages greater competition for resources and changes governments’ role from the controller to a supervisor (Chou, 2015).

Many countries have restructured their public HE systems to give more autonomy to HEIs with the aim of increasing income and functioning independently to maximize teaching and research outputs (Altbach, 2009). For example, 13 African countries receive about 28% of their income from private sources (World Bank, 2010). In 2000, the Australian HE sector received more than half of its total income from nongovernmental sources (Gallagher, 2000). On average, Pakistan universities generate 49% of their budget is self-funded, plus donations from donors, alumni, local governments, NGOs, and other friends of HE (World Bank Pakistan, 2005).

The liberalization allows HEIs to redesign their services, commercialize their research outputs, make structural changes, improve external networking, and capture new markets (Gallagher, 2000). Autonomous HEIs can develop their own strategies, plans, learning methodologies, management structure, human resources, student recruitment

policies, and, more importantly, their budgets (Geroimenko et al., 2012; Hanushek & WoBamann, 2007). Preserving power over budget usually enables HEIs to a) make their own budgets, b) modify them in response to emerging opportunities and circumstances, c) set staff salaries on the basis of merit and performance, d) reallocate funds from one line-item to another, and e) carry unspent balances over from one year to the next (World Bank, 2010).

Until recently, public HEIs in Afghanistan have not had the financial autonomy needed to raise funds from non-government and outside sources. The higher education system suffered from the over-centralization of the financial system, which is primarily under the control of the Ministry of Finance. The lack of autonomy, as remarked by Babury and Hayward (2014), “impeded growth, stymied entrepreneurship, prevented research from being funded through entrepreneurial efforts, limited the universities’ abilities to provide services, and deprived the institutions of badly needed funds” (p. 20). While in other countries, universities receive a big portion of their annual budget from non-government sources. For instance, in the U.S., donations are a major source of income and play a vital role in financing higher education (Weisbrod et al., 2008).

Challenges to Cost Sharing

In the face of the lack of public resources coupled with increasing demand, most countries have been shifting some of the cost of HE from governments to students, their parents, and other stakeholders. However, these shifts have been financially, technically, administratively, and politically difficult, particularly in developing countries. In the next section, I will briefly review some major challenges with diversification of revenue or cost-sharing.

Financial Factors

A major barrier to cost-sharing is the weak and fragile financial capabilities of cost-sharing partners. Economically, most parents and students cannot share even a portion of higher education costs due to their difficult economic conditions. Some authors suggest that cost-sharing either hinders students from low-income families from entering the best institutions or forces them to work excessive hours to cover the cost, delay their academic study, or drop out (Vossenteyn, 2004).

Another financial challenge is the paucity of employment opportunities for many university graduates, especially in their university discipline. Cheng (2010) says that the college graduates' unemployment rate in Taiwan increased from 2.7 percent in 1993 to 5.8 percent in 2009, and only 25% of the graduates found jobs related to their college major (as cited in Chou, 2015). Insufficient employment opportunities place a serious financial burden on both students and their families. Evidence shows that reports of high unemployment rates among university graduates decreases the willingness of parents and students to contribute to the expense (Chou, 2015).

The lack of interest from international donors is another hurdle in cost-sharing. According to Babury and Hayward (2014), many donors, except for the World Bank and USAID, have halted or significantly cut funding, especially for infrastructural development. They argue that they will no longer fund “bricks and mortar” (p. 10). The lack of infrastructure, especially dormitories, is a major challenge contributing to the low enrollment of female students in public universities. The main concern that prevents many families from allowing their daughters to pursue their HE is the lack of suitable and safe housing. The Afghan government cannot tackle infrastructural needs without the support

of international donors. The key issues for reducing aid money need to be carefully examined and necessary measures to be taken to channel needed financial resources to HE.

Technical Factors

There is a broad range of technical challenges with each type of cost-sharing, especially for developing countries. Some opponents of cost-sharing argue that technically, means-tested financial assistance, grants, and loans are difficult to administer in developing countries like Afghanistan because the incomes of most families are coming from private companies or self-employment that can easily be hidden (Buchert & King, 1995). Also, there is no reliable measure of income and assets in most developing countries. The absence of a reliable system for loan servicing and collection is another technical problem in these countries (Johnstone, 2001). There is also no system of withholding salary for various student income-contingent repayments (Johnstone, 2004b). However, the proponents of cost-sharing argue that some general means like possession of land, houses, and cars can be sufficient to determine the share of parents or students (Johnstone & Marcucci, 2010).

The lack of the required structure, expert staff, accountable system, and transparent legal framework are other technical challenges that hinder higher education institutions from tapping into alternative sources. These factors are important to properly manage the private or alternative sources and motivate philanthropists to contribute or encourage public and private institutions to partner with public universities in different research and development projects.

Political Factors

Public Policy and Politics. As Machiavelli et al. (1997) wrote in their famous political manuscript, *The Prince*, “There is nothing more difficult to take in hand, more perilous to conduct, or more uncertain in its success than to take the lead in introducing a new order of things” (p. 24). While this statement is true of any political reform, it is specifically relevant in the case of HE reforms, as there is a pervasive belief among many policymakers, the general public, and politicians that tertiary education should be financed exclusively from public funds or tax revenue (Barr & Crawford, 2005; Oketch, 2003). Universities are among the most conservative institutions with a large number of faculty and students that can effectively mobilize themselves against the public policy changes that likely risk their vested interests (World Bank, 2010). Strong resistance often occurs when the government or public universities plan to introduce tuition and user charges or reduce or suspend social benefits for students, such as providing free housing and food.

A critical component for the successful implementation of education policy, especially for financial reforms, is the need to reach political consensus among all stakeholders. Salmi and Hauptman (2006) claim that one of the key political issues concerning financial reform is the distribution of public budget and the redistribution of assembled funds from non-governmental sources. Education technocrats do not pay enough attention to political matters in tertiary education. When it comes to reality, the challenges prove to be much greater than they assumed. For instance, the reform of HE financial policy in Portugal led to significant political changes, including changing governments and ministers. Between 1999 and 2005, there was a series of short-lived ministers of HE, on average, one minister per year (Teixeria & Koryankina, 2015).

The situation is worse in Afghanistan, where gangs have control over a good number of students. At least in one case, they showed their power by removing the Rector at Kabul Education University (Giustozzi, 2010). Afghanistan is a war-torn country; thus, it is easily affected by political factors. The political factor is important and has an impact, as individuals without needed qualifications are appointed into important positions. Whereas reforms require experienced and capable leaders to garner the support of the government, society, private sector, and international donors based on empirical evidence.

Student Politics. Student politics are a serious aspect of politics, and a study is needed to learn about student political parties' origins, development, and future (Giustozzi, 2010). Politically, the shift of HE cost from the government (taxpayers) to students or parents cannot be easily adopted. University students are the largest and most likely age group to protest. They are both vocal and sometimes violent. For instance, in 1999, in Germany, students organized the largest demonstrations to protest deteriorating conditions in their universities (overcrowded lecture halls), and they demanded more funding for HE (Altbach et al., 1999). In France, both students and lecturers opposed a new institutional autonomy policy giving more authority to the university presidents. In Mexico, students went on a strike in 1999 after the approval of a plan to increase tuition fees at the National Autonomous University of Mexico (UNAM). Similarly, students resisted financial reforms, especially the introduction of tuition fees in HE. These demonstrations, for instance, resulted in the closure of the UNAM for ten months, occupying some universities in France, killing two students in the Democratic Republic of Congo, and killing of the education minister in Mali (World Bank, 2010). However, governments in Kenya, Uganda, and Zambia remained firm and conditioned the reopening of universities on students being

willing to moderate tuition fees and the cost of housing (Oketch, 2003). Like other countries, students are a formidable force in Afghanistan and can disrupt universities and Afghan society by opposing tuition or other fees. For example, in late 2002, a police officer killed four students during a riot after dormitories ran out of food at Kabul University (Chuang, 2004).

Afghan politicians also do not want to lose student support by backing cost-sharing policies as students are growing in number and are actively engaged in presidential and parliamentary elections. Besides, both sectarian tension (Shia and Sunni) and ethnic conflict (Pushton, Tajik, Hazara, and Uzbek) are prominent in the student political parties. Typically, each strong political party represents one ethnic group, and those parties representing diverse ethnic groups are weak. So, any policy change needs to be supported by major parties to make it successful.

To conclude, the politics of cost-sharing in HE are particularly daunting. This is especially true in Afghanistan, which faces enormous unmet public needs, in addition to the increasing demand for HE. Examining the politics in HE helps to identify alliances and/or positions of political actors for a smooth transition from traditional to new education financing policies. The political analysis matters to all development players because it determines the feasibility, appropriateness, and effectiveness of their actions and involvement (Brinkerhoff & Crosby, 2002, p. 164-170).

Administrative Corruption

Corruption is commonly defined as the “abuse of entrusted power for private gain” (Coté-Freeman, 1999, p. 1), and it can be the greatest threat to cost-sharing in Afghanistan. The potential parties in the paradigm of cost-sharing may not be willing to contribute or

donate unless they are assured of the transparent use of their funds. Most Afghans believe that their philanthropic contributions will not be spent on improving the HE system. The prevailing view is that the money they contribute will go into the pockets of corrupt university leaders and politicians (Johnstone & Marcucci, 2010). Such beliefs are particularly salient in light of widespread administrative corruption in Afghanistan. According to the corruption perception index of Transparency International, Afghanistan was ranked third in the world in corruption in 2014, which has severely damaged the Afghans' confidence in public institutions. Reportedly, Afghans paid \$2.5 billion in bribes and kickbacks, an amount equivalent to 23% of the country's Gross Domestic Product (GDP) in 2009 (UNODC, 2012).

In addition, Afghanistan suffers from uneven and unstable political power dynamics, directly influencing accountability and transparency in the public sector. The less developed political parties are, the more likely corruption will be widespread. (Huntington, 1968). Moreover, as stated by Palau (2011), the key project-level and national level factors in Afghanistan that allow corruption to flourish are:

- a) Project Level Factors: absence or ineffective anti-corruption systems, lack of effective monitoring and controlling system in various levels (government, donor, implementing partners, and public), nature of infrastructure (e.g., the role of sub and sub-sub-contractors), lack of transparency and accountability, and extent of government involvement
- b) National Level Factors: unnecessary bureaucracy and lack of law enforcement, insufficient reporting of corruption both by government officials and public, lack of awareness among the public about corruption and how it affects their lives, and lack

of sufficient data regarding comparative costing of projects, materials, and methods (p. 2).

Corruption has found its way into HEIs in many ways. According to Babury and Hayward (2014), there had been “attempts in earlier years to get around the Kankor admissions examination through bribery, intimidation, favoritism, thuggery, and cheating; circumvention of the civil service system; potential reprisals for those who challenge powerful people who break the rules; and discrimination based on ethnicity or nationality or because of gender” (p. 22). The authors also claim that despite the prevailing corruption in HEIs, there are many honest officials, who refuse bribes, insist on honesty, and try to prevent bribery, thereby putting themselves at risk of possible violence. Improved transparency and accountability mechanisms are vital for rebuilding people’s trust and increasing philanthropic endowments to public institutions.

Conclusion

The literature review suggests that helping to finance higher education from alternative sources is the only effective option to cope with the situation of fiscal stress, particularly in low and middle-income countries. Cost-sharing in HE has many forms and has been occurring on a global scale, including the developed industrialized countries. Some of these alternative sources include introducing tuition and user fees, entrepreneurial activities, donations, foreign aid, and privatization of higher education. However, in this review, revenue diversification is criticized by many authors for various financial, technical, political, and administrative reasons. Nonetheless, these criticisms can be addressed by developing carefully thought-out policies improving institutional capabilities and creating transparency and accountability mechanisms. The World Bank

(2010) suggested some key measures for African countries, which can also be appropriate for many other developing countries like Afghanistan. These measures are:

(a) Optimal mobilization and improved use of public resources, which in many countries still constitute the main source of financing; (b) diversification of financing sources, particularly by sharing the costs of education with the beneficiaries; (c) promotion of the private sector; (d) development of income-generating activities by higher education institutions; and (e) the organization of distance education programs (p. 119).

Furthermore, cost-sharing contributes much more than just generating funds. It offers HEIs the opportunities to a) maintain a good relationship with their society, partner organizations, and donors, b) provide need-based degree programs through working with national and international industry partners, c) improve the employability of graduates, and d) eventually contribute to the overall development of countries.

In order to diversify the revenue sources, the review also suggests that public universities should be granted more autonomy (administrative, academic, and financial) to take the above measures. Sanyal and Johnstone (2011) urge that although the applicability of these measures will vary in different countries and the recommendations will be judged in light of economic, political, and social realities, in principle, they are “applicable to all countries regardless of their stage of economic development or prevailing political and economic system” (p. 173). They also insist that new financial policies should be in line with the societal needs and strategic objectives of donors, to the extent possible, to gain both domestic and international support.

In Afghanistan, the demand for HE will continue to increase for the foreseeable future. Given the rising cost per student, increasing demand for higher education, and lack of government revenue to keep increasing investment, the Afghan government may need to require students, parents, and other key stakeholders to contribute to the cost of HE. Though public support for HE is essential to continue, shifting some financial burden from the public to private sources also seems inevitable to meet the goal of access, revitalize the HE system, improve the infrastructure and provide quality education.

Review of Concepts and Theories for Financing Public Higher Education

There have been dramatic changes in how HE is being financed throughout the world. The changes have been in response to the increasing demand for HE and the inability of the public sector to provide the required funds, especially in developing countries. Most countries have followed different trajectories to supplement the scarce public resources with non-public sources as a solution for the financial austerity in HE.

Theoretical Framework

In this section, I explore some theoretical lenses relevant to financing HE to develop a conceptual framework to examine alternative sources of funding to public universities in Afghanistan. Exploring alternative funding sources for HE involves a model of inputs, processes, and outcomes. Given the unique nature of each component, I examined specific frameworks that guided this study. To begin with, I review Johnstone's *Trends in Financing Higher Education* to unpack alternative financing as inputs. Next, I review organizational theory focusing on recent work on higher education to explore processes involved in seeking alternative funding sources and analyze them. Using this lens helps identify the institutional structure and policies, key players, resources, and politics involved in

changing financial policies. Lastly, I review Holland's (2007) Social Analysis Framework to explore the current and potential outcomes of alternative funding sources at the macro, meso, and micro levels in Afghanistan's higher education sector. I briefly discuss each of these analytic lenses and present an integrative model that guides the collection, analysis, and interpretation of data for this study.

Worldwide Trends in Financing Higher Education

Bruce Johnstone, a prominent international authority on financing HE, remarked that "Six trends in the latter years of the 20th and early years of the 21st centuries—each with economic, political, and social roots and consequences—are noteworthy for their impacts on the financing of higher education." (2009, p. 1). These trends are:

1. Increasing unit, or per-student, costs of instruction
2. Increasing enrollments
3. Increasingly knowledge-based economies and the consequent additional expectations upon HE as a major engine of economic development and individual betterment
4. The failure of government revenue to maintain their share of the cost
5. Increasing globalization (which contributes both to the increasing cost trajectories and to the faltering governmental revenue)
6. Increasing liberalization of economies and the resulting decentralization, devolution, and privatization of public HEIs. (pp. 1-6)

Given the above trends, Johnstone (2009) developed a conceptual framework for financing HE that regards cost-sharing or revenue supplementation as an effective solution to financial austerity and ensuring fiscal viability. He further elaborates that:

The route to financial viability may take the form of faculty and institutional entrepreneurship, as in the selling of specialized and marketable teaching or scholarship, or in the renting of university facilities, or in the commercial marketing of research discoveries. It may take the form of fundraising, appealing to alumni and other donors. Or—and the most sustainable and potentially lucrative—it may take the form of what has come to be known as cost-sharing ... the costs of higher education are shared among governments (or taxpayers), parents, students, and philanthropists ... Cost-sharing is most associated with tuition fees and “user charges,” especially for governmentally- or institutionally-provided room and board (p. 10).

He continues to say that policy shift toward greater cost-sharing can take several forms that include:

1. ***Beginning of tuition:*** where HE was formerly free or nearly so – this would be the case in Afghanistan.
2. ***Adding of special tuition:*** such as dual-track tuition fees. The dual-track system helps to maintain free HE for the regularly admitted students and preserve the legal and political vision of free tertiary education, which is enshrined in the constitutions of many countries, including Afghanistan.
3. ***Raising of tuition:*** where tuition already exists in the public sector. To lessen the government or taxpayer’s share, the parent and student’s shares need to rise commensurately. This has been the case recently in the United States and Canada.
4. ***Imposing user charges or fees:*** to recover the expenses of what were once governmentally provided, such as housing and dining halls. These user charges have

been adopted in most countries, especially in Sub-Saharan Africa and in the Nordic countries, where students exclusively bear living expenses.

5. **Eliminating or reducing student grants or scholarships:** simply freezing grant and loan-level or holding them in the face of general inflation. This has been done in the former Soviet Union countries
6. **Increasing the cost-effective recovery on student loans:** This can be accomplished through a diminution of the subsidies or tightening of collections, or a reduction in the instances of default
7. **Limiting capacity:** limiting admissions quotas in the low or tuition-free public sector. (pp. 8-11)

Analysis of Johnstone's Conceptual Framework for Financing Higher

Education. Johnstone's framework proposes a broad range of possible supplemental revenue sources that give more choices to education leaders; for example, they can generate revenue from easily attainable new sources and steadily expand to others. Clark (2003) also underscores that a high level of financial reliance on a single source is unsound in creating and sustaining a self-reliant university. Thus, the mixed or diversified funding model can be ideal for creating revenue from students, parents, entrepreneurial activities, and donors.

Organizational Theory

There are many organizational theories, and some of them could help to further our knowledge about how best to transform HE finance. Fortunately, there are models that have been developed from an analytic synthesis of existing organizational theories that provide an over-arching view of organizational theory in a manner that captures the

complexity of the topic while providing a “user-friendly” approach that makes these concepts more accessible and understandable.

Perhaps the most widely known model is Bolman and Deal’s (1984, 2008, 2014) organizational theory. They developed four distinct conceptual “frames” that focus on distinct ways of viewing organizational phenomena - structuring organizations, human-resource-related issues, political dynamics, and symbolic concerns. Bolman and Deal’s work has been widely used in the analysis of different organizations but is not specific to the study of higher education.

Later, Birnbaum (1988) developed a similar model by adding a cybernetic frame to the existing model. The cybernetic paradigm suggests how the four frames (bureaucratic, collegial, political, and anarchical) function simultaneously in universities and colleges to create self-correcting institutions through cybernetic principles, including sensing mechanisms and negative feedback loops.

Recently, Berger and Milem (2000) further developed the model after reviewing several multidimensional models and classifications of theories of organizational behavior. They note that there is a high degree of overlap between the main models in both Birnbaum’s and Bolman and Deal’s frameworks, and they suggest the following synthesis of these when studying higher education institutions. Berger and Milem add a fifth “frame” or model – systemic, which is more specific to the study of higher education. These frames can be used to analyze various approaches to improve financing HE in developing countries.

Table 4. Frameworks for Organizational Analysis in Higher Education

Bolman & Deal's Frame	Birnbaum's Model	Berger & Milet's Dimensions
Structural	Bureaucratic	Bureaucratic
Human Resource	Collegial	Collegial
Political	Political	Political
Symbolic	Anarchical	Symbolic
N/A	Cybernetic	Systemic

Analysis of Organizational Theory. Though there are similarities and overlaps among the three models, I mainly use Berger and Milet's Dimensions to discuss alternative financing in higher education in Afghanistan. These dimensions are more familiar in higher education.

Bureaucratic Frame: The central idea in this frame is that the organizational structure needs to be aligned with circumstances. The frame encompasses "organizational charts, rules, policies, procedures, systems, and hierarchies to coordinate diverse activities into a unified effort" (Bolman & Deal, 2008, p.15). Birnbaum (1988) noted that in the context of higher education, the formal structure is highly bureaucratic and that using the frame helps to understand what kind of institutional structure, policies, processes, and/or practices exist or are required to attract funds from alternative sources. It helps to create a system accountable for every penny of donated money, ensuring people's confidence and their continued support. When organizations have appropriate structures, and people understand them, organizations can achieve their goals, and individuals can be effective in their roles (Bolman & Deal, 2008). Otherwise, people become unsure about what they are supposed to be doing, and the result will be confusion, frustration, and conflict.

Collegial Frame: Higher education relies heavily on shared governance that requires leadership from multiple perspectives – governmental authorities, administrative leaders, and faculty members (Berger & Milem, 2000). It is important that all of the key constituencies – along with the stakeholders they serve (e.g., students, families, employers) – be involved and have ownership in significant decisions that have far-ranging impacts (Berger & Milem, 2000). As such, Birnbaum (1988) asserts that the collegial model in which key decisions are made through consultative processes is an important organizational feature of how higher education needs to function to be effective. This perspective is closely aligned with the HR frame in Bolman and Deal's organization model, which emphasizes that people and organizations need each other to be successful and organizational systems work best when the needs and considerations of people affiliated with the organization are adequately addressed.

It is important to recognize that people need to have the capacity to engage in broad-based consultation and in decision-making processes. Thus, this frame helps explore whether the public institutions have the needed competent human capital with the aptitude to produce new economic value for their institutions within the perspective of this frame. Breen (2007) affirms that only those who possess the right skills and care about what they do can be creative. The frame also contributes to properly examining whether authority lines are defined for managing the supplemental revenue. This frame views "An organization as an extended family, made up of individuals with needs, feelings, prejudices, skills, and limitations" (Bolman and Deal, 2008, p.16). The lens will help to discover answers to some key human capacity-related issues, including the following but not limited to:

- Assessing the existing human capacity for managing additional resources
- Understanding the incentives for education leaders and other members
- Exploring who in HEIs will be responsible for managing the new funds
- Identifying who can be held responsible for improper spending of the funding

Political Frame: Afghanistan is a war-torn country; thus, politics and ideology are not immaterial. The political frame will be important to clearly understand the role that various forms of power play in determining the viability and desirability of different financing options. Given the various power bases that are not always clearly connected to formal authority positions, it is important to understand the current agendas and resource bases of various coalitions and key stakeholders (i.e., organizations, interest groups, and individuals) who can influence these decisions. Having such a clear understanding is crucial for making effective and feasible recommendations. The political frame is particularly salient when trying to understand organizational change because the analysis of stakeholder interests, agendas, and power bases is absolutely necessary to identify who is likely to support or oppose specific policy changes, how vested their interests are in relation to those changes, and what resources (material and symbolic) they can bring to bear on either facilitating or inhibiting specific types of change.

Symbolic Frame: Symbols and symbolic actions are part of everyday life (Bolman & Deal, 2008, p. 257) and can play an important role in shaping understanding and catalyzing action in organizations and systems. Birnbaum emphasizes that colleges and universities often seem anarchical because of a lack of shared meaning. Conversely, Bolman and Deal (2008) emphasize the importance of symbolic approaches to leadership in generating shared meaning throughout an organization. Berger and Milem (2000) reconcile these

perspectives by noting that other eminent scholars (such as Clark and Tierney) have demonstrated the ways in which colleges and universities have been able to effectively manage meaning in order to minimize the tendency towards “organized anarchy”. Hence, this frame is pivotal for exploring some espoused and embedded values, cultural norms, and organization bonds and practices to create symbols that could unite stakeholders and find directions for resolving the problem of insufficient funds. The frame is also critical to investigate how the issue of diversifying funding sources is being represented in HE and HEIs’ strategic plans, HE law, goals, mission, national conferences, and dialogues with the private sector and lawmakers. All these symbolic representations (strategic plans, rituals, and ceremonies) constantly send messages to stakeholders about the necessity of supplementing funding to public HE.

Systemic Frame: The four frames of the organizational model mainly focus on what happens inside an organization. Berger and Milem (2000) expand the model by adding a systemic frame. The systemic frame examines the connection and interconnections of the four frames within institutions and investigates external influences linking how these relationships impact the structure and functioning of HEIs. The systemic frame focuses on internal organizational issues and external regulatory compliance, institutionalized forms, and competitive mechanisms that influence organizational actions related to new funding sources to public HEIs. Moore (2000) affirms that capacity also lies outside the organization’s boundary. Hence, it is needed to discover how to engage and mobilize the capacities that an organization needs to reach its destination and keep setting new destinations for more expansion.

Social Analysis Framework

A social analysis framework developed by the World Bank has been used to inform the study of the institutional, political, and social dimensions of policy design and implementation in numerous countries (Holland, 2007). This framework provides a basis for studying the dimensions of policy at three levels: macro-level, meso-level, and micro-level. Each nested level of analysis provides its own contribution to a more comprehensive understanding of a particular policy or policy reform in a particular country.

Analysis of Social Analysis Framework. This framework is relevant for studying the outcome of financial policies in public higher education sector of Afghanistan, as described below:

- The macro-level focuses on “the significance of the historical context, political-ideological climate, political-institutional culture, and economic and social makeup of countries engaging in policy reform.” This level of analysis is very important to understand the implications of higher education finance policy issues at the national level in Afghanistan and how they could impact financial policy reform, in this case, operationalizing financial autonomy regulation for HEIs to diversify their sources of revenue.
- The meso-level enables “our understanding of the rules and incentives that govern the implementation of policy reform, transmitted through price-based incentives and less predictable organizational cultures and social norms.” This analysis level is important to discover some key potential alternative sources of income and their implications for HEIs in Afghanistan.

- The micro-level facilitates the “analysis of the distributional impacts of policy reform” (Holland, 2007, p. 31). This level of analysis will be focusing on the potential impact of policy reform on all involved actors, mainly faculty and students.

Proposed Theoretical Framework

I propose a combined theoretical framework drawn from the analysis of three key theoretical perspectives of (i) Worldwide Trends in Financing HE, (ii) Organizational Theory, and (iii) modified version of Social Analysis Framework, showed in the below diagram.

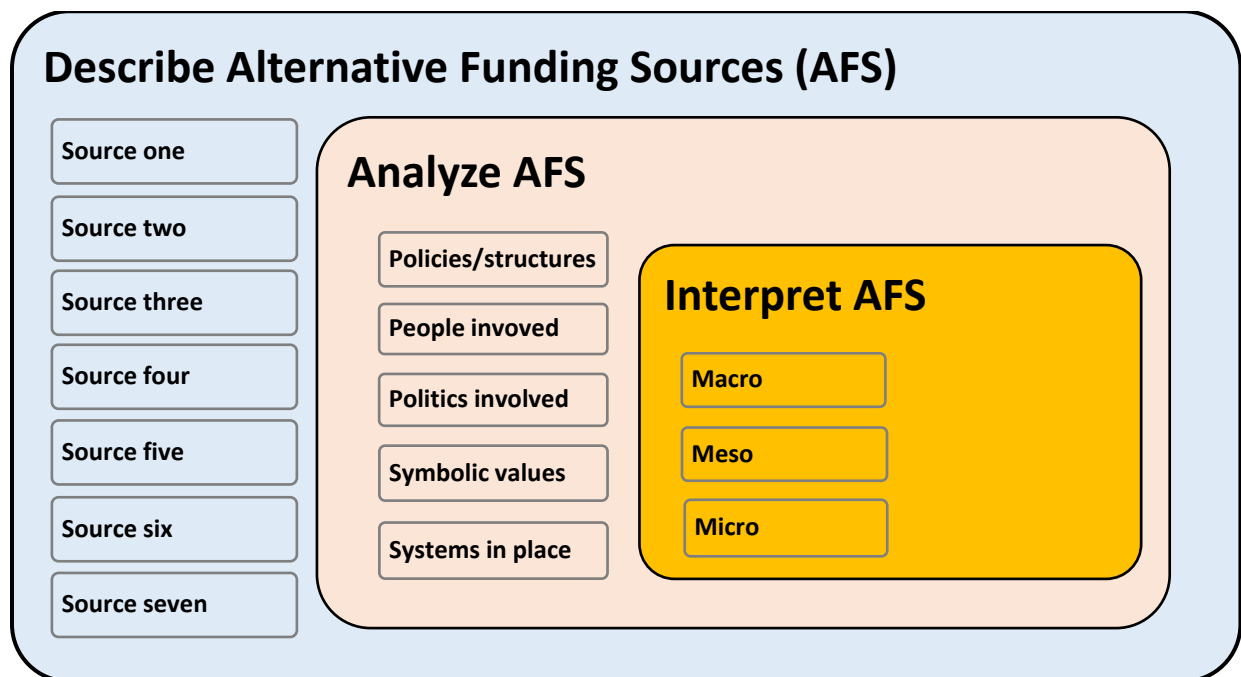


Figure 5. *An integrated Theoretical Framework*

Here, I describe the application and significance of the proposed integrated analytical framework.

Worldwide Trends in Financing HE. Johnstone’s conceptual framework for financing HE is thorough and inclusive in its exploration of alternative revenue sources for public HEIs. The framework I propose suggests not substituting for public funds but

supplementing them. The proposed framework has been developed based on worldwide trends in HE, and it is a powerful model for mapping additional trends in HE, particularly exploring alternative sources of revenue in Afghan HEIs. The framework proposes a combination of moderate tuition, fees, as well as encourages the expansion of private institutions in response to increased student demand and limited public resources (Johnstone, 2009). Johnstone emphasizes that “cost-diversification is usually politically contested when first implemented but will be more acceptable when: (a) financial assistance is in place and has been made understandable, (b) university management is perceived to be doing (or to have done) its share of difficult economizing, and (c) government is perceived as generally efficient and free from corruption” (p. 15).

Although the framework recommends potential alternative funding sources, it does not provide practical guidance on how education leaders can facilitate those conditions to attract new resources. In other words, it is clear that this model suggests a diversified approach for funding HE. It is less clear how decision-makers can best make sense of the various combinations of options, decide when and how to implement each option, and then develop a feasible and effective approach for instituting such reforms. Given that higher education is an organized system (Berger & Milem, 2000), it makes sense to also look into the organizational theory to help address these challenges.

Organizational Theory. It can provide an influential underpinning to understanding, designing, and implementing policies, procedures, and processes to diversify revenue sources for Afghanistan's public HEIs. Each of the five dimensions leads to important questions that can inform decision-making at different levels across all institutions engaged. Furthermore, the concepts from the organizational theory that have

been incorporated into this theoretical framework are important for examining institutional capacity and environmental realities. They are manifested both inside and outside of the system, and are essential for the success of policy changes, particularly financial policies. The framework will help identify and suggest new trajectories for HE to supplement the scarce public resources from non-government or alternative sources as a so-called solution for fiscal austerity.

Some of the major questions for the proposed five dimensions include the following:

1. Bureaucratic – what are the formal structures and regulations that guide decision-making in higher education, mainly about financing public HE?
2. Collegial – who is involved, and what voices are invited to engage in the important discussions about HE financing decisions?
3. Political – what interests are served by varying approaches to finance HE, and what power bases are being used to further which agendas?
4. Symbolic – what meanings and values are associated with different approaches to finance HE, and how are those transmitted through symbolic norms and representations?
5. Systemic – what broader forces beyond higher education institutions influence the construction, delivery, and assessment of HE finance policy? (Blanco-Ramírez & Berger (2014).

Similar questions will be applied throughout the study for each potential alternative source, its key challenges, and proposed recommendations for addressing them. I provide more details on using these frames in the next chapter (Chapter 4) under the data analysis section.

Social Analysis Framework. The modified version of the social analysis framework helps draw a conclusion at the macro, meso, and micro levels. The macro analysis focuses on broader issues such as national policies, legal framework, political environment, and stakeholders' interests. The meso analysis helps to understand the major potential alternative sources of revenue at the institutional level and those in faculties and departments. Finally, in this study, the micro-level focuses on making sense of alternative sources and analyzing the impact of fiscal policy reforms on all stakeholders, mainly faculty and students.

CHAPTER 4

RESEARCH DESIGN AND METHOD

This chapter discusses the research methods that I used, the rationale for choosing the research design, research participants, and the procedures for data collection and data analysis. It also describes my positionality as a researcher, reliability and validity, ethical considerations, and limitations of this research.

Research Design

To examine the research questions regarding potential alternative sources, challenges, and how to access the new resources, I used a qualitative research design based on Wolcott's three dimensions of "description, analysis, and interpretation" (Wolcott, 1994, p. 9). Rossman and Rallis (2017) also affirm that "qualitative research focuses on the description, analysis, and interpretation with the aim of making sense of the social world" (p. 8). The method is aligned with the proposed integrated theoretical framework of this study — to describe, analyze and make sense of potential alternative funding sources. Rossman and Rallis (2017) note that the "framework links to the study, ensuring that the approach and methods are coherent and flow logically from the framework, and it provides a preliminary map for analyzing the data" (p. 107).

