ATTITUDE OF ADDIS ABABA UNIVERSITY STUDENTS TOWARDS COST-SHARING

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Acronyms/Abbreviations

AAU	Addis Ababa University
GNP	Gross National Product
HECS	Higher Education Contribution Scheme
HEI	Higher Education Institution
HELB	Higher Education Loans Board
PTA	Parent Teacher Association
UCAA	University College of Addis Ababa
USAB	University Students' Accommodation Board

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Abstract

The main purpose of this study was to assess attitude of AAU students' towards cost-sharing. Based on the findings of the study, recommendations were suggested. Research question addressing issues related to students' attitude towards cost-sharing were raised. To this effect descriptive research method was employed. The survey was conducted on five faculties, which were believed to be a representative of other faculties in AAU. A sample of 400 students and 20 management staff were drawn using simple random and purposive sampling techniques respectively. Questionnaire was used as an instrument of data collection. The data collected was then analyzed using statistical tools such as percentage, mean and t-tests.

The results obtained from the study indicated that the majority of students have negative attitude towards cost-sharing. The findings further indicated that students did not agree with the views that cost-sharing increases access, improve the quality of higher education, mobilizes funds to improve teaching and learning, introduced at the appropriate time, is allocation of resources to lower levels of education and reduces the cost of higher education.

In light of these findings, the following recommendations were forwarded: government and universities should make relentlessly to have the policy accepted at grassroots level and to avoid students' negative attitudes towards the policy, the public should be convinced by holding meetings and conferences, employers should give lists of their employees and there should be an independent body entrusted with the function of follow-up, rising awareness of students and collecting the debts to be paid.

CHAPTER I

The problem and its Approach

1.1. Background of the study

Ethiopia possesses a 1,700-year tradition of elite education linked to the Orthodox Church. But secular higher education was initiated only in 1950 with the founding of the University College of Addis Ababa. Prior to 1950, candidates were sent abroad on government scholarships to higher education institution (Amare, 2005:9).

The University College of Addis Ababa (UCAA), the first modern higher education institution, was established in December 1950 following the approval of a study in 1949. This program began in January 1950 at the Teferi Mekonnen Secondary School. On 20 March 1950, the Emperor decreed the opening of a Junior college to be named Trinity College. Later, the Emperor changed the name to read the College of Addis Ababa. After the establishment of UCAA in 1950, many other colleges started to appear one after the other. For example, the College of Engineering in 1952 in Addis Ababa, the institute of Building Technology was established on 13 October 1954, and the College of Agriculture was founded in 1952(Amare, 2005: 10-16).

Education plays a pivotal role in the development of a country. I t is important not just for the individual but also for society. Ethiopia is a poor country and most of its people are living in rural areas as subsistence agriculture. Higher education in Ethiopia has been free, making the government all education free. The main rationale for higher education in Ethiopia was based, among other things, on the country's aspiration to develop highly trained manpower.

The Ethiopian government attaches great value to university education because graduates are expected to respond to the demands of national development and emerging socio-economic needs with a view to finding solutions to problems facing society. Due to this high regard for university education, there has been an increasing demand for it. The result has been a rapid increase in student enrollments and at the same time the creation of new universities. This massive increase in enrolments under adverse economic and political circumstances placed enormous pressure on the finding of university education.

The importance of educating people to ensure a country's continuous competitiveness and sustainable development is unquestionable. Expanding and reforming higher education in Ethiopia will contribute to significantly alleviating problems of suffering from relatively slow social and political progress, and becoming increasingly marginalized in the world economy. Higher education is no longer a luxury but essential for survival in the global knowledge (Teshome, 2004:1).

The major turning point regarding cost-sharing in the history of Ethiopian Education occurred in 1994. This was the time when a New Education and Training policy was adopted which stipulated the country between the provision of "free" education and education subjected to cost-sharing by the user. Article 3.9.1 of this policy document indicates that it is only the general education (grades 1-10) that will totally be given free, this is run with public finance. The rest of the education and training programs are to be conducted through cost-sharing schemes that are to be repaid through services or payments after graduation. In general, the 1994 education and training policy at least a theoretical introduction of the issues and concepts of cost-sharing in the education system of Ethiopia (MOE, 1994: 31-32).

The government's commitment to financing university education was fully ended in 2003/2004. A new policy of cost-sharing was endorsed in the 2003/2004 academic year. From that time, the cost of university education was to be shared between the students and the government. Students automatically qualified for a loan to meet their

accommodation and catering services when they were accepted into university. Regarding this MOE (2002:66) states that government financial support shall focus on education up to grade 10, beyond this level, the students' cost- Sharing in education expenditure will increase with each step in educational level. Therefore the government has started to implement cost-sharing schemes since 1994 E.C in all tertiary levels.

1.2. Statement of the problem

At present, the major problem facing Ethiopia is that the basic dilemma that arises from continued high social and individual demand for access to various forms of studies and the educational services at a time of growing constraints on budget. It is therefore, timely to discuss these problems form the point of currently introduced educational cost-sharing scheme that is intended to be implemented in all post general secondary schools; specifically in all higher education institutions of the country. Furthermore, the aforementioned justifications for a shift of educational cost burden from governments to students and parents seem to have practical problems and are resisted by some scholars and the general public.

Some scholars argue that there are several problems in cost sharing. The practice of cost sharing, they argue have been regressive, affecting students and equity dimensions in particular. Besides, the practice of cost sharing is argued for the fact that it has little impact on the quality of education. The argument extended that there is no evidence to show that efficiency in resources utilization is enhanced because of cost- sharing (Robinson-Pant, 2001:185).

Similarly, another writer Ziderman(2003:13-15) argued that cost-sharing through user fees will discourage participation in formal training programs. Some of these arguments or oppositions to cost-sharing scheme technical opposition as they stand that cost-sharing mechanism does not or can not work particularly in less industrialized countries like Ethiopia. They argue that the government should take the responsibility of fully financing educational system.

On the contrary, others emphasize that the government alone cannot successfully carryout this huge task of financing of education and therefore, the beneficiaries should at least share some of the costs of their studies, if not all.

In most part of the country there is a perception among parents, students, professionals and the general in public at large that the majority of the students or their families would not be able to afford cost for their studies. Therefore, the challenge of charging of such fees is the fear that it will result in education in enrollment with future deterioration to the profile of students in favor of those wealthy or middle class families. As a result, the users oppose the implementation of cost-sharing scheme.

However, the main question here is that how rational are these resistances, arguments, or oppositions as well as how best the issue of cost-sharing scheme be materialized? Which invite in-depth research, analysis and workable recommendation(s).

The main purpose of this study is to identify and analyze the practices and problems of cost-sharing scheme in Addis Ababa University and forward some possible solutions which may help the effective management and implementation of the issue under study.

To this end, the study attempts to respond to the following basic research questions.

1. What are the attitudes of AAU students towards cost-sharing?
2. What are the factors that influenced the students to have such attitudes?
3. What would be the impact of such attitudes towards the implementation of Cost-sharing policy?

1.3. Significance of the study

Cost-sharing scheme is a new trend in universities of Ethiopia. Therefore, as far as the study issue is concerned, there is no base line data available on the attitude of university students towards cost-sharing. So, identifying the problems that hinder/or create misunderstanding on the realization of the objectives of cost-sharing helps to look for clear and applicable alternative solutions that lead to the alleviation of the problem identified. Furthermore, this kind of condition may add steps to clear out the doubts on issues of the implementation of cost-sharing among the students, their parents and the public in general. Therefore, the researcher believes that this study may have the following significance:

1. By examining the attitude of AAU students, it tries to identify the problem and help planners and educational managers to understand the problem and hence to take appropriate measures to eliminate attitudinal problems faced by students in the University.

2. It suggests alternative recommendations on attitudinal problems that may negatively affect the implementation of cost-sharing in a university student.

3. It may provide suggestions on the effectiveness of cost-sharing scheme.

4. It may give an insight into the problem and serve as a reference for those who conduct a study on the issue in-depth.

1.4. Delimitation of the Study

As mentioned above, the main purpose of this study was to examine and assess the attitudes of cost-sharing scheme in Addis Ababa University that accommodates many students enrolled from different corners of the country. Moreover, the university level is chosen as a focus of the study because the currently introduced cost-sharing scheme is mainly targeted at higher education institutions. Additionally, public universities are chosen over private institutions for the reason that the goal of cost-sharing scheme is to reduce the burden of educational cost from the government.

1.5. Limitation of the Study

It was extremely difficult to get management staff of AAU. Therefore, interview was not employed for the study. Besides, most of Addis Ababa University managers were highly fed up and were reluctant to fill in the questionnaire. As a result, there were fifteen (75 %) of the twenty questionnaires distributed which were returned. Furthermore, students of AAU were also reluctant to fill in the questionnaire. Despite such difficulties, the researcher managed to complete the thesis.

1.6. DESIGN AND METHODOLOGY

1.6.1. Methodology

This study focuses on assessing the attitude of university students towards the currently introduced cost-sharing scheme. A descriptive survey method was employed to carry out this study, to enable the researcher describe the current attitudinal problems in the university. Besides, it is an appropriate research method to get a description of current state of the problem by examining and describing the major problems facing the university concerning cost-sharing scheme. Furthermore, the appropriateness of this method in describing what is happening currently and great many questions in education has been emphasized by Anderson(1990:37) ; Seyoum and Ayalew(1989:17).

1.6.2 Sources of Data

This study tried to gather data from both primary and secondary sources. Accordingly, the sources of the data were three: The first were documents, which constitutes regulation, guidelines, directions, plan for implementation and other cost-sharing scheme related documents. The second source was students of university while the third source was the university management staff. University management staffs were selected because of their strategic position and direct involvement in the implementation of the scheme; whereas, students were chosen for the reason that they are mainly the target group of the scheme.

1.6.3. Sample Population and Sampling Technique

There are a total of 15 faculties governed by A.A.U. Simple random sampling technique was used in selecting five faculties because; it will have an equal chance of being representative of the population. Simple random sampling gives equal unit of the population and equal chance of being selected (Seyoum and Ayalew; 1989:59). Using five faculties have consisted 33.33% of the total population of faculties.

Besides, from 7525 students, 400 (5.3 percent) students were chosen using stratified random sampling technique. This is because this type of sampling technique reduces over representation of respondents from a particular faculty. Based on this, the following table shows the numbers of respondents of that were drawn.

Table 1- sample distribution of students and management of AAU

No	Selected Faculties	Population	Sample
1.	Education	4604	253
2.	School of Pharmacy	356	19
3.	Law	625	34
4.	Business and Economics	1535	84
5.	Veterinary Medicine	403	22
	Total	**7525**	**400**

Moreover, purposive sampling technique was chosen to select twenty persons from the management (Loan officers, deans and department heads) of the University. This is chosen because they were believed to have better exposure and may also have better understanding of the attitudes of cost-sharing.

1.6.4. Instruments of Data Gathering

Questionnaire containing both closed ended and open ended, documents and observation checklist and Interview were used to collect the relevant information that supports the study. Questionnaires were employed to collect data from students and management of AAU. This is so because a questionnaire enables to secure factual information about opinions and views but also appropriate instrument to obtain a variety of opinions within a relatively short period of time. Gall, Borg and Gall (1996: 289) also added that questionnaires have two advantages over interviews for collecting research data, i.e. The cost sampling respondents over a wide geographic area is lower, and the time received to collect the data typically is much less. Moreover, to obtain information that could not be gathered through questionnaire; basic documents and observation were used.

1.6.5. Data Gathering Tools

The data for the study was gathered through research questionnaire. This is because it is an appropriate data gathering tool to obtain information, opinions and attitudes from such a large population for the problem under study. Accordingly, two types of research questionnaires constituting of close ended and open ended questions were prepared to obtain necessary data. The two sets of questionnaires were developed in English for both management and students of AAU.

1.7. Definition of Key Terms

Attitude: Is a learned predisposition to behave in a consistent evaluative manner towards a person, a group of people, and object or a group of objects(Morgan, et al. 1981).

Cost-sharing: refers to a shift of the higher educational cost burden from exclusive or near exclusive reliance on government, or tax-payers to some financial reliance upon parents and/or students (Johnstone, 2004, 403-404).

1.8. Organization of the Study

This study is organized in to four chapters. The first chapter deals with the introduction (background) of the study, statement of the problem, objectives of the study, delimitation and limitation of the study and definition of key terms. The methodology and procedures employed to collect and analyze the data and organization of the study are also included in this chapter. The second chapter contains the review of related literature. The third chapter deals with data analysis, presentation and interpretation of data. And the last chapter focuses on the summary, conclusion, and recommendations of the study.

