GOVERNMENT PHILANTHROPY TOWARDS PRIVATE UNIVERSITIES IN UGANDA AND ITS IMPLICATION FOR ACCESS, EQUALITY AND QUALITY OF HIGHER EDUCATION: THE CASE FOR BUGEMA UNIVERSITY

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Abstract

In Uganda higher education has undergone changes. Elite systems of higher education have been superseded by mass and universal systems with a more diverse set of students. Central features of these changes are the demand for equity of access, declining state support, notions of accountability and quality, and responsiveness to socioeconomic imperatives. All these are augmented by two key realities: the political and economic realities. The two realities have had grave consequences for government's capacity to respond to change and to the needs of the providers of higher education for her citizens.

This paper addresses key questions: is the government of Uganda committed enough as regards provision of higher education? what is the philanthropic commitment of government towards private universities? What is the current philanthropic trend and what are the driving forces towards the current trend?

Using Bugema University as a case study, the paper discusses the effect of government of Uganda's philanthropic role towards higher education institutions

In conclusion, the paper recommends, philanthropic strategies for the government of Uganda, gives a critical analysis of philanthropic sources to which government can recommend and support private university and finally strategies through which government can support private universities.

Introduction

Where** is **the problem

Increasingly the numbers of students transiting from the advanced level (A-Level) Secondary Education to university has become more than public universities can accommodate. To date Uganda has only 5 public universities (Makerere, Mbarara, Kyambogo, Gulu and Busitema). These public universities can not absorb all the

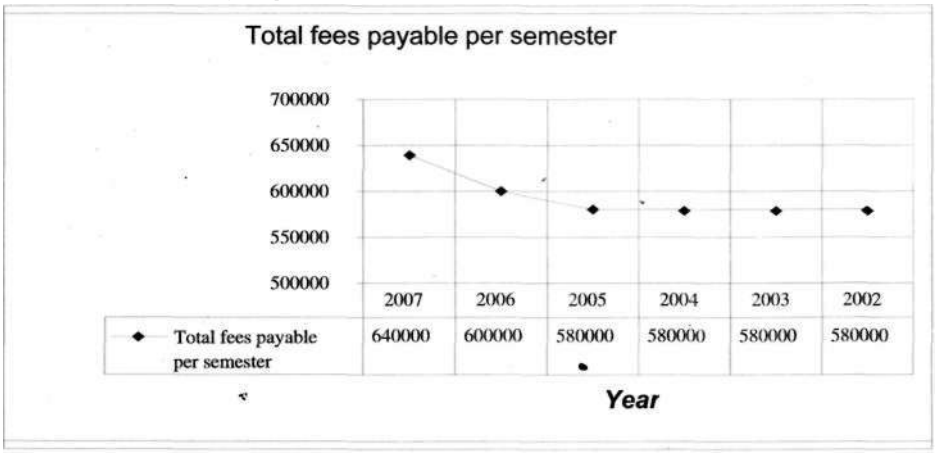
students with two principal passes after their Uganda Advanced Certificate of Education examination. As a remedy to the increasing number of candidates desiring to join university, a number of privately owned universities have been established. But these private universities have been suffering from insufficient funding. The majority of these private universities depend on fees collections from students. Because the private universities have to meet all university costs from fees collections, some universities levy as much as UGX 1,800,000 for a single course a year. This cost of university education definitely locks out the neediest students. It is therefore important that a mechanism is devised that will ensure that fees levied on private universities are subsidised to affordable levels. In this paper, the author using Bugema University as a case study contends that government should play a philanthropic role towards private universities at least to some parentage.

Bugema University and the Struggle of Building an Adequate Financial Base

Fees collection from students

Bugema University is among the privately owned universities that have been trying to achieve an adequate financial base. The university charges modest fees as indicated I the figure below

Fees Payable per Semester in UGX



Though modestly, the total fees payable per semester per student per course have been increasing from UGX 580,000 to UGX 640,000, representing a 10.3% increment within 6 years. This is the lowest rate of fees increase among universities including

OECD, 2001, p. 20). This phenomenon is not new; it appeared 20 years ago (Gray & Jenkins, 2003; OECD, 2002). Even though there is limited data on the importance of partnerships and a lack of consistency in the definition of a partnership from one country to another, a recent OECD study emphasized that many governments use this form of service delivery and that partnerships range from 50 to 75% of public spending (OECD, 2002). In Canada, the Auditor General referred to partnerships as collaborative arrangements (OAGC, 1999). The Treasury Board Secretariat issued a framework in 1995 to guide departments in creating partnerships (TBSC, 2002; OAGC, 1999). Government of Uganda stands to benefit from this kind of arrangement. In this case Uganda government would provide an agreed percentage. In this case it may not be 50-75%, but could start as low as 10%.