The first dimension, *description*, is rooted in data to describe accounts and explore topics. This aspect builds a foundation for the latter two, analysis and interpretation (Saldana, 2011). In line with the theoretical framework, the descriptive nature of qualitative research guided the study in identifying alternative sources of funding. Wolcott notes the theoretical framework helps structure descriptive accounts; however, other necessary detail should be included for subsequent analysis or interpretation and not

merely support a preconceived framework (pp. 21-22). The descriptive dimension is also regarded as “implicit analysis or implicit interpretation” (p. 16). Rossman and Rallis (2017) also allege there is no pure description because describing an account requires analysis and interpretation, and all three elements are related and can be used iteratively. In this study, the purpose of this dimension was to identify alternative revenue sources and understand under what circumstances they work well or where they may not.

The second dimension, *analysis*, grounded in the descriptive aspect, expands beyond description, and clarifies the key factors and relationships among them (Wolcott, 1994). The dimension is particularly appropriate to explain how new funds can be attracted, managed, utilized, and sustained as it emphasizes a more “orderly, less speculative side of data transformation” (p. 26). Wolcott states that the analysis phase goes beyond only reporting the facts but maintains a dialogue, so the readers accept the research findings. The analytical mode aligns with the theoretical framework, proceeds in a careful and systematic way to identify key issues concerning alternative sources using the organizational lenses (e.g., bureaucratic, collegial, political, symbolic, and systemic). In brief, this phase underscores ‘how things work’ and ‘might be made to work’ (Berger & Milet, 2000; Wolcott, 1994, p. 12).

The third dimension, *interpretation*, is about “understanding” to find broader application and meaning (Wolcott, 1994, p. 10). Wolcott asserts this sense-making aspect addresses the higher-level questions, “How does it all mean?” and “What is to be made of it all” (p. 12). The dimension may follow from the second or spring directly from the first dimension. Interpretation is not as tightly bound to the descriptive account as analysis, but that does not mean to go far away without making a noticeable link to it. The goal of this

mode is to make sense of “what goes on, to reach out for understanding or explanation beyond the limits of what can be explained with the degree of certainty usually associated with analysis” (pp. 10-11). In other words, the interpretation “includes the voices of participants, the reflectivity of the researcher, and a complex ... interpretation of the problem” (Creswell, 2007, p. 37). Interpretation is the terminal phase and core of qualitative research, the account can be taken as far as research stop with confidence (Denzin & Lincoln, 2005; Flick, 2002; Wolcott, 1994).

These three dimensions are not necessarily mutually exclusive, and there is no clear line where “description ends and analysis begins, or where analysis becomes interpretation” (Wolcott, 1994, p. 11). However, identifying and distinguishing among the categories “may serve a useful purpose, especially if the categories can be regarded as varying *emphases* that qualitative researchers employ to organize and present data” (p. 11). Wolcott goes on to suggest that qualitative researchers keep this distinction in mind as they transform research data into written research reports. Wolcott summarizes the differences of the categories by noting that, “When you emphasize description, you want your reader to see what you saw. When you emphasize analysis, you want your reader to know what you know. When you emphasize interpretation, you want your reader to understand what you think you yourself have understood” (p. 412). The main purpose is not just to transform data but to transcend them.

Participants and Sampling

In this study, the key participants were officials from the MoHE, chancellors, deans, faculty members, students, alumni, as well as representatives of the private sector, donors, and international organizations. Given that funding involves multiple stakeholders, I

remained open to including further study participants as new issues arose to fully understand a phenomenon (Mertens, 2014).

I used “criterion sampling” for this study (Rossman & Rallis, 2012, p. 138), guided by the following key criteria. Noteworthy is that there are limited people at each of the participating universities who have been involved in and are aware of the financial autonomy policy, who were the key informants for this study.

1. Persons/parties who make or influence decisions in the public Higher Education sector. This category includes the leadership of MoHE, public universities, and representatives of donor agencies.
2. Persons/parties who can support or oppose education leaders in introducing or implementing policy and structural reforms to increase funding to HE by diversifying revenue sources. This category consists of senior government officials and representatives of donor agencies.
3. Persons/parties who can potentially make financial contributions to the public Higher Education institutions. This category includes students, graduates, businesses, and national and international donors. The students will be selected from different faculties and departments because there is a big difference, for example, between faculties of social and natural sciences in making additional revenue from research and delivery of services.
4. Persons/parties who possibly benefit from the supplemental revenue. This category includes students, faculty, and leaders of public HEIs.

I chose four Kabul-based public universities for this research. Though all of these universities are located in Kabul city, they are very different in terms of size, resources,

and, more importantly, scope. The four universities are Kabul University, Kabul University of Medical Sciences, Shaheed Professor Rabbani Education University, and Kabul Polytechnic University. These universities were the first to be declared financially autonomous. I interviewed only those who were willing to participate and who had knowledge of the study topic. I chose the following informants for this study because they fall into one of the above four categories.

Table 5. Study Participants

Category	Role and number of participants	Number of interviews conducted	Location for a face-to-face interview	Follow-up Interview
MoHE	2 officials	2	MoHE	
Public HEIs	3 chancellors, 2 vice-chancellors, 9 Deans, 10 faculty members	24	Universities	3 deans and 4 faculty
Students	2 students 2 graduates (alumni)	4	Universities	1
Private sector	2 businessmen	2	Company offices	
Donors	3 representatives of donors supporting higher education	3	Donor offices	1
International Organizations	5 INGO representatives supporting higher education	5	INGO Offices	3
Total number of participants		40		

Follow-up interviews were conducted only with those participants for whom there was a need to clarify something from the first interviews or to get more information. The follow-up interviews occurred virtually through Phone, Skype, or WhatsApp.

Participating Universities

Below, I provide brief information about the historical background, scope, and some data about the four universities selected for this study.

Kabul University

Kabul University (KU), established in 1932, is the oldest and largest higher education institution in Afghanistan. The overall mission of the university is to train people to acquire and tailor global knowledge to the needs of the Afghan economic, cultural, and historical context, contribute to the creation of new knowledge, and commit to Islamic democratic values. The administration of the university moved to the current campus in 1963 (Samady, 2001).

The Faculty of Medicine was the first tertiary education institute established in 1932; however, later in 1978, the faculty separated from Kabul University (KU) and become an independent university. Currently, KU has 21 faculties, both natural and social sciences, and over 110 departments, which have been established over its history. Each of these faculties has a different potential in research, service delivery, and partnerships for the purpose of revenue diversification that are discussed in this study.

As of late 2019, there were 23,198 (14,472 male and 8,726 female) students and 870 (684 male and 186 female) faculty members at Kabul University. The university offers two doctoral programs, Pashto and Dari languages, and nineteen master's degree programs in both natural and social sciences. The master's programs are offered in languages, business administration, public policy, political sciences, economics, information technology, agriculture, veterinary, law, Islamic studies, and some other fields. The university also has six research centers, including a demo-orchard, veterinary clinic,

research center, central library, judicial center for practicum term, research and national policy center, and an operating and networking center (MoHE, 2019; NSIA, 2019). KU has great potential to diversify its sources of income because it offers over 100 different academic programs, including many graduate programs, and possesses improved infrastructure, expert human resources, and the largest student population among the public universities.

Kabul Polytechnic University

Kabul Polytechnic University (KPU) is a leading university in the field of engineering. The university was established in 1963. In 1972, the administration and academic departments moved to their current premises after completing the construction of its new buildings. The university was called Kabul Polytechnic Institute until 2002. Currently, KPU has six faculties and a Community College in Information Technology which was established in 2012. The university offers three master's degree programs in Industrial and Civil Constructions, Geology and Mine Exploration, and Hydraulic and Hydraulic Structures. Currently, the university has eight faculties with around 30 departments. There are a total of 5,211 (3,950 male and 1,261 female) students and 261 (224 male and 37 female) faculty members (KPU, 2020; NSIA, 2019). KPU can generate enormous additional resources by contributing to the design and implementation of different large engineering projects, particularly in water management, geology, mines, and geodesy, which are the national priority projects for the Afghan government and international donors.

Shaheed Professor Rabbani Education University (SREU)

Shaheed Professor Rabbani Education University (SREU) is the only university specifically devoted to education in Afghanistan. It was established in 1964. Originally, the

university was called Teacher Training Academy; in 1982, it became the Institute of Pedagogy; and in 2002, it was elevated to the Kabul Education University. In 2012, it was named Shaheed Professor Rabbani Education University (SREU). Currently, SREU has nine faculties: Language and Literature, Natural Sciences, Social Sciences, Education, Physical Education, Special Education, Islamic Studies, Psychology, and Computer Sciences with 31 different departments. A total of 7,905 (2,912 male and 4,993 female) students enrolled in the university taught by 301 (213 male and 88 female) faculty members (NSIA, 2019; SREU, 2021).

The overall mission of SREU is to train teachers for education faculties, teacher training colleges, and schools, and produce qualified leaders and scholars in the fields of teaching, research, and management to ensure the improvement and development of Afghan education. SREU sees its mission as becoming the leading institution in educational research to produce evidence-based knowledge for policymakers, public and private educational institutions, relevant government entities, development partners, and communities. Since SREU plays a critical role in the training of teachers for Afghan schools, its research findings will significantly impact a larger population.

As of 2019, SREU offers six graduate-level programs. With technical assistance from the University of Massachusetts, SREU established its first Master's program in education in 2008, followed by Master's in TESOL in 2012, with technical support from Indiana University, and Master of Education Leadership and Management in 2015, again with the technical backing from the University of Massachusetts. USAID provided financial support for the establishment of all these programs. The other three Master's programs include Education Curriculum, Dari Language, and Pashto Language (MoHE, 2019). SREU

established the first Graduate School, which contains these six master's degrees, in the history of higher education in Afghanistan in 2018. SREU, being the only education university in the country, can diversify its sources of revenue by partnering with the Ministry of Education, offering graduate-level degrees, certificate and professional development programs, and leasing out its facilities.

Kabul University of Medical Sciences (KUMS) – Abu Ali Ibn Sina

For nearly 90 years, KUMS has provided high-quality education for highly talented medical students in different areas of medical sciences. The KUMS (formerly called Faculty of Medicine) is the first-ever higher education institution in Afghanistan, established in 1932. It was part of Kabul University until 1978, then it was separated from KU and became an independent institution. King Mohammad Nader Shah, during a cabinet meeting, approved the establishment of the first medical institution to be initially housed in Dar-ul-Aman palace to train medics in modern medicine on March 22, 1931. In 2010, its name was changed to Kabul Medical University, and in 2016, to Kabul University of Medical Sciences. In 2019, the name was changed to Kabul University of Medical Sciences – Abu Ali Ibn Sina, named after Ibn Sina (Avicenna), one of the most significant physicians, thinkers, astronomers, and writers of the Islamic Golden Age and the father of modern medicine who lived in the tenth century (Emtiazy et al., 2013).

Currently, KUMS has five faculties with around 50 departments. Community College in Biomedical Equipment Technology was established in 2015. The university also offers a Master's degree in Public Health (KUMS, 2020; USWDP, 2019). In 2019, the university had 309 (229 male and 80 female) faculty members and a student population of 3,504 (1,846 male and 1,658 female) (NSIA, 2019). The university has six teaching hospitals: Ali Abad

Hospital, Maiwand Hospital, Shahr Ara Hospital, Eye Hospital, Dental Hospital, and Institute of Chest and Cardiovascular Diseases. These teaching universities can be turned into major sources of income both to the hospitals and KUMS.

Data Collection Process

I conducted this research after obtaining permission from the Afghan Ministry of Higher Education and Human Subjects approvals from the University of Massachusetts's Institutional Review Board (IRB). There were two main sources of data for this study, *documents*, and *interviews* (individuals). Here, I describe each of the sources.

Document Reviews

I began by reviewing existing relevant documents. The reviews helped me gather information and better understand the history, purposes, and operations of alternative funding sources. The review was specifically essential to understand: (1) What is already known about various non-government sources of funding? (2) How much do the current laws, policies, and procedures allow or support non-governmental funding to the public HEIs? And (3) What policy, structural, and capacity issues may hinder raising funds from private or alternative sources. The findings from the review were also fundamental for formulating interview questions. The primary documents that I reviewed included:

1. Constitution of Afghanistan
2. Afghanistan National Development Strategies (ANDS)
3. Higher Education Law (HEL)
4. Afghanistan National Higher Education Strategic Plans (NHESP)
5. Regulation for University Financial Autonomy,
6. Incentive Policy

7. Financial Autonomy Implementation Manual
8. Public Finance and Expenditure Management Law
9. Labor Law
10. Public-Private Partnership Law
11. Hospital Fee Bylaw
12. Many other relevant policies, regulations, guidelines, and reports on higher education, particularly about financial matters.

Interviews

Interviews were the primary source of data in this study. As the nature of qualitative research is essentially interactive, I traveled to Afghanistan for face-to-face interviews with most of the study participants. I used semi-structured interviews as the primary method for data collection. The interviews included a series of pre-developed questions followed by probes. The questions help the informants to relate everything they remembered about the topic (Wolcott, 1994). When “data do not speak to the person who gathered and reported them are not likely to strike up a conversation with subsequent readers either” (p. 13-14). Thus, I began by asking about potential non-governmental and alternative sources and continued to ask how such resources could be mobilized and channeled to public institutions. I also inquired about how such new funding might impact the institutions, faculties, and students and, more importantly, how it could be sustained. The set of questions for each category of the participants differed to some degree. I designed different questions for the following categories. The interview protocols are attached to this study as Appendix A.

1. Faculty, students, and alumni of public higher education institutions

2. Education leaders and administrators at public higher education institutions
3. Government officials at the Ministry of Higher Education
4. Donors' representatives (international donors, international organizations, private sector)

A series of pre-developed questions also helped me discover deeper and more concrete examples (Rossman & Rallis, 2012). Wolcott asserts that qualitative researchers need to be “storytellers” (p. 17), and at this early stage of data collection, researchers can include as much detail as they want, which can later be reviewed and edited based on the main purpose of the research. Rossman and Rallis also affirm that the interview questions were mostly “narrative inquiries” (p. 97) that led to storytelling by the interviewees about their experiences and reflections.

This form of in-depth interviewing is grounded in the theoretical genre of phenomenology (Rossman & Rallis, 2012). I conducted the interviews in a flexible manner to provide respondents the opportunity to share what they thought necessary and beneficial to the research purpose. Semi-structured interviews helped me structure the wording and sequence of questions so that they were more appropriate and occurred more naturally along the interview process while maintaining relevance to the predetermined topic (Horton et al., 2004).

Qualitative research is systematic inquiry and requires an explicit process for data collection, analysis, and reporting (Rossman & Rallis, 2017). I designed interview protocols for all four categories of respondents. According to Patton (2002), the “interview guide approach” allows for the “interviews to remain fairly conversational and situational while allowing the interviewer to explore, probe, and ask questions that will illuminate the topic

at-hand” (p. 349). My goal was to explore various issues about generating and managing funds from private, non-governmental, and alternative sources, including from other public entities, in a way that would probe spontaneously while uncovering the challenges more naturally.

I made the appointments with participants through email or by telephone a couple of days before the interview. I conducted all of the interviews where participants worked or studied – universities, offices. Rossman and Rallis (2017) emphasize that “qualitative researchers go-to people; they do not extricate people from their everyday world” (p. 7). Thus, I was mindful of participants’ work and time commitments, and I made every effort to minimize disruption and avoid any excessive burden on them. The interviews were conducted in settings where only the researcher and a participant were present to ensure the confidentiality of participants and the information they shared. In such settings, participants, too, felt confident to share their views more freely. The condition for interview space was communicated to the participants during the first contact for arranging the meetings.

Each interview lasted approximately an hour. To facilitate the trustworthiness of the results, all interviews were audiotaped and transcribed for a thorough examination—a full description of the analysis process is detailed in the Data Analysis section. I pre-tested the interview protocols with five respondents from provincial universities that were not in the sample to learn whether the interview questions and approach would make sense.

I used a card sort technique during individual interviews. This technique is helpful in research for “Knowledge Acquisition” (Rugg & McGeorge, 1997, p.1). I provided three sets of similar cards to gather data. The following three questions guided the card sorts.

1. What are the most preferred sources of funding to public HE from non-governmental or alternative sources? Please choose only the cards for the preferred sources.
2. What are the most feasible sources of funding to public higher education from non-public or untraditional sources? Please choose only the cards for the most possible sources.
3. What are the difficult or least possible alternative sources of funding for public higher education? Please choose only the cards for the least possible alternative sources.

The cards provided to respondents as possible sources of alternative revenue were:

- Tuition
- Dual track tuition system
- User charges (for food and dormitories, using facilities, and academic and administrative services)
- Entrepreneurship (research and consultancy services)
- Public-Private Partnerships (halls, dorms, cafeterias, and sports facilities)
- International donors
- Alumni Donation
- Philanthropy
- Public-private-partnership
- Privatization of higher education

Additional blank cards were provided if the participants want to add new alternative sources. For example, Public-Public- Partnership and graduate degree programs were two new sources that emerged during the interviews.

Translation

The data for this research were collected in three languages, Pashto, Dari and English, through semi-structured interviews and the review of secondary documents. All the data from the interviews were translated into English. I am a native speaker of local languages (Pashto and Dari, two formal languages in Afghanistan), so I did all the translations myself. I paid particular attention during the translation process since some of the words have multiple meanings. Besides, a certain degree of caution was needed while interpreting the data as some words do not have a direct, simple translation but also cultural characteristics in which they are rooted.

Data Analysis and Interpretation

In line with the proposed theoretical framework, in the paragraphs below, I describe the approaches for qualitative data analysis that I used in this research.

Data Analysis of Document Review

I began my analysis from the major concepts of the literature review, my proposed integrated theoretical framework, and the study's research questions. The review helped me gather information and better understand the history, purposes, and operations of the new funding. Though I began with document review, the data analysis process was not linear and moved between document review and interviews to record relevant information as it emerges during the study.

Data Analysis of Interviews

The data analysis for interviews was guided by the theoretical framework, research questions, and themes identified in the literature review. I used a deductive approach and coded all qualitative data from the interviews in order to classify them into seven potential alternative revenue sources. I also used the five frames – bureaucratic, collegial, symbolic, political, and systemic – of the proposed theoretical framework as well as patterns and themes that emerged after administering the coding approach to analyze the data (Berger & Milem, 2000; Creswell, 2002). I also organized broader categories from my analytical framework, research questions, and interview questions. I compiled and analyzed the research data based on the following purposes.

1. Identify major potential alternative sources of revenue to public HEIs based on the interview data, which were initially informed by the literature review (Chapter 3).
2. Examine the feasibility of each potential alternative source by using the five dimensions of the study's theoretical framework.
3. Examine major challenges for diversification of revenue sources and propose recommendations guided by the theoretical framework and research questions.

I used a similar data analysis approach for all potential alternative sources. For instance, for user charges, I analyzed what kind of institutional structure, policies, and processes existed or would be required to attract and manage the new resources. The collegial and political frames helped assess the key constituencies and stakeholders to understand the needed human capacity and various power dynamics that could influence the flow of the additional resources to HEIs. The symbolic frame was important in

exploring the extent that different user charges were embodied in the national policies, laws, mission statements, and dialogues among key stakeholders. Finally, the systemic dimension was instrumental in examining the interconnection of the four other frames and looking into external pressures that could impact this potential source. Table 6 shows the coding and data analysis approach for each of the identified alternative sources of income.

Table 6. Data coding and analysis approach

Alternative source Main Code	Feasibility Sub Codes	Challenges Sub Codes	Recommendations – Sub Codes
Alternative Source (e.g., User charges)	<ul style="list-style-type: none"> • Structure and policies • Human capacity • Political support • Legal and symbolic support • Broader players and influencers 	<ul style="list-style-type: none"> • Cost-sharing capability • Structural Barrier • Political pressure • Legal impediment <hr/> <ul style="list-style-type: none"> • Emerging sub-codes (administration corruption and security threat) 	<ul style="list-style-type: none"> • Increase Resources • Increase Efficiency • Structural improvement • Building HR capacity • Legal Support • Political Support

I conducted data analysis throughout the research process. As the technology aid, I primarily used NVivo. I analyzed the interview transcriptions in NVivo and looked for indications of categories. For each category, after several reviews, I coded them in NVivo and developed codes into names that described events or issues. The coding was according to key categories or themes detailed in the preliminary analytical framework, research questions, and those categories that emerged during the data collection and analysis processes. Both Yin (2003) and Stake (1995) recognize the importance of Computer-Aided Qualitative Data Analysis Software and claim that using databases enables the researcher to easily organize data (narratives, interview transcriptions, notes, key documents, photographs, and audio files) and improve the consistency and reliability of data. Using

various functions such as Model and sub-coding helped me with recognizing emergent themes and sub-themes. The analysis of qualitative data in NVivo was much easier and more powerful than manual approaches.

More main and sub-categories emerged as I proceeded with data analysis. In the analytical mode, the process becomes increasingly selective in which some data received more attention based on the research questions and what the theoretical framework called for (Wolcott, 1994). As asserted by Rossman and Rallis (2012), “This method of data analysis is consistent with an interpretive phenomenological approach that seeks to offer opportunities for themes to emerge” (p. 96). Although guided by the theoretical framework, the analysis does not preclude interpretation. Such an analysis helps to make good sense of the feasibility of each alternative source and eventually to draw conclusions for the macro, meso, and micro levels.

Analytical Memo Writing

I generated several memos throughout the analysis process. These memos helped me to identify new themes and as I updated coding. Memos and discussions provided the opportunities to reflect on ideas “and posed ideas about developing categories and themes” (Rossman & Rallis, 2012, p. 286). Finally, this process led to the eventual themes for this study. After setting the final themes and sub-themes, I arranged excerpts and quotes from the interview transcripts. I continued rearranging the data into previously defined categories to better describe themes, activities, and content of the study (Patton, 2002).

Reliability and Validity

I ensured the research validity through applying several techniques, including careful review and revision of interview questions and probes, using a single interviewer

for all participants, describing to each participant how the data will be used, and member-checking, in which individual responses were reviewed and checked with each research participant. I also constantly triangulated the collected data from the interviews to verify responses and ensure congruence (Patton, 2002).

Member checking helped to ensure the reliability of my research. I also used this technique during the needed follow-up interviews. I developed interview protocols and questions in English and translated them into local languages. I conducted interviews in all three languages (Pashto, Dari, and English). I also translated and transcribed my recorded interviews in three languages. Therefore, *Member- Checking* allowed the research participants to review, clarify, or refine certain aspects of the interview to validate the data. Most of the study participants could read and make good sense of the English text; however, the interview transcriptions were also provided in the local languages for those who preferred them in Dari or Pashto. Having a good command of all three languages, I did not interrupt the participants whenever they switched from one to another language. Such flexibility allowed me to get more accurate and authentic data. I also conducted some follow-up interviews to get more needed information or clarify some points. Seidman (1998) suggests that a researcher should conduct follow-up interviews to better understand interviewees' backgrounds, experiences, and particularly meanings.

Triangulation is one of the most powerful techniques that assures the credibility and reliability of qualitative research (Guba & Lincoln, 1994; Patton, 2002). In order to triangulate the data in my research, I asked similar open-ended questions from different participants, and reworded questions and asked the same participants. Later I compared the responses. The matching process helped me to find resemblances and divergences in

responses from multiple sources. The document review and semi-structured interviews also allowed me to analyze and match data within each university location and across university locations (Baxter & Jack, 2008).

Ethical Considerations

In an effort to ensure the confidentiality and safety of the participants who took part in this research, a thorough description of the research and the tools used for data collection were reviewed and approved by the Institutional Review Board at the University of Massachusetts Amherst. As part of this procedure, I also developed, shared, and explained an “Interview Consent Form,” which was approved by the Institutional Review Board (IRB) of the University of Massachusetts. After getting the written consent form agreed to and signed by all participants in person, which included provisions to protect their identity, rights, and confidentiality – I explained to the participants that their participation in the study was voluntary and that they could drop out at any time. I also obtained permission from the study participants to audiotape the interviews and explaining to them that I would delete the audiotapes after they were transcribed. Appendix B contains a copy of the consent form that was used in this study.

In addition, as part of the IRB process, I secured an official letter from the MoHE’s Directorate for Academic Program granting permission for conducting the study at MoHE and select public HEIs. Appendix C contains a copy of the letter from MoHE to conduct the study in the Afghan HEIs.

I translated the forms to guarantee that participants understood their involvement. Following the principle that informed consent is a process—rather than a single episode—I also discussed the content of the informed consent form when recruiting participants for

interviews. Before starting the interviews, I explained the scope, purpose, and voluntary nature of the study.

Keeping in mind the politics and power dynamics in the Afghan universities, I discussed the interview protocols with the Chancellors to help ensure the comfort of deans and faculty. I believe this discussion helped me get factual data from deans, faculty, and students without any pressure from university administrators to influence their responses.

In analyzing and reporting the data, I used pseudonyms to ensure the anonymity of the interviewees. I also explained to each participant how the study results would be used (Rossman & Rallis, 2012). I made every effort possible not to disclose the identity of the institutions and individuals participating in this study in the finding's chapters. This included not sharing with participants the identity of other participants and keeping records protected. In memos and drafts, I used pseudonyms and kept any identifiers separate. Given the impact of technology and electronic communications, I kept access to research information password restricted. I used the generic labels of Student, Alumnus, Faculty Member, University Leader, Faculty Administrator, MoHE Official, Donor Representative, INGO Representative, and Private Sector Representative. Also, I used the pronoun "He" for all participants. I will report and publish the results of the study in a generalized fashion. Therefore, disclosure of personal or sensitive information is unlikely.

Researcher's Positionality

Given that the personal background of the researcher influences data collection and analysis, it must be considered as an ethical issue to help ensure the validity of a study (Stake, 1995). I have been involved in Afghan higher education for the last fifteen years, initially with monitoring and evaluation activities, and recently with establishing and

implementing Academic Degree programs in Afghanistan through a USAID-supported University Support and Workforce Development Program (USWDP). Financial Autonomy has been one of the major reforms implemented by USWDP at public universities that required public universities to expand their services in natural and social science to public and private sectors to attract new financial resources. Therefore, my involvement with USWDP and financial autonomy could not be set aside in this research. Stake (1995) explains that “researchers do not step outside their ordinary lives when they observe and interpret and write up the workings of a case” (p. 134). Instead of considering my engagement with USWDP as an obstacle, I found it helpful, especially knowing the key actors involved in introducing the reform and having access to key informants at the MoHE and public universities both during the data collection and data analysis.

I explained my role as an independent researcher who is doing this study as part of my doctoral dissertation. I did not associate myself with any organizations throughout the process. I worked with participants representing various relevant organizations to investigate the research problem to the extent possible. I helped to explore critical issues about funding and to discover alternatives for further support to public HEIs. Rallis and Rossman (2000) called this role that of a critical friend. As a critical friend, I clearly explained to all participants the theoretical stance of my work, what data I needed to collect, and how/when/why I would collect and use them. My role as a critical friend and my experience with USWDP helped to get more authentic and reliable data from the research participants.

I also explained the quality control steps towards establishing trustworthiness and validation of the study findings. However, some stakeholders, because of my involvement

with the Afghanistan Higher Education projects and recently with University Support and Workforce Development (USWDP), might have questioned my independence. Besides, as the findings of the study questioned some aspects of the policy, structure, and process in various institutions, it was difficult for me to avoid some political pressures throughout the study. That being said, I did not encounter resistance or feel that any participant had a lack of trust during any interviews. However, in a few instances, participants were reluctant to say certain things or criticize existing policy or processes of MoHE or activities supported by the projects I was previously associated with. In brief, I was aware of how my engagement would affect the research findings.

Limitations

The major limitation of this study was that this research focused only on large, Kabul-based public universities. Additional research may be needed to explore the same issue in the regional public universities, which were recently granted financial autonomy, such as Herat, Nangarhar, Kandahar, and Balkh universities. This research also did not include private higher education institutions.

In addition, though the data obtained during this study were triangulated, one cannot consider all the data reliable and accurate. In some cases, the research participants might not have provided accurate information, i.e., about difficulties of current policies and structure, and lack of operative capacity for properly attracting and managing resources from alternative sources for two key reasons. One, they may have been afraid to critique the current system, and two, they may not have had adequate knowledge about diversifying revenue sources since it is a new concept. I checked the data from respondents that could be verified by using other sources to the extent possible.

Moreover, the researcher was affiliated with three USAID-supported higher education projects in Afghanistan (2006-2019). My association with higher education projects may have influenced responses by the study participants; however, I explained to every interviewee that I was doing independent research for my doctoral dissertation and that it had no linkages to my current and previous work.

Finally, my own experience of the Afghan higher education system, particularly being part of the efforts to support the MoHE and public universities with financial autonomy policies and initiatives, may have influenced how I interpreted what participants said and maybe caused a potential bias in interpreting the qualitative data. However, as an ethical researcher, I continually and carefully interpreted and wrote up the findings by using multifaceted and iterative “moral reasoning, moving back and forth between the specifics and the whole, and between myself (knower) and what I claim to know” (Rossman & Rallis, 2017, p. 59).

CHAPTER 5

RESEARCH FINDINGS

The participants' views in this study are categorized into themes based on the theoretical framework, research questions, and emergent themes obtained from interview data and archival research. First, I review the overall situation of cost-sharing, followed by detailed discussions of broader categories and themes from responses about the alternative sources and their implications for public Higher Education (HE) in Afghanistan.

Cost Sharing in Public Higher Education

Afghanistan is among those countries that cannot provide the required recurrent and development budget to public institutions. Currently, the main funding source for public HEIs is the Afghan government, followed by international donors, nongovernmental organizations (NGOs), and fees paid by graduate students. Some philanthropists also contribute to the HE; however, their support is sporadic and uncertain. Also, the economy, which was greatly expanded by an influx of aid money, could possibly shrink. Experience has shown that donor funding has been unsustainable and unpredictable in many countries as it depends on the strategic objectives of donors and can also be disrupted by economic crisis or recession in donor countries (Ishengoma, 2013; Mgaiwa, 2018). Therefore, public higher education needs to have practical strategies to support public HEIs. There are many other potential nongovernmental sources, such as research and services, publications, donations, Public-Private Partnerships (PPP), and Public-Public Partnerships (PuP) for the universities to increase their income.

In the face of financial austerity at institutions of HE in Afghanistan, nearly all study participants considered some kind of cost-sharing inevitable. They believe that the

economic situation of Afghan families has gotten relatively better, and parents should contribute something to HEIs, so their children get a better education. A faculty administrator described the need for and importance of cost-sharing as below:

Public universities have no other choice but to introduce some fees to improve the quality, so graduates compete with those in the region and internationally. In the past, the student population was small, and the government could bear the expenses. But now, there are over 180,000 students in public HEIs, and it keeps rising, making it difficult for the government to adequately fund it any longer.

(Faculty Administrator 1)

The MoHE, in its national strategic plan, set a goal for public HEIs to generate 10% of their institutional budget from private sources by 2020. A donor representative believes that if students share the cost just for their food and lodging in some fashion, it will free up 30% of the HE budget. It would be hard, but public universities in Afghanistan should do something like Ghana and Pakistan, where universities generate 40% of their overall budget from private sources (Donor Representative 1). According to an MoHE official, AIT University of Bangkok is also a state institution but has successfully diversified its income sources and has not received any government funds in the last two decades. Now, the university is financially self-reliant with a considerable endowment (MoHE Official 1). Thus, the 10% target likely to be achieved in Afghanistan, too, if MoHE leadership is willing and be steadfast about it.

One interviewee, a faculty administrator, stated the target was realistic and feasible for some universities but not for all. He thinks it would be easy for Kabul University to achieve the target, but not for the universities in the southern region. His rationale

supporting this argument was the lack of human and institutional capabilities in provincial HEIs. Kabul-based universities currently collect fees from several graduate degree programs and earn income by delivering agricultural, engineering, and veterinary services. It would be more appropriate to set a 10% goal for major universities and 5% for the provincial and small universities (Faculty Administrator 6).

The review of the above experiences suggests there is good potential for some cost diversification at public higher education institutions in Afghanistan. The regulation for financial autonomy was approved some years ago but needs to be operationalized. All pre-conditions, such as guiding documents, human resources, and physical infrastructure, need to be more fully developed to initiate and expand alternative revenue sources. Ahmad (2015) asserts that both human and institutional development requires substantial financial resources that can be provided from diverse sources. Cost diversification appears to have been successful in many countries for many reasons, and it can be adopted in Afghanistan if properly planned, communicated, and coordinated with stakeholders. In the next section, I discuss the participants' perceptions of various alternative income sources for the public HEIs in Afghanistan.

Alternative Sources of Revenue

In this section, I first discuss different viewpoints in response to the first research question of the appropriateness and value of various alternative and nongovernmental sources of revenue. I begin by reviewing the most feasible sources and then continue to the more challenging ones in the following order: entrepreneurial activities, user charges, dual-track tuition system, donations, partnerships, privatization of higher education, and tuition fees.