CHAPTER II

Review of Related Literature

2.1. Overview of Financing Education

The fundamental financial problems faced by institutions of higher education are worldwide. Finance is both private and social investment that is shared by students, parents, employers, government and institutional donors. The sharing arrangements vary considerably from country to country, both in private and public funds allocated to education and in the mechanisms by which the costs of education are financed (Psacharopoulos and woodhall, 1985:128).

Today there is an increasing evidence of financial problem and in many developing countries the proportion of the government budget and GNP devoted to education has begun to increase. Regarding the present World Bank Strategy on investing in education, the principles are listed by Psacharopoulos and Wood hall (1985:5).

- Basic education should be provided for all children and adults as soon as the available resources and conditions permit.
- To increase productivity and promote social equity educational opportunities should be provided with out distinction of sex, ethics, background, or social and economic status.
- Education system should try to achieve maximum efficiency in management, allocation and use of available resources so as to increase the quality and improve the quality of education.
- Education should be related to work and environment in order to improve quantitatively and qualitatively, the knowledge and skills necessary for economic, social and other developments.

2.2. The Concept of Cost – Sharing in Higher Education

Cost – sharing refers to a shift of the higher educational cost burden on government, or tax payers, to some financial reliance upon parents and/or students to cover the costs of formerly governmentally or institutionally provided room and board. This paper is about the worldwide trend toward greater cost – sharing: its principal forms, its economic and policy rationales, some examples in illustration, and some thoughts about the politics of cost – sharing, or why a trend so seemingly ascendant, rational, and even necessary it still so controversial. This paper concludes with a discussion of three particularly thorny issues which policy makers worldwide are contending (Johnstone; D., 2003: 403 – 410).

I. Cost – sharing in higher education: The term cost – sharing begins with an assumption that the costs of higher education in all countries and in all situations can be viewed as being borne by four principal parties: (1) the government, or tax payers;(2) parents; (3) students; and/ or (4) individual or institutional donors.

The government: Most economists in market – oriented economies prefer to view the source of public revenue not as "the government", but as people who pay taxes.

Parents: The second party to cost – sharing is the parents, who may pay some of the costs of higher education through payment of tuition, or bear some of the cost of students living. Parents can cover these extra costs from their current income, or in part from past savings, or even in part through borrowing. Grandparents or other members of an extended family, or even members of a village or a church, can also be "parents".

Student: The third party to share the burden of higher educational costs is the student. The loans can be paid back when the student has graduated and is employed. Repayments can also be income contingent.

Individual or institutional donors: The last party to cost – sharing is the donor (Johnstone, D. 2003÷ 403 – 405).

ii) Forms of cost – sharing : The term cost –sharing as it has come to be used in higher educational finance, and as used in this paper, refers to the shift of at least some of the higher educational cost burden from government, or tax payers, to parents and students. There are seven main forms of cost – sharing;

a) The beginning of tuition;
b) The addition of a special tuition – paying track while maintaining free higher education for a regularly admitted, state supported students;
c) The very sharp rise in tuition;
d) The imposition of "user charges", or fees;
e) The diminution of student grants or scholarships;
f) An increase in the effective cost recovery on student loans;
g) The limitation of capacity in the low or tuition free public sector together with the official encouragement (Johnstone, D. 2003÷ 405).

iii). Examples of cost – sharing and its worldwide growth: Economists must see the three fundamental share of cost – sharing i.e. its worldwide growth and its examples.

2.2.1. The Rationale for cost – sharing

The rationale in favor of some cost – sharing may take several forms. To some, a shift of some of the cost burden to those parents who can afford to pay and providing there are means – tested grants for those who are unable to contribute – is a step in the direction of greater equity. This is the classic argument of the market – oriented new – liberal economist. This argument is most compelling when the following factors are present (Johnstone, 2003÷407):

a) higher education is still partaken of by relatively few;
b) those "relative few" are predominantly from the upper middle or upper classes;
c) the taxes that government uses in support of the so – called "free" higher education came from a relatively proportional or regressive taxes on sales or business, or from the printing of money; and
d) the provision of "need – based", or "means – tested" grants.

However, Zelela and Adebayo said that it promotes equity efficiency, enhanced student commitment and improved revenue. The efficiency argument holds that cost – shadings encourages institutional efficiency aimed at lower tuition fees and a competitive edge, and for better teaching, academic programs and services. It also encourages better study (2004a:161.

Johnston attack loans an inefficient, citing as reasons:

a) the complexity and high costs of administration particularly the costs of collecting loan repayments,
b) the risk of non repayment if graduates are unable to repay due to unemployment, low earnings, or illness, or if they simply default by refusing to repay;
c) The danger of distorting students' choices of subject or career (2004÷42).

However, Samoff in Shimelis says that cost-sharing which refers to all contribution and fees paid by communities and users, whether in kind or in cash, has the overriding importance of lowering the demand for government spending (2004:110).

A number of equity and efficiency are forwarded against cost – sharing. First of all, the rate of return arguments usually used by the proponents of cost – sharing are ridden with underlying methodological anomalies, as the benefits of education such as honesty and loyalty are hardly quantifiable hence undermining the ability of the rate of return calculations to depict the true picture (Shimelis , 2004÷110).

Secondly, it is said that the fact that education is a quasi – public good lends it the characteristic that makes its adequate provision in a free – market situation untenable; education is also considered a merit good in which case the government has to intervene for the good of its public cited in shimelis (2004÷110) by Burgess.

Thirdly, household expenditure on education has already equated or exceeded that spent by government making any additional household expenditure very unlikely. Furthermore, because of increased educational costs, students may be forced to learn and work at the

same time constraining their time for their studies hence decreasing the overall internal efficiency of the level cited in Shimelis (2004÷110) by Colcough.

However, such generalizations are possible to attack as they are strongly challenged by others who argue in favor of cost – sharing. The first basic argument is that cost- sharing promotes access. This is because, it is argued, the ever increasing social demand will not be met under such circumstances. There is also a contention that regardless of whether education is offered free or not, a de facto price selection takes place which favors students from well – to – do families. Given substantial regional variations in income and educational attainment levels that may operate at the lower levels of education access to higher education often favors students from upper income families, especially those from urban areas (World Bank, 2003a).

Students – the direct beneficiaries of higher education – are the most obvious source of additional funds as this level's private rate of return is greater than its social rate of return; hence recovering at least part of the costs of higher education can be justified an efficiency and equity grounds. Cost recovery is believed to lead to a more efficient use of public and private resources, to make educational systems that tend to attract elites more equitable, and to provide revenues to improve educational opportunities and quality. However, such kind of payments is often both economically and politically difficult and raises the problem of how to preserve educational opportunities for students who can not afford to pay. A solution adopted by many countries is loans (Shimelis, 2004÷ 111).

2.2.2. The Politics of Cost – sharing

In spite of the increase throughout most of the world in the extent of cost – sharing, the concept remains in most countries politically contested. Some of the opposition is undoubtedly self – serving; that is, based on the natural and expected opposition to a policy that would impose a fee where none had been imposed before, or that would charge tuition to those who have come to expect that expensive higher education is their entities. But more fundamental and serious resistance to cost – sharing can be

conceptualized in three distinct, although interrelated, forms (Jonstone, 2004÷407). These are: technical, strategic and ideological.

The technical opposition to, or argument against, cost – sharing is not that it should not work, but that it most often does not, and probably can't work – at least not in the less – industrialized countries. For cost – sharing to work as its proponents argue it can and should require both need – based as well as loans for students to borrow against their future earnings. The highly industrialized countries have the technical means to accomplish these two features, including the following: pervasive and generally workable income tax systems with high degree of voluntary compliance that capture most sources of taxable income and allow reasonably reliable calculation and monitoring of family means, or need; ways to keep track of peoples movements; systems of withholding at the point of wage and salary payment that can facilitate student loan repayments; and effective systems of governmental guarantees, and primary and secondary private capital markets, that together is able to allow private savings to supplement public revenue (Jonstone, 2004÷408).

However, the opponents to cost – sharing maintain that the absence of these advanced systems make need – based grants and widely – available student loans. Proponents of cost – sharing and student loans claim that systems to estimate "means", or "need" can still be worked out – at least with some rough justice. Also, proponents of student loans in developing countries e.g. Wood hall, 1998; Zideman and Albrechz, 1995 claim that minimization of interest subsidies and vigorous collection efforts can improve student loan recovery rates. Improved recovery rates increase the real discounted present value of the loan rates. But the fact of the matter is that demonstration of means or need is both difficult and probably unreliable in any less industrialized country (Jonstone, 2004÷408 – 409).

The second type of resistance to cost – sharing may be termed strategic. This is an opposition based not on a presumed difficulty, or cost – ineffectiveness, of implementation, nor on grounds of ideology, but on the assumption that the political

acceptance of cost – sharing disadvantages higher educational relative to competing claims on public revenue. This view acknowledges that there are always far more legitimate claims on the public treasury than any government can possibly satisfy. However, the strategic opposition to cost – sharing argues that the presumption of higher education's greater ability to supplement its public revenue needs with private revenues is misleading, and makes the denial of public funds to higher education "politically too easy". Moreover, a similar strategic rationale for opposition to cost – sharing is that while the concept of high tuition- high aid in theory can increase the total amount of resources available to higher education while preserving access and equity, the political fact is that politicians faced with many claims on scarce public revenues, and given the increasing conservative politics in many countries according to Johnstone (2004).

Jonstone (2004÷ 409) also stated that a third form of resistance to cost – sharing, and probably the most important and fundamental is ideological. This opposition draws on a range of views many be labeled critical; of markets; of the private ownership of capital; of the international mobility of capital, production, and trade; and of the acceptance of continuing social and economic inequalities. In the end, cost – sharing may be better viewed as a concept and a general policy direction than a specific policy prescription or agenda.

There is a global trend to share the burden of education cost. This is particularly true for higher education in most countries of the world. With laps of time, however, the sole responsibility of financing education particularly at secondary and post – secondary levels become distributed between government and individual participants. This is named to as cost sharing in education. Especially at higher education levels, cost sharing among taxpayers, donors, parents, students, institutions and entrepreneurs has become a world wide phenomenon and is almost certainly an imperative foe Africa higher education (Vossenteyn, 2003:1).

On top of availability total resource to education, the major justifications for cost sharing are principally related with improving access, equity and efficiency of education.

Moreover, there are three principal reasons behind cost – sharing which considerably differ in the underlying economic, political and ideological assumptions. These are:

1. The Sheer Need for other than Government Revenue: This is associated with the dramatic increase in demand for higher education, which is recognized as a major engine of national economic growth and providers of individual opportunity and prosperity.

2. The Notion of Equity: This goes with the view that those who benefit should at least share the cost of education. The writers provide the following three logical justifications. The first one is free higher education is actually paid for by all citizens, where or not they know that the have been taxed. Second, a very disproportionate number of beneficiaries of higher education are children of better income families. Third, there are potential students who would be excluded form higher education by the presence of tuition.

3. The Neo-Liberal Economic Notion: This is the notion, which explains that a price on a valuable and high demanded commodity brings to higher education some of the virtue of the market. The above rationales for cost sharing can generally be justified for the reasons such as promoting equity, efficiency, responsiveness and the sheer need for revenue recognizing that governmental revenues alone are already insufficient to provided the quality education and to expand capacity of higher education (University of Buffalo, 2003:4).

To meet these objectives, many countries are using alternative methods of finding education apart from the government (Johnston, 2003:3). One alternative is found to be cost – sharing. Cost – sharing is not a substitute for public funding but it is a mechanism by which a shift of at least some of the cost burden from public funding or taxpayers to students, parents, etc are made (Johnson, 2003:4 – 5). For instance, in reference to secondary and higher education, cost – sharing can be viewed from perspectives of four principal parties: the government, parent, students, and/or individual or institutional donors. Specially, the form of cost – sharing includes fee, private sectors, student loans, and community participation.

2.2.3. Forms of Cost-sharing

Fee: Fees such as tuition fees, examination fees, accommodation fees etc are charges on public sector schools. Fees are commonly charged for secondary and higher education. They are not usually set high to effect enrollments and to avoid disparities between the poor and the rich. Generally, fees are imposed to recover the expense of institutionally provided sources (Baum and Stokes, 1985: 126).

Private Sector: This is a means of cost – sharing by investors. The private schools and/or training centers are considered as cost – sharing scheme in that they reduce government burden in providing education and/or training in areas where the government would otherwise has to carryout (University of Buffalo, 2003:5).

