# PROSPECTS AND CHALLENGES OF PUBLIC-PRIVATE PARTNERSHIP IN HIGHER EDUCATION EXPANSION IN ETHIOPIA

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#### **AGENDA**

- Background
- Research Question
- Research Hypothesis
- Review of the Literature
- Data sources and Methodology
- Results and Discussions
- Conclusions

#### **BACKGROUND**

- Remarkable expansion of tertiary education in Ethiopia over the last decade
  - enrolments surged from 43,843 in 1997/98 to almost 700,000 in 2012. A 16 fold increase!
- Private Higher Education Institutions(PHEIS) played a critical role.
- No single PHEI in 1992. 62 accredited ones currently
- The public private partnership was hailed as an ideal model.(World Bank, 2003).

### BACKGROUND CONT'D

- Then came troubled times.
- Three developments worth mentioning.
  - Prohibition of PHEIs from offering selected programs(teaches' education(2007), Law recently)
  - A banning of distance education in August 2010
  - Mass closure and suspension of a number of PHEIs in 2011
  - Resulting in a two years long stand off

# RESEARCH QUESTIONS

- What explains these unexpected moves by the government?
- What is the major cause that led to the breakup in (and the reformation of) the partnership?
- How was the initial Public Private Partnership formed in Ethiopia? What form did it take?

### RESEARCH HYPOTHESIS

- I propose to test the following hypotheses.
  - A strong element of mistrust between the PHEs and the regulatory authority and the inevitable boundary blurring weakens the partnership.
  - Capacity constraints and weak internal organization on the part of the public sector significantly undermine a meaningful partnership between the pubic and the private sector.

#### REVIEW OF THE LITERATURE

- Often little precision in how the term PPP is used
- Any loose connection on the government-market continuum
- Several attempts to classify types of partnership
- "Public Private Policy Partnership speaks to a division of labor between government and the private sector across policy spheres as much as to any specific collaboration between government and the private sector on particular policy projects." Linder and Rosenau (2000)

#### REVIEW OF THE LITERATURE CONT'D

- may take two forms: strong cooperation between the public and private sector or little close cooperation.
- The case under consideration is more of the second type
- Very little effort to evaluate policy partnerships in Africa

#### DATA SOURCES AND METHODOLOGY

- Multiple Data source
  - Semi structured interviews,
  - Review of documentations
  - Media analysis,
  - Direct observation
  - Survey(results not yet in)
- Enhances data credibility as it offers a chance for triangulation of findings

## METHODOLGY CONT'D

- Process Tracing Technique
  - Process tracing examines diagnostic pieces of evidence as part of a temporal sequence of events or phenomena"-THE CLUES!
- Collier (2010) outlines four empirical tests in connection with process tracing
- Straw in the wind-neither sufficient nor necessary to establish a causation. What it does it to simply affirm relevance of hypothesis.

### METHODOLGY CONT'D

- Hoop test can establish the necessary condition for causation. It can be used to affirm relevance of hypothesis and also to eliminate it.
- Smoking Gun test is used to confirm hypothesis though it cannot help eliminate it should the data fail to support the hypothesis.
- Double decisive test fulfills the necessary and sufficient condition to establish causation
- Smoking gun test in this case
- The study design and data allows to confirm hypothesis

#### RESULTS AND DISCUSSION

- Partnership started off with a strong ground
- Conscious effort by the government to encourage the growth of PHEIs
  - Making licensing easier
  - Lax in enforcing accreditation requirement
  - Strong involvement of PHEIs in policy issues (eg.
     Higher education proclamation, sector overhaul; )
  - Regularized meetings
  - a sixteen-fold increase over a 15 year period, the highest growth rate in Africa

- Developments in the last few years caught industry observers by surprise.
- What explains the government's decision to take such drastic measures?
- Government's view-Quality concerns!
- Other views
  - an element of mistrust between PHEIs and the public and the inevitable boundary blurring weakens the partnership.
  - partnership undermined by severe capacity constraints and weak internal organization on the part of the public sector.

- Understandable quality concerns There are "Diploma mills" that have only profit motive
- Not peculiar to PHEIs
- The recent move by the government fails to distinguish between the good and the bad institutions
- Some evidence of favoritism towards public institutions
  - No accreditation requirement for public institutions
  - Higher Education Relevance and Quality Assurance Agency's (HERQAA's) evaluation and enforcements is largely focused on PHEIs
  - PHEIs are prohibited from offering some programs they do even better than the public institutions

- The case of distance education weakens the bias argument
  - The Ban was across the board.
  - There are public institutions programs that are not yet reopened
- Capacity of the regulatory authority largely to blame
  - HERQAA ill staffed and poorly budgeted
  - only been able to audit 20 institutions over the years out of 96 institutions
  - Same structure and institutional set up as in the early 2000's when there were few PHEIs

- may have resorted to over regulation
  - Regulations on TVET programs literally change every year and at times with retroactive applications
  - unrealistic requirements at times. (Eg. The requirement that all institutions change 70 % their program to science and engineering fields)
- Creative designs to deal with capacity issues-using ad hoc teams borrowing experts' form different institutions
  - Little individual incentive to be part of the team

#### CONCLUSIONS

- The PPP in higher education expansion in Ethiopia started off on a solid ground with strong government support.
- The recent challenge the partnership faced is caused largely due to capacity issues
- No evidence of change in government intentions
- Impossible to mange an increasingly growing sector using old structures
- Excessive reliance on control as opposed to support in recent years
- Difficulty of sustaining partnership

# **THANK YOU!**