Entrepreneurial Activities

Entrepreneurial activities are viable forms of cost-sharing for HE (Altbach et al., 2009). The study participants considered these activities the most valuable and practical ways to generate supplemental revenue at public universities.

HEIs can generate two types of income. First is the income that can be returned to the universities. Such funds are generally generated through conducting funded research, offering short courses and workshops, providing architectural designs, and delivering agricultural and veterinary services. The new bylaw for financial autonomy says that all revenue generated by "academic and professional activities" in the state universities should be added to the respective university's budget. However, despite the agreement made between MoHE and MoF in 2019, it is not the current practice.

Second is the money that will go directly to the government, such as fees from dormitories, auditorium, and sports fields because they are government properties or assets (MoHE, 2014). Consequently, according to donor representative 1, "what some HEIs grow on their farms is given away because they cannot keep the revenue from the productions in which public properties are used." He added:

They distribute the products from the university farms to the faculty members and students. However, at universities in the United States, where universities grow excess crops, they sell them in the market, and the profit goes to their foundations to be used at their discretion.

The most common area of cooperation and mutual interest between universities and the private sector and sectoral ministries is Research and Development (R&D). For example, "the private sector do not have access to data and statistical analysis to make

informed investment decisions. However, universities can bridge the gap by having expert researchers on their campuses" (Private Sector Representative 1). In the section below, I review participants' views about various forms of entrepreneurial activities. I start with the existing and potential *Services*, followed by *Research*, and related to that *Graduate Education*.

Services. There are different types of *services* that public universities can provide for income-generation purposes. For example, the Faculty of Law could do different kinds of analyses for ministries on legal issues, or the Faculty of Political Science at Kabul University could hold workshops on current political issues. Below, I review examples of services that have been provided or could be delivered based on the available data; however, the potential for service delivery at public universities is actually much broader than what is presented in this study.

Engineering. There is great potential for engineering universities and faculties to partner with private sector firms and sectoral institutions on multiple development initiatives. Some universities have partnered with sectoral ministries, including ministries of urban development and land; energy and water; agriculture; rural development; and industry and commerce. These kinds of partnerships have the potential to expand. A few universities have created mechanisms, such as establishing a National Research Center for Water Management and Environmental Protection, and a National Association of Afghanistan Surveyors to communicate with potential partners and mobilize resources for the execution of joint projects. For instance, a faculty member elucidated the importance of the Surveyors Association:

So far, over sixty percent of our graduates are registered as members of the Surveyors Association. The graduates work in different institutions and can be instrumental in facilitating linkages between the university and their employers to improve cooperation and create joint ventures. We want to organize seminars, conferences, and refresher courses as a platform to disseminate information on new ideas and the latest development in the field among the members and stay connected with them. (Faculty Member 2)

For the first time, despite security concerns, a public university recently implemented a complex national project that included collecting data from 34 provinces on ranking and valuing properties for sale, mortgage, rent, and taxation purposes. There is a far better capacity at public universities – both in terms of expert human resources and abundance of equipment – compared to other organizations and companies. Another central advantage of HEIs is the diverse student body that can be deployed easily to the provinces and districts. Making similar arrangements is arduous and costly for other organizations. Moreover, according to student 1, university students, especially those in their last years of study, have better technical knowledge than those hired by private companies. The following quote portrays a student's experience who was part of a recent project implemented by his university:

In partnership with a sectoral ministry, our university recruited my classmates and me to work on a project. Our primary duty was to guide a group of 4-7 surveyors in the field. It was an excellent opportunity to practice what we learned theoretically in classes and gain new knowledge about the legal, administrative, social, and financial aspects of development work. The social element was crucial in understanding how

to contact and work with the local authorities and communities. Also, we received a six-week-long, including a two-week on the job training on related topics. The role of our university was to provide technical support in a national survey. (Student 2)

Providing services at low-cost is another crucial advantage of universities. A faculty informant provided the following description of a recent project.

Recently, our university implemented a \$1 million project for which the Afghan government was ready to pay a foreign company \$10 million. The international company needed to hire new staff, rent offices, purchase equipment, pay for travel and accommodations in the field, and hire expensive technical experts, whereas our universities do not need to incur most such expenses. Universities are also connected with other public campuses, and they can quickly mobilize the resources, including hiring faculty and students throughout the country. Consequently, a university could complete a national project in a shorter time. Even though the university paid better incentives - at least three times more than its private counterparts - to the faculty and students - yet the project cost 10% of what was requested by a private company. (Faculty Member 1)

A faculty administrator further exemplified how a university helped with well-thought-out design to decrease the cost of a major project:

We reviewed the design of the Qudus Dam, which was completed by a private company. We suggested a new design that reduced the cost of the structure by about \$5 million. The university's technical expertise made the Afghan President pleased and advised some sectorial ministries to consult the designs of new engineering projects with the university professors. The university received \$68,000 for the

consultation services. Fifty percent of the income was paid to the professors who served in the project, and the remaining funds will be used to purchase lab equipment for the department. (Faculty Administrator 3)

An engineering university works with different sectoral ministries to provide technical support for irrigation and constructional projects and trains its employees in specialized subjects. Faculty administrator 1 asserted that the Afghan government plans to complete a national cadastral survey in the next five years. Our university is the only institution in the country that can provide technical support in cadaster. He added:

The primary workforce would be our students, who will work on the project during winter break or practicum semesters. He claimed their students possess better technical and administrative capabilities than high school graduates that the government usually hires for such surveys. The students also have excellent communication skills to interact with local people and remove barriers that may affect the smooth execution of the project, which is crucial in such surveys. Both students and faculty will be paid for their services.

Some study informants from an engineering university described the existing capacity and resources at their university for designing and executing different engineering projects such as roads, railways, dams, oil and gas pipelines, airports, canals, geodesic and cadaster surveys, and GIS training and services. They went on to elaborate on some projects they managed in the following multiple quotes:

Now, we are working on a design for upgrading Band-e-Qargha (a dam in Kabul).

We proposed \$36,000 compared to \$300,000 demanded by a foreign company. Our professors possess better knowledge and have more access to critical data on the

dam than any other national and international company. The experts from foreign companies cannot go to the field because of security issues and often use a lot of resources for gathering data. For example, there are core stations in the country which are connected universally with all the world. The foreign companies use core stations of the neighboring countries and pay substantial fees for using the points. Whereas we can avoid such unnecessary expenses by using core station points within the country. We plan to use our revenue from large projects to create additional similar points at Band-e-Qargha. (Faculty member 1)

We worked on the design of Band-e-Sultan in Ghazni province with an estimated budget of \$5 million. The government plans to make some upgrading in the dam that requires structural changes. We want to partner with a private company that can provide Geotech equipment. In the long run, the university will purchase the equipment using revenue from different projects. Our assistance was also requested for numerous other projects, including the Sare-hose-Maimana dam in Faryab province, Kama-band at Nangarhar province, Bakhsh Abad dam in Farah province, and the rehabilitation of a dam in Punjshir province, which was recently damaged by a flood. (Faculty Administrator 3)

Our university works with the Ministry of Transport to resolve the transportation problem in the cities and advise them on railways. One of the top priorities for the Afghan government is to connect Uzbekistan with Afghanistan and then with Pakistan. Our university is the only institution in the country, offering programs in this sector and having the right human resources and knowledge of the territory to design the project. (University Leader 1)

The same university leader also proclaimed that they provided some short-term consultancy services to different institutions without any incentive. They mainly used the opportunity to raise awareness among stakeholders about existing resources and capacities at the university. Some other institutions provided compensations for some of the services by providing internship opportunities for university students. He continued by saying that "We do not intend to continue free-of-incentive cooperation any longer" (University Leader 1).

Education. Similarly, education universities and faculties can deliver various services to generate supplemental revenue. The services include professional training, counseling services, and especially working with MoE and education organizations to improve quality at public schools through regular reviews of their curricula, instructional and student assessment methods. Another potential area of cooperation with the MoE is to assist with enhancing their literacy programs. A university leader gave some examples of services they can deliver:

We are in the process of introducing certificate programs for those who want to teach in universities. Those with doctorates must take three months of pedagogy training, master's six months, and bachelor's nine months. The certification is a standard practice in other countries that improves the teaching process and will be a good source of income for education universities and faculties. We can also offer soft-skills training in statistics, mental health, SPSS, and the English language, including IELTS and TOEFL. (University Leader 2)

Participants from two universities reported the establishment of counseling centers on their campuses. A faculty administrator explained how the centers could be converted to income-generation hubs:

For the first time in the history of HE, we established a Counselling Center at the university. USAID supported us with the faculty training, and the World Bank assisted with the renovation and provision of equipment. The center currently provides counseling services for students, staff, and faculty members. We want to extend the services to non-campus populations, especially after official hours. The services are free to the campus populations, but we will charge a minimal fee for off-campus clients. (Faculty Administrator 9)

Most Afghans, especially women, suffer from mental health issues and trauma that are consequences of war, instability, violence, discrimination, and lack of opportunities. As noted in one review: “The mental health situation in Afghanistan is characterized by a highly felt need and an extremely incapacitated mental health care system” (Ventevogel et al., 2002). A leading university requested that the Afghan government create a deputy minister's office for mental health either at the Ministry of Labor Affairs or MoHE. Once the office is established, the university professors, mainly from the Psychology and Counselling departments, will provide the technical support for establishing at least one counseling center at each ministry and independent institutions. Subsequently, the initiative could be extended to provincial institutions. Universities will collect a fee for services provided (Faculty Administrator 9).

Medical. The medical science universities and faculties can also generate financial resources, especially when they are allowed to charge fees for the services they provide at

the campuses and even more so in their affiliated teaching hospitals. Currently, the hospitals offer free health services for citizens of Afghanistan, as mandated by the Constitution. A public medical university recently proposed a Regulation to allow teaching hospitals to charge minimal fees on secondary (diagnostic and curative services) as well as on tertiary (diagnoses and treatments of diseases that require specialized care) health services. This regulation would not impact primary health care (emergency care, hygiene education, obstetric care, vaccination, feeding of children diagnosed with malnutrition, preventive treatment for contagious diseases, and dental hygiene). The request was not accepted (University Leader 3). A faculty administrator underscored the importance of introducing some fees for secondary and tertiary services and elucidated:

Six teaching hospitals operate under a medical university only in Kabul. Out of six, only Ali Abad hospital, for example, has 12 different departments with 250 beds. If the hospital charges a small fee on beds, OPDs, and lab tests, it can bring in an enormous amount of income, which is imperative, especially after the donor support ends. The university and hospitals can use the revenue to pay staff salaries and provide the medical equipment and consumables needed for offering standard health services. (Faculty Administrator 2)

Currently, a medical university wants to establish a research and teaching laboratory at the Ali Abad hospital. Currently, patients are asked to send lab tests to private laboratories because the hospital does not have the lab equipment to run the tests. According to a faculty administrator, a medical university recently contacted some donors for providing lab equipment. They plan to charge small fees on lab services to sustain

quality and keep the lab maintained. The lab will be a good source of income and a training hub for students' practical sessions. The same administrator also said:

We established a Biomedical Equipment Technology (BMET) workshop with assistance from USAID. Now, we are hiring four instructors, so they work in the workshop besides teaching in the program. Three technicians from among the strongest graduates of the program were already recruited. As soon as the instructors are on board, the BMET Community College will enter into a contract, initially with the teaching hospitals, to repair their medical equipment. The workshop can bring substantial revenue to the university since repairing medical equipment is an expensive business. (Faculty Administrator 2)

Agriculture. Agricultural faculties and departments could deliver various services to the private sector, sectorial ministries of agriculture and rural development, United Nations agencies, and international development organizations. Despite many hurdles, some professors and students were engaged in various income-generating activities such as establishing apricot gardens and chicken farms and producing mushrooms and dairy products using university facilities. Unfortunately, neither the faculty nor the university benefited from these initiatives. The lack of clarity in the bylaw for delivering services, mainly in those public facilities that would be used, is a significant barrier. The following quote illustrates the kinds of services that the agriculture professors can offer and the challenges they faced and may encounter:

UNFAO provided the equipment and mushroom spores and trained us in the modern technology of mushroom production. Now, we can produce mushrooms and spores for commercial purposes. We used the university land, electricity, and some

other facilities for this and other income-generation activities. Disappointedly, we were told to send all the revenue without deducting the operation cost to MoF because the current policies do not have the necessary clarity on retaining the operation cost and the share of those involved. So, if we do not amend the bylaw to clarify the incentive for all parties – faculty, students, and university – the initiative will die, and there will be no interest in its continuation. (Faculty Administrator 5)

According to faculty member 10, they requested MoHE approval to establish an aviculture farm, initially for 1000 chickens, both for egg and meat production. The farm was supposed to be established with the faculty's investment, and its revenue was going to be utilized based on the Incentive Guideline developed by MoHE. The faculty had similar proposals for establishing apiculture and livestock farms. The projects were not approved because one of the conditions was giving fifty percent of revenue to faculty members. Hence, a lack of legislation encourages faculty members to act illegally working part-time for other organizations rather than engage in entrepreneurial activities that would benefit their universities.

Information Technology. Like other disciplines, IT faculties can also offer specialized short-term courses such as HTML, programming, and database training for IT companies, which can only be provided by university professors. “Hundreds of students are currently receiving such training in private learning centers with poor quality” (Faculty Administrator 6). If the courses are offered at the universities, nearly all learners would prefer to attend university-run classes for two key reasons: first, to get quality training, and second, to receive certificates from prestigious institutions. Such courses also help university students, especially the poor performers who need additional support. A faculty

administrator said, "We can allow private universities to use the Cisco lab at our university. Our instructors hold three internationally recognized Cisco certifications. Hundreds of students are interested in enrolling in Cisco accredited training and certification so that the university could make a lot of revenue from the Cisco lab" (Faculty Administrator 8). According to faculty Administrator 7, IT faculty and students can develop innovative ideas and share them with the private sector. Any organization interested in those ideas can buy them. For example, we can assist with developing a Hospital Management System for large or medium hospitals.

Veterinary. Animal husbandry has always been considered as a bank for the farmers. Kabul University established an animal health hospital in Kabul with assistance from the European Union. According to a faculty administrator, the clinic, run in partnership with MoAIL, provides services to big and small ranchers, and is an excellent setting to provide students with practical hands-on experience. MoAIL is establishing a big animal farm in Kabul, both for production and research purposes. The professors from the veterinary faculty will be in charge of the research and training. "This engagement will not bring massive income to the faculty in the first few years, but it will, in the long run" (Faculty Administrator 4).

The veterinary faculties can also provide expert advice to the private firms and individuals interested in establishing livestock and poultry farms and those involved in supplying and importing livestock staples and poultry feed, vaccines, medicine, etc. If farmers do well in vaccination, animal health, and livestock management, their production will increase accordingly. The faculties can also offer refresher or short-term courses to veterans or farmers and assist the Ministry of Commerce with quality control and

developing different policies and strategies related to food production and importation. A faculty administrator said, “Our two professors currently assist the Afghanistan Investment Agency in food hygiene and technology and development of standards and protocols.” He continued to mention:

We discuss establishing animal husbandry farms with FAO to produce poultry, meat, and dairy productions in the country. We want to establish a dairy distribution center at Kabul University for nearly 25,000 customers (23,500 students and 1500 lecturers and staff). We also cooperate with WHO in garbage management and zoonosis diseases – a disease shared between animals and humans. Moreover, we are in contact with MRRD to assist with the design of backyard poultry or small animal husbandry through micro-credit schemes. (Faculty Administrator 4)

As commented by participants, public universities can provide numerous services in a broad range of areas as promising alternative sources of income. According to a MoHE Official, in 2019, MoHE also increased its development budget from merely 500,000 Afghanis to 30 million Afghanis that can be distributed to the universities as seed money until they start receiving funds from their partner institutions. The funds will help to avoid delays and with the timely implementation of development projects. All the universities were informed about this fund. This budget can be increased as university partnerships would expand with development actors (MoHE Official 1).

Research is another alternative source for bringing supplemental revenue to universities and increasing professors and potentially students' income, which I review in the following section.

Research. Public universities have much better research capacity than five years ago. A large number of university professors have returned to their campuses after completing their graduate studies in well-known institutions overseas, including the USA, Japan, Germany, India, and Korea. For instance, over sixty professors hold a Ph.D. or master's degree in the Faculty of Agriculture alone at Kabul University. According to a university administrator, some professors do self-funded research. For instance, the World Health Organization (WHO) makes most of the references to KUMS's publications in their articles and papers on Afghanistan. The following quotes reveal how the lack of cooperation from the government and line ministries hurt research at public universities:

The medical university developed a magazine called 'Afghan TV Mojala' (Magazine), an excellent means to publicize information on the latest developments in the health sector and generate income through selling the magazine. Unfortunately, the audit directorate advised us to send all the revenue to MoF, which discouraged the concerned professors, and they discontinued publishing the magazine. (University Leader 3)

Every year, the Ministry of Agriculture spends \$15 million on bringing improved species of saplings from Turkey, while a similar infrastructure for producing the seedlings can be built with \$1 million inside the country. The locally produced seedlings will have better adaptability to the climate of Afghanistan than the imported ones. Besides, the local infrastructure will ensure the sustainability of producing seedlings since the ministry will not have the luxury of getting donor support forever to keep bringing the saplings from abroad. (Faculty Member 4)

The agriculture faculties can also support the Ministry of Agriculture, Irrigation, and Livestock (MoAIL) and the private associations and unions when they benefit too. The following quotes explain a few other potential services that could be good sources of income for agriculture universities or faculties:

An insect destroyed pomegranate orchards in Kandahar province last year; it is a new pest that required immediate attention. We could have assisted MoAIL, but they never asked for our help. Also, there are no standards for using the type and amount of fertilizer per acre of land in the country. We can assist MoAIL with the development of models for each agrarian zone. (Faculty Member 3)

There is a vast area of cooperation between the faculty of agriculture and the private sector. For instance, last year, fish were dying in the Kunar River, and an insect destroyed the melon fields in Kunduz. The farmers did not know what to do. I believe universities can play a crucial role because they have qualified experts and laboratories to help identify the issue and help to find solutions if funding is provided. (Private Sector Representative 1)

Despite the challenges, some universities have taken different initiatives to improve their research capacity. Currently, an education university works to commercialize their research. They want to post the abstracts of over 350 theses from their graduate programs to the university website. "A full thesis would be made available to the interested people for a minimal fee" (Graduate Program Official). It will be the first step toward encouraging graduate students to conduct more actionable and applied research. Such commercialization is also crucial for improving research quality and culture of research in

the Afghan universities. Below are accounts of some universities' initiatives to boost research culture among faculty and the student body:

In the past, the students were required to enroll in two seminars instead of capstone projects; however, in the last two years, we changed the requirement to require research projects. Now we assign research topics to the students that are linked to existing issues. This practice not only helps students to gain practical experience in their field but also in applied research. Also, acquiring such skills helps graduates find jobs and the university to conduct major research projects in the future.

(Faculty Administrator 5)

Research or creation of new knowledge is one of the best products of our expertise. We have 15 lecturers with a Ph.D. degree in five veterinary departments with a good understanding of applied research. We initiated discussions with the MoAIL to conduct all the needed research, especially in animal health and production. We also assisted the Kabul Municipality in studying Crimean-Congo hemorrhagic and tick fever and launching awareness programs about the diseases in 17 districts of Kabul province. Our students were part of the awareness program, which was supported by the WHO. (Faculty Administrator 4)

Some partnerships are imperative for universities to involve their students in applied research projects. The Kabul Municipality is expected to contact and use universities to assist in research using their abundant human resources rather than contracting private firms. For example, a faculty administrator said that professors could design a study to address the problems in slaughterhouses. As their practical projects, students can help collect data, be involved in data analysis, and write the report (Faculty

Administrator 4). Another example is the Ministry of Technology and Information.

According to a faculty member, “the ministry wants to develop a Digital Scale, but they lack the expertise on how to do it. IT faculty can help to create a specific strategy and deliver the services. Though a university showed a willingness to provide the support, the ministry has gone quiet” (Faculty Member 6).

Donor assistance is also crucial in funding research projects. The World Bank (WB), for example, has many financial resources that Afghan universities could benefit from, especially when they are fully autonomous. The WB is interested in working with public universities and hiring them to do social research, market assessments, and many other surveys and assessments. A donor representative asserted that the WB was interested in hiring the Social Science Department of Kabul University to study Afghan Social Capital aspects. Unfortunately, they could not work with the WB because they were not allowed to sign a contract or have direct access to income. Instead, the WB hired some private firms and NGOs (including foreign ones) to implement the projects (Donor representative 1). Although donor money is needed to improve universities' research capacity, their technical expertise and political influence are also essential in streamlining policies and procedures, allowing universities to directly contract and implement research projects.

In contrast, another donor representative thinks that research is not popular in Afghanistan, and it is hard to get private donors to give money for it. Some types of research require expensive equipment, and even in education, political science, and practical research, faculty members still need money for travel and hire assistants. However, a donor representative said that “many income-generating activities could be

done even without trying very hard.” He went on to give an example of research conducted in a university in the United States:

There is a foundation called WARF (Wisconsin Alumni Research Foundation) that puts between 10-20 million dollars a year into faculty research. All that money comes from the innovations of faculty members. For example, warfarin, an effective rat poison, was developed at the University of Wisconsin. They discovered that putting larger doses of warfarin in something attracts rats and makes them thirsty, and when they are thirsty, they leave the building. Thus, hundreds of rats will not only die but also leave the building to avoid bad smells; this is just one example of hundreds. That is a way that every major university with creative faculty members, freedom, and proper procedures can raise a lot of money. (Donor Representative 1)

Another potential source of income that has been neglected in Afghan public HE, for some reason, is Graduate Education that goes hand in hand with research. Below, I will review the opinions of study participants on the importance of skills-oriented degrees, mainly graduate programs, as a significant income source to public universities.

Graduate Education. Tightly coupled with research, the establishment of graduate programs as a source of income is an emerging theme of the study. Based on some estimates, universities make 50% profit from graduate programs after reimbursing instructor fees and other expenses. According to a graduate program official, the fee per student per semester is 20,000 Afghanis, which is much lower than what private universities charge. A public university proposed that MoHE increase the fee to around 30,000 – 40,000 Afghanis, which would still be about half of the cost at private universities. Even with the increased cost, students would choose to study in public universities for two

reasons: 1) the price is still lower than the private institutions, and 2) they will receive better quality education than at private universities. The official added:

One graduate program brings in approximately 2 million Afghanis annually. We have seven programs that generate 14 million Afghanis and will establish two more soon. The graduate programs are excellent means for earnings and help universities move towards self-sufficiency. We also aim to open admission to everyone as it is now restricted only to the faculty and staff members of educational institutions. If the request is approved, we will hold two classes in each cohort to enroll more students, and this way, double the income. There is a high demand for graduate programs; for instance, we receive over 1,000 applications only for 25 seats.

(Graduate Program Official)

According to a university leader, over fifty of their professors are abroad for doctoral studies; upon their return, they plan to establish more graduate programs in various disciplines that can be a good source of income for the university and professors. Based on the current incentive bylaw, each faculty receive additional 500 Afghanis per teaching hour in undergrad and 1,200 Afghanis in graduate programs in the night shift after official hours (University Leader 2).

Constitutionally there is no restriction for charging students in graduate programs. Also, there is a massive demand for the programs, especially in some critically needed fields. Some faculties realized the importance of the programs as a source of income and an opportunity to meet the need for skilled human resources in the job market. The following quotes depict the necessity for more graduate programs at public HEIs:

A sectoral ministry reached us to establish a master's degree in water management. The program costing \$3 million is being funded by the Asian Development Bank. The program has several advantages: first, its graduates can play a vital role in the management of water, which is crucial for economic growth; second, the technical capacity of the professors will be built with assistance from international partner universities; last but not least, the university will generate sustainable revenue from the student fees. (University Leader 4)

We have two master's degree programs and have requested the establishment of four more in horticulture, plant protection, soil science, and forestry. We are awaiting approval from MoHE. By establishing these programs, the aspirants would not need to pursue their graduate studies abroad. Also, the Afghan government would not be obliged to provide costly scholarships any longer in these fields. (Faculty Administrator 5)

Moreover, MoE and education universities and faculties now discuss the enrollment of over one hundred thousand (100,000) schoolteachers who are 14-grade graduates to complete their bachelor's degrees. MoE needs to upgrade the schoolteachers' qualifications as the new law stipulates a bachelor's degree is the minimum qualification for teachers. These programs will be mostly held during the winter break or night shifts to avoid disrupting teaching at schools (Graduate Program Official). Though the graduate programs are considered a rich source of income, their implementation would be challenging, especially when they are primarily designed to train only the staff members or teachers of public institutions. The following accounts exemplify possible dilemmas with such partnerships:

We established two master's degree programs mainly to train staff members of MoE. Unfortunately, the ministry has not paid the program fees for its staff in the last four years. MoE wants to train 500 of its staff members in the programs. If MoE continues not to pay the fees for their staff members, we will discontinue the programs. (University Leader 2)

We have a partnership with MoE to train their staff in the night shift, but students' fees go to the MoF and never return to the faculty. The only support we received is the payment of instruction fees by MoHE. (Faculty Administrator 9)

It is also challenging to have a decent Graduate Education when faculty members themselves are not doing research, and students do not learn much from such professors. Only a small portion of faculty members do research in Afghanistan, though there used to be a lot of quality research, particularly in agriculture and engineering. Universities must have funds to do research. The only funding available to the public universities was a million-dollar grant provided through a World Bank project. However, the leadership of the project was very slow in disbursing the funds. According to donor representative 1, the project awarded approximately ten grants to the universities. The unspent funds, close to \$800,000, was returned to the Bank, which is just a tragedy. When universities have people do research, they can have higher quality graduate programs.

Afghan education leaders have to improve their graduate programs and faculty research because they directly influence education quality. For example, a donor representative claimed that some years ago, a couple of faculty members applied for money to conduct their master's and Ph.D. research. The quality of their proposals was not satisfactory. The donor wrote to the MoHE that, as a result, they would not fund the

proposals as currently written. Subsequently, an international expert worked with those faculty members to help them write acceptable proposals (Donor Representative 1).

User Charges

User charges or fees is another potential source of income for higher education. They are particularly valuable in countries where billing for tuition remains illegal. Nevertheless, the bylaw for financial autonomy appears to contradict the Afghan Financial Law, especially concerning charging fees. According to financial law, all profits generated by a secondary budget unit (any state institutions, including public universities) are public money. Thus, the fees from using university premises (such as an auditorium and football field) should go to the Ministry of Finance. Then, the ministry will decide where to allocate the money. However, as per the university financial autonomy *Regulation*, the income from entrepreneurial, professional, and academic activities can potentially be given back to the university as part of their annual budget for the next year. Yet, it usually does not happen, which seriously reduces the motivation of universities to engage in such work.

Here, I share the views of participants about different user charges organized in three categories, including *dormitories and food, facility utilization, and academic and administrative services*.

Dormitories and Food. Higher education leadership is willing to start charging students for meals and housing, which takes about 30-40% (around 2 billion Afghanis annually) of the HE budget (MoHE Official 1). The logic for introducing the fee was that around 75% of the students come from families that can pay some cost for their housing and meals. For example, over two hundred thousand students currently go to private institutions and pay for their food, lodging, and tuition fees. Nearly all participants

suggested the discontinuation of free food and housing for the following reasons: first, the Afghan government is not capable of paying the cost forever; second, if the government continues covering the expenses, it limits access to public HEIs because public resources are inadequate and cannot meet the demand; and last, such expenditures will affect the other aspects of public HEIs, especially quality.

A participant who opposes the idea of free dorms and food shared his views as follow:

Constitutionally I do not see any constraint for charging fees on dormitory and food.

Also, by law, public universities are not obliged to offer such services.

Unquestionably, sharing the cost by students and their parents will significantly reduce the burden on the public sector and save a lot of money for the construction of classrooms, gyms, auditoriums, equipping labs, payment of salaries, and make other necessary improvements at universities. (MoHE Official 1)

Sharing the cost for dorms and food will also free up a sizeable amount budgeted for higher education. However, the payment for students from low-income families could be subsidized. According to a participant, the HE Minister formed a committee to draft the strategic plan for HE. One of the suggestions of the committee was to charge all students for dorms and food. Maybe 10 to 15% of students would make full payments while others get some concession, and even the neediest students would have to pay 1% or something as a matter of principle. Students who cannot pay should help with cleaning and other services at university, which is a common practice in other countries. In brief, the committee's view was to subsidize as much as 50%, but the remaining 50% would have food for free, which would be a huge relief. It suggests that the MoHE realizes the need to shift some expenses and incorporates the fact in its strategic plan to get people to think about it. It is reasonable

that a student has to pay for housing and food when he comes from a background where the family could afford to pay, and in exchange, they receive a better education. (Donor Representative 1)

Another participant exemplified the public expenses for meals and accommodation on a campus:

In our university, the total annual expenses for students' housing and food are twice the amount we pay for salaries. When we say free dorms, it also suggests free electricity, water, beds, and an excellent environment, which is not available to the non-dorm students. Sharing cost will be troublesome for some students, yet we observe over 200,000 students attending private institutions where they pay sizable tuition fees. (INGO Representative 5)

In response to open-ended questions, whether is it appropriate for MoHE to spend 30-40 percent of its budget on food and housing, and whether universities continue managing it; most participants advocated abandoning the provision entirely, or at least arguing that universities should not govern it. One recommendation was to engage the private sector to take over the charge, which would give university administrators more time to focus on academic issues.

Providing free lodging and meals is also a primary source of corruption in higher education. The dorms are not given to economically disadvantaged students but to those who come from provinces, and some of them could possibly do well financially. Consequently, the dorms are open to misuse rather than aiding the underserved groups. A participant explained:

Recently, we installed a fingerprint machine to track the distribution of meals at our campus. We found out that about 45 percent of students (800 out of 1400) do not eat meals at the dorm cafeteria and order food from outside. Now, we reduced the provision of food to 60 percent of the dorm population and still have some wastage. We inspected the issue only on our campus while expecting a similar situation in other universities where no one yet paid attention to it. (University Leader 1)

It can be implied from the above statements that other universities may also be in the same situation, but the question remains what happens with the 40 percent unused meals. Evidently, the dorm managers and some university and MoHE officials are involved in the corruption, deliberately keeping the quality of meals terrible. "Therefore, the preparation of food by universities has not been good practice and should be privatized," said university Leader 1.

The following multiple quotes suggest that the provision of free dorms also did not have a positive impact on student learning:

Our experience shows that students at dorms perform poorly compared to non-dorm residing students. Free education, including dorms and food, has no value to students. The private sector should be invited to manage the dorms. First, universities should privatize cleaning and maintenance, subsequently food, and eventually the whole dorms affairs. (Faculty Administrator 3)

The students who commute daily to university are on time for their classes more frequently than some of the students living in the dorms. It could indicate that free provisions are of less value to people. A minimum cost of dorms and food is

necessary, so students feel more responsible and have a positive impact on their learning. (Student 2)

The dorms also serve as centers for students' politics and hubs for intensifying ethnic tensions among the student body. Hence, the administrators, deans, and faculties spend a great deal of their time dealing with such issues. The students in dorms can easily organize themselves and go to the streets to take part in protests, which often disrupts the teaching process by closing entrances or the roads ending to the universities. A faculty member shared the same concerns and claimed:

Despite free provision, students go on strike for the low quality of food. I believe the free food has never had a positive impact on the learning process. Government still can support students through providing food and housing allowances but better to be managed by the private sector (Faculty Member 2)

Although most of the participants favor introducing some fees or privatization of dorms, some believe, that like the government, students also do not do well financially. A student proclaimed there were instances of students not going home to visit their families for months because of no financial means. He went on to share his story and the financial ability of students:

My family migrated to Iran because of war and still live there. The only reason I returned to Afghanistan was that I could not afford university tuition in Iran. Many students from underprivileged backgrounds will be deprived of university education if the government abruptly stops providing free dorms and food. Considering the weak economic situation, alternative ways should be explored, and

a reduction in students' incentives should occur gradually. It must be a long-term plan of MoHE and not a sudden move. (Student 1)

A participant suggested that the Afghan government should provide grants to students from disadvantaged economic backgrounds and begin talks with local banks about student loans. He believes that when students share some cost for their HE, they will carefully choose the programs with high employability, and in such a case, both students and banks will benefit. But if graduates cannot find jobs, there will be losses on both sides (Donor Representative 2). An alum also considered the lack of employment opportunities as an immense challenge. He contested the idea of loans and claimed that most students would be incapable of repaying, even if banks provide loans as an alternative means. He further expounded his concerns:

The unemployment rate is very high in the country. On average, 300 candidates apply for one vacancy. So, even if the loan is provided, a significant portion of students will be unable to pay back their dues. This fear restrains students from taking loans and consequently enrolling at universities. It is a disaster that students are denied access to higher education, but it will be a tragedy when graduates with credentials do not find jobs. We read and watched in the news that some students burned their diplomas who failed to find employment after years of search. (Alum 2)

The privatization of dorms can be a reasonable option and beneficial both to the government and students. The government saves much of unnecessary expenses because the private sector is more cost-conscious while the public sector usually provides a generous budget. An international higher education expert concurs with the idea of

privatizing food and lodging and shared his experience from other countries with somewhat similar conditions to Afghanistan:

Ghana does not charge tuition, but they moved housing out of their control and handed it over to the private sector. It turned out to be a blessing for the universities. Many countries have started shifting some higher education costs to students and their parents. For example, even the Scandinavian countries, which are heavily subsidized, do charge some fees. Besides, a chancellor in South Africa said that half of his time was spent dealing with student complaints only about food and housing. Once lodging is privatized, and students are allowed to make their decisions, it is no longer the university's issue. It also saves a lot of time for university leaders to focus on matters that they should concentrate on. (Donor Representative 1)

He continued to mention that in Ghana, the government said they would not build any new dorms that are free, and all the new dorms would charge fees and have more facilities, including computer centers. At first, only about 10% of the spaces in those private dormitories were filled, but pretty soon, they were filled to the capacity. Afterward, they began to make all students pay some fees. They told students they are right that the old dorms are falling apart, but the government cannot do any renovation works unless they charge some fees. So, the old dorms would not be as modern as the new ones, but students have to pay a small amount, and it worked. (Donor Representative 1)

An Afghan university leader who undertook similar measures said, "We started replacing some dorms with teaching and research facilities. This way, we limited the

housing but improved the quality" (University Leader 1). The Afghan government should not build new dormitories and turn the current and new dorms to the private sector to manage.