Student Loans: Cost – sharing can not be implemented equitably without functioning student loan program to assist students who need to borrow for their education and without scholarships programs that guarantee necessary financial support to academically qualified poor students to absorb the direct and indirect cost of higher education (World Bank, 1994:7). Loans are given to students either by government agencies, commercial Banks or other financial institutions with assumptions to be paid back after graduation in cash or service. It can also be lent either interest free or with some interest rates. It can also be given either for all students or for those who can need to be lent (Salmi, 1999:1).

The design, implementation, and management of students' loans vary from country to country. Some countries like Australia and Singapore use different government offices where others use social security commission, public or private banks and some use office internationally established for this purpose (MOE, 1995 E.C:10).

However, despite the fact that loans overcome governmental financial constraints, educational research findings and experiences show that in some countries there are problems faced to loans arising not only from unemployment of graduates but also from poor management of loan recovery schemes. As a result, the money collected from the graduates is exceeded by the administration costs to collect the loan (Derebssa, 1998:15).

Another debate about cost – sharing scheme is that greater cost – recovery will, on the margin, discourage some individuals who would otherwise have attended. However, in most higher education systems, the poor denied access, not because of users' charges but because of poor access to earliest education opportunities, social attitudes to further education (Albrecht and Ziderman, 1992:34). Thus, the key question here is that to what extent the vulnerable groups will be affected and how the government can respond to help them.

Community Participation: This is the local community participation in cost – sharing manifested either a direct self – help efforts of rendering labor service or by contributions in kind or finance. The scheme is expected not only to reduce the financial burden of the movement but also to maintain the sustainability of the project by developing a sense of ownership and self – reliance among the society. Such participation would make the rich to remain richer and the poor to remain poorer unless career has to be taken by deploying such mechanisms to avoid community extraction (Psachropoulos and Maureen, 1985:159). Hence, it is only when properly applied that community involvement or self – help becomes a potential financing mechanisms in education that only provide extra resources but can also indicate an effective usage of the resources as well.

2.3. Cost-sharing Experiences in Higher Education

2.3.1. African Experiences

Cost – sharing takes on many different forms. But in whatever form or forms, cost – sharing is generally increasing throughout the world (Johnstone, 2004÷406). It is evident that in countries like Ethiopia, higher education has been heavily dependent on government funding. However due to increase enrollment and limited financial resources what we see now is that the quality of teaching/learning and research has declined as a result of inadequate staffing, poor physical facilities as well as poor library resources.

To reduce the burden of government expenditure on higher education and also to improve the quality of teaching/ learning the government of Ethiopia has introduced cost – sharing

scheme recently. Thus, the main purpose of this section of the study is to investigate the experience of some countries that introduce cost –sharing in their higher education systems and to draw lesson from their experiences with the hope of influencing policy choices and future actions.

2.3.1.1. The Experience of Kenya

The University of Nairobi began searching for alternatives to government revenue in the mid – 1990s. Moreover, realizing that its comparative advantage in a market – oriented economy had to continue to be knowledge – driven activities. The university in 1998 initiated dual – track tuition politics, called module II or programmes (Johnston, 2004÷21).

But Zeleza and Adebayo (140 – 141) cited in their contribution that the government's commitment to financing university in full ended in 1974. A new policy of cost – sharing was implemented in the 1974/75 academic year. From that time, the cost of university education was to be shared between the students and the government. The government paid tuition fees and released loans for catering and accommodation for each student directly to each university's centralized body – the University students' Accommodation Board (USAB). Loans for book, allowance or practical attainments were paid directly to each student. This system of loans to all students ensured that their accommodation, board and stationary needs were adequately taken care of. But this form of assistance to students was scrapped in 1991/92. After 1991/92 the government no longer paid for tuition fees, and loans were no longer automatically accessible to all University Students. Only students who could prove that they were unable to meet the cost of their fees in full with in part qualified for loans. In addition, students were also obliged to pay directly for their meals. This new form of catering became popularly known as "pay as you eat". Moreover, students were also to pay for their accommodation and stationary needs directly.

However, the Higher Education Loans Board (HELB) was set up in 1995 to run the new lending system. It was also to follow up to ensure repayment of loans by beneficiaries of

the previous system. Because the board has been faced with many financial and administrative problems and as a result it is not in a position to provide adequate loans to the growing numbers of deserving applicants. Moreover, the money allocated to HELB by the government is inadequate and has reduced the amount available for student loans. Besides, the Board does not take into consideration the actual costs of degree programs in different faculties (Zelaza and Adebayo, 2004÷ 141). Most parents and guardians still hold the view that the government should meet the cost of their children's education as before. Hence, they do not provide enough support to their university – going Children (Zeleza and Adebayo, 2004÷141).

As indicated by Woodhall (1991÷53), student loans in Kenya are generally accepted as a method of financing the high cost of higher education in order to:

- ensure cost – sharing at this level of education, thus enabling the government to sustain the expenditure at the basic and secondary levels;
- ensure that qualified are not denied opportunities for further education, through assistance with loans;
- maintain the increased number of students;
- ensure continued production of high level manpower to meet labor market requirements;
- create a fund to sustain this level of education in the future

Johnston (2004÷75) said that Kenya has a long history of students; but in the 1980s, the program was criticized for its poor administration high costs and low recovery rates.

2.3.1.2. The Experience of Nigeria

Zeleza and Adebayo (2004÷157 – 159) said that although the Federal Government take – over of Universities in 1976 led to the abolition of fees for students/ notably tuition and loding), it was not long before the same government started implementing a mild cost – sharing policy. In the session of 1977-78, for instance, the government reduced its subsidy on students feeding. This subsidy reduction pushed up the student feeing costs and was marked by one of the most violent student demonstrations in the history of

student union activism in Nigeria. Nearly a decade later there was another violent student demonstration at the Ahmadu Bello University in reaction to attempts to increase the cost burden on students and parents. It also led to death of some students and had far – reaching socio – political ramifications.

Another evidence indicates that the government's attempts to increase the cost burden for students during the first decade of cost sharing and recovery policy (1976 – 1986) was marked by violent students demonstrations in 1978, 1981, and 1986. Not giving up on cost – sharing due to gross under – funding, the universities in Nigeria intensified strategies to share costs during the second decade (1987 – 1999). As expected, students' resistance and demonstrations of varying nature and severity attended these efforts at a number of universities in 1988, 1989, 1997, 1999, 2000, and 2002 among others.

The need to introduce a cost – sharing policy had long been recognized as imperative by successive governments, but the fear of student reactions had all along restrained them from adopting such a policy. The crucial question however is whether students' resistance and unwillingness to accept the introduction of cost – sharing measures actually reflects the inability of their parents to pay the potential charges. Or it is possible that the parents are economically able to pay but politically unwilling to accept the introduction of cost – sharing measures. The twin issues of ability to pay, and willingness to pay, are therefore crucial in any consideration regarding the introduction of cost – sharing measures.

However, the local income of all the federally owned universities in Nigeria was a mere 10.66 percent of total budget in 1997, the rest being provided by government grants. This shows that the government has a high amount to pay.

2.3.2. Other Countries

2.3.2.1. The Experience of China

China, still officially a socialist country, in which higher education was once assumed to be another part of the vast public sector has the cost which were supposed to be born by

the government, charges tuition to nearly all students in the neighborhood of 3500 – 5000 Yuan (US$ 400 – 600) (Johnstone, 2004÷407).

Lewin and Caillods contributed in Debashu (2005÷33 – 36) thesis is that a rapid expansion of secondary schooling in china, both in enrollment and financing began **since** its late 1970s action of economic reforms. Since then, the number of secondary school enrollment has grown twice. Accordingly, the cost – sharing schemes in china varies not only from province to province but also from school to school too. The following are some of the various methods that are partially for all used in Chinese schools to raise educational funds.

1. People's Education Fund. This is a contribution of citizens (organizations and individuals) to want to send their children to that specific school, contribute to the people's Education Fund.
2. Education Taxes. This is a substantial tax generated in to the central fund that is ultimately implemented to conduct capital work. It is levied on both salaried employees and non – salaried income generation citizens. The Beijing education tax is, for instance, 2 percent.
3. Enterprise Taxes. This is a means of generating revenue for the education budget from enterprises run but the comment and other production units. Two to five percent of the profit or turnover of each enterprise is levied to be an education budget.
4. School – Run Business – Many schools in china have enterprises that generate incomes that have significant roles to play in educational costs of their respective schools. Mostly these are autonomous enterprises located in the school compound and subject to fixed annual fees arranged with negotiation. For instance, a secondary school named Xiyi in the Hadian province has nine school – run businesses among which 25 percent of its recurrent expenditure is generated.
5. Asset Renting. This is the renting of land and buildings owned by the school for different activites such as for office services, commercial activities, night schools

and so on depending on its location and suitability. Even some schools have obtained lands some – where outside their campus which they built conference centers and summer – school facilities and rent them to generate incomes.

6. Fees on Non catchments are a students. Some prestigious schools attract students out of their catchments areas. Such students pay fees because they have come out of the catchments area of the schools. In fact, this is widely disregarded and consequently it is only when there is a strong demand to join that specific school that his/her fees are charged.
7. Schools fees. These are fees charged on local residents and new – entrants on their first enrollment secondary schools. Schools fees are also charged on those students who repeat classes. In addition, school also collect fees from other supplementary activities and services such as for laboratories, computing, sports, and military training and so on.

8. Overseas student's Fee. Fees are also levied at high rates on overseas Chinese and other students by some schools that run special units that attract overseas students.

These are some of the major mechanisms of financing secondary education in China. A school uses either or some of those cost – sharing mechanisms.

Nevertheless, these new mechanisms of secondary school financing in china have their own problems. These include.

1. It brought about rapidly widening disparities in expenditure per child among the students of the different secondary schools. That is because schools located in more and pair areas can't attract fee – paying students and left for qualitative deterioration compared to schools with access to substantial quantities of such resources. For instance, some schools can have inherited physical asset, academic reputation, management quality and the like. Others, on the other hand, which lack these opportunities and thus depend on non – budget incomes, can make

these schools to be located in areas where surplus income is scarce and economic activities sluggish. Besides, there is also a risk that most effective teachers will leave poor and unfavorable schools and move to school with higher incomes that can offer greater rewards and benefits.

2. As schools charge higher fees on parents, it could ultimately influence enrollment, composition and school persistence since it consumes much income of families. The scheme is gradually creating a condition that the more the parents are able to pay, the more their children are accessible to secondary schooling.

3. Some schools may also overemphasized and give to income generation at the expense of the major talks of the schools, which is the teaching learning activity. For example, expenditure may be skewed more to business activities instead of the teaching learning activity, or schools hours may be devoted to income maximization at the expense of teaching hour.

4. Schools may run to see their accessibility for collecting more and more contributions undesirably and outside school regulations, which ultimately damages the quality of the teaching – learning process and the entire administration system of the school.

2.3.2.2. The Experience of Australia

The cost-sharing scheme was inaugurated as the Higher Education Contribution Scheme (HECS) in 1989 and also officially described as a "…. Fair and equitable way of ensuring that students contribute to the cost of their higher education" (Johnstone, 2004÷406). The cost sharing schemes in Australian higher education system can generally be seen from three separate attempts. According to Vossenteyn (2003÷4 – 11), these are increasing tuition fees, a shift of student supports from grants to loans, and a gradual reliance on the contributions of parents and students incomes themselves.

a) Increasing Tuition Fees

The growing of tuition fees in Australia has its own arguments. To begin with, since higher education has a high private rate of return those who have got the opportunity of this benefit should bear part or most of the costs required. Secondly, tuition fees bring about education to have a free market mechanism where customers could have an opportunity to buy from the market, which in turn brings about high quality programs of higher education. Thirdly, while entering higher education, students take decision seriously because they are to pay tuition fees, money that should not be expected without any valuable return.

However, there are opponents of tuition fees in Australia with their own arguments. To start with, they believe that higher education is a benefit of the whole society that should not be limited by the purchasing power of individuals. Moreover, they argue that the quality of and motivation for higher education can be achieved with mechanisms out of price factors. Above all, these groups take fees as filtering barriers to avoid chances of education for disadvantaged groups so that ultimately leading to a social exclusion for the poor.

Be that as it may, like that of most European countries and the USA, however recent policies of Australia government show tuition fees are being favored more and more in due course of time. When the HECS was introduced, about a quarter of the instructional costs were covered directly with fees. According to the frame works of HECS, students were allowed to follow either of the two choices to settle their tuition fees: to pay tuition charges up – from with 25% discount or after graduation with the established system.