Donors and some government officials in Ghana, Bolivia, and Vietnam held that "the inputs to the process are heavy at the beginning of the partnerships because they are in the start-up phase and that despite the steep initial costs, transaction costs will eventually decline and benefits will become more apparent" (World Bank, 2001, p. 23). It is the belief of the writer of this paper that initially government of Uganda will experience high initial costs and this should not be a problem since it has occurred before elsewhere and have been overcome. In more general terms, North (2004) sees the potential of partnerships as a collaborative effort by which government and private universities can create conditions to improve not only the quality of higher education but also economic performance.

For the government-private university partnership to be deep rooted there is need to consider the three major elements of partnership proposed by (OAGC, 1999). The three key proposed elements are;

Common objectives tied to a public policy purpose

Governments or organizations look for one or more partner(s) who share their objectives. These objectives are associated with a public policy purpose, such as poverty reduction, environment, security, or employment. This means that although the universities serve under public policy outlined in the education policies in Uganda generally but specifically the policy on higher education with Uganda National Council for Higher Education (NCHE) as the custodian, there is need to strengthen the interest of government in private universities. Also private universities need to be seen as useful partners who equally deserve funding from government just like their counterpart public universities. In this case when government provides adequate

funding to supplement other funding sources by the university, there will be improvement in access, equity the and quality of higher education.

Written agreements and memoranda of understanding

Both partners (government and private universities) should recognize the importance of agreeing on how they will manage the partnership, such as which actions they will prohibit and how they will resolve conflicts. Because it is not possible to write agreements that predict all possible actions and events, written agreements between government and the private universities should be considered incomplete at all times and that they are liable to review and amendment at all times, especially as the dynamism of higher education dictates.

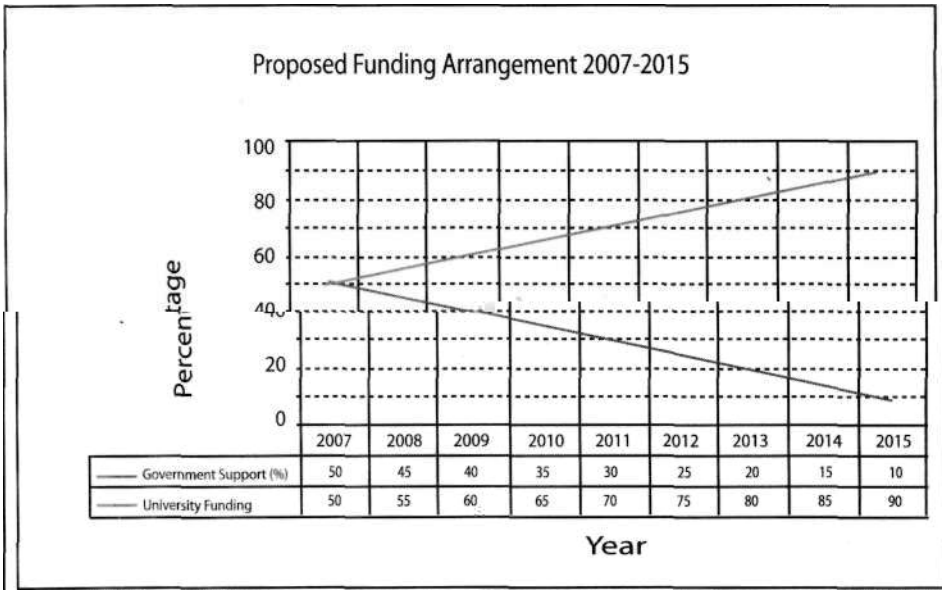
Assessment of Partnership Performance through Transition Costs

Once the partnership between government and private universities has been clearly forged, a question will then arise, 'how will this partnership be monitored, evaluated and audited? The major benefit of using Transaction Cost (TC) is that it allows evaluators and auditors to address both formal and informal elements affecting a partnership's performance. TC is from the New Institutional Economics, which differs from other branches of economics, because it puts institutions *(in this case private universities on one hand and government on the other)* as units of analysis, at its centre. This is because institutions affect the cost of running the economic system, and its performance (North, 1990, p.3-4).

The TC approach can explain why certain types of transaction are carried out within particular governance structures, while others are carried out within different governance structures. This is perfect since the governance structures in government and those of universities differ, the difference will be catered for by the TC approach. By using TC, the partnership allows evaluators and auditors to address the governance dimension of partnerships - considering not only the formal elements that belong to a partnership *(financial and non-financial resources, results management, compliance with rules and regulations),* but also the informal ones *(reputation, trust, personal values, and social capital).* Moreover, because of its normative nature and predictive power, TC has excellent potential for recommendations designed to reduce TCs. It also allows consideration of institutional arrangements other than those generally considered by governmental analysts *(like those of private universities)* that is, markets or government hierarchies (Ostrom, 1993).

Challenges Associated with the Proposed Partnership between Government and Private Universities.

Partnerships and their evaluation



	2007	2008	2009	2010	2011	2012	2013	2014	2015
Government Support (%)	50	45	40	35	30	25	20	15	10
University Funding	50	55	60	65	70	75	80	85	90