Three feasible alternatives can be concluded from the findings. First, the need for the privatization of dorms and provision of food; second, the provision of allowances to dorm-eligible students instead of free dorms and food; and finally, introduce minimum fees to improve the quality of dorms and increase the universities' income.

Facility Utilization. Charges for utilizing university properties could constitute a significant source of income. The fees are not confined to university populations but can be expanded to other private and public institutions. Universities could charge users for utilizing halls, laboratories, libraries, cafeterias, playgrounds, and other educational and recreational amenities.

There is a belief that students should pay some small fee for using facilities like gyms and labs, so the universities could provide necessary equipment and consumables since such expenditures are generally not covered with public money. The current laws do not allow charging students at public universities but do allow public universities to make their facilities available to the students from private universities and charge them for using the facilities. A faculty member stated, "The private universities do not have well-equipped laboratories, especially in engineering and medical departments. So, utilizing public universities' labs by students from private HEIs will be of mutual benefit; for public HEIs to make some revenue and for private HEIs to provide quality education and attract more students" (Faculty Administrator 3). Public HEIs can make long-term partnerships with their private counterparts to hold classes and use laboratories, especially after official

hours. The faculty members from public universities can also help with teaching some specialized courses in the night shifts rather than going to private universities. A faculty member clarified what other facilities could potentially be made available and used by private institutions for a fee:

The students from private universities – especially from medical schools – can complete their practicum sessions or semesters at the teaching hospitals of Kabul University of Medical Sciences. However, there are no clear procedures in place on how to operationalize this. If MoF resists that universities continue sending their revenue to public coffers, universities will not be interested in doing it. (University Leader 3)

Universities can also lease out big classrooms, halls, and gymnasiums for holding classes, meetings, seminars, conferences, civil society gatherings, and other educational purposes. As a package, food can also be provided by the university cafeterias for the event participants. At present, some universities ask for in-kind support like equipment, furniture, fixture, or construction and renovation work because they want to avoid monetary income from renting these properties, which needs to be sent to MoF and may never be returned to the university (Private Sector Representative 1). Two university administrators further elaborated on the matter:

Renting of university properties is of shared benefit; the recipient organizations save significant resources because universities usually demand considerably smaller fees than the private halls, whereas the providing institutions [universities] need the resources to make various improvements on campuses. For example, in our university, we used such revenue for renovation purposes, and as a result, now

our university has well-equipped dorms and gymnasiums among all public universities. (University Leader 1)

We have a cinema theater at the university where we can have up to five shows a day during weekends. We will mainly show educational movies for kids and families, which is the university's primary mission. At the same time, the families can enjoy the campus, which has a far better environment than many local parks.

(University Leader 2)

Another faculty administrator shared his experience of attracting their students' support to the faculty and stated:

We agreed with our students to organize their graduation ceremonies at the university auditorium without any cost while holding such events in fancy hotels. Instead, students would donate a small portion of the expenses to the faculty through in-kind support. This year, students contributed five projectors to the faculty. (Faculty Administrator 9)

Universities also possess expensive equipment in laboratories, which are mainly donated by international donors. Most private companies want to rent them, but there are no clear procedures in place on how to sublet them to private companies. A faculty member further described:

We have GPS Total Stations, an expensive piece of equipment for cadastral and geodetic surveys, while no other local organization owns them. Usually, private companies lease such equipment from foreign companies in Pakistan, Iran, China, and India. They want to rent the equipment from universities because it will be easily accessible and cost them far less than bringing it from other countries.

Besides, there is various other equipment at universities that can be leased from \$100 - \$500 per day. (Faculty Member 1)

A private sector representative also affirmed the above facts and added:

Some universities possess well-equipped laboratories for testing construction materials and water, which are not available in private companies. For instance, my company once had a project with a UN agency to examine underground aquifers. We rented the equipment for testing water from a foreign company because we were denied renting it from a university. Renting the equipment from a university would have many benefits. They could charge some fees as well as involve their technicians to get on the job training. They could also send students to work with our experts to learn how to use the equipment, which could be counted against their practicum. (Private Sector Representative 1)

Also, there is no guideline for leasing out equipment to other public institutions. A faculty administrator had related opinions on the subject:

A sectoral ministry wanted to borrow a piece of equipment from our university, and instead, we asked them to purchase some spare parts. However, the ministry claimed that public possessions could be utilized in any state entities without any charges. Though we argued that the equipment was donated by a donor and not provided with public funds, the absence of clear procedures also causes confrontations among public institutions. (Faculty Administrator 1)

The findings show there is a great potential to charge users, mainly off-campus clients, for using different university facilities and equipment during night shifts, weekends, and whenever they do not use or need them.

Academic and Administrative Services. There are only a few administrative or academic fees at public universities, including the entrance exam, admission, diploma, and transcript fees. MoHE charges 400 Afghanis for the entrance exam, and universities charge 100 Afghanis for admission, 400 Afghanis for a diploma in local language and 1000 Afghanis in international language, and 300 Afghanis for transcript. The financial autonomy bylaw allows universities to introduce new fees on academic and administrative services; however, universities are unwilling to do it because such earnings should also go to the MoF. The following quotes describe the importance and challenges of the user-fees at public universities:

We charge \$5 for a diploma while it costs the government \$10. We can increase the diploma fee if MoF agrees to give the income or at least a portion of it to universities.

It is a traditional revenue and goes to MoF. (University Leader 1)

Our students purchase lecture notes from private photocopy and printing stores. Universities can provide similar services at a lower cost. But current laws restrain us from doing it. (Faculty Administrator 2)

Last year, we charged our new students for ID cards. We also introduced a fee of 1000 Afghanis for the lost cards. We will use the fund for printing cards for the new students next year. (Faculty Member 5)

Although the administrative fees are small, it can significantly increase university revenue because of the large number of users. If universities are allowed to introduce other user fees, some possible charges could be on referrals, deferrals, continuous enrollment, etc.

Dual Track Tuition System

Dual track tuition policies are especially popular in other countries, where some highly qualified applicants are admitted to free seats, and other eligible students are admitted on a fee-paying basis (Marcuci et al., 2008). The dual-track system preserves the constitutional framework for providing free higher education to regularly admitted students in state universities (Altbach et al., 2009). Participants had various views on implementing the system in Afghanistan.

Most of the participants supported adopting the dual-track tuition in the Afghan HE mainly during the night shifts. They essentially favored it if people feel they have to turn to private universities, as they suspect their low quality. Students can be given two options – free and for-fee – when selecting their study fields during the Kankor examination. Those with high scores will still be considered for free seats; otherwise, they will pay a minimum fee for the second option. Universities will use the revenue to pay the faculty and cover some other essential expenses but not necessarily making an additional profit (Faculty Administrator 9). An INGO representative said:

It would be better for people to pay some amount to public universities than go and spend a lot of money on private institutions which are not leading anywhere. If the system is honestly done, where more academically able, get it free, and less capable end up paying something, I do not think it would be a problem. It is a problem if people are not treated fairly by subverting the system where the senior officials and those close to them do not pay fees for their children, even if they did not get the right marks, it would make people angry. (INGO Representative 1)

The dual-track system also allows universities to charge some fees, which helps to decrease the government's burden to provide more free seats as the demand for higher education is growing more quickly than ever before. The following responses discuss the system's benefits and adaptability in the face of current laws and legal frameworks.

With the dual-track system, access will be increased, and overpopulated classes can be avoided. Now, we accommodate around 150 students in a classroom designed for a maximum of 40 students, which affects the learning process, especially in a technical university. If MoHE agrees, we have the resources to implement the system in our all engineering and IT departments. Nearly all students want to study at a public university; they go to private institutions because they were denied access to public universities. Even they are ready to pay higher fees, so they receive a better education in a prestigious university. As a matter of fact, most employers also prefer to hire graduates of public universities than their private counterparts. (University Leader 4)

The dual-track tuition system has been implemented in Uganda and Malawi, with somewhat similar conditions to Afghanistan. According to a donor representative, the universities in these two countries make admission decisions using a specific cutoff score on the entrance examination for free higher education. Those students who do not meet the cutoff need to pay a fee to go to the public HE institutions. He added, in Uganda, the money goes to the departments that accept students on a fee-paying basis (for example, engineering or medicine), which end up with a lot of money, some of which is paid to faculty members in higher salaries that create real unhappiness for other faculties (Donor Representative 1). However, the dual-track system worked very well in Malawi, where

students can go to any field they want, and the money goes to the institution and not to the department. It is worth noting that Malawi did not have a private HE system at that time. “I think creating a public system where at least some proportion of the cost is covered by students, except for few really poor people, is not only desirable but also fills a critical need” (Donor Representative 1).

Although the dual-track system's adoption is widely recommended, some participants suspect its feasibility at medical universities, especially if it is just implemented in night shifts. They argue that students in most medical departments are required to take some lectures and practical sessions during official-working hours in the teaching hospitals. The only department that could implement the model is Public Health. A faculty administrator affirms that the model is not ideal for faculties such as Allied Health Sciences that train lab technicians or anesthesiologists that demand practical sessions in hospital settings, which could be challenging after official hours (Faculty Administrator 2).

Similarly, a donor representative believes the implementation of the dual-track system is complicated because, constitutionally, the public HEIs are not allowed to admit students on a fee-paying basis in Afghanistan. Even if some students initially agree to pay tuition fees, they will later argue that education up to the BA level is free based on the constitution, and every Afghan has the right to equal benefit. Then they would refuse to pay any fee (Donor Representative 2). So, it will make it further problematic if universities offer free and fee-paying seats in the same classes or the same shifts. Hence, the student admitted for-fee seats to be only provided in the night shift.

Donations

Donations are a significant portion of revenue for HEIs. The financial autonomy bylaw allows all actual and legal individuals and institutions to make direct donations to the financially autonomous universities, especially those who do not want their contributions to come through the Ministry of Finance. The university board of trustees has the authorization to receive and manage donations. Here, I present the participants' perceptions about the contribution of *international donors, alumni and students, philanthropists, and faculty* as the major givers to the public universities.

International Donors. International donors are one of the primary givers to HE, especially in developing countries, but of course, such offerings are not sustainable. Many donors, including USAID, World Bank, GIZ, Japan, France, India, and some other countries and aid organizations, support the Afghan public HE. Recently, a USAID-funded program assisted the MoHE in drafting more friendly *Regulations* allowing universities to get additional resources and use them efficiently. The program also helped Kabul-based public universities create meaningful budgets, develop various policies and guidelines, and build their capacity to practice financial autonomy. However, a lot more needs to be done to sufficiently operationalize the Regulations. An INGO representative believes the Regulations are more like a superficial overview of the institutional autonomy and need to be fully described.

International donors can assist public higher education in many different ways. First, donors can help to define the university autonomy further in the context of Afghanistan. Donors can provide technical support and the best international lessons through hiring experts to work with the MoHE and public HEIs. Also, they can work with

the leaders in HE to lobby for financial autonomy. By lobbying, I mean these leaders need to be engaged in active discussions and create linkages with the Afghan Parliament to amend the HE law. An INGO representative also suggests that the donors, such as the World Bank and USAID, the two major contributors to HE, to push the reform agendas at a higher level with the Afghan President and cabinet to garner their political backing because switching the single treasury account to multiple treasury accounts is a major national decision (INGO Representative 4).

Second, donors can help improve the universities' administrative, financial, and procurement systems and policies and operations. For example, to collect different fees, public HEIs need to develop a separate standard accounting system. “A USAID-funded project assisted the MoHE to improve their administrative and procurement functions, but such support needs to be continued and expanded to all public universities” (Faculty Administrator 6). Donors should also work with four Kabul-based and major regional universities to establish a coordination unit and business hub for the university's entrepreneurial activities. Through these hubs, students should be allowed to engage in entrepreneurial activities, which will lead to policy reforms and improvement of mechanisms for the increase in revenue.

Third, international donors can play a pivotal role in helping HEIs to pilot financial autonomy. One of the critical areas is the need to create an enabling mechanism for generating supplemental revenue by improving research culture and capacity. So far, donors have mostly provided in-kind-grants to the universities that were considered a half-way measure. Now it is time for international donors to provide direct funding to the universities' financial system to pilot projects without fear. A donor representative also

advocated for some direct funding to universities rather than merely in-kind support; he asserted:

In my experience, what donors provide in-kind, despite proper specifications, are not often what universities want. Though there is sometimes a question about whether universities know what they want, Nonetheless, I suggest that a grant of 5-20 thousand dollars be given to each university to pilot it. Honestly, donors should be prepared for some failures on the way but must not pinpoint and use them as proof that universities cannot be trusted endlessly. It is a challenging effort, but donors have to give universities grants and allow them to fail. If a few people are locked up in prison for embezzling the money, it would encourage the rest not to steal it; otherwise, the capacity would never be built. (Donor Representative 3)

Fourth, donors ought to help with establishing research units to decrease higher education reliance on their support. These units will primarily serve as a point of contact for the private sector, donors, public institutions, and nongovernmental organizations. Another core function of such research units would be proposing evidence-based policy reforms to improve processes and procedures to increase revenue in the public universities. The following quotes describe the types of provisions needed to improve research capacity at universities and to pave the way to partner with private firms and sectoral institutions on research and development projects.

We expect donors to help us to establish a publication and translation center to commercialize our research and operationalize translation services. The support is also critical to functionalize the publication division and sell our publications,

primarily to the schoolteachers and those working in the education sector.

(University Leader 2)

Donor assistance is crucial for improving physical infrastructure at university. For instance, in our faculty, we do not have the basic equipment and chemicals to extract DNA. Agriculture is science, and not much can be done without research in the labs (Faculty Member 7).

We currently need to purchase cadastral equipment – a specialized scanner for photogrammetry (spatial imaging) costs \$100,000, and two specialized drones for geodesy surveys cost about \$20,000. The devices will enable us to partner both with the public and private sectors in several national projects. (Faculty Administrator 1)

We need Geotech equipment for the survey and design of hydraulic structures, which are very costly and cannot be procured with public money.

(Faculty Administrator 3)

Fifth, international donors' influence and aid could be crucial in connecting universities with sectoral institutions and the private sector, mainly through the funding of joint projects. According to a faculty administrator, the GREEN project was one such project that linked a university with MoAIL by implementing a series of joint research projects. The project required four core researchers from an academic department and the same number of co-researchers from the ministry's research directorate. He added, "We expect other donors also invest in such initiatives, so the culture is institutionalized, and universities become the inevitable part of some research projects" (Faculty Administrator 5). In the following quote, a faculty member further illustrated a successful donor intervention:

Recently, we trained staff members of the Ministry of Culture and Information in Geographic Information System (GIS). World Bank funded the training and helped with the development of standard training materials. Whereas the U.S. embassy assisted with providing equipment and software for the GIS lab at the university, the university professors facilitated the training. Such collaboration is an excellent example of impactful donors' support for building physical and human capacity at universities to respond to market needs. (Faculty Member 2)

Despite the crucial nature of donors' support, there are many criticisms about international donors in Afghanistan, mainly due to lack of coordination among the donors themselves and lack of consultation with the recipient HE institutions, including the MoHE. For example, the U.S. government and German International Cooperation (GIZ) assisted with constructing some dorms. However, all these projects were directly implemented by the aid organizations. These facilities, in one sense, are the most critical need for higher education because, in the last five years (2014-2019), the number of students doubled in higher education, but almost no new teaching buildings were built, and those that were built were not built to accommodate increased student numbers. They were built because a donor thought it was a good idea to start teaching French, or it was a good idea to teach journalism. But if the MoHE were asked to define its priorities, those would not be the priorities, said an INGO representative. He added:

Most of the donor agencies do a terrible job of consulting the MoHE. The people at donor institutions think they know all the answers, so they sit in their headquarters overseas and decide what the needs of higher education around the world are. Once they write a proposal, then they send it to a couple of people for a two or three-day

quick review. It is a one-time superficial interaction, not a thorough discussion and analysis of needs with the MoHE and public university leaders, so the lack of communication is a huge problem. (INGO Representative 1)

Furthermore, some donors do not consult with anybody. Japan International Cooperation Agency (JICA) contributed a million dollars' worth of equipment to some universities, and they unveiled this to the ministry leadership after they donated the devices. A donor representative further specified:

There are now about five electron microscopes in Afghanistan, and they are costly, while I believe only one of them is being used. The equipment tends to come with directions in the English language to be understandable for some Afghan faculty members, but some user guidelines come in languages that nearly all concerned faculty members cannot understand, for example, Japanese or Chinese. Some donors, like the World Bank, give equipment and make sure the people are trained on how to use them. The other problem is that donors want to do certain things for their own reasons. One example of being critical of the U.S. was always supporting the Faculty of Journalism. Journalism is important, but they constructed buildings at five universities. I believe the MoHE wanted to build one in Kabul, one in a provincial area, and the resources for other ones could have been spent on women's dorms or laboratories. (Donor Representative 1)

MoHE and the Universities are reluctant to turn down these gifts for fear of alienating the donors. Also, many of these gifts require ongoing maintenance costs and supplies that are often not in the university budget and must be diverted from other badly needed functions, said NGO representative 1.

Imposing restrictions on direct funding to public universities is another barrier. The Afghan government encourages international donors to channel all funding through the MoF; the only exception made was for support directly comes from a foreign university to a local university. The Afghan government is very much interested in on-budget financing so that they can control the resources. There is the belief that off-budget support causes overlap of efforts both between government and donors and among donor agencies. For example, “MoHE will have a plan to upgrade the library at Kandahar University, and a donor may plan the same activity through an off-budget project” (INGO Representative 2). However, public institutions sometimes cannot be trusted in the face of widespread corruption. Recently, a university leader publicly accused the MoHE of misusing the World Bank resources through on-budget support.

Notwithstanding some critiques, there will be a critical need for donor support for improving the Afghan higher education system until the public HEIs diversify their sources of income beyond government and donor financial resources.

Alumni Donations. Alumni donations can play a critical role in financing public HE in Afghanistan because students receive free education. Unfortunately, not enough attention has been paid to this potentially rich source of income, and alumni contributions remain very small and sporadic.

In response to an open-ended question about establishing alumni associations, a faculty administrator was excited by the idea and said, “Honestly, we never thought about it before. I believe we can establish a smaller version of the association at the faculty level. We are forming ‘The Afghan Surveyors Association,’ and for now, we can use the platform to attract donations from our alumni because over 90 percent of its members will be our

graduates” (Faculty Administrator 1). The following quotes describe the current alumni-support and the potential of alumni associations for attracting donations in the future:

Over 750 students graduate from our university every year. As a technical university, most graduates find employment during their practicum semester or right after graduation. Hence, they would generously contribute to the university if assurance is given that their contributions would be used to make various improvements in the university and not go to the pockets of corrupt administrators. With the help of modern technology and IT experts at the IT departments, universities can develop the system to make the information about donations and expenditures accessible to alumni; such practices will result in a tangible increase in alumni giving. (Alum 1)

Some alumni, mainly the Afghan diaspora in western countries, provide ad-hoc in-kind support, such as medical software, IT equipment, lab equipment, office equipment, etc., because the university could not receive monetary donations until very recently. (University Leader 5)

Students from our graduate programs organized a book-fair at the university by inviting two leading booksellers. All the visitors were encouraged to buy and donate at least a book to the university library. During the fair, over 600 books were given to the university library—students and alumni were the main contributors. The list of contributors with the descriptions of books they donated was prepared and posted on the university website to recognize and assure them the books are recorded and placed in the library. Such practices are essential for guaranteeing the continuation of the support to the university. (Graduate Program Official)

Donations from our alumni are currently minimal, e.g., our graduates provided water dispensers, wall clocks, chalk, etc. The alumni who work in international organizations also play a crucial role in assisting the university through their organizations. For example, one of our alumni was instrumental in allocating \$1 million to construct a new building for our university. Another graduate works for a Non-Governmental Organization (NGO) that assists with admitting students, particularly from Agriculture and Engineering departments, for internship programs every year. The same NGO also provided lab equipment to the Faculty of Agriculture. Though these sources of support are great, they are not always available. (INGO Representative 5)

According to a donor representative, two faculty members at the University of Wisconsin successfully set up the University of Wisconsin Foundation; a similar practice can be adapted in Afghan universities. He added the university began with income from their discoveries and later from donors' contributions. They would say it was not an easy job to generate funds from private sources, which requires years of laying the groundwork. They began by conducting a series of workshops, inviting alumni to various meetings to catch up with the universities, and publishing a magazine. They can get a major donor to give a million dollars. However, half of the money that the Wisconsin University Foundation receives is from the small donors (e.g., from students who post a check for \$20 and faculty members who send a small amount of a couple of hundred dollars to the foundation). It did not take very long for the Wisconsin Foundation to get the first million dollars in small donations and income from patents for Warfarin named after the foundation (Donor Representative 1).

The findings show that considerable additional resources could flow to universities once Alumni Associations are established at each university, especially when alumni are assured of the proper use of their contributions.

Philanthropy. Individual donations are another rich source of private funding. There are two types of public universities in Afghanistan, financially autonomous and non-autonomous. By law, the latter category cannot receive any monetary donations. The financial autonomy bylaw detailed the process for direct contributions from individuals, charities, donors, and institutions and even allowed donors to specify the type of activities to be supported with their money. The following interview excerpts explain the processes for philanthropic contributions to the public universities in Afghanistan:

When a donation is coming directly from a local source, a protocol of assistance needs to be signed between the donor and the respective university with an oversight role of MoHE. For foreign sources, the Ministry of Foreign Affairs needs to be a signing body too. Typically, the donated funds need to be used as outlined in the contracts and reported to MoHE, MoF, MoFA, as well as to the donors.

Unfortunately, the universities do not take advantage of the opportunity because they believe involvement in such practices will increase their work burden and not benefit them directly. (INGO Representative 2)

Although there are legal barriers for non-autonomous universities to attract donations, even universities with autonomy failed to contact philanthropists adequately. One of the enormous problems is the capacity issue, mainly in communication. Public universities did not offer any programs to train effective communicators. Therefore, with

assistance from USAID, the first two bachelor's degrees in communication were established in 2018 to train people to be professional communicators.

One of the participants described a similar experience from an African country which can be adapted to Afghanistan:

In Nigeria, which is still regarded as a developing country, though it is a large oil producer, there is a man called Dangote. His company makes cement and many other things and is a significant funder of Higher Education. Now, are there such people in Afghanistan? We know some wealthy people in Afghanistan, and I am sure they would contribute to universities, especially when their contributions are recognized. So, I think it is undoubtedly an area that needs to be explored. (Donor Representative 3)

Additional examples can be found in South Africa and Ghana. There was no tradition of giving money to universities in Ghana, although interestingly enough, there is a tradition of giving money to schools. At Easter, people go to their home villages and provide money to local primary or secondary schools. A donor representative said:

The Ghanaian universities built on that tradition to benefit from the same giving, and they did an outstanding job raising money. The University of Ghana, later on, created a huge visitor center and a multi-purpose center for the Arts. Such fundraising can be done anywhere. It was actually not very hard to raise money, but someone has to start the process. (Donor Representative 1)

Like other types of donations, a transparent and accountable system is a prerequisite for attracting philanthropic contributions. Some universities involved

philanthropists in the activities that they support to ensure transparency; however, the practice may not be appropriate for all contributors, as quoted below:

We usually ask merchants [individual donors] to introduce their representatives to oversee the projects' execution from start to end that they support. When the Afghan Wireless Company assisted our Aliabad Hospital, they provided chairs and an ambulance, and we were not involved in the procurement process. This is one of the best ways to assure philanthropists of the proper utilization of their donations, especially in the face of prevailing corruption in the country, from which universities and hospitals are not exempt. We understand that some philanthropists would say they do not have the staff to oversee the usage of their financial contributions; therefore, we are working to develop a system, but it will take time.

(University Leader 3)

Some individual donors funded several in-country student exchange programs by providing transportation, lodging, and food. Another local businessperson has contributed over \$30,000 to purchase books and equipment for our university library. Some other small business owners have purchased ten computers and other equipment. (INGO Representative 5)

A donor representative trusts that there is an excellent potential for philanthropic donation to public HEIs. He added:

I have observed that a local business company paid for the construction of concrete pavement in a university. In another university, the university official showed me some classrooms that were fully equipped with in-kind support from local businesspeople. In both universities, he quoted chancellors saying whenever they

ask local business firms and individuals for their contributions, they always help.

(Donor Representative 2)

Conversely, some participants feel that it is challenging to create a culture of philanthropic support in Afghanistan like other countries where wealthy people – millionaires and billionaires – support universities through endowments or foundations. They argue that wealthy Afghans come from non-intellectual backgrounds; most of them are either warlords or drug dealers. They will not see any purpose in supporting education.

Even though most wealthy people in Afghanistan have little or no higher education experience; there are still many merchants who are not warlords or drug dealers and are willing to help the HEIs, stated donor representative 2. Besides, “for philanthropy to become a success, the middle class, with their vast potential, can be an excellent alternative source for supporting higher education” (INGO Representative 4).

Donation Box. The establishment of donation boxes was another exciting suggestion that emerged from the interviews. The initiative was mainly taken by some faculties and not necessarily at the university level. The deans of faculties consulted faculty members for founding the boxes to garner their support as the primary contributors. A committee was formed at the faculty level, chaired by the dean of faculty for managing the box. Some faculties also developed a transparency policy, including regular reporting to the contributors on funds collected and spent. A faculty administrator explained the motive behind opening the donation boxes:

Around two years ago, a graduate demanded his transcript urgently while the faculty ran out of cartridges to print it. The request for stationery, including the cartridge, was processed to the university a month ago, but we had no clue when we

would receive them. I had no option but to pay for the cartridge out of pocket. If I did not pay for it, the graduate had to wait two weeks by the time we received the stationary due to an inefficient procurement process. It was one of the main reasons that faculty members got together to discuss and find a sustainable solution for such problems that may arise again. So, we agreed to establish a Faculty Donation Box; and a committee was formed to collect, manage, and spend the money. In the last two years, we generated over 5.4 million Afghanis, both through cash and in-kind support. (Faculty Administrator 5)

A MoHE official claimed that they established a faculty donation box long before financial autonomy was granted to the university. He added:

We created a donation box almost ten years ago. The main contributors to the box are faculty, alumni, and some philanthropists. We use the box money for all small procurements, mainly stationeries and consumables for different science and pharmacy laboratories. Recently, MoF audited us about the box. We were disallowed to keep the money since we started doing it at least five years before our university was granted financial autonomy. However, having a transparent system and providing evidence on all revenue generated and spent, the audit team was convinced the box was founded out of necessity and has been appropriately managed. Hence, instead of punishing the people involved, they appreciated their efforts. (MoHE Official 2)

Nevertheless, while the donation box is a good option for most faculties, it does not seem ideal for a few medical faculties. A faculty administrator asserted, "Nine departments function under our faculty, only seven faculty members from two departments report

directly to me. The lecturers from the remaining seven departments are teaching in different faculties and departments in the university. Hence, establishing such a box will be a good idea for the university rather than at the faculty level, at least in our university, said faculty administrator 2.

It is also challenging to ask students to contribute. They believe the government should pay for all expenses, and whenever the faculties demand their contributions, they label it as corruption. Therefore, for the time being, some faculties have decided not to ask for student contributions until they develop a system to be accountable for every penny they donate. Though it was intended that only faculty members would contribute, some retired faculty members and merchants also donated to boxes later. The funds have been used for different purposes, including providing stationery and consumables, establishing a park, renovating toilets, and purchasing and installing surveillance cameras in classrooms and labs. The funds were also used to provide resources to the service staff of the faculties, mainly for heating purposes in the winter. A faculty administrator said, "We currently collect the contact information of all our graduates and name a week in a year as – donation week to university - so the graduates contribute to the box. We also informed and encouraged other deans in the university on the need and importance of donation boxes at their faculties" (Faculty Administrator 5).

Another faculty administrator agreed with the necessity of the box and stated:

The establishment of the box is an excellent idea because we usually do not receive stationeries and consumables on time. Besides, some of our students from the graduate program discontinued their studies because of financial problems. If we

had the box before, we could have helped some of them to continue their education.

(Graduate Program Official)

Despite some challenges, in the interim, the establishment of donation boxes has been a successful mechanism, so faculty members, students, and especially philanthropists can make direct contributions to specific faculties or departments. However, in the long run, a more comprehensive and accountable system needs to be developed to attract donations from a larger population of contributors.

Partnerships

Partnerships, the Public-Private Partnership (PPP), and Public-Public Partnership (PuP) are of paramount importance in bringing additional revenue to public HEIs. Below, I present the participants' views on each type of partnership.

Public-Private Partnership. PPP is one of the most suggested alternative sources of income for public universities. Some potential PPP projects include managing or leasing dormitories, cafeterias, coffee shops, canteens, internet, gyms, parking lots, teaching buildings, and other facilities. Additionally, Kabul-based universities are located in commercial areas where they can build stores on their surrounding walls for income purposes. The following extracts describe potential PPP projects:

Our university is located in a business area where we can construct over 130 stores on its surrounding walls. Each store can be rented for at least 10,000 Afghanis per month, which will bring in 15,600,000 Afghanis annually, a significant income from just one source. Similar to the universities, teaching hospitals are also situated in the best commercial locations. For instance, at least 25 large stores can be built at Maiwand Hospital. (University Leader 3)

In 2019, a private firm signed an MoU of cooperation with an engineering university to bring them on board to work jointly on the design of Hydropower stations. The private firm proposed taking charge of the operation and logistic support and harmonizing international capabilities being affiliated with some international organizations. The private firm realized that using the local technical expertise at universities helps reduce international hires to a select few critically needed experts. Unfortunately, there has not been much use of PPP because the PPP policies and regulations are not adequately promoted in the universities. Many university administrators and faculty members are also not aware of the reforms in HEIs. (Private Sector Representative 1)

Although there has not been regular and organized cooperation between private firms and public universities, there has been some ad-hoc collaboration through university professors. A representative from a private firm asserted:

So far, we have not had any formal partnerships with universities to implement joint projects, but university professors work with us as consultants. For example, we recruited professors from an engineering university to assist with a survey on a gas pipeline's environmental and social impact assessment from Turkmenistan to Pakistan that crosses Afghanistan. The private sector is willing to partner with universities as sub-contractors or on joint ventures. For instance, my company now needs technical assistance to conduct feasibility studies for hydropower plants and agriculture projects. However, engaging universities is a time-consuming process, and donors do not accept such delays. The bureaucracy and corruption at public institutions are the main reasons that the private sector favors individual

consultancies rather than partnerships and will continue to do so until related procedures and processes are streamlined. (Private Sector Representative 1)

The lack of confidence among education leaders and the prevalent corruption in the country is another hurdle. The Afghan government recently tried some PPP projects in other sectors, but unfortunately, the process was not adequately transparent (University Leader 1). A participant described some corrupt practices at the university level:

We developed four proposals for PPP projects, but some faculty members showed no commitment to be part of projects at the last stage of submission. Unfortunately, there have also been instances of leaking information by members of the proposal committee to NGOs and private companies that they either own or have connections with. Faculty members want the projects for themselves rather than for the universities. (INGO Representative 3)

The private sector's support can also be attracted to academic degree programs, particularly to those that benefit their businesses. Once the private companies see their interest in some educational programs like food processing, mechanical engineering, electronics, etc., they will come forward to sponsor them. It is probably one of the best ways to increase funding to universities. The interview excerpts below detail the reciprocal benefits of PPP in skills-oriented degree programs:

There is a huge Pepsi plant in Kabul, and reportedly, the Alokozi Group of Companies has invested about 100 million dollars in it. I gathered that many Indians or Pakistanis are hired in technical positions because the Afghans do not have the required skills. Afghan HEIs should assess such demand and produce graduates that could easily be employed in the local market, like the Pepsi plant. Understanding the

demand in the market is crucial to encourage public-private partnerships. For instance, Alokozi Group can provide grants, scholarships, and equipment to public universities to design and implement academic programs. In return, they can hire graduates at lower salaries and will not have to pay for travel and housing, expenses they incur when hiring technicians from neighboring countries. (INGO Representative 4)

Such partnerships will allow private companies to regularly contribute to reviewing curricula, making sure they are applied-oriented and helping graduates find better jobs in local and regional markets. Public HEIs also need to create linkages with international universities. The linkages with the regional and international universities will also bring them international recognition and give them access to additional financial resources. The findings also show that PPP is a potentially valuable source of income for universities. All stakeholders need to work together to identify and address the restrictive factors in attracting resources from private businesses.