The HECS was a uniform charge until 1996. in 1997, however, three different tariffs were introduced: 1) students studying programs that are expensive and have a high rate of return such as law, medicine, etc are subject to high charges, 2) students involved in relatively cheap and with low job expectancy programs pay the lowest

rate of charges, and 3) institutions were given the right to establish their own tuition levels for not more than 25% for the students they will enroll.

The effects of HECS have been evaluated at different intervals since its implementation. In general, over since its introduction, this scheme has resulted directly or indirectly in a significant expansion of higher education without any difference in the economic backgrounds of students. The relatively low participation of students from the low socio – economic background is not the result of HECS but rather it is a result of some factors arising from social value systems and attitudes.

The repayment system of HECS is probably the major benefit for the students. A tax system is used to undertake the repayment. A percentage of the gross income will be directly taken as a repayment after a graduate's income a certain threshold. That is graduates with higher incomes repay their debts rapidly, where as these with low incomes will repay only slowly. Thus, the average rate of repayment being as fast as expected, within a period of ten years after graduation, almost all graduates repay their HECS debts.

b) Growing Reliance on Loans

Since recent years, the roles of loans on student support are growing considerably in Australia. In fact, the system has faced debates of pros and cons like that of tuition fees, particularly it was considered to harm access to higher education and strengthen social inequalities with respect to participation in higher education. Finally, it was concluded that loans are going to be repaid, that result in more thoughtful enrollment decisions they are considered, few more efficient than grants where by additional costs born by the students.

There were two debating parties regarding repayment terms of student loans: a mortgage type student loans and income contingent loans. The former argues the repayment period to be limited to 10 – 15 years giving a justification that income immediately after graduation is not always that much good. The second, the predominant argument, on the

one hand justifies that more students can be attracted for borrowing when graduates with 100 incomes repay only small amounts with an extended period or nothing at all. On the other hand, contingent approach argues for larger repayments within a limited period by graduates earning high incomes. The income contingent system was finally ratified to be a repayment scheme in Australia.

c) Parental Contribution and Students' Own Income

This is another cost – sharing scheme in Australia where by parents and students themselves pay part of the cost for their study. This is a mechanism used not only in Australia but also in most of the countries in the entire world, be it developed or undeveloped. Increasing the parental contributions is meant a growth in the importance of tuition fees and student loans at the expense of grants supplied to students.

Besides parents, students themselves largely share educational expenditures by their own means. One means is a part – timework they undertake side – by – side with their studies. Indeed an indispensable need of financial resources by students, resistance to loans, a rapid increase in the living standards of young people, and an increase in low paid part – time jobs requiring flexible staff may be the reasons for a growing interest among the students for a part – time job.

To sum up, in the development of cost – sharing schemes in Australia, we can identify two major patterns. On the one hand, individual contributions on expenditures of higher education increased due to the paradoxical pressures of increasing demand for higher education and shortage of public funds to run it. On the other hand, private contributions to the costs of study are considered fair since the system has protected the conditions of equal access to higher education.

2.4. Summary of Experiences

- Only students who could prove that they were unable to meet the cost of their fees in full with in part qualified for loan.

- ❖ Cost-sharing scheme varies not only from province to province but also from school to school.
- ❖ Different countries use different cost-sharing mechanisms.
- ❖ Many countries apply cost-sharing scheme in their education system
- ❖ The repayment period to be limited to 10-15 years giving a justification that income immediately after graduation is not always that much good.
- ❖ Students themselves largely share educational expenditures by their own means. One means is a part-time work they under take side by side with their studies.
- ❖ In most countries student loan programme is the main strategy for cost-sharing scheme at tertiary level.

Hence, Ethiopia can have lesssons to learn from the experience that cost-sharing scheme varies from school to school and students themselves share their educational expenditure- part-time work and scholarship.

2.5. Cost-sharing in Higher Education in Ethiopia

Apart form the argument of raising additional resources, cost – sharing is seen as an instrument to increase the value of training for the trainees, and to make sure that trainings provided to committed students; an appropriate price for the individuals' return of training through increased job and income opportunities. Furthermore, to insure its effective implementation, cost – sharing with trainees can be organized in way of training fees, through a graduate tax, student loans scheme, scholarships, and exemption of poor students or through other means of contributions (MOE, 2003: 7 – 8).

The education and training policy of 1994 E.C. states that the following concerning education finance in Ethiopia.

- The priority for government financial support will be up to the completion of general secondary education and related training (grade 10) with increased cost – sharing at higher levels of education and training.

- Mechanisms will be created for students to cover the educational expenses through service or payment after graduation.
- Scholarships will be given to deserving (outstanding) students.
- Special financial assistance will be given to those who have been deprived of educational opportunities, and steps will be taken to raise the educational participation of deprived regions.
- The government will give financial support to raise the participation of women in education.
- The necessary conditions will be created for educational and training institutions to generate their own income and to use it to strengthen the educational process (Wana, 2004:23).

The Education and Training Policy of 1994 E.C. shows that cost sharing at higher levels of education and training is inevitable. As a result of this policy stance, Ethiopia introduced cost – sharing in 2003/2004 in the form of graduate tax (proclamation No. 351/2003). The two major pronouncements in the proclamation concerning cost – sharing state the following:

- Any student who has graduated from higher education of a public institution is required to share the cost his/her educational, training and other services on the basis of cost – sharing principle.
- Payment of cost shall be effected in the form of tax payable from the salary or other income obtained after graduation (Proclamation No. 351/2003 – 250).

According to the above proclamation all students who join higher institutions of learning are obliged to cover their education cost. However, students who attend education courses and become teachers are exempted from paying their college education cost.

Cost- sharing system was introduced in the public higher institution. In this newly introduced system, universities and colleges and are expected to operate in the context of the 1994 ETP in which students are being charged realistic market fees, and those who are unable to pay such fees are targeted for government assistance through different mechanisms such as student loan, targeted scholarships and exemptions of poor students.

Accordingly, students are supposed to pay for their meals, accommodation and 15% of tuition fees through funds made available to the needy through student loan. Those who can afford to pay are encouraged to do so by not being awarded a loan. The assumptions behind the long term benefits of the system are:

a) Resources are generated as students pay for their college's education and therefore may value it more highly.
b) The universities system can respond more effectively to student demand reflecting relative earning and shortage in the labor market;
c) Universities are forced in terms of price, equity of education and subsequent marketability of skills provided.

The major justification for cost – sharing is principally related with improving access, to quality and efficiency of education. Although the direction of functional relationship cost sharing and these variables is difficult to conclude, the fundamental rationale for cost – sharing address the aforementioned issues (Robinson, 2001:185).

CHAPTER THREE

Presentation, Analysis and Interpretation of the Data

This chapter deals with the presentation, analysis and interpretation of data gathered through questionnaires and Interview. The chapter consists of two parts. Part one presents the characteristics of the sample population involved in the study. Accordingly, the background groups of these characteristics i.e. students and management staff were discussed in terms of faculty, sex, age, year, managements' services both in teaching and managements. Part two of this chapter focuses on presenting, analyzing and interpreting the data that are more essential to the problem under study.

Part One: 3.1. Demographic Variables

A total sample population consisted 420 respondents drawn from students and management staff of AAU, of which 400 were students and 20 management staff that filled out the questionnaires.

In general, out of the total sample population on which the study was conducted, 295 (73.75%) of the students and 15 (75%) of management staff of AAU satisfactorily participated in completing the questionnaires and returning it, while the remaining of the respondents do not completed and returned the questionnaires given to be filled by them.

Based on the responses obtained from students and managements, the characteristics of the study group were examined in terms of faculty, sex, age, year and service years as well as the analysis and interpretation of the data are presented following each table.

Table 2 – Characteristics of Respondents by Faculty

	Faculty	Respondents			
		Students		Management	
		No	%	No	%
	Faculty				
	Education	157	53.2	6	40.0
	School of pharmacy	15	5.1	3	20.0
	Law	23	7.8	2	13.3
	Veterinary Medicine	19	6.4	-	-
	Business and Economics	81	27.5	4	26.7
	Total	**295**	**100**	**15**	**100**

Table 2 reveals that the characteristics of respondents by faculty. Accordingly, the table depicts out of the total of the 295 students respondents who participated; 157 (53.2%) and 81 (27.5%) were in Education and Business and Economics respectively. The rest i.e. 23 (7.8%) and 19 (6.4%) of students respondents were in Law and Veterinary Medicine respectively. Regarding managements respondents, 6 (40%) were in Education and 4 (26.7%) were in Business and Economics. The table indicates that majority of the respondents were from those faculties which have higher number of students. Table 1 indicated that the total number of respondents to whom the questionnaires were distributed. On the contrary, table 2 reveals the number of respondents who failed and returned the questionnaire.

Table 3 – Characteristics of Respondents by Sex, Age, and Service

No	Items	Respondents			
		Students		Management staff	
		No	%	No	%
1.	**Sex**				
	Male	177	60.0	13	86.7
	Female	128	40.0	2	13.3
	Total	**295**	**100**	**15**	**100**
2.	**Age**				
	Below 15 years	-	-	-	-
	16-20 years	54	18.3	-	-
	21-25 years	205	69.5	-	-
	26-30 years	29	9.8	-	-
	31-40 years	6	2.1	-	-
	41 and above years	1	0.3	-	-
	Total	**295**	**100**	-	-
3.	**Services**				
	0-5 years	-	-	6	40
	6-10 years	-	-	4	26.7
	11-15 years	-	-	-	-
	16 years and above	-	-	5	33.3
	Total	-		**15**	**100**

Table 3 depicts the characteristics of respondents by sex, age and service. Students and managements who accounted for 177 (60.0%) and 13 (86.7%) respectively were male respondents. Female representation in this study was only 118 (40.0%) for students and 2 (13.3%) of managements.

As female representation rate in Ethiopian education has been low; and therefore participation in universities as well as in universities management position has also been low; and the proportion of their representation in this study would obviously take the same pattern. This signifies that there was a considerable gender gap in universities and university management positions.

As regard to age distribution of the students study group was 54 (18.3%) and 205 (69.5%) were 16 – 20 years and 21 – 25 years respectively. Where as 29 (9.8%) were 26 - 30 years, 6 (2.1%) were 31 – 40 years and 1 (0.3%) were 41 years and above. This shows that there is an age distribution of all ages.

Regarding the service year of managements 6 (40%) and 4 (26.7%) were 0-5 and 6 – 10 years respectively. In this study also 5 (33.3%) were 16 years and above.

Part Two- Analysis of the Data

3.2.1. Purpose of Cost-sharing

Table 4. Purpose of Cost-sharing

No	Item	Respondents	mean	T-Value
1	Cost – sharing is allocation of resources to lower levels of education	Students	2.44	3.98
		Managements	3.87	
2	Cost – sharing reduces the cost of higher education	Students	2.99	4.80
		Managements	4.87	
3	Government could open many universities as well as colleges.	Students	3.08	5.18
		Managements	4.93	
4	Government could fully finance its education at all levels.	Students	2.78	4.09
		Managements	4.73	

Key.1. (N= 310, DF=308, critical value ± 1.96)

1. **5= strongly agree, 4= agree, 3= undecided, 2= Disagree and 1=strongly agree**
2. **For more details, refer to annex A**

The following four tables indicate that students and managements attitude towards cost – sharing as rated by respondents. The rating was made into five points scale representing 5 – strongly agree, 4- agree, 3 – undecided, 2-disagree and 1 – strongly disagree. The mean scores are then interpreted in such that the mean scores below 3.00 indicate that the attitude of students and managements on particular issue was negative attitude or low. Inversely, mean scores 3:00 and above are interpreted showing students and managements on particular issue was positive or high. The mean scores were also used for further statistical analysis. To indicate whether there was a significant difference between the two

independent means t – test was used. These are used from table 4 – table 7 of this chapter.

Table 4 presents on purpose of cost-sharing. Accordingly, (53.2%; mean= 2.44) of students disagreed and (93.3%; mean=3.87) of managements agreed that cost-sharing is allocation of resources to lower level of education. Conversely, 32.2 of students agreed with this idea. The calculated t-value also confirmed that there was statistically significant difference between the mean scores of the study groups.

As regards to item 2, students disagreed the idea with calculated mean scores of 2.99 and managements agreed to mean scores of 4.87 that cost-sharing reduces the cost of higher education. The calculated t-value also confirmed that there was statistically significant difference between the mean scores of the two study groups.

In the same way in item 3, students agreed to mean scores of 3.08 and managements also agreed to mean scores of 4.93. These mean scores show that government could open many universities as well as colleges. The t-value also indicated that there was statistically significant difference between the responses of the two groups of respondents. This implies that the government could have the potential to open many universities as well as colleges.