Public-Public Partnership. Public institutions, as the major employer in the country, was another emerging theme. Unfortunately, there has been little or no interaction between academic institutions and public institutions until recently, when some universities were declared financially autonomous. Only a few universities, e.g., an engineering university, have been partnered with private companies and sectoral ministries on national projects. Examples a university leader gave included possible partnerships with various institutions. They included the Faculty of Physical Sciences could be connected with the Board of Physical Sports, the Faculty of Language and Literature with the National Academy of Sciences, the Faculty of Computer Sciences with the

Independent Commission of Civil Servants, Faculty of Islamic Studies with the Ministry of Pilgrims and Endowment, and so on (University Leader 2). According to another university leader from an engineering university, they can partner with different sectors, mainly those who hire their graduates, such as mining, telecommunication, agriculture, urban development, rural development, municipalities, etc. He also claimed that his university had signed several letters of collaboration with many sectoral institutions, including the Capital Region Development Authority. He added:

We partnered with the Ministry of Agriculture, Irrigation, and Livestock (MoAIL), to help them design small and medium hydro dams. We also established a National Research Center for Water Management to further our partnerships with the Ministry of Energy and Water. We negotiated the creation of a Research Center for Seismic to strengthen our linkages with the Ministry of Mining. Ministry of Urban Development and Land (MoUDL) also asked us to establish an Associate Degree to train people in land surveys and management. Additionally, we are in contact with the Ministry of Transport to help them resolve the transportation challenges, especially in major cities, and construction of railways, being the only university offering academic programs in the sector. (University Leader 1)

Another participant exemplified the impact of such collaborations on academic programs:

The technical team from the Ministry of Urban Development and Land asked us to train the students from the GIS department in several key areas. Hence, we aligned the program curriculum accordingly. We also arranged to send our students to the ministry to obtain practical experience through internship opportunities. Such

engagement is essential for updating the curricula with inputs from students. By the time the students graduate from the program, they have both the theoretical and practical experience they require to help them find jobs quickly. The GIS department has recently been established based on the needs in the job market. (Faculty Member 1)

At least two faculty administrators described some possible partnerships in engineering and veterinary projects:

The Afghan government is currently working on 21 hydraulic dam projects. As a leading academic institution in technical structures, we can implement the projects far better than the local or foreign companies can if the Afghan government contracts us. Sadly, in the past, there were instances that international companies did not take responsibility for their shoddy work and disappeared, leaving the projects unfinished after receiving the first or second installments. (Faculty Administrator 3)

We have two MoUs with MoAIL for providing research, publication, and technical assistance. We also work with a UKAID project assisting with the preventive treatment of rabies. We want to expand our partnership with different veterinary stakeholders, including ministries of Agriculture, Public Health, Commerce, Finance, Rural Rehabilitation and Development, Environmental Protection Authority, Kabul Municipality, and the private sector. (Faculty Administrator 4)

International donors can also play a significant role in strengthening partnerships between academic and public institutions. For example, “recently, with support from an

international donor, two agreements were signed with universities in India to provide refresher courses for MoAIL, and faculty professional development training to Balkh University. Professors from Kabul University's Faculty of Agriculture can provide the training with better quality and significantly lower costs inside the country" (Faculty Administrator 5).

Privatization of Higher Education

Higher education privatization-significantly reduces the government's financial burden and plays a vital role in meeting the demand for tertiary education services (Vossenteyn, 2004). However, the increase in the number of private universities has been rapid in Afghanistan, growing from two private HEIs in 2006 to 131 in 2019.

In 2003, a committee comprised of MoHE and international organizations completed a review to decide whether private higher education should be allowed or not. The committee recommended allowing the establishment of private universities, but they also suggested it must be done very cautiously and slowly. The law was approved in 2006, and the only two institutions initially approved were the American University of Afghanistan and Kardan HEI. Fewer than twenty private HEI were established over the following five years. The rules for setting up private higher education are quite clear, and they are very strict.

Private institutions are subject to accreditation, which has happened in only a few universities. The major problem is that the process became very corrupt. Some previous ministers and directors are accused of corruption by approving many institutions that did not meet the requirements. The problem is not the rules but corrupt leaders. They are only interested in making money or granting political favors because they are brought to these

crucial positions not based on merit but political contacts. Just under the previous two ministers, the number has jumped tremendously. A donor representative quoted a MoHE official saying, "the number of private HEIs increased from 90 to 125 because around 35 private HEIs were approved within the last few days of an HE Minister" (Donor Representative 1).

In 2013 and early 2014, a special committee was appointed by the Deputy Minister for Academic Affairs to carry out a review of all private HEIs. A donor representative said that the committee recommended that seven institutions be closed and around a dozen be put on probation. The report was not released because of a previous minister's objection. He added, "The minister advised establishing another committee to redo the review, which decided that only one of the institutions should be closed. The new committee put the remaining seven institutions in the category that had six months to improve, which are still functioning" (Donor Representative 1). One can easily infer that officials can only enforce the review process on those institutions with no political bonds or financial interests. MoHE needs to ensure that private HEIs meet minimal standards.

A donor representative agreed that the privatization of HE could create and encourage competition if a proper supervisory and regulatory system is in place. He said:

What worries me is the lack of supervisory and regulatory capacity and widespread administrative corruption, particularly in the MoHE's Directorate of Private Institutions. The leadership of the private HEI directorate was very corrupt. Purportedly, many private HEIs were given licenses without meeting some essential requirements, such as the qualifications of their faculty and the quality of their curricula. If the MoHE continues to give licenses without a proper assessment,

privatization of HE could be a huge disaster because the graduates from these institutions will not receive the required skills and knowledge. (Donor Representative 2)

A university leader emphasized that quality should not be sacrificed for quantity because many private HEIs do not have the minimum resources to train qualified graduates, especially in natural sciences. He said:

Often, the academic programs are established on a political rather than a need basis in these institutions, and hence, most of their graduates end up with no job. For example, presently, there are no job opportunities for over 30,000 graduates from medical schools. (University Leader 5).

Therefore, it would be better if the MoHE allows the major public universities to increase their admission capacity by offering night shift classes, similar to Kabul University. The professors at the public universities are far better qualified, so students can receive a quality education, not something they could not get by attending most private universities. Increasing the capacity at public universities can also help professors earn more income by teaching after official hours, which is not against the constitution or any laws. Besides, the professors at public universities can ensure quality issues. This control is missing in private institutions. Moreover, teaching in night shifts at public universities can be a sustainable way of making additional income, which is not the case in private HEIs. The private HEIs only hire a small number of selective professors, and they can replace or dismiss them whenever they want. A public university professor shared his experience of teaching at a private university:

I was teaching in one of the private universities; 60 percent of students failed in the semester's final exam. Given the test a second chance, 20 percent passed the exam, but still, 40 percent did not succeed. The key reason for the failure is admitting a large number of low-performing students in private institutions; nearly all applicants are given admission because of the money their admission generates. A senior officer of the university told me, "You made big trouble for us; you must give passing grades to all students because we cannot afford to lose that many students." Then, I had no choice but stopped going to that university because I could not convince myself to be part of the efforts of producing illiterate engineers for society; it is a disaster. Sadly, this is what some private universities do in Afghanistan.

(Faculty Administrator 1)

It can be inferred from the discussions that some private HEIs are not producing qualified graduates and only exist to make profits. The MoHE will need to clean this up and only allow those institutions that meet the minimum requirements. Increasing the capacity at public HEIs by implementing a dual-track tuition system and graduate programs is another viable alternative proposed by participants, providing students a quality education while boosting universities revenue from student fees.

Tuition Fees

Introducing tuition fees is another element of cost recovery; however, Afghanistan is one of the few countries that do not charge tuition up to a bachelor's degree and provide free food and lodging in the public universities. Therefore, the public HEIs can only charge tuition on degree programs not covered under the constitution (graduate education and

associate degrees), which is happening only occasionally at the Kabul-based universities and not in most provincial institutions.

Some participants believe that public universities have no choice but to introduce tuition fees to improve quality, so their graduates could compete in the region and internationally. A faculty administrator said that the student population was small in the past, and the government could cover the expenses. “There are over 180,000 students in public universities now, and the number continues to grow, making it difficult for the government to fund it adequately”. Therefore, introducing some minimum fees are inevitable (Faculty Administrator 5). Faculty administrator 1 stated, “there are over 4,000 students in our university. If each of them pays merely 100 Afghanis monthly, it will bring 40,000 Afghanis per month and 360,000 Afghanis in an academic year. Though it is a small amount, we should remember it is only from one source, and there are other sources to be explored too.” A university leader agreed with the above statements and added:

Presently, we have over 100 teaching classrooms, each with over 40 students. The university teaches in three shifts, with a total of 10,000 students. We suggested having five fee-paying seats in each class, a total of 1500 seats. If we charge each student a minimal fee of 20,000 Afghanis per semester, it generates 30 million Afghanis per semester and 60 million Afghanis in an academic year. (University Leader 2)

Another university leader asserted that many students are interested in paying for their education rather than being denied seats because of the highly competitive entrance exam to public universities (University Leader 1). An INGO representative agreed that some people could cover their education costs. He reflected: “I do remember when the

private universities started; many people said, they are never going to work because Afghans do not have money, but they do. The experience shows that many families are prepared to invest in education” (INGO Representative 1).

On the contrary, the opponents of tuition fees - considering the weak economy of the country, and consequently, families and students, believe both students and their families cannot afford to pay for their education. Instead of charging tuition fees, a student suggested exploring other alternative ways for students to contribute to their universities. For example, students can provide voluntary or low-cost services to the universities as they recently assisted faculty members in implementing a project. He claimed, "Generally, I support the idea that students should pay for their higher education, which increases their sense of responsibility and objectivity, but I do not see the financial capability among a significant portion of the student body" (Student 2).

A faculty administrator also assumed that charging tuition for bachelor’s degrees could be challenging in the public sector; he asserted:

Introducing tuition fees is problematic because the current graduates from the public HEIs cannot easily find jobs, and even if they find jobs, their incomes are very modest. On the national level, the income per capita is small; therefore, many Afghans cannot afford to pay tuition fees. Besides, charging fees requires a constitutional amendment that seems to not be doable in the foreseeable future. Making changes in the constitution requires calling a Loya Jirga (general assembly) attended by the Afghan Parliament, provincial and district councils, cabinet, elders, and influential leaders. (Faculty administrator 6)

Another participant shared a brief history of introducing tuition fees in a western country and his views on tuition; he narrated:

When I was studying at a university in a western country, at that time, I did not bear any cost. It was part of paying taxes by my parents; even the university was giving students some stipends. My siblings and I made quite a bit of money. However, it is not the case any longer. Now, students in the same country are profoundly and horribly in debt after finishing their university studies. It seems immoral to pay for education before beginning a job or right after starting it because one does not earn enough in the first few years of employment. (INGO Representative 1)

He continued to state that introducing tuition fees that are means-tested cannot work and may further feed corruption in Afghanistan. Education leaders may explore different ways; for example, they could develop a policy that those who receive free higher education should pay additional taxes when employed. Again, such practices are only seen in some well-run countries. He added:

There are always places where a rich man's son never pays anything back, yet the son of a poor man is paying. So, all of these systems are open to abuse. In brief, we should not create such an expensive system to administer, and consequently, only fewer people will be going to universities. (INGO Representative 1)

Introducing tuition is a politically sensitive issue too. No one dares to discuss the constitutional change of the article for free higher education. Though it is politically complicated, there is no other better option. The article needs to be debated in Parliament because nothing is free, and someone is paying the money. A donor representative claimed

that the MoHE's leadership failed to work with different stakeholders to create synergy and mobilize students in favor of that change. He further argued:

Students need to be part of the change process. Once they understand the benefit of paying tuition fees, for example, receiving a quality education, which will increase the chances of their employability after graduation, they will happily contribute some cost of their education. Tuition fees need to be introduced through a slow and careful process and a close follow-up by all stakeholders, especially by the MoHE and HEIs. (Donor Representative 2)

The review of results suggests that introducing tuition fees will be difficult for now, but it should be a long-term strategy for the Afghan government. This is a path forward that requires careful strategic and political planning because it will take time to mobilize widespread support and to change perceptions. However, HEIs can expand and increase the tuition fees in graduate and associate degree programs to increase their revenue.

CHAPTER 6

CHALLENGES AND RESISTANCE TO DIVERSIFICATION OF REVENUE SOURCES

In this chapter, aligned with the conceptual framework and to answer the second research question, I discuss the participants' opinions on some challenges facing alternative revenue. The challenges are presented in seven main categories: limited financial resources, structural barriers, human resource capacity, legal impediments, political pressures, administration corruption, and security threats.

Limited Financial Resources

The weak and fragile financial capability of cost-sharing partners impedes cost-sharing. According to a student, most of his classmates' families could not pay a minimum fee for their children's education. So, if the government introduced tuition fees, only those who do financially well will benefit from public education. He added, there are always instances that some students discontinue even their free education in the year two and three of the university – mainly because they have to work and support their families or cannot pay for their travels, clothing, and other expenses. There were some cases that students requested transfers to provincial universities to avoid the cost of travel to Kabul and to be closer to their families to support them, though generally, students prefer to study at Kabul-based universities (Student 1).

The weak financial situation of the Afghan government is another problem. There is always the risk of the government not giving the financial resources generated by universities back to them. Donor representative 2 explained:

For example, if the Kabul University's annual budget is \$20 million, and the university makes \$5 million from various private sources, in principle, the

university should receive \$25 million next year. However, there is no guarantee that it will happen. From my experience, once being part of the budget allocation process, if the government requires \$600 million for its national budget, and they face a \$100 million budget shortage, they need to give more money to security, health, or basic education because HE is not a top priority. Consequently, the KU will still be given the same \$20 million or slightly more, and there will be no significant incentives for the university. I can certainly say that no public institution ever received the budget they needed or requested. The Afghan government never had access to adequate resources, even during 2002-2010, when the international community was so generous.

It is also difficult to attract private sector financial resources because their decision-making is based on what is desirable for them. This is a key area for universities to explore, the development of courses that employers want. Currently, public funds are wasted on some academic programs that are not aligned with employers' needs. A donor representative said:

Thousands of students graduate with degrees, for example, in sociology, and there is no natural place for them in the workforce. If someone wants to do sociology, then fine, but should the government pay for it, or can the government afford to use the scarce resources on such programs? Meaning, not only attracting public money is essential, but also smart decisions need to be made on where to spend it? Over the last ten years, there has been a push for more school graduates going to universities, but what happens when they graduate? We see most of them cannot get jobs, even from the universities with a specific scope, because their courses are outdated due

to years of violence, lack of research, publications, and poor planning. (Donor Representative 3)

The review of the discussions above and throughout the study show that the limited financial resources of students and their parents, the wasteful use of public resources, the paucity of employment opportunities, and the lack of government, international donor, and private sector support for higher education are the primary financial challenges toward implementing cost-sharing policies (Barbury & Hayward, 2014; Vossenteyn, 2004; Cheng, 2010).

Structural Barriers

The structural challenges that will narrate below are aligned with the third research question and the bureaucratic frame of the conceptual framework, which emphasizes institutional structure, policies, processes, practices, coordination, and formal relationships to attract alternative funds (Blanco-Ramírez & Berger, 2014). When an organization has the right structure and people understand it, it can achieve its goals, and individuals can be useful in their roles. Otherwise, the ambiguity in authority and responsibilities and lack of clarity in reporting lines cause long delays in operations, creates conflict, and increases dissatisfaction among stakeholders.

Afghanistan has a highly centralized governing system and, consequently, an equally centralized financial system – with a single treasury account system. This means, by law, governmental entities cannot spend whatever financial resources they accumulate without the resources becoming part of the national budget. All income must first come to the central government (MoF) and then be allocated back to public entities. Public universities being secondary budget units creates another pressing challenge for implementing

financial autonomy. The primary decision-making authority still rests with the MoHE, and despite officially granting autonomy to some universities, they still do not have the power to sign any agreement or MoUs with other organizations.

Sectoral ministries and private companies are reluctant to partner with universities because of the lack of clarity in the financial autonomy bylaw and the bureaucratic public system. For example, once a group of faculty members developed a proposal to provide technological support, instead of giving the project to the university, the contracting entity hired a few faculty members from the group as consultants to do the work. It is also disappointing when professors work on several proposals but never win any project (Faculty Member 6). Some of these challenges are explained in the following interview extracts:

There is no unit at MoHE to oversee and support universities in generating income from alternative sources. The staff members at MoHE's finance directorate are overwhelmed with their current tasks and are not interested in undertaking more responsibilities without additional incentive. (INGO Representative 3)

There is no coordination between universities, MoHE, and MoF to discuss barriers and explore solutions to address them. For example, a donor wanted to involve our faculty in an agricultural value chain project to be completed within three months. We needed more time to secure several approvals from different parties, including MoF. The lengthy process made it impossible for us to partner on the project and left us no choice but to withdraw. (Faculty Member 4)

If we lease out our cafeteria, the Assets Directorate of the Ministry of Finance will take care of the procurement process, including bidding, contracting, and

collecting rent without any involvement of universities. The same rules apply for canteens, parking lots, and all other facilities. Universities do not see any reason for taking such initiatives. (University Leader 2)

The lack of support from MoHE also demotivates the universities. For instance, sometimes it takes over a month to get an invoice endorsed by MoHE. A faculty administrator claimed:

Recently, we partnered with a ministry, and our payments were always delayed because of the late submission of invoices by MoHE. The delays in payments interrupted the work progress. The partner ministry was accommodating because of our long-term partnership with them, but such practices are unacceptable for other private or public institutions, especially those operating under strict deadlines. Usually, penalties are charged for delays in delivering services, in which cases, universities may not dare to sign any contracts because they do not have the funds or a mechanism to pay penalties. (Faculty Administrator 1)

Lack of proper communication between University Leadership and Faculty is another structural problem. Faculties and departments can partner with stakeholders when they have good knowledge of financial autonomy. The lack of communication mechanisms and poor management systems makes it difficult for professors to be part of development activities and discourage them from sharing their ideas without receiving any incentives (Faculty Member 6).

So far, all agricultural projects, including research and assessments, are given to MoAIL, and not a single project has been given to the Faculty of Agriculture. Neither donors nor MoAIL considers the faculties of agriculture to be part of the agriculture sector. They

are not engaged in any initiatives or decision-making processes in the sector. A fundamental problem is not clearly defining the role and responsibilities of faculties of agriculture with the sectoral entities, especially with MoAIL. (Faculty Administrator 5)

There is an ongoing legal battle between MoHE and MoF. Afghanistan has a single treasury account system under which no public institutions can have their own accounts. According to a donor representative, “at one point, some universities asked MoF to directly deposit a small fund like \$1,000 to universities checking-accounts, to be used for petty cash and to be refilled when empty, but the request was refused” (Donor Representative 1). Many international institutions, including the World Bank, for good reasons, support the system. According to the Afghan financial law, even if a single Afghani is generated at the Torkham border with Pakistan in Nangarhar province or Hayratan border with Tajikistan in Balkh province, it should be sent to the Ministry of Finance. One of the key goals of creating the single treasury system was to limit the access of corrupt politicians, governors, and warlords to public money. There is still that fear mainly because of a weak government that does not control some territory and cannot enforce the rule of law. For instance, if we go back 20 years, imagine if Afghanistan did not have a single treasury account, all governors and directors could have their bank accounts, and a significant portion of public revenue would have gone to their personal accounts. “Even with the centralized and single treasury system, some strong governors are still manipulating the public revenue and bringing them into their pockets. Hence, we have to remember that Afghanistan's financial system has been based on a “single-treasury account,” and every step of the financial autonomy system for HEIs needs to be defined, understood, and adequately implemented, which is a lengthy process” (Donor Representative 2).

Lack of Institutional Autonomy

A lack of adequate autonomy is another major structural challenge. The MoHE put together a Regulation that was approved by the Ministry of Finance (MoF) and the Ministry of Justice (MoJ) in November 2013, granting financial autonomy to public universities. MoHE granted partial autonomy to eight public HEIs by the end of 2019, as was articulated in Afghan National Higher Education Strategic Plan 2015-2020 (MoHE, 2015). The Regulation was intended to allow Afghan public Higher Education Institutions (HEIs) to raise money and, more importantly, keep that money. Once the regulation was passed, the MoF said the money has to be turned over to the MoF for a year; then they will give it back to the universities, which confounded the process and consequently, little use has been made of the autonomy since then. A donor representative further described the problems:

I remember a bank wanted to donate \$200,000 to one of the universities to do something specific, but they did not want their money to go to the Treasury for a year, which complicated the process. In another instance, the MoF stopped allowing universities to keep the fees from their graduate programs. The faculty members who taught the night courses have stopped teaching them because they did not get paid timely, and the whole law was counterproductive. (Donor Representative 1)

Presently, the term "financial autonomy" is on everybody's tongue in Afghan HEIs. Numerous workshops, meetings, and discussions have been held. The international organizations that support MoHE and public HEIs also advocate the new Regulation on financial autonomy. Public universities were also asked to come up with their own ideas, understanding, and what financial autonomy means to them. Some of the public universities think they will get full autonomy as soon as tomorrow. However, thinking

through this issue systematically, it may take years for the public universities to become fully autonomous. The process requires a thorough study to create effective underlying systems and structures. Without establishing proper systems and structures, institutional autonomy cannot achieve its true meaning and goal. A donor representative asserted:

The lack of full institutional financial autonomy is the biggest hindrance for the public HEIs to become self-sustaining. By self-sustaining, I mean the HEIs develop systems and structures to manage their affairs without any external dependence. Of course, they may always need some level of support from the government and other sources, but HEIs should not be entirely dependent on the government. Just think of Kabul University. If the university is told tomorrow to go ahead and generate funds, there are all the systemic questions such as: who should collect the money? How to collect it? How should they spend it? Should universities open one bank account or multiple accounts? And so forth. Such questions signify the necessity of defining institutional autonomy on a national level and within each institution. There are different faculties and departments, and each with a different income-generating potential. (Donor Representative 2)

The following interview extract shows that universities will not thrive without adequate authority delegated to them:

Our university partnered with the Ministry of Urban Development and Land on a project. The ministry transferred the fund for the first installment to the MoF, but we had to wait one year to receive it. Therefore, the concerned faculty members had no choice but to pay faculty and students from their personal savings. Such arrangements are unacceptable and not feasible, especially for larger projects. After

several meetings, MoHE provided some funds from its development budget, a one-time solution rather than a reliable supporting system. As part of the public system, public universities should be trusted, and the needed funds to be made available to them. Otherwise, they will not be able to implement any projects in the future.

(Faculty Member 2)

Granting full financial autonomy to public HEIs is also a political and national issue. It requires concurrence from the Afghan cabinet and Parliament and must be ratified by the President. Besides, it is widely assumed that the MoF is not interested in granting full financial autonomy to the public universities because of the fear that all other public entities will demand the same thing. They think that if universities are given autonomy and are allowed to generate funds, they will be in good shape without understanding its implications, such as a regular detailed audit.

The full autonomy also demands an entire paradigm shift. In such a case, the HEIs will make their own decisions, introduce tuition fees, design and implement programs, have their admission system, and so on. The above findings and analysis show how Institutional Autonomy is a pre-requisite for generating income from alternative and nongovernmental sources.

The lack of awareness is viewed as one of the crucial structural defects, as discussed below.

Awareness

The lack of awareness about the potential significance of financial autonomy has been a major structural problem keeping universities from diversifying their income sources. Many faculties and departments are not well aware of FA, especially the related

guidelines and procedures. Consequently, there is a fear of being audited and caught for breaking laws. The following accounts describe the lack of understanding and its associated challenges, mainly at faculty and department levels:

We heard that our university was granted financial autonomy about five years ago, but as a professor, I yet do not know what it means to our faculty and department. Some sectoral ministries and private companies that we are in contact with also do not know about FA, especially what it means for them. Understanding the policy change is essential not only for universities but also for sectoral ministries, private companies and firms, international organizations, and UN agencies that have a role as partners, supporters, or beneficiaries. (Faculty Member 7)

Lack of appropriate communication causes poor collaboration between academic and sectoral ministries. For example, a sectoral ministry sent their staff to Tajikistan for GIS training, paid \$1,800 fee per training attendee. Whereas we can provide the same training with even better quality for \$200. In another instance, the Ministry of Energy and Water brought some highly paid Indian experts to train their staff in an engineering computer application; unfortunately, the Afghan engineers did not fully benefit from the training due to language barriers. Afghan professors can teach the same module at our university. (Faculty Member 2)

A MoHE official argued that there is a false fear among university leaders that practicing financial autonomy would not comply with the fiscal or procurement laws. He alleged that the legal institutions would hold only those people responsible who are involved in corrupt practices. He added, "Unfortunately, there is no proper understanding of the new bylaw at public universities. I admit the bylaw needs to be further simplified,

but first, we need to pilot it to identify its deficits. It will be difficult to suggest any modifications without implementing it" (MoHE Official 2). The following interview experts give an overview of the communication challenges.

MoHE leadership held over ten meetings with chancellors and vice-chancellors from the financially autonomous campuses. During the meetings, it has always been emphasized to inform Deans, Department Heads, and faculty and staff members about the policy change. Regrettably, except for one university, others failed to do so and encourage relevant individuals to take advantage of it. Worth noting that a significant portion of revenue is considered for those involved in entrepreneurial activities, but I am afraid that not many professors are aware of it. (MoHE Official 1)

Besides, most students, graduates, businesspeople, and local philanthropists are not aware that universities can accept donations. None of the participants reported any monetary contribution from the alumni to their alma mater because there is no such system. The universities' leaders still do not understand or admit that their institutions are different from traditional state institutions. There have also been instances that some officials from MoHE requested universities for information about FA, which indicates a lack of understanding among leadership staff as they get replaced very frequently (Faculty Administrator 1). In a nutshell, awareness at all levels and among all partners is the first step for universities to tap this excellent income source.

The centralized governing system, the absence of desirable institutional structure, lack of inter and intra communication mechanisms among HE institutions, the lack of a transparent chain of command, the lack of adequate financial autonomy, and the lack of

awareness about the policy change are some structural barriers that prevent universities from diversifying their sources of income.

Technical Capability

Though universities have highly qualified human resources in various technical areas, they do not have experience working with businesses. They also need to gain more experience in managing alternative revenue, developing proposals, budgeting, report writing, and managing finances. This is the first time that a process as specific and as technical as financial autonomy is being implemented at public universities. For instance, because of lack of experience in budgeting, at least in one case, university professors accounted for all expenses, but not for taxes in their budget. A faculty member revealed:

We signed a contract with a total value of 1 million dollars, but we were given 800,000 since MoF has deducted 20% of the fund as income tax, which we did not consider during budget preparation. It was also challenging to explain to the faculty and students that we will deduct taxes from their payments since we did not mention it in their contracts, which raised many questions due to the prevalent corruption in the country. (Faculty Member 1)

Some other conditions required by donors include meeting tight deadlines and providing bank statements for reserve funds in bank accounts. Universities cannot meet these requirements, at least for the time being. A university leader was concerned about the lack of support from MoHE in this regard and stated:

The private firms and sectoral ministries work under tight deadlines, whereas the bureaucratic system at MoHE is unresponsive to meet such deadlines. There were instances where universities could not submit their proposals because of delays in

getting clearance or comments from MoHE. MoHE still wants to keep control and is unwilling to support decentralization. MoHE always tries to reserve authority for signing all contracts on behalf of public universities while having little or no knowledge of the projects. (University Leader 1)

The weak public procurement system is another technical barrier that needs to be streamlined and simplified. The procurement policies, both for private vendors and public universities, are identical. Being a public entity and secondary budgetary unit of MoHE, the requirement to award a project to universities must be less stringent than for private companies. MoHE should establish a unit to assist universities to be successful in securing alternative funding. A faculty member exemplified the weak procurement system at a public university:

It took eleven months for a university's procurement office to provide a curtain for a department office. How can a university partner with the public or private sector with such a weak and corrupt system to implement projects with very tight deadlines? (Faculty Member 5)

There are still ambiguities in the processes of executing the FA. For example, who is responsible for preparing contracts, who should receive the funds? University, MoHE, or MoF? If universities continue sending the revenue to MoF, then what is the purpose of autonomy? Or if a university cannot use its revenue, could they be transferred to the next year or deposited to university bank accounts, so they use them whenever appropriate. Therefore, more guidelines are needed to bring clarity to such questions. One good example is the Bill Gates Foundation. At one point, the foundation was interested in making

a direct donation to Kabul University, but it did not happen because the university was not allowed to receive direct monetary support.

In summary, public universities' key technical challenges include lack of technical capacity, mainly in administration and finance, an efficient procurement system, and lack of clarity in policies, processes, and practices.

Human Resource Capacity

In line with the collegial frame of my conceptual framework — which emphasizes the consultative process among key stakeholders, constituencies, and beneficiaries (Berger & Milem, 2000). In this section, I discuss whether the human resources (HR) at public universities are sufficiently competent and knowledgeable to execute entrepreneurial and other income-generating activities. The perspective is also well-aligned with the HR frame in Bolman and Deals' organization structure that views students, families, faculty, and administrators at university and MoHE as an extended family, consisting of individuals with different skills, needs, feelings, prejudices, and limitations to get the job done while feeling good about themselves and what they do (2008).

Most participants' views about human capital at public universities were positive, although they expressed concerns. In terms of positive opinions, there are many highly qualified professors, especially young professors in different technical areas. The young professors are energetic and possess up-to-date knowledge and skills. However, others believed that the Afghan public institutions do not have the right people, especially in administration and finance. As the cost of higher education increases and there is a need to generate income, universities are required to operate more like a commercial enterprise. As an interim solution, at least one university, to decrease the administrative work burden

and avoid the bureaucratic process at MoHE, agreed to have a partner institution take responsibility for all administrative and financial activities, especially payment of staff and students. Whereas the university was solely in charge of the technical part, which was a successful approach (INGO Representative 1 & 3). However, in the long run, such capacity needs to be built on campuses because other partners may not provide similar support. A faculty member further illuminated:

Public universities' finance staff can barely execute routine finance activities, such as processing staff salaries. They cannot even collect fees from students; hence, the dean collects fees from graduate programs at our faculty. Also, some of the chancellors are more politicians than academicians; they are mostly busy with other issues than campus-related businesses. (Faculty Member 1)

There is also a lack of commitment from some lecturers, primarily from medical faculties, many of whom own private clinics and are less willing to participate in university research projects. For example, a faculty member said, “I examine a hundred patients every day. My consultation fee is 500 Afghanis, so I make approximately 50,000 Afghanis per day. I doubt I could make it even close to this amount to be part of university projects” (Faculty Member 8). In this instance, the issue is not capacity but also willingness and loyalty. However, it could be a challenge only for a small number of professors in some specialized fields and not necessarily a prevalent issue.

Turnover of senior management within MoHE and universities is another challenge that disrupts planning and implementation. For example, recently, with the appointment of a new minister, all three deputy ministers, all chancellors for Kabul-based universities, and nearly all MoHE's directorates' directors were replaced. Such practices negatively affect the

routine and development initiatives at HE institutions and the relationships with donors and other stakeholders.

Political Pressures

In line with the conceptual framework and the second research question of the study, I reviewed participants' opinions about understanding and coping with politics and power dynamics in HE. The review helped to identify key stakeholders who are engaged in making decisions about increasing revenue to HE, though they have different values, beliefs, and interests (Blanco-Ramírez & Berger, 2014; Bolman & Deal, 2008). There is no doubt about the need to increase resources for higher education; however, some internal and external actors may be reluctant, as they are afraid of losing their influence.

There are four major ethnic groups, Pashtuns, Tajiks, Hazaras, and Turks (Uzbeks and Turkmen), which shape the politics of Afghanistan. Being a heterogeneous society, the divisions and historical enmity among Afghans is mainly because they belong to different ethnic groups, languages, and religious sects. Some neighboring and regional countries, especially Pakistan and Iran, back certain groups because they share ethnicity, language, or sect, exerting external pressure in Afghan politics. Afghans are more likely to obey and respect social norms than the rules of central administration (Azami, 2020). Hence, the political factor, rooted in sociological and ethnic influence, is important and has an impact on politics in Afghanistan. Because of the social and ethnic issues, individuals without credentials are appointed to critical positions. There is less concern with quality and more with having a piece of paper or the right contacts. There have been political pressures at all levels, from introducing small user charges to the privatization of higher education in Afghanistan.

Student politics is another hindrance to shifting some costs to students and their parents. For example, introducing tuition fees or discontinuing food and housing is very contentious. Whenever the government begins to discuss the proposal that food and lodging will not be provided free any longer, many parliamentarians, students, and the students' parents oppose the decision. According to MoHE Official 2, HE leaders raised the issue of policy changes regarding free dormitories and free food several times, but the MPs refused even to discuss it. They do not want to lose the support of their constituencies by backing such policy reform. Such a decision will also spark massive demonstrations across the country. Faculty Administrator 1 further elaborated:

Students are linked to different political parties and are easily influenced by their leaders for their partisan purposes. Sometimes, they act like gangsters and turn a friendly learning environment into a terrain of fear and chaos. We have pressing space problems for classrooms and labs, while the buildings are occupied for students' accommodation. I believe dorms should be outside of the campuses and even not in their vicinity.

MoF would also be anxious if public universities could manage entrepreneurial or PPP projects and their associated revenue. The first thing the ministry will lose is control over the collection of fees and other revenue. A participant further described the challenges with PPP projects:

Whenever we discussed PPP proposals, they get politically criticized. I observed that even leaders of some universities do not welcome the initiatives. They are afraid of losing full control of some facilities and functions. They presume, such partial

privatization may lead to total privatization, and eventually, the whole concept of public higher education may disappear. (INGO Representative 3)

MoHE should not forget that financial policy reform is a sensitive and highly political topic in Afghanistan, where existing legislation, laws, policies, and procedures are deficient, ineffective, and sometimes contradictory. There is no supportive model for secondary budget agencies (public universities) within the Afghan legal framework. Consequently, despite a broad public and private sector's willingness to bring reform and invest in higher education, some politicians and their constituencies would still resist.

Legal Impediments

As symbols and symbolic actions, MoHE has done an excellent job using different procedures such as the National Higher Education Strategic Plan and Financial Autonomy Regulation to continually send out the message to the Afghan government, cost-share partners, and the general public about finance policy reform and new opportunities at public universities. However, they forgot that symbolic actions alone are not enough, and people should witness that public universities are exercising autonomy and adding something of value (Blanco-Ramírez & Berger, 2014; Bolman & Deal, 2008).

A key challenge remaining is the complexity of the current policies and regulations. The Afghan constitution defines a centralized financial system, with an exception for Tasadee (enterprises), which are allowed to generate and use their revenue. A MoHE official said:

The fiscal law requires all public institutions, including public universities, to send their income to the Ministry of Finance's single treasury account. However, by partial financial autonomy, public universities were authorized to collect their

revenue from academic services and research on their own, whereas the Ministry of Finance will still manage the income from university properties and assets. (MoHE Official 1)

Generating revenue from private sources is a new development, and HEIs have to see if that would really work. Currently, public universities are allowed to generate income, but as mentioned, they have to give the money from certain services within two or three days to the MoF; otherwise, they will be fined and even prosecuted, if the transfer of income is delayed. Additional difficulties were identified during the implementation of the FA bylaw. For instance, giving the revenue to the MoF is a massive barrier. Until the income can be deposited directly into the university account, and they have the power to manage the money, the autonomy will be an empty term. The leadership of MoHE also did not take the issue seriously by developing guidelines and procedures to clarify the bylaw, especially for collecting or reclaiming revenue in consultation with MoF, Treasury Department, and Budget Department. The ambiguity in the bylaw caused many challenges. For instance, the lack of clarity in the Regulations caused a university not to disclose receiving a significant donation from an international donor because of the fear of whether it was legal to receive direct contributions or not. They assumed the universities could not accept direct contributions (INGO Representative 3).

The current laws also prohibit civil servants, including university professors, to work in two places. Most university lecturers teach only for an hour or two a day and spend some of their time preparing for classes, meeting with students, grading papers, and doing academic work. However, faculty member 3 said, “We still have plenty of time to engage in entrepreneurial activities, which is the case in other countries, including those in the

region. It is a needed reform, to encourage such engagement, especially in the face of the lack of experts in the country.” Faculty administrator 5 added:

There are over sixty professors with PhDs or master's degrees just in the faculty of agriculture. However, the current laws do not explicitly allow secondary jobs for professors, which is the case in many other countries, including those in the region. Some of our professors work as advisors to the minister and deputy ministers or serve in different committees and boards at MoAIL; however, mostly without any additional incentives. Those faculty members have part-time consultancies with international organizations; they never disclose it because of fear of prosecution.

Like higher education, free healthcare services are also mandated by the Constitution for all Afghan citizens. There are three types of health services: basic, secondary, and tertiary, but neither the Constitution nor the pertaining laws clarify what kinds of health services are to be provided at no cost. Faculty Administrator 2 elaborated:

It became a common practice to offer all health services without any charges at public hospitals. Such provisions in the face of scarce public resources and low quality of health services need to be rethought. Historically, the politicians never dare to raise their voice for changing the Constitution or amending laws, especially about charging fees for the secondary and tertiary health services, because they do not want to be confronted by their constituencies.

In sum, the legal status remains a crucial barrier for generating alternative revenue or charging fees. Some respondents thought that the financial autonomy regulation in some ways contradicts with the Afghan Constitution, and fiscal, public health, procurement, and some pertaining laws. The centralized system is another hurdle that requires all

administrators in public institutions to follow the central government's directions and guidance. Furthermore, resistance to change is another obstacle.

Administrative Corruption

Corruption is a significant and growing problem in Afghanistan, creating barriers to development, including in higher education. Despite the development of some policies and guidelines and opening of bank accounts at some universities so donors and philanthropists can make direct donations, the biggest challenge remains the perception of widespread corruption in public and some international organizations. A study on corruption in Afghanistan recorded over 70 types of corruption, ranging from public administration to parliament and senate members to the private sector, international organizations, and insurgents (Torabi, 2012). As a result, these corrupt acts hinder economic development, reduce social services, divert investments in infrastructure, and weaken the public institutions. Faculty administrator 8 declared:

There is no transparent and well-developed system to be accountable to those who contributed or want to donate to our university. For example, recently, we gathered about 150,000AFN (\$3000) from students and faculty to be sent to the victims of an earthquake in Badakhshan province. We have never been able to send the money to the desired people due to a lack of a mechanism for sending or utilizing it.

Eventually, the funds went into the pockets of certain people and were used for their personal purposes.

A faculty member gave another example of widespread corruption at a university. He stated:

We collected 300Afs from each student to purchase chairs for the university due to the limited governmental budget. The money was supposed to be adequate for purchasing 1000 chairs. Despite the students' complaints, only 250 chairs were procured; and the money for the remaining 750 chairs found its way to the pockets of corrupt university leaders. Now, we need 1000 more chairs for new classrooms constructed with assistance from an international organization. This time, neither students nor their parents are willing to donate, as their donations were lost before. Usually, the university leadership does not send such corruption cases to the legal institutions because there is no liability system for revenue that comes from non-governmental sources. (Faculty member 9)

These statements demonstrate that when contributors learn that an institution misuses their donations, their confidence can be lost and puts a university at risk of getting a terrible reputation, which could influence future donations. From the very beginning, if universities want to raise more resources through philanthropic donations or other means, they should develop and adopt visible strategies for social marketing and a transparent system for utilizing the resources. Currently, the atmosphere of trust is fragile between the public institutions and private donors (individuals and institutions), and thus people do not contribute significantly. People's confidence can only be built by creating the capacity to ensure accountability for spending every penny they donate. MoHE and public universities need to create such an infrastructure, though it takes time. Presently, more focus should be given to major universities and highly involved businesses to build their capacities, emphasizing depth rather than breadth. Unless the public institutions assure the donors

(individuals and institutions) that their money will be used to improve higher education, they will have great difficulty in getting contributions.

Pervasive, entrenched, and systemic corruption is at a high level in the country. Afghanistan is particularly vulnerable to unethical practices because of weak governance and a lack of ability to enforce the rule of law. Decades of war and repression, weak state authority, the prevalent threat of violence, dishonest public officials, low salaries of civil servants, and weakness of judiciary and legal enforcement systems all contribute to a culture of corruption. Also, there are no adequate transparency and accountability measures in place, especially for using public resources, which hinders economic growth, reduces social services, diverts investments in infrastructure, and weakens public institutions. It also severely damages people's confidence and increases the gap between government and people. Afghans believe that the government is apathetic and does not want to deal with people's difficulties.

Security Threat

Lack of security and instability is another hindrance to the diversification of income sources. For instance, the security issue is a significant challenge in renting out university properties. A university leader noted that they do not allow any organizations to hold their events at university because some of them are highly political and could pose security threats to the university leaders, faculty members, and students. He added “We have to be selective in the types of events held at university halls” (University Leader 4).

Lack of security is also a barrier for international donors. An INGO representative quoted an official of a major donor institution who said, “the official requested five to six times to go and meet the MoHE leadership, but the individual was denied the permission by

his organization” (INGO Representative 6). It means there are very few and awkward meetings between the ministry and donors. The partnerships with international universities and philanthropists have also been challenged by the restriction of travel to and within Afghanistan due to the security situation, while the success of these partnerships assumed reciprocal engagement between Afghan and universities overseas. In brief, Afghanistan's security situation affects all aspects of people's lives in Afghanistan, including sources of income and support to HEIs.

CHAPTER 7

DISCUSSION OF FINDINGS

In this chapter, I discuss and analyze my research findings by describing each major category aligned with the study's conceptual framework and research questions. I present some emerging themes as part of the research findings and discuss how they can contribute to existing knowledge or theory about alternative funding sources, particularly in a higher education context. I cite both supportive and contrary literature regarding my arguments. These references from the literature help with a detailed analysis of whether research findings support or contradict the principles of my conceptual framework. Consistent with the research findings (chapter 6), I begin by discussing the most feasible sources, then continue to somewhat more challenging ones in the following order: entrepreneurial activities, user charges, dual-track tuition system, donations, partnerships, privatization of higher education, and tuition fees.

Entrepreneurial Activities

The findings suggest that entrepreneurial activities are the most feasible source for generating revenue. Now, universities must undertake not only the traditional missions of 'teaching' but also the second and third mission of 'research' and 'knowledge and technology transfer' (Baubonienė et al., 2019) by assuming a leading role in educating and developing entrepreneurial thinking, behavior, values, and businesses within the academic community (Audretsch, 2014; Fayolle & Redford, 2014). Universities can conduct research and deliver consultancy services, as Ghanaian universities have done (Johnstone et al., 1998). Also, similar to China and Russia, the Afghan public HEIs, especially those that own land and farms, can extend entrepreneurial initiatives to the farms (Johnstone et al., 1998).

Ghafar (2020) asserts that promoting entrepreneurship in universities also helps to tackle employment issues. He goes on to say that the HEIs need to develop a system that can not only tap entrepreneurial potential but can also “develop a burgeoning ecosystem where the development of human capital grounded in entrepreneurial skills and competencies further strengthen its strategic position in the job market” (p. 220). To achieve this, HEIs must develop entrepreneurial mindsets in both faculty and students, who will, in turn, take the lead or contribute to such initiatives at their campuses.

The findings of this study revealed that services, research, and graduate programs are the major entrepreneurial efforts at Afghan public HEIs. First, the findings demonstrate that public HEIs – either independently or in partnership with the private sector or sectoral ministries – have the capacity to deliver a wide range of services to different sectors to supplement their resources. For instance, in engineering universities, the technical expertise of faculty members is crucial for designing dams, railways, roads, pipelines, airports, canals, and geodesic and cadastral surveys, to name a few. Agriculture departments can provide expert advice to peasants and relevant organizations to establish orchards and farms, control insects and pests, and use modern agricultural practices.

In the education sector, the relevant universities and faculties can help to improve the quality of education, especially in schools and literacy centers. The highly qualified education experts at the public universities can also help with upgrading school curricula, teaching, and learning methods, remedial courses, and playing a critical role in providing counseling services and other educational programs for students and their families. For example, SREU being the only Education University in the country, and education faculties in the major universities could have a permanent advising role to the MoE and the MoHE.

Unfortunately, there has historically been a delicate relationship between the two educational ministries, resulting in a lack of adequate collaboration between them. A strengthened relationship is crucial in paving the way for cooperation between the two ministries to improve quality in schools and aid the flow of resources to Education University and education faculties.

Similarly, medical faculties can provide health services through their affiliated teaching hospitals. Veterinary services are also of paramount importance in animal health, livestock management, animal production, and developing standards and guidelines for quality assurance of foodstuff, especially for import and export purposes. It must be noted that only public universities offer veterinary and agriculture programs in the country because they are too costly for private universities to offer.

There is also a high demand for IT services in the market. Thousands of students and mid-career professionals want to improve their technological skills as the IT field changes rapidly. The IT departments can offer various short-term refresher courses that cannot be provided by private institutions. For example, the two Kabul-based public universities are registered as authorized Cisco academies in Afghanistan. At least one of the universities has trained and certified Cisco instructors and has well-equipped labs to offer internationally recognized training and certifications both to the university students and others for a fee. Also, even if private universities offer similar training, public HEIs are well-positioned to compete with them.

The results also highlight that the delivery of services by universities are easily manageable and efficient and can often save public resources, mainly for three reasons. Firstly, the universities have a diverse faculty and student body as well as relationship with

campuses throughout the country and can deliver and manage services effectively. Secondly, by using existing resources, public universities can offer services at a substantially lower cost than private firms. Thirdly, the universities' service delivery helps keep resources within the public sector by partnering with sectorial ministries.

There is a belief that university professors do well in theory but not necessarily in practice (Faculty Administrator 3). However, some universities have recently implemented a number of large and complex national programs that defy such skepticism. Therefore, the Afghan government ought to encourage and engage universities, for example, in designing and executing engineering, agricultural, and educational programs instead of contracting private companies.

Second, the findings suggest there is satisfactory research capacity at public universities. Some universities have begun commercializing their research, while others are willing to be part of major national research projects. For example, creating the infrastructure for producing different species of saplings inside the country would save a significant amount of resources used for importing the saplings from other countries. When the public HEIs become applied-oriented and focus on solving social and economic problems, they could also compete in the Afghan market for research grants and projects, including donor awards, such as those from the World Bank and USAID. University engagement in research will also contribute to increasing financial resources and enhancing the knowledge and skills of faculty members in applied research.

The findings also show that the human resource capacity for research is growing as hundreds of faculty members return to universities after completing their graduate degrees (Masters and Ph.Ds.). A USAID project recently helped to develop the Research

Horizons Program – a research grant competition program - to promote faculty research quality and produce publishable articles (USWDP, 2019). The same project also helped a major education university to develop a concept note for establishing a multi-disciplinary research and publication center. A somewhat similar research infrastructure has also been developed in other Kabul-based public universities. However, to tap this rich resource, universities have to strengthen their relationships and enhance communication with key stakeholders to build confidence. Universities may also continue to encourage competition among students for the best research project to improve quality.

Universities also need to attract donor support through applied research grants. For example, they can assist with the establishment of infrastructure for applied research, such as research on pomegranate disease in Kandhar, fish in Kunar, and watermelon in Kunduz. The findings also underscore the need for building research capacity both at the MoHE and universities. With new initiatives from the MoHE and support from donors, faculty members need to be trained in proper research methodologies to prepare them to teach effective research methods to their students and implement research projects. The support is also critical to developing institutional research capacity, which in turn will improve the capacity of universities to provide evidence-based responses, systematize research efforts, and increase the relevance of research to the workforce needs.

Third, comments from respondents suggest that graduate programs can serve as a significant source of revenue for the Afghan universities. Universities make about fifty percent profit from the programs, which can further be increased by expanding the programs. Moreover, there is a massive demand for more skills and job-oriented degree programs, especially in critically needed technical fields like electronics, technology,

engineering, agriculture, and medicine. The positive feedback on the recently piloted Associate Degree programs at Afghan public universities shows that employers want people with skills. The development of new courses as a new source of income, especially the graduate programs, was strongly supported by most of the study participants. A USAID-supported higher education program has recently helped public universities to develop new graduate programs. Now, university professors in different faculties and departments have the knowledge and expertise to design new or upgrade existing degree programs. The universities should focus on the areas that the country needs the most to provide graduates for employment.

Graduate programs are also very important for improving the qualification level of university professors because there are still a large number of professors with bachelor's degrees, whereas, according to the new eligibility criteria, the minimum qualification for a faculty member is a master's degree. Such programs are more important for women to complete their graduate studies inside the country because most females cannot pursue their higher education abroad due to family desires or cultural issues (Babury & Hayward, 2013a; Hayward & Karim, 2019). This will also help women to meet the qualifications for serving in leadership positions. Some universities have made official requests for offering new graduate programs. They realized the importance of these programs to generate revenue and meet the need for skilled and proficient human resources in the job market. The findings underline that universities ought to build and strengthen their ties with employers to identify their workforce needs in order to design and offer academic programs accordingly. The study respondents emphasized that public universities need to shift from traditional learning and teaching approaches to more applied and problem-

solving-oriented pedagogies to produce graduates who could help strengthen the Afghan economy. They also need to compete for the available resources to enhance education and research quality.

The comments from respondents also indicate that now is the time for the Afghan professors, especially those who completed their graduate (master's and doctorate) studies, to take the lead on development initiatives at Afghan universities because partnerships with universities in the US and regional countries to help design new graduate programs are costly and sometimes impractical due to security issues. The study respondents also suggest that Afghan education leaders must be thinking of designing masters and doctorate programs in Afghan universities as a major source of income through student fees.

Johnstone (1998) also believes that in the time of fiscal austerity, similar to what is being experienced by Afghan public HEIs, generating income from entrepreneurial activities is both unavoidable and indispensable. He also notes several additional advantages to entrepreneurship, such as linking universities with business partners, introducing students to relevant skills and experiences, helping students with work placement, improving money flow to universities, reducing governmental dependency, and eventually enhancing the quality of HE in the country. However, some study participants cautioned university leaders to only expand the entrepreneurial activities as long as they serve the mission of universities because over commercialization could distract academic institutions from their primary mission.

To summarize, delivering services, commercializing research, and offering new skills-oriented graduate and associate degree programs are the major potential

entrepreneurial activities at the public universities. The findings underscore that some level of entrepreneurship is instrumental in moving universities to become research universities, which will otherwise remain teaching campuses for an extended period. In order to have strong partnerships between universities and industries, HEIs need to be supported in training faculty members in research, policy reform, and improving their technological capabilities. Instead of using resources to support those undergrad programs that do not prepare graduates for the job market, the Afghan government should reinvest the scarce public resources in those programs to meet the modern socio-economic needs of the Afghan society, especially in new skills and employment-oriented programs.

User Charges

The findings revealed three major types of user charges: *fees on dormitories and food, utilization of facilities, and academic and administrative services.*

First, most respondents suggest discontinuing the practice of providing free lodging and food to free up sizable amounts of public funding. The free provision has been a privilege for many students since the establishment of the first university in Afghanistan. The respondents said that such provision does not serve the purpose of helping the disadvantaged students and suggest it should be stopped mainly because provincial students are given access to dorms regardless of their needs. They believe that the Afghan constitution has been misinterpreted to provide free food and housing in addition to free education. Some of them also argued that the support neither benefits students nor the government and the Afghan society because of inadequate public resources. Besides, Afghanistan cannot provide a decent education while over 30% of an already inadequate budget is spent to provide food and housing, leaving less for education. Maybe only some

need-based dorms should be provided, especially for women, to ensure their safety and encourage their enrollment, but not in the way they are offered now. Hayward (2015) also reminds the Afghan education leaders that a significant portion of the HE budget can be saved by parental or student cost-sharing for living costs. For instance, in other countries, students do part-time jobs to share a portion of their HE costs. The money used for housing and food could be invested in institutional development, expanding infrastructure, providing modern instructional or laboratory equipment, matriculating more students, and improving the overall quality of HEIs. Another growing view among the study participants was that having students make some contributions encouraged them to work harder and do better.

The findings also underscore the need for privatization of dormitories and food services. Nearly all respondents assert that providing beds and food is not the central business of universities. There is a compelling argument that these services should be managed by private organizations that deal with mass catering or mass accommodation. The privatization of dorms is also emphasized in the current strategic plan for HE (2016-2020). Obviously, students cannot study if they do not have food to eat or a place to sleep, but different arrangements need to be made for managing dorms and cafeterias similar to Tanzania and Malawi that shifted the responsibility to the private sector in 1993 and 2002, respectively. University leaders frequently mentioned that their biggest headache is managing the cafeteria and hostels. They should worry more about getting more PhDs out of the budget or supporting a new department. Managing dorms and food causes a misdirection of effort, which has become a major barrier for delivering high quality and relevant higher education.

Another problem is that many dormitories were constructed with donor support but without any plans in place for their maintenance. These properties are deteriorating from lack of maintenance. Some respondents favored the privatization of dorms as Ghana and some other countries did. They argued that if the Afghan government provides strong supervision and makes the private sector responsible for regular maintenance, these precious assets could be adequately maintained. The unnecessary spending of scarce public funds could also be prevented. Consequently, according to some respondents, students would possibly have access to a better, cleaner, and safer living environment and healthy and quality food as they desire. There was a sense among participants that the privatization would also bring effectiveness and efficiency, so students get everything on time. They believe it will also bring discipline to dorms since the private sector is serious about it. If a private company does not provide what universities or students want, universities can demand improvement or change providers, as some universities do in other countries, for instance, in South Africa. Under university control, the staff have fixed paychecks, and they are not committed to the job.

While a majority of participants suggested discontinuing or privatizing the dorms and food, some opposed the idea mainly because of the weak financial capabilities of students and their families who rely on government free food and housing at the present time. They said, politically, it is difficult to suddenly cease such support due to a largely divided government that cannot deliver basic government duties in a timely fashion, such as the government inability to close those private HEIs that do not meet the minimum quality requirements. Moreover, if universities provide dorms and food against some fees and continue to manage them, their work burden may increase. In addition, the revenue

they would generate has to be transferred to the national treasury, with little hope that it would return to universities.

Secondly, the results revealed that universities with substantial physical infrastructure could be turned into conference or seminar centers. Some user charges that can be charged by Afghan public universities include renting campus physical assets (e.g., halls, laboratories, libraries, cafeterias, sports facilities, etc.), especially to non-campus users, including private and public institutions. Also, students from private HEIs can be given access to laboratories in public HEIs, particularly in some specialized fields like engineering and medicine. The findings also uncovered a great potential for medical students, especially from private HEIs, to complete their practicum semesters at teaching hospitals affiliated with public universities in exchange for small fees. Leasing out equipment to the private sector for conducting surveys, testing soil or water, and many other purposes were some other potential user fees.

Despite the great potential to bring increased resources through facility user charges, the key problem remaining is the centralized financial system. For example, the Loya Jirga (general assembly) hall exists at a university, but the university cannot rent it to users because it is being managed by the Ministry of Finance. MoHE is part of the government but does not have the power to re-channel the university's income because of the centralized single treasury account system. Therefore, for the universities to expand users beyond the campuses and particularly to be independent in the collection and use of their revenue, they have to work with the Afghan government and Parliament to find solutions to make the reform happen. Otherwise, there will be no interest in expanding the charges to the larger population of users, mainly outside the campuses.

Finally, the results highlight that the academic and administrative user charges cannot be expanded because of the clash with the Afghan constitution, weak financial conditions of students and their parents, and student politics. Some study participants perceived many user-charges as unfair and feared they could eventually negate free education. A study participant noted, "If universities put a user charge on the entrance exam, then using the library, and gradually on everything; very soon, free education would mean nothing because it would be subverted in many different ways (INGO Representative 1). However, some user charges such as university entrance exam, identity cards, student union, continued enrollment, late registration, or enrollment in a particular program are common in many countries and can be introduced when the time comes that students and their families in Afghanistan can afford them (Vossenteyn, 2004; Altbach et al., 2009; World Bank, 2010).

In summary, the results suggest that HEIs can generate sizeable revenue from user charges because of the large number of users. The findings underscore two types of support that universities need to increase their revenue by using their physical infrastructure; 1) amending laws to give more authority to universities for creating new fees and charging the users directly, and 2) allowing universities to keep and manage their revenue while MoHE and MoF only retain oversight roles.

Dual Track Tuition System

Dual-track tuition policies are considered a suitable mechanism for generating supplemental resources, providing quality education at a lower cost, and preserving the constitution. The system has been successful in Russia, former communist countries, Central and Eastern Europe, and some African countries, as documented in various

literature (Bain, 2001; Carrol, 2004; De Gayadon, 2019). For instance, the enrollment rate in Uganda and Eastern European countries is up to 80 percent with their dual-track systems (Carrol, 2004; De Gayadon, 2019). What characterizes these countries is free higher education as a constitutional right where there is a strong political resistance to introduce tuition fees for all students (Marcucci & Usher, 2012). Such practices could create a competitive environment among universities to get more students in for-fee seats, which would lead to improved education quality.

Most of the study respondents see no legal impediment with the system, and they believe it complies with the Afghan constitution, if interpreted flexibly. They argue that Kabul University has been implementing a somewhat similar model for years and suggest it should be expanded to other campuses. Implementing the model would be a great success when guided by demand-driven principles. Meaning that the public universities provide free seats to the students with the highest scores and generate financial resources for development purposes through fee-paying-seats from students with lower cutoff scores. The respondents unanimously suggested offering the fee-based dual-track programs only in the nightshifts to avoid any possible conflict among the students. They also claimed that by law, the university professors are not obliged to teach after official working hours unless they receive additional incentives. Moreover, evening classes are more expensive than the daytime because of the extra cost for electricity, security, and transportation, and hence, students need to bear a portion of the expenses.

Some respondents stated that their universities have already suggested implementing somewhat similar models to the MoHE, especially in the highly demanding fields such as engineering, agriculture, information technology, and some other technical

fields. All public universities, including those that have not been declared financially autonomous, can implement the system. The system does not replace the current practices but allows an additional large number of students to access better higher education. The system allows universities to keep tuition-free higher education during the daytime while charging fees for students who attend after business hours. In other words, one track charges no tuition fees, while the second one charges tuition fees to students (De Gayadon, 2019; Johnstone & Marcucci, 2010). To ensure the quality, similar merit-based admission criteria will be used for both tracks, with high-achieving students being given access to the free track, while others pay for the same education. Each department will specify their cut-off point for free-seats and a lower cut-off point for fee-seats and include the information in the Kankor Exam selection sheets. The students will make their choices either just for tuition-free seats or for fee-paying seats, especially when they are not sure that they will make it to the higher cut-off points and/or their financial condition allows. Since the public universities will not bear additional costs by using the current physical infrastructure and administration support, they could significantly subsidize the fee in the public universities compared to private HEIs to make it affordable to more students.

Besides, the implementation of the model is essential in the face of the low quality of private universities. The findings show that most private universities lack the minimum required resources while still offering specialized programs such as engineering and medicine. While they do not offer some expensive programs like agriculture and veterinary. Therefore, the dual-track system is a valid alternative for Afghan youths to access quality education at a lower cost at public universities. A faculty administrator argued that the quality at public universities is generally much better than most of their private

counterparts, especially in technical fields. He added, “We developed comprehensive curricula and established well-equipped labs for GIS, cadaster, hydraulic and hydraulic structures, to name a few, better than any other HEIs in the country” (Faculty Administrator 3).

Although the dual-track policies are considered a good alternative revenue strategy, the major critique of the policies is the equity issue. There is the belief that applicants from the advantaged groups are well-educated and would occupy most of the free places in public universities. Whereas those from low-income backgrounds are required to pay for their higher education (Marcucci et al., 2008). However, some study respondents reflected that experience showed that it is not always the case that students from low-income backgrounds will not do well. For instance, Shamsia, from a low-income family, got the highest score in the 2020 Kankor exam (MoHE, 2020). Another equity question is the spending of national tax money for some students while depriving others. Yet, if funding is in short supply, merit is a reasonable way to decide whom to support, which is currently the case at Afghan public HEIs in which everyone is not given access to HE.

In addition, there could be a legal barrier to expand the system if the constitution is interpreted rigidly. Moreover, implementing the reforms will be challenging, especially in unstable contexts like Afghanistan. There will always be disputes over whether to implement the system or not. But to mitigate the challenges and avail the opportunity, MoHE, with support from the cabinet and parliament, should agree on adopting the system and possibly amending the higher education law, if not the constitution.

Donations

The findings uncover four major sources of donations: *international donors, alumni, philanthropy, and donation boxes*.

First, the results show that international donors' contributions are critical to the Afghan government, particularly to public HEIs since they depend heavily on foreign aid and are far from achieving self-sufficiency. Johnstone (2004b, 2004c) believes that funding from international donors is important for improving the quality of universities and lowering the financial pressure from governments where the government bears most of the cost for higher education. Donors have been putting considerable funds into different sectors in Afghanistan. For example, USAID funding was extensive in higher education – funded over 140 million dollars during 2014-2020 through the USAID's University Support and Workforce Development Program (USWDP) and the World Bank's Higher Education Development Project (HEDP). However, their support for the sector has declined by nearly 50%, with proposed allocations of around 50 million dollars for 2021-2025.

Donor funding so far has been more supply-driven than demand-driven. Taking an example from the World Bank, they allocate a certain amount and then ask MoHE and Afghan universities to identify areas or activities to be supported. Since the allocation is already there, universities do not put themselves in a competitive process with other universities. A USAID project was funded between 2014 and 2019, and one of its purposes was to develop a demand-driven system, especially through the financial autonomy mechanism. The project also linked HEIs with the private sector and potential employers, the demand side, through establishing University-Industry Advisory Councils. Such partnerships are critical for institutionalizing financial autonomy, facilitating dialogue, and

sustaining relationships with public and private sectors to advise academic institutions on key priorities in the job sector.

There is no doubt that international donors are suffering from fatigue in Afghanistan. However, in the current situation, the support of donors for higher education is critical for at least another decade so universities can exercise actual financial autonomy. Donor support is also instrumental in improving the quality of the curriculum, laboratories, and instructional methodologies to which government pays insufficient attention. Donor influence is also crucial at the highest government level to advise on some necessary policy changes and fund some development projects to be executed with university participation.

Moreover, the comments of respondents clearly suggest that the government should remove the restrictions on direct funding to universities. Similarly, most donors generously support the Ministry of Education, and they forget that universities have to absorb graduates from high schools. Unfortunately, the MoE also does not realize the fact that over 80 percent of their high school teachers and admin staff are either graduates or being trained at education universities and faculties. So, the key to improving the education quality at schools is to enhance the capacity at HEIs. Such understanding among the stakeholders, in this case, MoHE, MoE, and donors - helps to provide funds to public HEIs, for instance, to implement some capacity development projects for MoE rather than contracting private companies or NGOs.

Currently, the USAID and World Bank are the two major donors to HE; however, their contributions are smaller than their support to the Ministry of Education. For instance, from 2014 to 2020, USAID's funding to MoE, through six projects, totaled roughly \$360 million, while some other projects have also been funded during the same period

(USAID, 2020). In order to properly utilize donor money, the HEIs need to identify the human and technological capacity needed for creating transparency mechanisms, managing donor contributions, and consequently garnering donor trust for continued funding. Ten years ago, no university could do it because they did not have the experience, but since then, many capacity-building programs have been implemented as universities become more entrepreneurial. Some donors, especially USAID, are prepared to accept unsolicited proposals. The findings underscore that as much as the level of aid is essential, at the same time, its proper usage is vital to strengthen the infrastructure for revenue-generating activities and to create sustainable development capacity. Notwithstanding some critiques, the above discussions underline that donor financial support is essential, particularly in policy reforms, organizational restructuring, improving technical capacity in administration, finance and research, publication, developing accountability system, and financing some initiatives to help public HE institutions become fully financially autonomous.

Secondly, the tradition of alumni donations accounts for billions of dollars annually in the United States that could also occur in Afghanistan on a large scale (Marr et al., 2005). Like universities in the U.S. and other countries, Afghan universities can also establish alumni associations and fundraising offices. Some respondents with international experience commented that the alumni contributions would be enormous and can be easily attracted once fundraising is appropriately planned and coordinated as the Wisconsin Alumni Research Foundation did. The Afghan MoHE has recently recognized that alumni donations could be a key funding source to public HE. As part of its Strategic Plan for 2015-19, the Afghan MoHE suggests establishing a "Society of Friends of Higher Education or

Alumni Association" at each public HEI (MoHE, 2015, p. 58). Some guidelines were crafted for the establishment of Alumni Associations and shared with the Ministry of Justice for review; however, they were not approved until mid-2020, and consequently, no practical progress has been made.