According to item 4 of Table 4, students disagreed to mean scores of 2.78 and managements agreed to mean scores of 4.73. The t-value also expressed that there was statistically significant difference between the responses of the two groups of respondents. This may indicate that students can say that government could not fully finance its education at all levels. Whereas, managements say that government could fully finance its education at all levels.

3.2.2. Attitude towards cost-sharing

Table 5. Attitude towards Cost – Sharing

No	Items	Respondents	mean	T-Value
1	Cost sharing increases access to higher education	Students	2.95	5.49
		Managements	4.73	
2	Cost – sharing improves the quality of higher education.	Students	2.60	6.29
		Managements	4.87	
3	Cost – sharing mobilizes funds to improve teaching – learning	Students	2.95	5.73
		Managements	4.93	
4	Cost –sharing encourages faster competition and better study	Students	2.57	7.95
		Managements	4.87	
5	Cost – sharing helps to allocate resources to lower level of education	Students	3.04	2.64
		Managements	3.93	
6	Students are positive in sharing cost of their education	Students	2.62	4.91
		Managements	5.0	
7	Students are negative in sharing cost of their education	Students	3.35	5.22
		Managements	1.00	
8	Cost –sharing is introduced at the appropriate time	Students	2.79	4.08
		Managements	1.33	
9	The adoption of cost –sharing policy is essential.	Students	3.23	4.85
		Managements	5.00	
10	Cost –sharing mechanisms reduces resource burden on government	Students	3.67	3.50
		Managements	4.93	
11	Increased salary/income forces students to accept cost – sharing	Students	3.58	1.01
		Managements	3.93	

Table 5 indicates that a great majority (41.4%; mean =2.95) of students disagreed with the item 1. While a considerable number (93.4%; mean= 4.73) of

managements agreed that cost –sharing increases access to higher education. However, 36% of student respondents said that cost – sharing rapidly increases access to higher education. As one can see from the table, it seems that the managements tend to favor the attitude towards cost – sharing more than students.

With regard to cost – sharing improves the quality of higher education, (46.8%; mean 2.60) of students disagreed and (100%, mean = 4.87) of managements agreed to item 2. Conversely, 35.9% of students agreed to this idea. This implies that cost – sharing improves the quality of higher education was highly recognized as one of the attitudes towards cost – sharing.

In item 3, respondents were asked whether cost – sharing mobilizes funds to improve teaching and learning; and consequently, (39.6%; mean = 2.95) disagreed and (100%; mean= 4.93) of managements agreed that cost – sharing mobilizes funds to improve teaching and learning. Conversely, (43.8%) of students showed their agreement that cost – sharing is to mobilizes funds to improve teaching and learning. As one can see from the table, it seems that management tends to favor positive attitude towards cost-sharing more than students because they are implementers.

The respondents were also asked to rate if cost – sharing encourages faster competition and better study. Accordingly, (51.6%; mean = 2.57) of students respondents disagreed with this idea. Whereas (100%; mean = 4.87) of managements agreed that cost – sharing encourages faster competition and better study. As can be seen from the table, it seems that managements tend to favor positively that cost – sharing encourages faster competition and better study.

In item 5 of the same table, (43.1%; mean = 3.04) of students and (93.4%; mean = 3.93) of managements agreed that cost – sharing helps to allocate resources to lower level of education. Inversely, (33.5%) of students and (6.7%) of management staff expressed that they disagreed with the idea. Thus, it could be said that cost – sharing is the allocation of resources to lower level of education can be the attitude towards cost – sharing.

As it can be seen in item 6 of the same table, (41.7%; mean = 2.62) of students disagreed with the idea of students are positive in sharing cost of their education. Inversely, (100%; mean= 5.00) of management staff agreed that students are positive in sharing the cost of their education.

Item 7 treats that students are negative in sharing cost of their education. Accordingly, the majority (40.3%; mean = 3.35) of students agreed that students are negative in sharing cost of their education. Conversely, (100%; mean =1) of managements disagreed with the same idea. On the contrary, (25%) of the students disagreed that students are negative in sharing cost of their education. Thus, it is possible to say that students are negative in sharing cost of their education by students' respondents whereas, all of the management staff respondents disagreed with this idea.

The respondents were also asked to rate if cost – sharing is introduced at the appropriate time. Accordingly, (40.7%; mean = 2.79) of students and (93.4%; mean = 1.33) of management disagreed that cost – sharing is introduced at the appropriate time. While (31.2%) of students and (6.7%) of managements agreed that cost – sharing is introduced at the appropriate time. It implies that cost – sharing was no introduced at the appropriate time.

As it can be observed from item 9, students and managements agreed to the mean scores of 3.23 and 5.00 respectively that the adoption of cost – sharing

policy is essential. On the contrary, 38.6% of students disagreed that the adoption of cost – sharing policy is essential.

Regarding item 10 of table 5, students and managements agreed to the mean score of 3.67 and 4.83 respectively that cost – sharing mechanisms reduces resource burden on government. However, (24.8%) of students disagreed that cost – sharing mechanisms reduces the resource burden on government.

As illustrated in table 5, students to mean scores of 3.58 and managements to mean scores of 3.93 agreed that increased salary /income forces students to accept cost – sharing. Inversely, (28.5%) of students disagreed that increased salary/income enables students to accept cost –sharing. This may imply that increased salary/income can be sources of additional finance.

In table 5 attempts were made to assess the t- value. As it can be observed from item 1 to 10, there was statistically significant difference between the responses of the two study group. However, the t- value confirmed that there was no statistically significant difference between scores of the two study groups in item 11. Hence, it is possible to say that increased salary helps to get students to have better income.

3.2.3. Factors Affecting Cost-sharing Attitude

Table 6- Factors that could have Led to such an Attitude

No	Item	Respondents	mean	T-Value
1	The number of students being admitted to colleges and universities increased.	Students	3.34	4.48
		Managements	4.83	
2	The number of primary and secondary enrollments increased.	Students	2.44	1.58
		Managements	2.93	
3	The government has the capacity to provide education at all levels of education	Students	2.92	4.81
		Managements	1.07	
4	Students are interested to have free education.	Students	3.58	3.27
		Managements	4.80	

In table 6 attempts were made to assess factors that could have led to such an attitude. As it can be seen from item 1 of table 6, students and managements agreed to mean scores of 3.34 and 4.83 respectively that according to cost – sharing, the number of students being admitted to colleges and universities increased. Regarding the difference in responses between the two groups of the respondents, the calculated t – value confirmed that there was statistically significant difference between the two groups under the study.

The respondents were also asked to rate if according to cost – sharing, the number of primary and secondary enrollments increased. Accordingly, (52.9%; mean =2.44) of students disagreed and (6.7%; mean=2.93) of managements disagreed. The difference between the mean scores of the two groups was there was no statistically significant difference between the two groups under the study. This shows that the number of primary and secondary enrollments does not increase, according to cost – sharing.

Regarding item 3 of table 6, students agreed to mean scores of 2.92 and managements disagreed to mean scores of 1.07 that the government has the capacity to provide education at all levels of education. The t- value also shows statistically significant difference in mean scores of the two study groups.

As it can observed from item 4, students and managements agreed to mean scores of 3.58 and 4.80 respectively that students are interested to learn free of education. This shows that there is the need to learn free of education. The t – value expressed that there was statistically significant difference between mean scores of the two groups.

3.2.4. Preferred Sources of Cost-sharing

Table 7 Preferred Sources for Cost-sharing and Eligibility

No	Sources	Respondents	mean	T-Value
1	Parents	Students	2.26	3.68
		Managements	1.00	
2	Student Loan	Students	2.76	4.42
		Managements	1.2	
3	Part time work	Students	2.85	4.63
		Managements	1.13	
4	Scholarship	Students	2.91	4.59
		Managements	1.27	
5	Bank Loan	Students	2.65	6.87
		Managements	4.93	
II	Eligible for student Loan			
1	All students	Students	3.09	4.60
		Managements	1.27	
2	Students from low income families	Students	3.03	3.29
		Managements	1.00	
3	Students from high income families	Students	2.98	4.59
		Managements	4.73	
4	Students with high score	Students	2.91	5.61
		Managements	1.00	
5	Students with low score	Students	2.64	5.36
		Managements	1.00	
6	Students with families	Students	3.09	4.20
		Managements	1.00	
7	Students without families	Students	2.96	4.03
		Managements	1.00	

Respondents were asked to rate if they agreed and disagreed to mean scores of preferred sources and eligibility. Hence, they displayed in terms of preferred sources for cost – sharing and eligibility for student loan. The majority of students and managements identified that parents, student loan, part – time work, and scholarship are not the preferred funding sources of universities for cost – sharing.

As it can be seen from the table, the mean scores of managements for bank loan lay 4.93. This means that the preferred funding sources are bank loan. But the calculated t – value confirmed that there was statistically significant difference between the study groups. This shows that the responses of the respondents were proved to differ significantly.

With regard to eligibility for student loan, seven key possible eligible groups were listed to have respondents' view and reaction. Accordingly, as it can be seen in table 7 in an item II, the mean scores of for students for item students of high income families, students with high score, students with low score and students without families were below the average mean 3.oo ranging from 2.64 to 2.98, showing that to be eligible for student loan the above items not in favored to be considered as eligible criteria.

Though, students for items of all students, students from low income families, and students with families were above the average mean (3) ranging from 3.09, showing that to be eligible for student loan of the above items in favored for to be considered as eligible criteria.

However, respondents of managements were not in favor of the items of all students, students form low income families, students with high score, students with low score, students with families and students without families were below

the average mean (3) ranging from 1.00 to 1.27, showing that to be eligible for the student loan of the above items were not in favored to be considered as eligible criteria. Conversely, managements were favored to the item of students of high income families to be considered as eligible criteria. There was statistically significant difference between the mean scores of the study group. This implies that although there was a slight difference between the mean scores, the large difference in responses indicated that there is a widespread lack of understanding on student loan scheme details.

3.2.5. Aspects of Cost-sharing

Table 8. Cost-sharing Services:

No	Items	Yes		No	
		No	%	No	%
1.	Food	268	90.8	27	9.2
2.	Dormitory service	251	85.1	44	14.9
3.	Education	290	99.0	3	1.0

In table 8, students were asked about their opinion on whether students share for food, dormitory service and education or not. Accordingly, 268 (90.8%) of them responded that they share for food. On the other hand 251 (85.1%) of them responded that they share for dormitory service while 290 (99.0%) of them responded that they share for education.

But 27 (9.2%) and 44 (14.9%) of respondents responded that they do not share for food and dormitory service respectively.

In the above table students were asked to give their reason whether they share for food, dormitory service and education or not. Accordingly, the majority of respondents were responded yes. Hence, they list down the following points as they cause to share for food, dormitory service and education. These were our

parents are poor, we are from far places, unable to pay, we do not have any alternatives, and we are from low economic background.

3.2.6. Implementation of Cost-sharing.

Table 9. Views on the Implementation of cost – sharing

No	Items	Students		management	
		No	%	No	%
1.	Do you support the implementation of cost – sharing?				
	A. yes	212	72.4	15	100.0
	B. No	81	27.6	-	-
	Total	293	100.0	15	100.0
2.	If your answer is "Yes", at which educational level do you think is better?				
	A. Primary first cycle (1-4)	4	1.9	-	-
	B. Primary Second cycle (5-8)	8	3.8	-	-
	C. Secondary first cycle (9-10)	9	4.2	-	-
	D. Secondary Second cycle (11 – 12)	18	8.5	-	-
	E. Post Secondary level	173	88.6	15	100.0
	Total	212	100.0	15	100.0

As the above table indicates, in item one the majority 212 (72.4%) of students and all (100%) of managements responded that they do support the implementation of cost – sharing. Hence, they are positive in the implementation of cost – sharing in an education system.

To investigate the attitudes and awareness level of the respondents, item one was extended to item two. Thus, the majority 173 (88.6%) of students and all (100%) managements responded their preferences in post secondary level. On

the other hand 18 (8.5%) of students preferred and suggested that starting from secondary second cycle (11 – 12) schools as it is practiced currently.

In general table nine shows the majority of the respondents have reflected positive attitude regarding the implementation of cost – sharing but it is possible to say that they are not positive regarding the currently practiced system.

3.2.7. Rational of Cost-sharing

Table 10. Views on the rational of cost – sharing

No	Items	Student		management	
		No	%	No	%
1.	In your opinion, do you think that cost – sharing is necessary in an education system:				
	A. yes	169	57.5	15	100.0
	B. No	97	33	-	-
	C. I have no opinion	27	9.2	-	-
	Total	294	100	15	100.0
2.	If your response is "Yes", what is the reason that makes it necessary?				
	2.1. It increases access	54	29.9	-	-
	2.2. It decreases burdens on the governments	21	11.6	-	-
	2.3. It increases community participation	10	5.5	-	-
	2.4. All	96	53.0	15	100.0
	Total	181	100.0	15	100.0
3.	If your response is "No" in item one, what is the reason?				
	3.1. It discourages Students	6	5.6	-	-
	3.2. It increases burdens on students	6	5.6	-	-
	3.3. It is government's responsibility to provide free education to all citizens.	22	20.4	-	-
	3.4. My parents are poor	8	7.4	-	-
	3.5. All	66	61.4	-	-
	Total	108	100	-	-

In the above table in item one, students and managements were asked about their opinion on whether sharing the cost of education is necessary in an education system or not. Accordingly, 169 (57.5%) of students and 15 (100%) of managements responded by agreeing that sharing the cost of education is necessary. Inversely, 97 (33.0%) of students responded by disagreeing that sharing the cost of education is not important in an education system.

This question was further extended to item two and three. In item two, they were asked about the reason that made sharing the cost of education was necessary. Accordingly, 54 (29.9) of students responded that sharing the cost of education increases access. However, managements were responded that sharing the cost of education increases access, decreases burdens on the government, and increase community participation.

On the other hand 21 (11.5%) of students responded that sharing the cost of education decreases burdens on the government while 10 (5.5%) of students responded that sharing the cost of education increases community participation.

In item three, students and managements were asked the reason if their responses were "No" in item one. Accordingly, students responded that sharing the cost of education are government's responsibility to provide free education to all citizens, that their parents are poor, it increases burden on students, and it discourages students..

In general from the above discussion it is possible to understand that there are some students who do not properly understand government objectives and rational on the implementation of cost – sharing schemes in the country.

3.2.8. Methods of Cost-sharing

Table 11. Methods of Cost - sharing

No	Items	Students		managements	
		No	%	No	%
1.	Methods of cost – sharing?				
	A. Service commitment	109	37.2	-	-
	B. Payment in cash	37	12.6	-	-
	C. Payment from monthly salary	146	49.8	-	-
	D. Both on service and payment	1	0.3	15	100.0
	Total	293	100.0	15	100.0
2.	Do students support for payment in service to be Mandatory?				
	A. Yes	84	29.2	-	-
	B. No	204	70.8	-	-
	Total	288	100.0	-	-

In the above table in item one, respondents were asked about their opinion on methods of cost – sharing. Accordingly 146 (49.8%) of students responded that methods of cost – sharing by payment from monthly salary and 15 (100%) of managements responded that methods of cost –sharing by service and payment.

In item two students were asked whether students support for payment in service to be mandatory or not. Accordingly, 204 (70.8%) of students responded that students do not support for payment in service to be mandatory.

In general from the above table, it is possible to understand that students are from poor family as it is depicted in table 11. Because, students were methods of cost sharing by payment from monthly salary.

All students were asked to list down if they agreed or disagreed to the item "Do students support for payment in service to be mandatory? Hence, respondents have listed down those major problems that students do not support for payment in service to be mandatory. These were it limits students' freedom, service is burden on the students, reduces burdens on the government, it does not take into account the status of the country, and health problem.

However, some students were agreed to the item above. Hence, they said that government is unable to pay, facilitating the quality of education, increasing community participation, and increasing access.

Here all the respondents were asked to list down the major problems encountered concerning cost sharing and the respondents have listed down those major problems. These were that hindering the opportunities to employ in NGO, having misunderstanding, less understanding about cost-sharing, and we signed for 10 months but we used only for 8 months.

However, they were asked to list down the possible solutions for the above problems. Hence, they were also said that students should be given the opportunities to choose their interest; Addis Ababa University should be a responsible body to give orientation to students, and increasing students' awareness about cost-sharing.

CHAPTER FOUR

Summary, Conclusions, and Recommendations

The final chapter of the thesis deals with major findings of the study, conclusions drawn on the basis of the findings and recommendations that are believed to contribute to the alleviation of the problems related to students attitude towards cost-sharing scheme.

4.1. Summary

The principal purpose of this study was to assess students' attitude towards cost-sharing scheme in AAU. Research questions addressing the issues related to students' attitude towards cost-sharing scheme such as attitude towards cost-sharing, factors that could affect such attitude, purpose of cost-sharing, preferred sources of cost-sharing, eligibility to students' loan, implementation of cost-sharing, methods of cost-sharing, practical problems experienced in AAU and possible solutions for the problems were raised. To this effect, the study attempted to address the following basic research questions.

1. What are the attitudes of AAU students towards cost-sharing?
2. What are the factors that influenced the students to have such an attitude?
3. What would be the impact of such attitudes towards the implementation of the cost-sharing?

To deal with these research questions, related literature were reviewed and questionnaire was administered with the aim of gathering primary data from students and AAU management staff.

The sample population consisted 400 students and 20 management staff, a total of 420 respondents drawn from five faculties, of which Education, Business and Economics, Law, Veterinary Medicine and School of Pharmacy were randomly selected.

The selection of students in the sample was guided by stratified sampling that finally ended up with simple random sampling technique. Consequently, the students' respondents drawn from different faculties and years of study were taken. With respect to management staff of AAU, the selection was based on purposive sampling technique.

A total of 420 questionnaires were distributed to the sampled population. Out of the total, 295(73.75%) were completed by students and were available for analysis. The total number of copies completed by management staff of AAU was 15(75%) return rate.

Two sets of primary data were elicited. The first covers students' attitudes, factors that could have such attitudes, purpose of cost-sharing and related problems. The second was related to management of AAU perceptions, views and suggestions for the problem. All questionnaires were prepared in English.

A pilot study was carried out to help among other things to improve the research instruments as well as to provide a guide to the execution of the main study. Accordingly, two items were not available for students' questionnaires. Hence, they discarded immediately. Descriptive statistics such as means and percentages were used along with inferential statistics such as t-test. Accordingly, the researcher has summarized the major findings as follows.

Major Findings

1. As the findings showed 40.3% of the students agreed to the view that students are negative in sharing costs of their education while 25% of them disagreed to the same view. Moreover, 41.7% of the students disagreed to the view that students are positive in sharing cost of their education while 27.8% of them agreed to the same view.

2. As the findings of the study disclosed, the majority (from 40.3-65.4%) of students agreed with the views that:

   a. Cost-sharing helps to allocate resources to lower level of education.
   b. The adoption of cost-sharing policy is essential
   c. Cost-sharing mechanisms reduce the resources burden on government.
   d. Increased salary/income after being employed forces students to accept the cost-sharing scheme.
   e. It was also found out that the majority (from39.0-52.9%) of the students disagreed to the view that government has the capacity to provide free education at all levels of education and to the view that, as a result of cost-sharing, the number of primary and secondary enrolments increased. Respondents from the management of university shared the same views with student respondents with regard to both views.

However, nearly half of student respondents (from 39.6-51.6%) disagreed to the Views that cost-sharing increases access to higher education, improves the quality of higher education, mobilizes funds to improve teaching and learning at the primary level and introduce at the appropriate time. But all managements

disagreed with the views that cost sharing is introduced at the appropriate time and students are negative in sharing the costs of their education.

3. The study also showed that half (from 52.2-55.6%) of the students ascertained that according to cost- sharing, the number of students being admitted to colleges and universities increased and students are interested to learn education free of charge. Respondents from the management of the university maintained the same views.

4. With regard to the purpose of cost-sharing, a great majority of students disagreed with the views that cost-sharing is allocation of resources to lower levels of education, cost-sharing reduces the costs of higher education and government could fully finance its education at all levels while managements (from 93.3- 100%) agreed to the above items.

5. The study also found out that the majority of respondents ascertained that parents, student loan. Part time work and scholar ships were not preferred sources for cost-sharing. Conversely, most of the respondents revealed that bank loan was a preferred source of cost-sharing.

6. The study further indicated that most of the students(39.3-59. 4) responded that students of high income families, students with high score, students with low score and students without families were not eligible as beneficiary in the cost-sharing scheme. However, 36.9-41.6% of the students showed that all students, students from low income families and students with families were eligible for students' loan. Inversely, most (93.3%) of the respondents from the management of the university agreed with the view that students of high income families were eligible.

7. As indicated by the majority of the students, they share for food, dormitory service and education. It was also found that they shared for the above items because they were from poor parents.

8. The majority of respondents (from 72.4-100%) were supporting and encouraging the implementation of cost-sharing at the educational level. It was also found out that those who favored the implementation of cost-sharing have proposed it to be implemented at post secondary level of education.

9. Most of the respondents indicated that cost-sharing is necessary in an education system because it increases access, it decreases burdens on the government and it increases community participation.

10. The majority of students (49.8%) were supporting a method of cost-sharing by payment from monthly salary after being employed. It was also found out that the majority of students (70.8%) did not support for paying the cost expended on them in service to be manadatory.

4.2. Conclusions

The study shows that attitude of AAU students towards cost-sharing is negative. The negative attitudes of students seem to have emanated from two reasons. The first is that the larger proportion of the students, though they admitted that the scheme of cost-sharing could be advantageous in the expansion and betterment of primary-level and in many other ways of education; they do not think that the introduction of cost-sharing at the moment is not done at the right time. According to this group of students, even after being employed, economic status of the country does not allow students to earn enough income to live up on, on one hand and to repay student loan which appropriated during their stay at the university, on the other. They maintain the view that the scheme of cost-sharing,

no matter how useful it is, should be reserved until such time as the country's economic development allows doing so.

The second group of students, whose number are still significant, have the root for their negative attitude in the very importance of the scheme of the cost-sharing per se. They maintain the view that cost-sharing hardly contributes in the expansion and betterment of primary-level education. Hence, they think that the scheme of cost-sharing put in place on the part of the government should be banned. According to this group of students, the scheme of cost-sharing at higher educational level has no/little contribution in terms of expanding primary education, improving the quality of education at this level, mobilizes new resource funds to improve teaching and learning, encourages faster competition and better study, and introduced at the appropriate time. Thus, it is reasonable to conclude that there was little effort done by the university in awareness creation activities making students has positive attitudes of cost-sharing.

From this study it is also possible to say that the implementation of cost-sharing policy could have negative attitude because students have negative attitude towards cost-sharing scheme. Hence, the major problems encountered during its implementation are problem in collection of debts, escaping for execution, students want to employ in NGOs and there will be vacant of public enterprises.

4.3. Recommendations

Cost-sharing policy is of paramount importance in reducing burdens and costs of the government. It helps the country to use its budget for any other developmental programmes. Thus, it contributes a lot to the economy of the country. On the basis of the findings and conclusions, the following recommendations are forwarded in the hope that they would help minimize the problems associated with students' attitude towards cost-sharing scheme.

1. Considering the above purpose in to account, government, universities and other concerned organs should make relentlessly to have the policy accepted at grass root level and to avoid students' negative attitude towards the policy through mass media, newspaper, pamphlet, conference, workshops, and seminar. In other words, such awareness creation alerts every members of the society particularly to avoid students' negative attitudes towards the cost-sharing scheme and to make students feel as principal contributors to their country. In addition to this, the public should be convinced by holding meetings and conferences. This opens for public participation and hence the people can encourage their sons and daughters (students) to accept the cost-sharing policy.

2. Implementation of cost-sharing policy calls for multifaceted effort. Thus, every citizen of our country would rather extend possible support than paralyze the policy. For example, employers should give lists of their employees expected to share to the responsible organs of the government. Regular follow – up rises the inputs of implementation.

3. There should be an independent body entrusted with the function of follow – up, rising awareness of students and collecting the debts to be paid. It becomes plain for such body to carry out its functions properly. Therefore, proper implementation as well as full support (affirmative support) of students will possible be achieved.

4. Implementation of the policy also necessitates further study to search improved means of collection of cost-sharing. For instance, research should be conducted to show importance of having independent body in facilitating the implementation, the best ways of collection of the debts, and on some other matters related to the policy.

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Appendix A

Addis Ababa University, School of Graduate studies,

College of Education, Department of

Educational Planning and Management

This questionnaire is to be filled in by students of A.A.U.

The main purpose of the responses will be used only for research purpose and you are kindly requested to fill in the questionnaire.

For genuinely doing so by devoting your time and exerting effort, the researcher really remains very grateful to you; Mean while, he likes to bring into your attention that the outcome of this study will highly depend upon your responsibility, sincere and timely response.

Thank you in advance for your cooperation.