The findings also indicate that the Alumni Associations are an excellent mechanism to attract donations. Universities need to start collecting contact information from their graduates. Alumni contribute generously to their Alma Maters once they began to do well in their careers. For instance, a donor representative claimed that one of the undergrad graduates from an American university, who was a basketball player, had signed a professional contract for around a million dollars. He sent \$100,000 to his university as a "thanks" for helping him do well in basketball and his studies (Donor Representative 1). Similarly, Afghan graduates, especially in high-demand fields such as engineering and medicine, could contribute generously to their alma mater. The results also show that alumni involvement is important in creating productive relationships between universities, donors, and organizations, primarily where they work to attract financial support, implement joint projects, host students in internship programs, and/or provide employment opportunities.

The alumni association can also be a conducive platform for getting regular feedback and input from the alums on the curriculum and teaching materials necessary to meet market needs. The findings also demonstrate that attracting and managing alumni donations needs a robust infrastructure and must maintain close relationships with all stakeholders and interested donors. Sun et al., (2007) remind education leaders that a successful implementation of an alumni strategy requires a focused plan, a solid foundation

to facilitate collaboration with stakeholders, the openness of administrators to necessary changes, an effective communication strategy both to create and expand alumni giving, and above all transparency mechanism to build trust. Therefore, all these prerequisites need to be explored for effective initiation and expansion of alumni contribution in Afghanistan. For instance, according to a donor representative, the same person involved in fund-raising at the University of Wisconsin has also facilitated a series of workshops in South Africa, explaining how to raise funds, which were very successful. Similarly, experts could be hired to help the education leaders in establishing such associations or foundations in Afghanistan (Donor Representative 1).

Thirdly, philanthropic contributions are crucial, particularly in developing countries like Afghanistan, where public universities mainly rely on government and international donor funding, and most students, parents, or extended family members cannot share HE's cost. Typically, philanthropic contributions are being used on the activities that cannot be covered by the public budget. As discussed, the financial autonomy bylaw allows universities to receive gifts both from individuals and institutions. Once the university receives any monetary donation, a proposal needs to be developed where to use it. The University Board of Trustees reviews the proposal and gives the initial approval. Subsequently, it must be approved by MoHE. According to a MoHE official, a similar procurement process will be used for public and private money. He added, there are tremendous opportunities for universities to design good plans for raising funds from philanthropists (MoHE Official 1). However, the findings suggest the need for the development of more procedures and guidelines to further clarify the processes.

Some respondents referred to examples of other countries such as Nigeria, Ghana, and South Africa, where universities name some buildings (classrooms, halls) after major contributors to attract their financial support. Unfortunately, there is no such culture in Afghanistan, and that needs to be promoted. One of the areas for philanthropists to donate in Afghanistan is buildings. For example, Roshan Building, or Afghanistan International Bank building, or so and so lecture hall. That is something that large trusts, NGOs, or companies might do because many international donors, especially USAID, do not want to finance construction.

Philanthropic donations (e.g., Waqf and Zakat) are important in Islamic countries, like Afghanistan, as they are accepted legal precedents to establish endowments. Afghans make considerable contributions to development projects in their localities like mosques, religious schools (Madrasas), clinics, roads, and micro-projects like culverts, diversion dams, protection walls, water drawing points, etc. Robust social marketing would further help, so the masses know the value of higher education and how it is linked to their lives. For example, everyone should have a clear understanding of why they should pay their Zakat money (almsgiving) to higher education and what is its value for them. If that understanding is built, it will be easier to expand the substantial social capital of these traditions to HE or any other development activities.

The results revealed that the lack of coordination and communication mechanisms between university and faculty leaders and philanthropists is a barrier to raising philanthropic donations. In response to an open-ended question about how frequently universities and faculty administrators reach out to philanthropists and charity organizations to attract their support, only a few cases of outreach were reported. Weak

internal communication systems and poor outreach programs have been among the major reasons that universities failed to attract philanthropic contributions. In addition, local communities have not been informed that public universities need their support. Some people will always want to contribute to universities because they care about their children and their future. Making the initiative successful will require strong awareness programs through media, the student body, and other means. Universities will need experts to understand philanthropy's national and international psychology to effectively communicate the problem to them and attract their support. Such experts have been useful in other countries and can be in Afghanistan too. The point is that Afghan universities, using the expertise of graduates from the communication departments, can facilitate linkages with local and international philanthropists.

Finally, the results also show that some faculties established donation boxes out of necessity. These are typically on a small scale, but desirable for faculties to cover some urgent expenses like stationery, especially when they do not have the authority to spend one Afghani at the faculty level. In the interim, until public universities develop foundations or alumni associations and comprehensive accounting systems for such donations, the donation boxes are a successful initiative. The same concept could be expanded to other universities and faculties, particularly smaller or newly established HEIs, which do not have such supporting mechanisms.

Partnerships

The findings suggest a high potential at public universities to increase their revenue from partnerships with private and public sectors.

First, the possible Public-Private Partnerships (PPP), somewhat similar to entrepreneurial activities, would range from leasing out university facilities like dorms, cafeterias, and buildings to co-designing and implementing national development projects. Another area highlighted in the findings was the collaboration of universities with the private sector to design and offer courses to meet the private sector's needs. For example, a private sector representative claimed that there is a huge demand for mechanical engineers and electric technicians in Afghanistan. Therefore, “the employers expect universities to train thousands of electronic engineers immediately, whereas now they are training people in areas which are not in high demand” (Private Sector Representative 1). The comments from respondents suggest the curricula of many programs are not aligned with the needs of the market and the public universities yet follow the traditional way of functioning in isolation from job sectors. Whereas, according to donor representative 1, the universities in other countries, especially those in the region, keep updating their curricula even on a seasonal basis to meet the market's needs, which is a competitive disadvantage for Afghan universities.

The findings suggest that the PPP concept is novel in Afghanistan, particularly in HEIs. MoHE and MoF cannot manage PPP effectively. For instance, MoF lacks adequate personnel at the PPP directorate, while MoHE does not even have a unit to deal with such projects. Currently, the MoHE's Finance Directorate merely facilitates the process of submission of PPP proposals from universities to MoF with no follow-up. For instance, according to a university leader, one public university developed two proposals for PPP projects through its teaching hospitals of Heart Diseases Institute and Eye Clinic and

submitted them to MoF for approval. One year later, there was still no response (University Leader 3).

In addition, the private sector does not show any interest in PPP initiatives due to a lack of clarity in PPP policies and processes at the MoHE and universities. Clear regulations are the key to encourage the private sector to engage in PPP initiatives, monitor the private sector's performance, and provide assurance to both the public HEIs and private sector, protecting them from expropriation and disputes (Pongsiri, 2002). Some other elements required for PPP success include good governance, commitment, and technical capacity, both in the public and private sectors (Ismail, 2013). In contrast, some HE leaders consider PPP more as a threat than an opportunity. In a sense, they regard PPP as partial privatization and are worried about losing control over the universities' assets. Some believe that the PPP concept may eventually lead to entire privatization, and the whole concept of public education will vanish. The fear among the education leaders may be founded in the lack of understanding about the PPP policies and how they can be a successful means for revenue supplementation. Examples of this success can be shown in many other countries, such as Malaysia (Ismail & Rashid, 2007) and Tanzania (Mgaiwa & Poncia, 2016).

Secondly, Public-Public-Partnership (PuP), as an emerging theme of the study, is one of the most important elements for supplementing resources in higher education, mainly because the private sector has not yet been fully developed in Afghanistan. In addition, the public sector is the major employer for university graduates in the country. As discussed under entrepreneurial activities, public universities could partner and collaborate with public institutions, mainly sectorial ministries, such as education, engineering, agriculture,

and medicine. The study respondents provided positive feedback on such collaboration for the universities to increase their revenue, ensure the relevance of academic programs, and contribute to the economic development of the country.

The study highlights that though PuP is vital in creating supplemental revenue, some sectorial ministries are unwilling to collaborate with universities. For instance, the Ministry of Agriculture is well aware of the existing capacity at faculties of agriculture but has shown little interest in partnering with them. Therefore, public universities must be creative and attempt to formalize their cooperation and linkages with sectorial institutions. For instance, they can generate additional income from research grants and become service provider-oriented, which is a common trend in many countries.

Privatization of Higher Education

Overall, the findings show that private higher education institutions (HEIs) are assisting in meeting the goal of access and reducing the financial burden from the public sector in many developing and transitioning countries, including Afghanistan. The explanation is simple, as demand for HE increases, governments cannot provide the needed seats in subsidized public HEIs, and thus they encourage the establishment of private HEIs (Altbach, 2010). As a result, most students, especially those less academically prepared, have no other option but to attend private institutions. They are denied access to the public sector, which is merit-based admission criteria (de Gayardon, 2019). Similarly, the establishment of private HEIs is demand-driven in Afghanistan, and now they substantially outnumber the public HEIs in terms of student enrolment. Some respondents believe that privatization has a social benefit as it is grounded in the fundamental principle of the market in which competition is a more efficient way to manage and allow greater citizen

choice. On the negative side, privatization is critiqued for delivering low-quality services, high prices, and questionable long-term sustainability from tuition alone (Johnstone et al., 1998; Babury & Hayward, 2014).

Moreover, quality higher education usually does lead to higher income, but that is not the case with the graduates from many private universities in Afghanistan. Most of the programs offered by private universities are in social sciences or in other academic programs that do not prepare graduates for the job market. In a sense, in some cases, they only exist to sell diplomas and take money from students and their families, as their degrees do not lead to jobs. Low-quality education is detrimental and can hurt graduates' employability, as they will be unprepared for employment (Barr, 2004). The Afghan HE leadership needs to tackle the challenge of quality and ensure long-term improvement in the private HE sector. They can do this through an effective quality assurance and accreditation process, set and enforce high standards for establishing private institutions, and carefully review all applications for opening new private HEIs. The MoHE also has to have a robust supervisory mechanism to assure that the private HEIs provide quality education and to close those that do not meet the minimum quality standards.

In addition, the growth of private higher education in Afghanistan is often at the expense of public universities. Faculty members from public universities, who are mainly trained with the state's investment, teach most classes at private institutions. The professors at public universities are on campus only when they teach their courses, and right after, they leave the campus for outside jobs. Although there is tremendous prestige attached to Tashkeel positions, they provide only a modest salary. Therefore, faculty need to get outside jobs, mainly at private universities, to make more income, which is a danger

for quality at the public universities because the professors are not available for mentorship, to conduct research, and do the necessary preparation for the courses they teach.

It is possible to have quality private HE institutions if one looks at the American University of Afghanistan and a couple of other excellent universities. There is no reason why they should not be adequately financed by private sources, mainly student fees. It is not easy to ensure quality without good investment, half of the funding for AUAF comes from the USAID, and still, the fee is around \$5,000 per year. Given the low income of the majority of Afghans, it is evident that most students will not be able to go to these institutions. It is costly to run a good university, which is the central problem with many private institutions. One alternative solution to address the quality concerns at private universities and increase revenue is to expand capacity in public universities.

Tuition Fees

Despite the challenges, the results suggest that students should pay at least small tuition fees at public HEIs. The rapid increase in the number of students in private universities from 288 in 2006 to over 220,000 in 2019 is a reminder to the Afghan government and education leaders that some students and their families can afford to pay for their education. Therefore, they should not walk away from this rich source of revenue because of any political or theoretical reasons. Free seats should be competitive and given only to some good performers from disadvantaged groups. The Senior Advisor to the Afghan President mentions in a white paper that the MoHE, with the partnership of relevant bodies, needs to identify and introduce an appropriate tuition system as a means of improving the quality of the universities (Qayoumi, 2015). He suggests the development

of “student loans, grants, and/or scholarships for students who come from the lowest economic strata who would not be able to fully or partially pay the tuition and be eligible for such financial subsidies” (Qayoumi, 2015, p. 6). No doubt, having completed a higher education degree makes people more marketable in some areas, but not in all areas. As mentioned earlier, some of the academic programs are unlikely to lead to jobs, and students might not be able to repay their loans.

After public universities introduce tuition, then they will need to compete, for example, with American and Kardan universities, because students will choose where to go and where to pay when education is no longer free. Students know where the quality is, and if a public university does not offer quality education, they will go to the American University and give them thousands of dollars. When public institutions cannot compete, there is a risk that some of the weaker public institutions will either be forced to improve quality or, if they fail, perhaps be combined with other institutions.

In brief, although introducing tuition fees is one of the major potential sources of income to the public HEIs, it is not happening now in Afghan public HEIs. The key hindering factors to introduce tuition at public HEIs include legal and political challenges, the weak country economy, prevalent corruption, limited employment opportunities, and lack of mechanisms to provide means-tested grants, scholarships, and loans. To successfully implement a tuition policy, the Afghan government first needs to amend the constitution, create the capacity to properly collect tuition, and provide loans to those who cannot afford the cost, as Pakistan and Bangladesh did in 2002. Until all these happen, both the Afghan government and donor support are crucial to the public HEIs with the design and implementation of non-constitution-mandated free degree programs (e.g., Ph.D., Masters,

and Associate Degrees), which would be a feasible path for making profits through charging tuition and other fees.

CHAPTER 8

CONCLUSIONS AND RECOMMENDATIONS

Conclusions

This study explored potential alternative sources to increase funding for higher education to meet the increased demand and to ensure the survival of public universities in the face of financial austerity. I used a qualitative research design based on Wolcott's three dimensions: description, analysis, and interpretation. Through semi-structured interviews, the study participants discussed their experiences for diversifying revenue resources. The key questions for the interviews were informed by the review of primary and secondary documents. In this chapter, aligned with the third dimension of the study methodology as well as the integrated theoretical framework, I provide an inclusive summary of conclusions on each nested level of analysis on potential alternative revenue sources for public higher education institutions in Afghanistan.

Macro-Level

The macro-level analysis focuses on the significance of the policy context, political climate, institutional culture, and social and economic makeup (Holland, 2007). Such analysis helps to understand the alliances and positions of political actors and stakeholders within the policy arena. It also refers to the political aspects of the environment relevant to an organization, particularly policy implementation. According to Brinkerhoff and Crosby (2002), these aspects include the distribution of power, organizations involved and their interests, and rules that govern the interactions among different players. Macro analysis is also important because it determines the feasibility, appropriateness, and effectiveness of a reform and the people involved in the process. The study concludes that (i) improved

financial autonomy, (ii) enhanced stakeholders collaboration, (iii) enhanced legal framework, and (iv) appropriate organizational structure are needed for effective diversification of revenue sources at the macro-level.

First, granting adequate financial autonomy is a necessary reform to move universities towards financial self-sufficiency, generate additional revenue, and have the authority to spend. In such a decentralized system, decision-making will be pushed down to key people and will move decisions closer to the action (Weick & Sutcliff, 2001). The study suggests that public universities must have the autonomy needed to sign contracts and independently implement different initiatives. There is also a strong need for academic and managerial independence and capacity for universities to manage their affairs properly. Previous studies show that several universities in Asia have considerable success with more autonomy. For instance, the number of world-class universities in Japan increased from 5 to 11 after public universities received substantial autonomy (Aturupane et al., 2013). The findings of this study also indicate that at least one Afghan public university, after being granted partial autonomy, has been expanding its engagement in various entrepreneurial initiatives to supplement its revenue. Thus, institutional autonomy is the primary condition for the public universities that, if adequately defined and developed, will provide incentives and opportunities for HEIs. However, the study emphasizes that leaders at public universities should be mindful of the fact that more autonomy also means more responsibility. Therefore, granting more freedom is only practical and useful when universities have qualified and committed leadership and managers. Or in other words, decentralization only makes sense when the

professionalization of actors is very strong and when there are strong oversight and control systems in place.

The lack of autonomy prevents public HEIs from satisfactorily diversifying their income sources through various means identified in this study and, more importantly, keeping their revenue. Despite shortcomings in the current financial autonomy regulation, it is still a useful document, though not perfect. The study underscores the importance of piloting financial autonomy at university, faculty, and department levels at least for two to three years to identify the improvements to be made rather than doing nothing. The more autonomy that is given to universities, the more revenue they can generate while strengthening their relationships with development actors and philanthropists. Such independence would enable universities to design academic programs based on market needs and hire people with the skills required in the changing educational environment. Therefore, if the needed autonomy is not granted, and HEIs do not see their benefits, it will not be easy to achieve tangible progress in increasing resources in public higher education.

Secondly, the results suggest the need for close collaborations among all stakeholders, including public and private universities, private sector, sectoral institutions, and donors, to bring more revenues to universities, upgrade curricula, and improve overall education quality. All the involved parties will benefit from collaborating with each other, and it would be a win-win policy. The study suggests that stakeholders should be chosen based on their direct involvement in policy reform and the degree of their influence and technical capability to be mobilized behind a common purpose. The MoHE needs to work with stakeholders, including the Afghan government and parliament, to obtain full autonomy for public universities as a means of delegating authority in a clearly defined

context. For instance, the study suggests that universities need to be independent in admitting students, recruiting instructors, and generating funds through providing services and research. Hence, granting a full-fledged financial autonomy is a long-term reform that must be addressed gradually and carefully in Afghan higher education.

Thirdly, the legal framework of financial autonomy is the culmination of years of planning, discussion, and technical collaboration between the MoHE, HEIs, and international universities and organizations, as well as financial support of USAID and other stakeholders. However, the findings suggest the need for further improvement of the financial autonomy framework and related policies. One solution for granting full autonomy to universities would be to amend the Constitution, for example, allowing public universities to charge tuition on bachelor's degrees. The study shows that amending the Constitution requires forming a Constitution Loya Jirga (higher assembly) and would take 2-3 years to achieve. After the constitutional amendment, some more years would be needed to develop transparent and accountable systems, including new policies, laws, procedures, and implementation guidelines. The opposition to granting full autonomy to universities from different levels and fronts would also slow down the reform efforts. Therefore, the study suggests that more attention be paid to securing presidential decrees and getting concurrences of the Afghan parliament to approve some loosening of the processes along with amendments to higher education laws as immediate measures. The MoHE would also need to develop processes and mechanisms and comprehensively define and simplify all related policies, procedures, and guidelines to provide the required precision and clarity to universities on implementing the FA bylaw.

Lastly, the findings suggest that after giving more autonomy, proper governance structure(s) need to be considered for universities, which would also require redefining the roles and functions of education leaders at MoHE and HEIs. Public universities are now subsidiary organizations under the MoHE. The study also suggests a change in the legal status of public universities from state-owned institutions to state-owned Tasadee (enterprises) would help move them from a sub to a main budgetary unit and enable them to act more independently. This shift would give universities more power and autonomy in decision-making. In the meantime, the MoHE's role should become more like a higher education commission, with a regulatory and oversight role rather than a decision-making role for the HEIs.

Furthermore, the critical question is whether the Afghan government can control so many public autonomous institutions or not. Such queries take us to legal debates, which should be part of the MoHE's agenda that needs to be regularly discussed to find feasible solutions. Procedures for generating private revenues can happen both in a centralized or decentralized manner within universities. In a centralized system, faculties within an institution will be allowed to generate funds, but the university will maintain control over resources. In a decentralized system, each faculty will be given the autonomy to generate and keep their revenues and only provide a specific portion of the income to universities as administrative costs. However, both systems raise questions that require MoHE and public universities to define policies and appropriate structure for managing alternative resources.

Meso-Level

The meso-level analysis focuses on implementing a policy reform within the organizational culture and social norms (Holland, 2007). In this study, it refers to institutional level analysis, which is necessary for understanding alternative income sources. The study identifies a set of seven major alternative sources for public HEIs to increase their financial resources.

The first most potential and feasible alternative source for financing public higher education is a range of entrepreneurial activities. This study confirms that profit-oriented services and consultancies to public institutions, foreign organizations, private companies, banks, and schools are important income sources for the public HEIs. The study suggests that almost all faculties at public HEIs, especially medical, engineering, education, law, pharmacy, language and literature, technology, veterinary, and agriculture, possess the adequate physical infrastructure and human resources to provide profit-oriented research, consultancies, and services to public and private organizations. Such engagements would be of mutual benefit. The partner institutions would receive quality services at a lower cost than charged by private firms while providing additional revenue for universities. Many other advantages of the engagements include: improving the education quality by aligning curricula with the current socio-economic needs, increasing the chances of survival in the face of financial austerity, building the capacity of faculty members, exposing students to the real work world, and helping to move HEIs toward becoming research institutions.

The second alternative source for financing higher education is introducing user charges. The study shows that HEIs can save a significant portion of their budget by charging students for food and housing. HEIs need to introduce different user fees to create

a sizeable income, especially in many developing countries where tuition is not allowed. Currently, students are provided housing based on the distance of their residency from the universities. However, the results suggest that free housing should only be provided for students from low-income and economically disadvantaged backgrounds and not based, as is now the case, on the criterion of studying in a province different from their home location. The study suggests privatizing the management of dormitories. Such practice has been successful in many developing countries, and it could be the case in Afghanistan, which would decrease the financial burden on the government, improve the quality of services in dorms, and reduce the unnecessary workload of education leaders. Renting universities' facilities and equipment was also identified as another extremely possible alternative source. The revenue from user charges would be important for expanding infrastructure, providing new instructional or laboratory equipment, matriculating more students, and improving quality.

The third alternative source to increase revenue in higher education is introducing and implementing dual-track tuition policies. The findings suggest these policies do not clash with the Afghan Constitution, especially if the degree programs are offered after official hours in the night shifts. The adoption of the policy is important in the face of complaints regarding the poor quality of many private HEIs. The system will help Afghan youths to receive a better education at considerably lower costs at public HEIs. Implementing the system will also contribute to avoiding overpopulated classes at public universities. The results confirm that introducing the dual-track system would not replace the current system but offer fee-paying seats to eligible HE aspirants who might otherwise be denied access due to lack of capacity and those who can share some education costs. The

dual-track model was successful in many countries in the region and globally and could be successful in Afghan HEIs.

The fourth alternative source to fund higher education is donations from international donors, alumni, and philanthropists. After the Afghan government, international donors are the second major contributors to higher education. However, the study shows that bilateral and multilateral donors' assistance is relatively small in comparison to the actual need and is decreasing. Though international donors are one of the major funders to HE, their support is not sustainable. It could be disrupted due to economic issues in their countries and changes in strategic priorities. Therefore, the results suggest that the most effective use of donor resources is to build the infrastructure and capacity needed for HEIs to diversify their income sources. Donors, such as USAID and the World Bank, should also realize that their lack of support would risk what has been gained over several years because public HEIs are still heavily dependent on their assistance.

Alumni contributions are another potential source of revenue for higher education. Currently, the alumni donations are small and sporadic, mainly through in-kind support. However, their contribution has been significant in facilitating some productive linkages between the universities and their organizations. The findings suggest that attracting these significant resources requires universities to create alumni associations, create and promote the tradition of alumni giving, ensure the academic success of students, and create transparency and accountability mechanisms to properly manage the resources and gain the confidence of contributors to continue to their giving.

Philanthropic donation is another potential source of higher education funding and an important moral obligation in the Islamic faith. Islamic philanthropic donations include

Zakat (almsgiving), Sadaqah (charity), and Waqf (religious endowment), which are embodied both in Quran and Prophets' tradition (Alam, 2010; Fauzia, 2008). The study shows that Afghans generously donate to development and social projects; however, their donations to higher education is minimal, mainly through in-kind donations. The findings suggest that Afghan education leaders must understand the magnitude of philanthropy as they did in other countries such as Indonesia, Nigeria, and India to overcome the financial challenges of HE (Akinyemi, 2013; Cizakca, 2000; Fuazia, 2008). Philanthropy giving is not only about giving but in return receiving recognition, status, and prestige (Boulding, 1973; Harbaugh, 1998).

The fifth alternative option for financing higher education is creating partnerships between universities and private and public institutions. The study discovered a wide range of potential joint ventures almost in all areas, mainly engineering, agriculture, medical, and education. The job sector or employers are very interested in partnering with universities when appropriate mechanisms are in place and related policies are fully developed. The findings show that the current policies, especially for Public-Private-Partnership, are not adequate, nor have the needed supportive structure been developed at MoHE and HEIs or the MoF. Therefore, few formal partnerships are currently operating; however, university professors do work with the private and sectoral institutions as part-time consultants that do not benefit their universities in any way. Establishing a strong legal framework and clearly defined procedures, an appropriate structure, raising awareness among stakeholders, and delegating adequate authority to universities are key to make the partnership successful.

The sixth alternative option is the privatization of higher education. Private HEIs assist in meeting the goal of access and reducing the financial burden from the public sector in Afghanistan. However, the study shows that most private HEIs were critiqued for delivering low-quality services, high prices, and had questionable long-term sustainability from their tuition revenue. Some of them are primarily to make money or established for political purposes. Private HEIs depend heavily on faculty from public universities and siphon off resources from the public HEIs, which hurt the quality at public universities. Therefore, the findings suggest that the Afghan HE leadership can overcome the challenge of quality through an effective quality assurance and accreditation process and setting and executing appropriate standards for granting licenses only for eligible private institutions.

The seventh and last alternative source identified in this study is tuition. Many countries started charging tuition because of the lack of government funding and increased demand for higher education. The World Bank and many development experts also consider tuition as the major non-governmental source of revenue, particularly in underfunded and overcrowded HEIs in developing countries (Johnstone, 2003; 2004b; Zideman & Albrecht, 1995; World Bank, 1994). However, introducing tuition for bachelor's degrees is unlikely to happen in Afghanistan in the near future. The policy change clashes with the Afghan Constitution and Higher Education Law. Also, strong opposition could arise due to fragile political, economic, and security situations. Moreover, the introduction of tuition requires good financial aid programs, including student loans and better employment opportunities, so the needy students could get loans and repay their debts after graduation. As a short-term measure, the study suggests designing and implementing degree programs that are not restricted by the constitution, such as Ph.D.

and Masters, Associate Degrees, and the dual-track tuition system, preferably in the night shifts as an effective path for making profits through charging tuition and other fees.

Micro-Level

The micro-level analysis focuses on the distributional impacts of policy reform, in this case, the Financial Autonomy Regulation (Holland, 2007). In this study, the micro-level refers to that analysis of various types of impact on different stakeholders, mainly on faculty members, students, and their parents and families. However, the concept of diversification of revenue sources is still novel and has not been fully implemented. Only eight universities have been granted autonomy, four of which were declared autonomous in 2018. Therefore, another 3-5 years will be needed for the universities to practice some elements of financial autonomy. After tangible progress in practicing financial autonomy, it would be the right time to assess the impact of the policy reform in different aspects of HE and on various stakeholders, mainly on students and faculty members.

Though it was earlier to measure the outcomes, this study revealed some potential impact of the policy. Students will gain practical experience, on-the-job training, and exposure to the real work-world that eventually helps them find jobs quickly. Students will also receive appropriate stipends for their contributions. Besides, by engaging in service and research projects, university professors would get better benefits, a good workplace, and create more new opportunities. For example, based on current financial autonomy regulation, a significant portion of the revenue goes to faculty members to encourage them to participate in entrepreneurial activities. Moreover, the job sector, both private and public institutions, can access quality services, research, and business opportunities with significantly lower costs partnering with universities.

The findings also suggest that revenue diversification helps different faculties and departments improve their capacity to provide quality education and compete in the local market. They would also be better positioned to effectively use the existing rich infrastructural and human capacity to supplement their resources as some engineering departments did and continue to do so. For instance, the study highlights that revenue diversification efforts would positively impact people from different walks of life. For instance, with the collaboration of public universities with MoE, students will receive a better education at schools — with the Ministry of Agriculture, farmers will learn and exercise best agricultural practices and pest control methods — with the Ministry of Public Health, patients will access better health services. All these services will be of better quality and lower cost to the recipients.

To conclude, the need for Afghanistan's public higher education is broad and deep. A combination of public and private financial support is necessary to provide the level of funding to meet the demand for higher education, improve quality, and ensure the relevance of academic programs. Findings from this study signify that given the increasing demand for higher education and inadequate public funding to higher education because of competing priorities of the government in other sectors, including health, security, and physical infrastructure, the government cannot increase its investment in higher education. Therefore, the Ministry of Higher Education and Public Higher Education Institutions need to consider the alternative sources and options to increase funding to public HEIs, which are identified and suggested in this study.

Recommendations

This section answers the third research question about what is needed to make it possible for public HEIs to access additional resources from alternative sources. The recommendations are organized in the following order: increase and proper utilization of financial resources, structural improvements, building human resources capacity, providing legal support, mobilizing political support, and improving transparency and accountability. The data for recommendations are drawn from the interview data, the discussion of findings, and pertinent contemporary literature. The recommendations end with suggestions for future research.

Increase and Proper Utilization of Financial Resources

This research makes the following recommendations to curb the problem of underfunding of public HEIs and ensure efficiency in spending the available resources.

1. **Improve Efficiency in Using Existing Resources.** The findings suggest that universities have to explore ways to improve efficiency in using public and donor resources. For instance, public universities should give priority to those academic programs that meet socio-economic needs. The MoHE should also play a useful role in distributing donor money to public universities, especially for on-budget programs. Based on current practice, some universities receive more support than they need, while others do not get enough. Universities should also offer short refresher courses for revenue-generation purposes during the evening in different areas like agriculture, medical, engineering, and business. Most of the mid-career professionals require such courses to remain up to date with new developments in their fields.

The Afghan government also needs to increase its funding for research, which would have several advantages. On the one hand, it would help build institutional and human capacity. On the other hand, by using the newly established capacity, HEIs could generate additional revenue, which would reduce the financial burden on the government. Himanen et al. (2009) also endorse that governments worldwide continued to expand their support for research activities at universities despite budget constraints.

The data in this study proposes a gradual decrease in providing free food and dormitories to mitigate financial challenges. As the initial step, similar to what Uganda did in 2010 (World Bank, 2010), if the government wants to continue to assist students because of social, economic, or political reasons, they should provide allowances to the students but continue to encourage the private sector to deal with the dorms and food. The study also suggests that the fiscal stimulus would cost far less to the government because enormous human resources are required at each campus for procurement, logistics, preparation, distribution, and management of dorms and dining halls. Students can use their allowances to pay the private sector for dorms and food.

2. **Encourage HEIs to Diversify Their Sources of Income.** MoHE should set targets for universities based on their physical and human resources to supplement their budget from alternative sources. Setting realistic targets is desirable to motivate university leaders and create dynamism at universities to increase their revenue—for example, 10% for Kabul-based and 5% for regional universities. Universities are responsible for contributing to the economic, technological, and social development

of the country through entrepreneurial activities. Governments worldwide promote such creative ideas, and the same could be adopted in Afghanistan. For instance, universities have well-equipped laboratories for testing air, water, soil, noise, and energy, to name a few, which requires costly equipment for a private firm to purchase. The study suggests that instead of private firms renting the equipment from some international companies from Asian and even European countries, they should lease such equipment from universities. The private sector can sign agreements with universities for long-term cooperation.

3. **Create a Culture of Philanthropic Donations to HEIs.** Public universities can attract donations from alumni and philanthropists. The charitable tradition has been practiced in other areas of life in Afghanistan but not in higher education. Therefore, it is worth recommending that Afghan HEIs pay adequate attention to philanthropic donations, for instance, through giving awareness, establishing foundations and alumni associations, which can be a significant alternative source of income. However, education leaders should be mindful of the fact that creating such traditions requires patience and perseverance, as the changes do not come easily and quickly. Promoting such tradition will require a fully developed accountability and transparency system to be proposed along with structural improvements.
4. **Attract Support of International Donors:** Given that international donor support is significant, the study recommends that HEIs reach out to major donors by submitting unsolicited proposals for some specific areas to attract their support. The findings suggest that HEIs will need support from international donors at least for another decade. The support is required in various areas, including further

defining financial autonomy based on international best practices, funding some research projects so that HEIs can pilot financial autonomy, and improving HEIs' institutional and human capacity needed to diversify income sources.

5. **Improve Stakeholder Relationships.** HEIs should strengthen their relationships with all stakeholders, mainly with employers. The education leaders should work together with sectorial ministries and the private sector to identify and work on research and development projects where universities could partner. Such partnerships are crucial for aligning curricula with the markets' needs and placing students in internship programs to gain practical experience and facilitate a quicker employment path.

Structural Improvement

The study findings recommend the following structural adjustments to the HEIs to benefit from their financial autonomy and enable them to survive in the face of inadequate public funding.