General Directions

1. you do not need to write your name
2. Indicate your opinion (response) by making either a tick "✓" mark or by writing as necessary in the space provided.

Part one: Background Information

1. Name of your faculty_____
2. sex: Male_____ Female _____
3. Age: 15 years and below _____
   16 – 20 years_____
   21 – 25 years_____
   26 – 30 years_____
   31-40 years_____
   41 years and above_____
4. Year I_____ II_____ III_____ IV_____
   V_____

Part Two

This is not a test: there are no right or wrong answers and no tricky question. Please answer as you really think and feel. Your answer will be confidential. Read each statement carefully and respond by ticking the answer that most accurately represents your thinking and feeling.

If you strongly agree, tick - 5

If you agree, tick 4

If you undecided, tick 3

If you disagree, tick 2

If you strongly disagree, tick 1

No	Statements	Responses				
A	**Attitude towards cost – sharing**	5	4	3	2	1
1.	Cost-sharing increases access to higher education					
2.	Cost-sharing improves the quality of higher education.					
3.	Cost – sharing mobilizes funds to improve teaching and learning.					
4	Cost-sharing encourages faster competition and better study.					
5.	Cost – sharing helps to allocate resources to lower level of education.					
6.	Students are positive in sharing cost of their education.					
7.	Students are negative in sharing cost of their education.					
8	Cost – sharing is introduced at the appropriate time.					
9	The adoption of cost-sharing policy is essential.					
10	Cost – sharing mechanisms reduces resource burdens on governments.					

11	Increased salary/income forces students to accept cost-sharing.					
B	**Factors that could have such an attitude**					
12	The number of students being admitted to colleges and universities increased.					
13.	The number of primary and secondary enrollments increased.					
14	The government has the capacity to provide education at all levels of education.					
15	Students are interested to learn free of education.					
C	**Purpose of cost-sharing**					
16.	Cost-sharing helps allocation of resources to lower levels of education.					
17.	Cost-sharing reduces the cost of higher education					
18.	Government could not fully finance education at higher level of education					
19.	Government could fully finance its education at all levels					
D.	**Preferred sources for Cost-sharing and Eligibility**					
I	**Preferred sources of cost-sharing**					
20.	Parents					
21.	Student Loan					
22	Part time work					
23.	scholarship					
24.	Bank loan					
II	**Eligible for student loan**					
25.	All students					
26.	Students from low income families					

27.	Students of high income families					
28.	Students with high score					
29.	Students with low score					
30.	Students with families					
31.	Students without families					

Please put "√ "mark under Yes or No and state your reasons whether your answer is Yes or No.

Students share the cost for:

	Item	**Yes**	**No**	**Reason**
32	Food			
33	Dormitory service			
34	Education			

35. Do you support the implementation of cost-sharing?

A. Yes

B. No

36. If your answer is "yes' at which educational level do you think is better?

A. Primary first cycle (1-4)

B. Primary second cycle (5-8)

C. Secondary first cycle (9-10)

D. Secondary second cycle (11-12)

E. Post secondary level

37. In your opinion, do you think that cost-sharing is necessary in an education system?

A. Yes

B. No

C. I have no opinion

38. If your response is "Yes", what is the reason that makes it necessary?

A. It increases access

B. It decreases burdens on the government

C. It increases community participation

D. All

39. If your response is "No" in item one, what is the reason?

A. It discourages students

B. It increases burdens on students

C. It is government's responsibility to provide free education to all citizens.

D. My parents are poor

E. All

40. Methods of cost-sharing:

A. By service

B. By payment on cash

C. By payment from monthly salary

41. Service is mandatory for:

A. Education

B. Non-education

C. All

42. Do students support for payment in service to be mandatory?

A Yes

B. No

43. Whether your response to question 42 is yes or no, please put your reasons down?

_____

_____

_____

44. What practical problems students experienced in your university concerning cost- Sharing?

a_____.

b_____

c._____

d._____

45. What possible solutions do you suggest for the above problems?

a_____

b_____

c_____

d_____

Thank you for your cooperation, again

43. Whether your response to question 42 is yes or no, please put your reasons down?

_____

_____

_____

44. What practical problems students experienced in your university concerning cost- Sharing?

a_____.

b_____

c._____

d._____

45. What possible solutions do you suggest for the above problems?

a_____

b_____

c_____

d_____

Thank you for your cooperation, again

Appendix B

Addis Ababa University School of Graduate studies

College of Education Department of

Educational Planning and Management

This questionnaire is filled in by management of A.A.U.

The main purpose of the responses will be used only for research purpose, your responses will be used only for research purpose, and you are kindly requested to fill in the questionnaire.

For genuinely doing so by devoting your time and exerting effort, the researcher really remains very grateful to you; Mean while, he likes to bring into your attention that the outcome of this study will highly depend upon your responsibility, since and timely response.

Thank you in advance for your cooperation.

General Directions

1. You do not need to write your name
2. Indicate your opinion (response) by making either a tick "✓" mark or by writing as necessary in space provided.

Part one: Background Information

1. Name of your faculty_____
2. Sex: Male_____ Female _____
3. Age: 20 years and below _____

   21-30 years_____

   31-40 years_____

   41-50 years_____

   51 years and above_____

4. Service (both in teaching and management)

0-5 years_____

6-10 years_____

11-15 years_____

16 years and above_____

Part Two

This is not a test: there are no right or wrong answers and no tricky question. Please answer as you really think and feel. Your answer will be confidential. Read each statement carefully and respond by ticking the answer that most accurately represent your thinking and feeling.

If you strongly agree, tick - 5
If you agree, tick 4
If you undecided, tick 3
If you disagree, tick 2
If you strongly disagree, tick 1

No	Statements	Responses				
A	**Attitude towards cost – sharing**	5	4	3	2	1
1	Cost-sharing increases access to higher education					
2	Cost-sharing improves the quality of higher education.					
3	Cost – sharing mobilizes funds to improve teaching and learning.					
4	Cost-sharing encourages faster competition and better study.					

5	Cost – sharing helps to allocate resources to lower level of education.					
6	Students are positive in sharing cost of their education.					
7	Students are negative in sharing cost of their education.					
8	Cost – sharing is introduced at the appropriate time.					
9	The adoption of cost-sharing policy is essential.					
10	Cost – sharing mechanisms reduces resource burdens on governments.					
11	Increased salary/income forces students to accept cost-sharing.					
B	**Factors that could have such an Attitude**					
12	According to cost-sharing, the number of students being admitted to colleges and universities increased.					
13	According to cost-sharing, the number of primary and secondary enrollments increased.					
14	The government has the capacity to provide education at all levels of education.					
15	Students are interested to learn free of education					
C	**Purpose of cost-sharing**					
16	Cost-sharing is allocation of resources to lower levels of education.					
17	Cost-sharing reduces the cost of higher education					
18	Government could not fully finance education at higher level of education					
19	Government could fully finance its education at all levels					

D	**Preferred sources for Cost-sharing and Eligibility**					
I	**Preferred sources of cost-sharing**					
20	Parents					
21	Student Loan					
22	Part time work					
23	scholarship					
24	Bank loan					
II	**Eligible for student loan**					
25	All students					
26	Students from low income families					
27	Students of high income families					
28	Students with high score					
29	Students with low score					
30	Students with families					
31	Students without families					

32. Do you support the implementation of cost-sharing?

A Yes

B.No

33. If your answer is "yes", at which educational level do you think is better?

A. Primary first cycle (1-4)

C. Secondary first cycle (9-10)

D. Secondary second cycle (11-12)

E. Post secondary level

34. In your opinion, do you think that cost-sharing is necessary in an education system?

A. Yes

B. No

C. I have no opinion

35. If your response is "Yes", what is the reason that makes it necessary?

A. It increases access

B. It decreases burdens on the government

C. It increases community participation

D. All

36. If your response is "No" in item one, what is the reason?

A It discourages students

B. It increases burdens on students

C. It is government's responsibility to provide free education to all citizens.

D. Our students' parents are poor

E. All

37. Students are paying:

A. By service

B. By payment on cash

C. By payment from monthly salary

38. Service is mandatory for:

A. Education

B. Non-education

C. All

39. What practical problems experienced in your university concerning cost-Sharing?

a_____

b_____

c._____

d._____

40. What possible solutions do you suggest for the above problems?

a._____

b._____

c._____

d._____

Thank you for your cooperation, again

Appendix - C

Table 4 – Purpose of cost – sharing

No	Items	Respondents	Responses										mean	T-Value
			Rating Scale											
			5		4		3		2		1			
			No	%	No	%	No	%	No	%	No	%		
1	Cost – sharing is allocation of resources to lower levels of education	Students	21	7.1	74	25.1	43	14.6	50	16.9	107	36.3	2.44	3.98
		Managements	-	-	14	3.3	-	-	1	6.7	-	-	3.87	
2	Cost – sharing reduces the cost of higher education	Students	67	22.7	68	23.1	38	12.9	55	18.6	67	22.7	2.99	4.80
		Managements	13	86.7	2	13.3	-	-	-	-	-	-	4.87	
3	Government could open many universities as well as colleges.	Students	55	18.6	77	26.1	52	17.6	61	20.7	49	16.7	3.08	5.18
		Managements	14	93.3	1	6.7	-	-	-	-	-	-	4.93	
4	Government could fully finance its education at all levels.	Students	47	15.9	43	14.6	45	15.3	103	34.9	56	19.0	2.78	4.09
		Managements	14	93.3	-	-	-	-	-	-	1	6.7	4.73	

Key. 1. (N= 310, DF= 308, critical value ± 1.96)
2. 5= strongly agree 4= agree 3=undecided 2=Disagree 1= strongly disagree

Appendix-D

Table 5 Attitude towards Cost – Sharing

No	Items	Respondents	Responses										mean	T-Value
			Rating Scale											
			5		4		3		2		1			
			No	%	No	%	No	%	No	%	No	%		
1	Cost sharing increases access to higher education	Students	40	13.6	66	22.4	67	22.7	81	27.5	41	13.9	2.9	5.49
		Managements	13	86.7	1	6.7	-	-	-	-	1	6.7	4.73	
2	Cost – sharing improves the quality of higher education	Students	21	7.1	85	28.8	51	17.3	38	12.9	100	33.9	2.60	6.29
		Managements	13	86.7	2	13.3	-	-	-	-	-	-	4.87	
3	Cost – sharing mobilizes funds to improve teaching – learning	Students	35	11.9	94	31.9	49	16.6	62	21.0	55	18.6	2.95	5.73
		Managements	14	93.3	1	6.7	-	-	-	-	-	-	4.93	
4	Cost –sharing encourages faster competition and better study	Students	15	5.1	55	18.6	72	24.4	102	34.7	50	16.9	2.57	7.95
		Managements	13	86.7	2	13.3	-	-	-	-	-	-	4.87	
5	Cost – sharing helps to allocate resources to lower level of education	Students	40	13.6	87	29.5	69	23.4	52	17.6	47	15.9	3.04	2.64
		Managements	1	6.7	13	86.7	-	-	1	6.7	-	-	3.93	
6	Students are positive in sharing cost of their education	Students	23	7.8	59	20	90	30.5	40	13.6	83	28.1	2.62	4.91
		Managements	15	100.0	-	-	-	-	-	-	-	-	5.0	
7	Students are negative in sharing cost of their education	Students	75	25.4	44	14.9	102	34.6	55	18.6	19	6.4	3.35	5.22
		Managements	-	-	-	-	-	-	-	-	15	100.0	1.00	
8	Cost –sharing is introduced at the appropriate time	Students	45	15.3	47	15.9	83	28.1	48	16.3	72	24.4	2.79	4.08
		Managements	1	6.7	-	-	-	-	1	6.7	13	86.7	1.33	
9	The adoption of cost –sharing policy is essential.	Students	77	26.1	65	22.0	39	13.2	75	25.4	39	13.2	3.23	4.85
		Managements	15	100.0	-	-	-	-	-	-	-	-	5.00	
10	Cost –sharing mechanisms reduces resource burden on government	Students	103	34.9	90	30.5	2.9	9.8	35	11.9	38	12.9	3.67	3.50
		Managements	14	93.3	1	6.7	-	-	-	-	-	-	4.93	
11	Increased salary/income forces students to accept cost – sharing.	Students	96	32.5	83	28.1	32	10.8	56	19.0	28	9.5	3.58	1.01
		Managements	1	6.7	13	86.7	-	-	1	6.7	-	-	3.93	

Key. 1. (N= 310, DF= 308, critical value ± 1.96)

2. 5= strongly agree 4= agree 3=undecided 2=Disagree 1= strongly disagree

Appendix

Table 6- Factors that could led to have such an Attitude

No	Items	Respondents	Responses										mean	T-Value
			Rating Scale											
			5		4		3		2		1			
			No	%	No	%	No	%	No	%	No	%		
1	According to cost – sharing, the number of students being admitted to colleges and universities increased.	Students	73	24.7	81	27.5	55	18.6	45	15.3	41	13.9	3.34	4.48
		Managements	14	93.3	1	6.7	-	-	-	-	-	-	4.83	
2	According to cost –sharing, the number of primary and secondary enrollments increased.	Students	17	5.8	45	15.3	77	26.1	77	26.1	79	26.8	2.44	1.58
		Managements	-	-	1	6.7	13	86.7	-	-	1	6.7	2.93	
3	The government has the capacity to provide education at all levels of education	Students	54	18.3	69	23.4	57	19.3	36	12.2	79	26.8	2.92	4.81
		Managements	-	-	-	-	-	-	1	6.7	14	93.3	1.07	
4	Students are interested to learn free of education.	Students	117	39.7	47	15.9	65	22.0	28	9.5	38	12.9	3.58	3.27
		Managements	14	93.3	-	-	-	-	1	6.7	-	-	4.80	

Key. 1. (N= 310, DF= 308, critical value ± 1.96)
2. 5= strongly agree 4= agree 3=undecided 2=Disagree 1= strongly disagree

Table 7. Preferred Sources and Eligibility

No	Items	Respondents	Responses										mean	T-Value
			Rating Scale											
			5		4		3		2		1			
			No	%	No	%	No	%	No	%	No	%		
I	Preferred sources of cost - sharing													
1	Parents	Students	19	6.4	52	17.6	47	15.9	58	19.7	119	40.3	2.26	3.68
		Managements	-	-	-	-	-	-	-	-	15	100.0	1.00	
2	Student Loan	Students	31	10.5	71	24.1	72	24.4	42	14.2	79	26.8	2.76	4.42
		Managements	-	-	1	6.7	-	-	-	-	14	93.3	1.2	
3	Part time work	Students	48	16.5	54	18.6	62	21.3	56	19.2	71	24.4	2.85	4.63
		Managements	-	-	-	-	1	6.7	-	-	14	93.3	1.13	
4	Scholarship	Students	49	16.6	65	22.0	59	20.0	63	21.4	59	20.0	2.91	4.59
		Managements	1	6.7	-	-	-	-	-	-	14	93.3	1.27	
5	Bank Loan	Students	33	11.2	41	13.9	87	29.5	62	21.0	72	24.4	2.65	6.87
		Managements	14	93.3	1	6.7	-	-	-	-	-	-	4.93	
II	Eligible for student Loan													
1	All students	Students	81	27.5	41	13.9	52	17.6	61	20.7	60	20.3	3.09	4.60
		Managements	1	6.7	-	-	-	-	-	-	14	93.3	1.27	
2	Students from low income families	Students	78	26.4	31	10.5	44	14.9	72	24.4	69	23.4	3.03	3.29
		Managements	-	-	-	-	-	-	-	-	15	100.0	1.00	
3	Students from high income families	Students	64	21.7	59	20.0	47	15.9	66	22.4	59	20.0	2.98	4.59
		Managements	14	93.3	-	-	-	-	-	-	1	6.7	4.73	
4	Students with high score	Students	50	17.1	39	13.3	99	33.8	50	17.1	55	18.8	2.91	5.61
		Managements	-	-	-	-	-	-	-	-	15	100.0	1.00	
5	Students with low score	Students	24	8.1	54	18.3	70	23.7	95	32.2	52	27.6	2.64	5.36
		Managements	-	-	-	-	-	-	-	-	15	100.0	1.00	
6	Students with families	Students	55	18.6	65	22.0	60	20.3	44	14.9	69	23.4	3.09	4.20
		Managements	-	-	-	-	-	-	-	-	15	100.0	1.00	
7	Students without families	Students	62	21.0	42	14.0	74	25.1	38	12.9	78	26.4	2.96	4.03
		Managements	-	-	-	-	-	-	-	-	15	100.0	1.00	

Table 1: Forms and stages of Cost – sharing (in Approximate order of Increasing political Resistance to Implementation)

Type of Cost – sharing	African Country Example [s]	Other Country Example [s]	Potential Revenue Impact	Potential Political Acceptability
1. Small earmarked fees (e.g. registration, examination, or "caustion" – but not yet tuition)	Most African countries (e.g., Nigeria)	India, Egypt	Generally small	Quite acceptable
2. Freezing (lessening the "real" value) of student grants	Most African countries	U.S. (Pell grants), Rssia, other post	Generally small but continuous	relatively acceptable
3. Reducing or eliminating some student support grants	Most African countries	U.K. (eliminated mandatory grants)	small to large	Unpopular (protest in Ghana, 1991; also in Kenya and Tanzania).
4. Encouraging and even providing revenue to support the tuition dependent private sector	Kenya, Tanzania, Uganda, Ghana, and other countries	Pervasive (especially the Philippines, Japan, Korea, Brazil, Russia, etc.)	Significant over time but requires tuition fees	quite acceptable
5. Introducing fees for lodging and food	Most African countries	Most OECD countries, China, Vietnam, Mongolia	Can be large	Unpopular, but can be done gradually and has Precedent.
6. Introducing tuition only for students not given a free slot (dual or parallel track)	Uganda, Kenya, Ethiopia, Tanzania	Russia and other countries of the former Soviet Union and most countries of post - Communist cultural and Eastern Europe.	can be large	Acceptable: provides opportunities to students who had none
7. Introducing tuition only for certain public institutions or programs	Nigeria (tuition for state, but not federal, institutions)	Mexico (state and federal universities other than National Autonomous University of Mexico).	Medium to large	Relatively acceptable
8. Introducing tuition mainly in the form of deferred contributions	Reportedly under consideration in Ethiopia	Australia, New Zealand, Scotland, Wales, proposed for U.K.	Government – held loan notes essentially unsalable in private capital market, all revenue impact in future.	Relatively acceptable
9. Introducing up – front tuition fees at all public institutions	South Africa, Mozambique	Britain, Netherlands, Australia, China, Mongolia, Vietnam	Large	Unpopular
10. Enhancing recovery on student loans	South Africa (successful); Kenya and Ghana (attempting)	U.S.	Potentially significant but extremely difficult to effect.	Relatively acceptable
11. Large increases (beyond the rate of unit cost increases) in tuition. increase in % of costs recovered. public.		U.S.	In response to state cuts, so on Nét revenue impact.	Relatively and press; moderately Unpopular with

Table 1: Forms and stages of Cost – sharing (in Approximate order of Increasing political Resistance to Implementation)

Type of Cost – sharing	African Country Example [s]	Other Country Example [s]	Potential Revenue Impact	Potential Political Acceptability
1. Small earmarked fees (e.g. registration, examination, or "caustion" – but not yet tuition)	Most African countries (e.g., Nigeria)	India, Egypt	Generally small	Quite acceptable
2. Freezing (lessening the "real" value) of student grants	Most African countries	U.S. (Pell grants), Rssia, other post	Generally small but continuous	relatively acceptable
3. Reducing or eliminating some student support grants	Most African countries	U.K. (eliminated mandatory grants)	small to large	Unpopular (protest in Ghana, 1991; also in Kenya and Tanzania).
4. Encouraging and even providing revenue to support the tuition dependent private sector	Kenya, Tanzania, Uganda, Ghana, and other countries	Pervasive (especially the Philippines, Japan, Korea, Brazil, Russia, etc.)	Significant over time but requires tuition fees	quite acceptable
5. Introducing fees for lodging and food	Most African countries	Most OECD countries, China, Vietnam, Mongolia	Can be large	Unpopular, but can be done gradually and has Precedent.
6. Introducing tuition only for students not given a free slot (dual or parallel track)	Uganda, Kenya, Ethiopia, Tanzania	Russia and other countries of the former Soviet Union and most countries of post - Communist cultural and Eastern Europe.	can be large	Acceptable: provides opportunities to students who had none.
7. Introducing tuition only for certain public institutions or programs	Nigeria (tuition for state, but not federal, institutions)	Mexico (state and federal universities other than National Autonomous University of Mexico).	Medium to large	Relatively acceptable
8. Introducing tuition mainly in the form of deferred contributions.	Reportedly under consideration in Ethiopia	Australia, New Zealand, Scotland, Wales, proposed for U.K.	Government – held loan notes essentially unsalable in private capital market, all revenue impact in future.	Relatively acceptable
9. Introducing up – front tuition fees at all public institutions	South Africa, Mozambique	Britain, Netherlands, Australia, China, Mongolia, Vietnam	Large	Unpopular
10. Enhancing recovery on student loans	South Africa (successful); Kenya and Ghana (attempting)	U.S.	Potentially significant but extremely difficult to effect.	Relatively acceptable
11. Large increases (beyond the rate of unit cost increases) in tuition: increase in % of costs recovered public.		U.S.	In response to state cuts, so on Nét revenue impact.	Relatively and press; moderately Unpopular with

Appendix - H

Table 2: Cost – sharing in Sub – Saharan Africa, Selected Countries

	Cost - Sharing Policies	Student Loan Policies/Programs
East Africa		
Ethiopia	Cost – sharing open policy goal, but only pocket Money eliminated to date. Dual – track tuition: Tuition, lodging and food covered for regular (not evening or summer) students.	Government considering (2003) a loan program modeled after the Australian HESC in sprite of likely problems with multiple and unreported sources of income And minimization of parental contributions
Kenya	Tuition and user fees for lodging and food introduced in mid 1992, but tuition fee rolled back due to student opposition. Dual – track or parallel Module II tuition begun 1998, University of Nairobi	Comprehensive loan program introduced in 1970s but failed with virtually no cost recovery. Program reinitiated in 1995 as Higher Education Loans Broad, with mandate for "near self sufficiency".
Tanzania	Cost – sharing officially begun 1992 but at slow pace. Maintenance grants and lodging/food subsidies reduced in mid – 1990s. only dual – track tuition, but comprehensive tuition intended in future. no collection machinery, and no recovery.	A" loan" scheme implemented in 1993 – 1994 as part of phase II of cost – sharing to cover part of lodging and food costs. As of 2003, no interest rate stipulated, No collection machinery, and no recovery.
Uganda	Makerere University famous for aggressive and financially successful dual – track tuition, With more than 75% of students paying fees. University reaps considerable financial benefits.	Under discussion: no operational student loan program as of 2003
Southern Africa		
Botswana	Limited cost - sharing measures reportedly introduced In 2002 - 2003 with efforts to improve collection of loans.	Under discussion: no operational student loan Program as of 2003.
Mozambique	Tuition ranges from $70 - 80 to $500 + Cost sharing Seems to have been reluctantly accepted.	Under discussion: no operational student loan Program as of 2003.
South Africa	Traditional of tuition fees and cost - sharing generally, Although still resisted. Complicated by issues of redress and planned institutional closures. Tuition in range of $1,000 - $3,500.	Successful means - tested income contingent loan program collected by employers. Reaches about 20% of student population. Interest 2% real; repayment is 3 - 8% of income over threshold.
West Africa		
Ghana	Cost - sharing limited to small fees and user fees For lodging and food; no tuition fees.	After collapse of 1970s plans, a new scheme In 1988 was linked to social security national Insurance trust, contributions to which guaranteed Repayments. High subsidies and collection difficulties persisted.
Nigeria	Government expects 10% of costs to be from None government revenues, but cost - sharing is Controversial, with normal fees for lodging and food, And tuition at state, but not federal, universities	As in Ghana, the 1972 Nigerian Student Loan board failed to collect and was suspended in 1992 A new Education Bank is constructing measures to increase collections and interest rates.
Francophone		
Burkina Faso	in spite of francophone no - fee tradition, Burkina Faso Began to cut grants and charge modes tuition in 1990s An increase from ca. $12 to $24 in fall 2003 brought Fierce student opposition.	Comprehensive program of small means - tested Loans, "Prets FONER," begun 1994. second and third cycle students receive subsidized and income - Contingent loans at 1/6 of salary; little or no. Recovery to date.

Source: The University at Buffalo Center for Comparative and Global Studies in Education International Higher Education Finance and Accessibility Project. Webpage:http://www.gse.buffalo.edu/org/IntHigherEdFinance.

Declaration

I, the undersigned declare that this thesis is my original work and has not presented in any other university and all sources of materials used in this thesis have been duly acknowledge.

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This thesis has been submitted for examination with my approval as a university advisor.

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