1. **Increase Autonomy and Decentralization.** While MoHE and MoF can exercise overall control over legislation and policies, more authority should be delegated to HEIs to manage their academic, administrative, and, more importantly, financial affairs. The HEIs should be autonomous in generating and managing additional resources. Delegating more decision-making authority to universities also enables them to make direct linkages and partner with various organizations, especially where professors currently provide services secretly, which are illegal and do not benefit the universities in any way. Such delegation of power is also necessary for

expanding services throughout different sectors that will be profitable to universities and the Afghan government.

Strict government control tends to slow down the improvement of quality and the ability of HEIs to respond to increased demand and meet the evolving economic and social needs of the Afghan society. Hence, the findings suggest that HEIs should be independent in intervening in the market by providing services or research. Currently, they cannot make direct contact with other organizations. Working through MoHE delays the process and discourages sectorial ministries and private firms from partnering with HEIs. MoHE should also work with MoF to remove the barriers of direct funding to universities and to encourage the public and private sector to partner with universities.

2. **Establish Supportive Divisions.** The findings underscore the value of establishing a directorate or unit at the MoHE to support the efforts for operationalizing financial autonomy. The universities currently do not receive adequate support to benefit from the opportunity effectively. For instance, the current finance procedures are time-consuming, usually taking over a month to process an invoice. HEIs cannot be successful, for example, to engage in entrepreneurial or PPP initiatives if they do not get timely needed support.
3. **Improve Awareness.** The findings suggest that awareness is crucial at multiple levels. Within the university, among universities, with stakeholders, and with individual philanthropists and the general public, as detailed below:
 - a) The findings recommend developing a mechanism to regularly disseminate information within the university about any reform, policy change, or new

development. The results revealed that the concept of financial autonomy is still unfamiliar to some deans, university administrators, faculty members, and students, especially understanding what it means to them. If adequate understanding is missing at the faculty and department level, it will be difficult for the universities to diversify their revenue sources. They fear being caught because of supposedly doing something illegal. The findings propose establishing a financial autonomy task force to discuss and supervise the implementation of reforms and facilitate communication between university leadership and respective faculties and departments, especially in large universities.

- b) The financially autonomous HEIs should create a communication mechanism to share information, experiences, and best practices, particularly how they can collaborate on some major initiatives. They can communicate through regular meetings, professional exchange programs, seminars, and other means of communication. The lack of such mechanisms can result in one university having tangible achievements while other universities with similar autonomy continue to flounder.
- c) The HEIs and MoHE should also communicate policy changes to the line and sectoral ministries, private sectors, NGOs, and judicial institutions. When other institutions realize that the Afghan government supports the reform, they will reach out to the HEIs for potential collaboration and joint ventures. The awareness can be raised through different means such as brochures, media, exhibitions, seminars, and conferences.

The findings also propose that HEIs should not wait for a private and public institution to contact them for a potential project. They must be proactive and share information about their capacities and how those institutions could collaborate with them in various areas. For instance, a representative from a leading private company recommended that universities could contact the private sector to sponsor some of their events. He claimed, “we have not been informed that public universities were granted financial autonomy.” He recommended that universities should inform their potential partners on such developments (Private Sector Representative 1).

The role of the board of trustees is also very important in outreach programs. The board should not rely only on departments to bring projects to the universities. They should reach out to potential organizations and entities to identify potential ventures for cooperation. Whenever either the board of trustees or university and MoHE leadership learn about any potential projects, an internal dissemination mechanism should be in place to inform the relevant departments within the university and other universities to bid for the projects jointly. Every university should have a Research Unit or similar infrastructure that serves as a contact point for such communication.

The study recommends that the awareness program be extended to the legal institutions to help with financial reform success. The judicial, audit, and other monitoring entities must be aware of policy changes. Otherwise, universities might be accused of committing corrupt acts and misusing resources. If the people at the

judicial and audit institutions do not have good knowledge of financial autonomy, it will be difficult for universities to benefit from the reform properly.

- d) Finally, awareness should be raised with students, philanthropists, and the general public about policy change, particularly that public universities can accept donations.

4. **Establish Business Development Offices.** The need to establish a Business Development Office (BDO) in each campus was another emerging idea raised by several study participants. The study proposes forming BDOs or similar structures for the three key reasons described below:

- a) BDOs should take responsibility for all admin and finance activities while the related departments should be only in charge of technical work. The study shows that managing larger projects requires a competent team with various skills. For example, according to a faculty administrator, they hired over 200 people for a recent project. The faculty members were overwhelmed by undertaking finance and administration functions besides managing the project's technical activities. Therefore, such an office is of paramount importance. A university leader described some interim measures taken by his university and recommended similar actions for other universities until BDOs or similar mechanisms are fully developed and in place:

For now, we formed sectorial sub-divisions within the National Research Center of Water that include urbanization, transport, mining, and technology to assist with the design of different projects and serve as points of contact for sectoral ministries and the private sector. So far, we have received

positive responses from several organizations for potential collaborations.

(University Leader 4)

b) BDOs should serve as hubs for fostering communication with students and businesses and transferring technology. The study suggests that BDOs should be comprised of several staff members with a range of expertise in finance, administration, and management. Some key duties of the BDOs could include exploring partnership opportunities, writing proposals, and liaising with other institutions. The BDOs should also have strong communicators to attract philanthropists. For example, if they come with some creative proposals, then philanthropists will trust them, transfer funds to universities, and will allow them to spend the money.

c) Public universities should pilot BDOs or similar offices on a few campuses. The universities should be prepared to take risks and be ready to accept failures. When managers never make mistakes or take risks, it means they are not pushing development at all. However, in those universities where nothing is happening, perhaps they can begin with one staff member, and then the number will grow in BDO as activity increases. The office will not be needed in small and those universities that are not granted financial autonomy.

5. **Establish Foundations and Associations.** MoHE and public universities should establish foundations (national, regional, institutional), which are crucial for attracting external donors and developing endowments, especially in low-income countries (Mutula, 2001). Administrators in these foundations can be successful when they effectively communicate, collaborate, and work closely with one another

and build a good relationship with all stakeholders (Sun et al., 2007). The study suggests that MoHE should bring people from universities that have established such foundations and understand what is required to create such foundations. The study shows that it is in everybody's interest to set up foundations with proper accounting standards. In South Africa and Ghana, what they did was mandate an audit once a year by one of the major auditing firms. South Africa did not have a corruption problem at that time, but Ghana did, and everybody was satisfied with the way it was set up. The foundation needs to have a board of six or seven trustworthy citizens in addition to chancellors, vice-chancellors, and some good lawyers. The MoHE should start the process by setting up the foundations at the major universities, which would likely raise some money and are willing to do it. Universities have to hire some honest people, train them, or send them to other places to get the proper training to make sure they understand the financial requirements.

In addition, universities need to set up alumni associations. MoHE should encourage, support, and work with public universities, particularly those that have been declared financially autonomous, to establish alumni associations. An Alumni Association is a platform to provide financial and other resources to universities. The Alumni Association also serves as a bridge between alumni and their alma mater. The associations can also offer opportunities for mentoring students, where they talk with professionals who were once students. Students can ask questions about the real workplace, get career guidance, receive advice on relevant academic programs, and build ties with potential employers. The associations can also help

their alma mater match the demand and supply sides, align educational programs with the needs of employers, and promote the employability of graduates. In brief, Alumni Associations are important platforms for alumni who feel obliged and honored to return favors and their alma mater can benefit from their alumni financially and academically.

6. **Establish University Consortia.** Forming university consortia is an important way for attracting supplemental resources via joint research, services, and partnerships. The consortia connect HEIs through sustained collaboration as they currently operate in silos. The consortium will facilitate comprehensive partnerships among Afghan universities as well as with private and sectoral institutions for implementing national research and development programs for revenue generation purposes. The consortia can also foster opportunities for collaboration to achieve workforce development goals, deepening awareness about potential joint ventures, and building trust among HEIs to collectively achieve key goals of higher education – access, quality, and relevance. The model will also enhance processes for improving curriculum, instructional methodologies, teaching materials, and applied research capacity throughout the HE system in the country. Such networks also help in expanding connections with the international higher education community and promote sustainable strategies for meaningful community outreach and engagements.

Build Human Resource Capacity

More autonomy requires expert human resources with different skills, including financial management, procurement, and administrative skills. The following

recommendations are put forward to improve human capacity to diversify income sources successfully.

1. **Identify and Provide the Needed Human Resources.** Though there will be no significant issue concerning technical staff at public universities, they still need to assess their human capacity in line with policy changes. The assessment helps identify the gap and then hire people with the right skills, such as developing proposals and budgets. There is a lack of qualified people with administrative, managerial, and financial expertise. The study recommends that universities primarily look for people from a business or finance background rather than a public service background. There are many problems with the traditional civil servants because they lack the knowledge and skills for fundraising and fund coordination. Therefore, people who are hired into *Tashkeel* positions should be entrepreneurs and experts to make the reform a success.

It is possible to recruit and mobilize the needed human resources, even with current resources. The study findings show that MoHE has over a thousand approved vacant positions, and universities can propose their needed positions. According to MoHE Official 1, they have never received any request from the universities for hiring any staff or area experts to assist them in operationalizing the financial autonomy bylaw. He added, "If MoHE sees real progress in any university or faculty, experts can be recruited. There is even no restriction on hiring highly qualified staff with high salaries using the development budget". Additionally, the current laws allow universities to hire experts from outside to help with specific activities using project resources or the MoHE development budget.

The study also recommends that HEIs contact Afghan Americans or other overseas Afghans who have been involved in HE, requesting their assistance in diversifying their revenue sources. For example, hire an Afghan American from a US university to create mechanisms and lay the foundations for fundraising at an Afghan university.

2. **Create a Pool of Human Resources.** Universities need to provide information on their human capacity and share it with the job sector. Creating a competent expert pool is a useful strategy, so potential partners learn about critical human resources at universities. A private sector representative proclaimed that such pools help them know and use the human resources in technical projects rather than bring experts from other countries. He also proposed forming similar pools for the best students. For example, “the private sector can hire students for fieldwork in technical projects like mechanical engineers, electrical engineers, agriculture specialists, civil engineers, and construction engineers” (Private Sector Representative 2).
3. **Build Human Capacity for Revenue Diversification.** MoHE and HEIs need to build the capacity to operate as business institutions. In his study, Ghafar (2020) proposes that although industry knowledge is arguably beyond the scope of entrepreneurship education, to an extent, HEIs have to incorporate and expose their students to industry knowledge through interaction and experiential experiences. Therefore, HEIs need to incorporate such education into their curricula. The entrepreneurial mindset helps students to learn and make a meaningful sense of industry-related knowledge. In the absence of such a mindset, it will be difficult for universities to

compete for research projects in the market. In addition, HEIs leaders must have the skills and knowledge to explore new ways of engaging in different income-generating activities. The public HEIs must call upon those who have been engaged in entrepreneurial activities to expand the activities to all departments and faculties.

A study shows that entrepreneurial education and engaging students in entrepreneurial activities reduce the unemployment rate of graduates (Adelowo et al., 2018). Therefore, HEIs should ensure that adequate resources and opportunities are available to create entrepreneurial ability in students. These resources may include entrepreneurial training, funding, exchange programs to expose students to success stories of entrepreneurs, and internship programs where students could display their talent and abilities.

4. **Decrease High Turnover of Leadership.** To address the high turnover of senior management at MoHE and universities, the MoHE needs to develop a policy and mechanism to retain its senior staff in their positions for at least four years. High turnover is often detrimental to the development process. For instance, higher education often receives funds from several donors in different phases, which requires the key decision-makers to remain in their positions to keep the relationships and continue to support the initiatives. Experience shows that frequent replacement of senior management leads to changes in strategic directions and can disrupt the support for HEIs.

Provide Legal Support

Some of the study respondents think the current financial autonomy bylaw is fine if the Ministry of Finance keeps their promise and allows the public universities to keep their

revenues from alternative sources and fees. A donor representative claimed that, in Pakistan, the universities had the same law as Afghanistan. In 2001/2, the Pakistan HE Commission passed a bill allowing the public universities to raise money and keep it as long as they do a reasonable job, follow the rules, and keep track of expenditures. He added that the Government of Pakistan increased its funding almost by 100% in the first five years after granting substantial autonomy to public universities (Donor Representative 1). The following recommendations were made for further improvement of legal context for revenue diversification efforts:

1. **Improve Laws and Related Legal Documents.** The current HE law and related bylaws and procedures need to be further simplified and amended, allowing public universities to receive direct donations, create partnerships with public and private organizations, encourage faculty members to engage in entrepreneurial activities, and, more importantly, to manage their revenue. Some respondents commented that there is no clarity in the current bylaws and guidelines. For instance, “if a university fails to deliver services to a private company, how do they deal with the problem if it involves penalties, supposedly if it is a multimillion project” (INGO Representative 3). Therefore, the study suggests that there needs to be clear laws or guidelines to both benefit universities and faculty members. For instance, how much time can faculty use in services and research, which would also involve receiving personal incentives?
2. **Give Exemptions to Public HEIs.** Since amending the Constitution and the HE law is a lengthy and time-consuming process, with the support from the presidential office, exceptional arrangements should be made to help universities and the Afghan

government to increase resources for HE. Necessary approvals and agreements must be secured from the Afghan Cabinet, Parliament, and related institutions for public universities to operationalize the financial autonomy Bylaw. The study suggests that without an exceptional arrangement, in many cases, implementing the financial autonomy bylaws is in conflict with the Afghan Constitution, Fiscal Law, and Procurement Law.

3. **Change Legal Status of Public HEIs.** Some respondents also proposed changing the legal status of the public universities, from state-owned institutions to state-owned Tassadee (enterprises), to alter their budgetary status. Giving Tasadee status to public universities would help universities move from a sub to the main budgetary unit and enable them to act independently in many of their affairs.

Mobilize Political Support

The successful implementation of financial autonomy bylaw requires a high level of political support and commitment. University autonomy and decentralization gives HEIs more freedom to conduct their operations and more flexibility to quickly adapt to changing circumstances. Relationships with political bodies, proponents, and opponents of reform are crucial to facilitate communication and reach an agreement.

Despite broad public and private sector support and willingness for financial policy reform in higher education, some politicians and their constituencies still resist. Therefore, MoHE and HEIs, with strong support from the Afghan President, should discuss the policy reform with all stakeholders, mainly MoF, Afghan Cabinet, and Parliament, to reach a political consensus. The agreement is crucial for the success of education policies, especially for financial reforms.

Improve Transparency and Accountability

Granting more autonomy to HEIs also requires an appropriate transparency and accountability system. Usually, accountability is developed through a combination of norms, standards, and sound fiduciary processes (Aturupane et al., 2013). In order to improve transparency and accountability, this study suggests the following measures:

1. **Develop an Accountability System.** The study recommends developing and improving systems, institutional capabilities, and processes to reduce corruption. Improved transparency and accountability mechanisms are also vital for rebuilding people's trust and increasing revenue for public institutions. Until effective transparency and accountability systems are in place, donors can support HEIs in areas where corruption would not be possible or minimized. Some instances of such support include:
 - Construction or renovation of buildings
 - Provide in-kind-support, e.g., equipment for engineering, agriculture, and computer labs.
 - Pay fees for the internet connection or for other services that benefit both students and faculty.
2. **Establish Joint Accountability.** Shared or joint accountability is another excellent approach to gain donor confidence. For instance, if an Afghan private company gives money to a public institution, the recipient institution should make the information available to the donating company and all stakeholders, including students, faculty members, and the general public, on the contributed amount and how it is spent. The study also proposes hiring a third-party evaluator or an independent

professional entity to verify that private money transactions are fully documented, and rules and regulations are followed to ensure transparency.

3. **Provide Sole Source Contract:** In the face of prevalent corruption, the Afghan government should only invite public universities to compete for specific development projects. The study shows that it is not easy to win a project if universities compete with different organizations and firms. The procurement system is corrupt, and well-connected bidders are usually the winners. For example, recently, “a ministry shortlisted five companies as finalists for a bid while all these companies belong to the same family” (Faculty Member 6). Hence, in the face of a weak and corrupt system, the Afghan government should consider giving some projects directly to public universities.

Directions for Future Research

Commonly, research in new academic areas raises many additional questions that require answers. Such is the case with this research, which was intentionally designed to understand the breadth of the research topic as few studies on the subject are available. The research revealed a range of potential alternative sources, policy options, and structural improvement needed to diversify revenue sources at public HEIs. However, much more work remains to fully understand the phenomenon in all public HEIs, private HEIs, and, more importantly, the impact and consequences of such revenue diversification. I suggest the following areas for future research based on this study.

The first area of future research would be to explore alternative revenue sources in the major provincial universities of Herat, Nangarhar, Kandahar, and Balkh because this study focused exclusively on Kabul-based public universities. I deliberately did not include

the provincial universities in this research because they were recently granted financial autonomy, and they have not made much progress on operationalizing the financial autonomy policy on their campuses. The provincial universities which border neighboring countries have greater potential to diversify their resources given their strategic business locations.

The second area is to examine the revenue diversification in private HEIs since this study was limited to public universities. Such research is of paramount importance to the private HEIs as they rely primarily on student fees. The diversification of revenue at private HEIs can decrease the financial burden on students and their families. It could also have an increased impact on private institutions because they do not have as many legal restrictions as their public counterparts do. In addition, I could not locate any previous studies on financing private HEIs of Afghanistan.

The third research area for further investigation is the potential impact of revenue diversification. The present study found several alternative sources of revenue, as well as their immediate and potential impact. Further research is required to examine the implications and consequences of each alternative source identified by this study on various stakeholders. The financial autonomy for HEIs to diversify their income sources was granted recently, and to date, there has not been significant progress. Hence, it was not the right time to fully examine the impact of fiscal policy reform in this study. I suggest that new research be conducted in 2-4 years when the universities have diversified their income sources and made tangible progress in implementing the policy. Such studies might also look at exploring other alternative sources and policy options for increasing funding to HEIs.

Finally, future research should explore the feasibility of changing the legal status of the public universities, for example, to Tasadee (enterprise) and their implications. How would this shift help universities diversify their sources of income successfully? What additional regulatory, administrative, structural, staffing reforms would be needed? And is it an appropriate reform considering the current centralized governance and fiscal system and policies? Also, what are some key risk factors and implications of the reform since ideally Tasadees are expected to be financially self-reliant?

This study explored alternative funding sources and options for public universities in Afghanistan to achieve their priority goals. The study discovered that there is great potential for HEIs to diversify their sources of funding. The study also analyzed the feasibility and potential challenges of the alternative funding sources. The study suggests a combination of public and private financial support for higher education in Afghanistan to improve quality and ensure the relevance of academic programs. The study also made some recommendations for efficient use of existing financial resources and increasing additional revenues.

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APPENDICES

Appendix A: Interview Protocols

This document will guide the researcher in conducting interviews with the research participants. The researcher will mainly interview officials from the MoHE, chancellors, deans, faculty members, students, alumni, and representatives of the private sector, donors, and international organizations. The interview questions will vary from participant to participant based on their roles regarding the research topic; hence, the questions are organized under four categories: a) Faculty, students, and alumni of public higher education institutions, b) Education leaders and administrators at public higher education institutions, c) Government officials at Ministry of Higher Education, d) Donors representatives (international donors, international organizations, private sector). I will also complete the Demographic part before conducting the interview; however, this information will only be available to the researcher.

Demographics

- a. Initial first and last name. First Initial: _____ Last Initial: _____
- b. Gender _____
- c. Category of interview _____
- d. Province _____
- e. Name of institutions _____

Interview Protocol for University Faculty, Students, and Alumni

Questions about the type of services provided or potentially be provided by Departments

1. In your opinion, what are the current and potential major nongovernmental sources of revenues in your faculty or department? What are the most applicable ones among these sources? What are the least feasible ones among these sources?
Probe: How your faculty/department can benefit from these sources?
Probe: What programs and activities should primarily be supported by private funds in your department?
2. What are some major income generation activities/services that your faculty/department could provide?
3. How can your faculty/department attract and sustain funding from nongovernmental sources?

Questions about the type of services provided or could possibly be provided by Individual Faculty

1. What type of services could you provide to the private or public sector if you are allowed to do so?
Probe: Have you ever delivered any services to a private or public institution to generate additional revenues? If yes,

Probe: What type of services you provided, and what was its impact on your professional and academic career?

Questions about managing revenues from private sources or delivering services

1. How do you manage funds from private sources in your faculty or department?

Whom are you accountable for or report to?

Probe: How can your university ensure transparency and accountability for spending private funds?

Probe: Who decides the amount of incentives for the services you provide?

Questions about challenges associated with private funds

1. What hinders you to generate or receive private money? (e.g., technical, political)
2. How can these problems be effectively addressed, in your opinion?

Questions for students

1. **Do you pay any fees to your university? If yes, what types?**

Probe: Do you afford to pay the fees to your university? If not, where you get the support?

Probe: Do you want the government should continue providing free housing and food for students even it affects the quality of education, and why?

2. Do you think of any other alternative source of additional funding for your university?

Probe: Do you want to work on research or development projects with your professors to make some income?

Probe: Will be willing to contribute some portion of your income to your university?

Crosscutting policy questions

1. How do you consider introducing some forms of tuition or fees at your university?
2. What are your views about the discontinuing provision of free housing and food?
3. Any other policy changes (privatization, dual-track system) that you think would help to expand access and improve quality in your university?
4. How would your institution attain the goal of generating 10% of its budget (5% by 2017 and 10% by the end of 2019) from non-governmental sources, as set by MoHE?

Post Interview Comments and/or Observations

Interview Protocol for Education Leaders and Administrators

Questions about some potential nongovernmental (private) income sources

1. In your opinion, what are the current and potential non-governmental sources of funding for your university? What are the most applicable ones among these sources? What are the least feasible ones among these sources?

Probe: Has your university ever received funding from these sources? If yes

Probe: Who were the main contributors? (Individuals, private sector, international donors)

Probe: Please give us the example of programs and activities that have been supported by their assistance?

Probe: What are some major programs that could possibly be supported with private money?

2. Has your university ever delivered any services to private or other public institutions for the purpose of generating funds? If yes,

Probe: What services have been delivered? Or what services your university can deliver?

3. What are some other services that your university could charge fees on them?

Questions about managing revenues from private sources

2. How do you manage funds from private sources in your university? Whom are you accountable for or report to?

Probe: How can your university ensure transparency and accountability for spending private funds?

Probe: What additional forms of financial, political, and technical supports you need to increase private funding to your university?

Questions about challenges associated with private funds

3. What hinders you to generate or receive private money? (e.g., technical, political)

4. How can these problems be effectively addressed, in your opinion?

Crosscutting policy questions

5. How do you consider introducing some forms of tuition or fees at your university?

6. What are your views about the discontinuing provision of free housing and food?

7. Any other policy changes (privatization, dual-track system) that you think would help to expand access and improve quality in your university?

8. How would your institution attain the goal of generating 10% of its budget (5% by 2017 and 10% by the end of 2019) from non-governmental sources, as set by MoHE?

Post Interview Comments and/or Observations

Interview Protocol for the Government Officials at MOHE

Questions about some potential nongovernmental (private) income sources

1. In your opinion, what are the current and potential non-governmental sources of funding to public institutions? What are the most applicable ones among these sources? What are the least feasible ones among these sources?

Probe: Who were the main contributors to the public sector so far?

Probe: What programs and activities have been supported by their assistance?

Probe: Please give us examples of the programs and activities that have been supported with their assistance?

Probe: What are the major programs that could possibly be supported by private money?

1. What are some major income-generating activities/services that public universities could implement?
2. What are some other services that public institutions could charge fees on them?

Questions about managing revenues from private sources

1. What are some of the supports that you have provided to public HEIs to generate funds from private sources?
2. What structural changes have been made or are required in the light of the recent policy reform?

Probe: How public universities can ensure accountability for private money?

Probe: What type of support do you think that the MoHE should provide to increase and sustain private funding to the public sector?

Probe: What additional, if any, forms of financial, political, and technical supports are required?

Questions about challenges associated with private funds

1. What are some major challenges that hinder the public sector to generate or receive private money?
2. How these problems can be addressed, in your opinion.

Crosscutting policy questions

3. How do you consider introducing some forms of tuition or fees in public universities?
4. What are your views about charging students for food and housing?
5. What are some other services that students or their parents should pay for them?
6. What other policy changes (e.g., privatization, dual-track system) would help to expand access and improve quality in public HEIs?
7. Do you believe that the public sector would be able to achieve the goal of generating 10% of its budget (5% by 2017 and 10% by the end of 2019) from non-governmental sources?

Post Interview Comments and/or Observations

Interview Protocol for Donors, International Organizations, and Private Sector

Questions about some potential nongovernmental (private) income sources

1. In your opinion, what are the current and potential major nongovernmental sources of funding to the public sector? What are the most applicable ones among these sources? What are the least feasible ones among these sources?

Probe: How the public sector can benefit from these sources?

Probe: What programs and activities should primarily be supported with private funds?

2. What are some major income generation activities/services that public universities could implement?
3. How your organization can support the MoHE and the public HEIs to attract and sustain funding from nongovernmental sources?

Questions about managing revenues from private sources

3. What structural changes are desirable in the light of the recent policy reforms?

Probe: What specific supports, if any, do you feel that donors should provide to public HEIs in order for them to increase and sustain private funding?

Probe: What additional forms of financial and technical supports are necessary?

Questions about challenges associated with private funds

1. What are some key challenges that hinder your organization in assisting the public sector, mainly to enable them to attract private financial support?
2. In your opinion, what challenges hinder the public sector to generate or receive private money?
3. How could these challenges be addressed, in your opinion? Any suggestions?

Crosscutting policy questions

1. How do you consider introducing some forms of tuition or fees in public universities?
2. What are your views about charging students for food and housing?
3. In your opinion, what are some other services that universities should charge fees on them?
4. What is your honest opinion about HE privatization as a means to reduce pressure from the public sector?
5. What is your view about implementing the dual-track tuition system in the face of both the lack of public resources and poor education quality in many private HEIs?
6. How can donor organizations assist the public sector in achieving the goal of generating 10% of its budget (5% by 2017 and 10% by the end of 2019) from non-governmental sources?

Post Interview Comments and/or Observations

Appendix B: Informed Consent Form

Consent Form for Participation in a Research Study University of Massachusetts Amherst

Researcher(s): Hassan Aslami

Study Title: Financing Public Higher Education in Afghanistan: Alternative Sources and Options

1. WHAT IS THIS FORM?

This form is called a Consent Form. It will give you information about the study so you can make an informed decision about participation in this research.

This consent form will give you the information you will need to understand why this study is being done and why you are being invited to participate. It will also describe what you will need to do to participate and any known risks, inconveniences or discomforts that you may have while participating. We encourage you to take some time to think this over and ask questions now and at any other time. If you decide to participate, you will be asked to sign this form and you will be given a copy for your records.

2. WHO IS ELIGIBLE TO PARTICIPATE?

I am interested to interview leaders from the MoHE, public higher education institutions, faculty members and representative from international and donor agencies. I will also possibly interview a member of Afghan parliament and a member of private sector (potential philanthropists). I will conduct the study with those that are willing to participate in a semi-structured interview. The interview should last approximately an hour.

3. WHAT IS THE PURPOSE OF THIS STUDY?

The purpose of this research study is to examine the current supports and potential alternatives for funding public institutions of higher education.

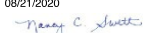
4. WHERE WILL THE STUDY TAKE PLACE AND HOW LONG WILL IT LAST?

The study will be conducted in Kabul Afghanistan, at the Ministry of Higher Education and four Kabul-based Kabul Medical University, Kabul Medical University of Medical Sciences, Shahid Rabani Education University and Kabul Polytechnic University. The study will take about a year to complete and we may need to conduct a follow up interview, if needed.

5. WHAT WILL I BE ASKED TO DO?

If you agree to take part in this study, you will be asked to share your perceptions about the potential alternative sources of funding to public higher education, the importance and feasibility of each funding source, how to attract and sustain the new funding, and challenges and possible solutions of the funding.

I will provide you with interview protocols and possible questions. The interview questions vary from participant to participant based on their roles regarding the research topic; hence, the questions are organized under four different categories: a) University Administrators, b) MoHE's Leadership, c) Donor and International Organizations, d) Faculty and Students. The interview will last approximately an hour.

University of Massachusetts Amherst-IRB (413) 545-3428	
Approval Date: 08/22/2017	Protocol #: 2017-3920
Valid Through: 08/21/2020	
IRB Signature: 	

6. WHAT ARE MY BENEFITS OF BEING IN THIS STUDY?

You may not directly benefit from this research; however, we hope that your participation in the study may with increasing funding to public higher education with help to achieve the higher education priority goals of access, quality and relevance with help and development of the country.

7. WHAT ARE MY RISKS OF BEING IN THIS STUDY?

We believe there are no known risks associated with this research study; however, a possible inconvenience may be the time it takes to complete the study.

8. HOW WILL MY PERSONAL INFORMATION BE PROTECTED?

The following procedures will be used to protect the confidentiality of your study records. The researchers will keep all study records, including any codes to your data, in a secure location and properly locked in *locked file cabinet*. Research records will be labeled with a code. A master key that links names and codes will be maintained in a separate and secure location. The master key and audiotapes will be destroyed three years after the close of the study. All electronic files (*include all the types of electronic files that are used, such as databases, spreadsheets, etc.*) containing identifiable information will be password protected. Any computer hosting such files will also have password protection to prevent access by unauthorized users. Only I will have access to the passwords. At the conclusion of this study, the researchers may publish their findings. Information will be presented in summary format and you will not be identified in any publications or presentations.

9. WILL I RECEIVE ANY PAYMENT FOR TAKING PART IN THE STUDY?

I am conducting this research for as part fulfillment my Ph.D. requirement and don't receive any payment for it.

10. WHAT IF I HAVE QUESTIONS?

Take as long as you like before you make a decision. We will be happy to answer any question you have about this study. If you have further questions about this project or if you have a research-related problem, you may contact me (Hassan Aslami) at 0093 799 30458. If you have any questions concerning your rights as a research subject, you may contact the University of Massachusetts Amherst Human Research Protection Office (HRPO) at 001 413 545-3428 or humansubjects@ora.umass.edu.

11. CAN I STOP BEING IN THE STUDY?


You do not have to be in this study if you do not want to. If you agree to be in the study, but later change your mind, you may drop out at any time. There are no penalties or consequences of any kind if you decide that you do not want to participate.

12. WHAT IF I AM INJURED?

The University of Massachusetts does not have a program for compensating subjects for injury or complications related to human subjects research, but the study personnel will assist you in getting treatment.

13. SUBJECT STATEMENT OF VOLUNTARY CONSENT

When signing this form I am agreeing to voluntarily enter this study. I have had a chance to read this consent form, and it was explained to me in a language which I use and understand. I have had the opportunity to ask questions and have received satisfactory answers. I understand that I can withdraw at

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IRB Signature: 	

any time. A copy of this signed Informed Consent Form has been given to me. I also understand that agreeing to participate in the study also means agreeing to being audio recorded during the interview.

Participant Signature:

Print Name:

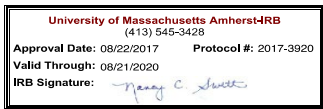
Date:

By signing below, I indicate that the participant has read and, to the best of my knowledge, understands the details contained in this document and has been given a copy.

Signature of Person
Obtaining Consent

Print Name:

Date:



Appendix C: MoHE Letter to Conduct the Research



جمهوری اسلامی افغانستان
وزارت تحصیلات عالی
د افغانستان اسلامي جمهوریت
د لوړو زده کړو وزارت

Islamic Republic of Afghanistan
Ministry of Higher Education
Academic Coordination affair
Academic development programs
Executive officer



Number: 69/5 Date: 29/March /2017

Invitation Letter

To: Hassan Aslami
Sub: Invitation to conduct dissertation research
Research Topic: Financing Public Higher Education Institution in Afghanistan: Alternative Sources and Option

Dear Hassan Aslami,

I would like to invite you to conduct your dissertation research at the Ministry of Higher Education (MoHE) and Public Higher Education Institutions (HEIs). The findings of this research are crucial for the MoHE and especially to public HEIs as they have recently been granted partial institutional financial autonomy.

In addition, in Afghanistan, the demand for HE will continue to increase and given the lack of government revenues to keep increasing investment, Afghan government may need to involve the non-governmental organizations and actors to contribute the cost of Higher Education. Therefore, the findings of this research will also help the decision makers at MoHE to agree on some necessary policy changes in order to garner support from the non-governmental sources to increase funding to public HEIs.

In my role as the Director of Scientific Programs at MoHE, I give the permission to you to conduct your research at MoHE and in all public HEIs wherever you want to do your research.

I wish you best of luck with your research and please let me know if I can help you in any way.

Regards,

Professor Sataruddin Sediqi
Director of Scientific Programs, Ministry of Higher Education
Lecture of Psychology, Kabul University
Email: sataruddinsediqi@yahoo.com
Contact: 0093 (0) 7888837326