

Higher Education between funding pressures and Academic Independence in Iraq

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Abstract: - *The aim of Study to identify the obstacles and challenges of higher education in Iraq. Financing of higher education is both important and sensitive. Higher education is costly, on one hand, and faces competition from other important sectors for the distribution of public expenditure among these sectors, on the other hand. The lack of adequate funding for higher education affects its quality on one hand, and its access and diversity on the other, thus affecting the goals of economic efficiency and equity among the strata of society. Therefore, reliance on public (government) funding is no longer sufficient and it is necessary to rely on private sector funding, but taking into account students from poor segments. The contribution of private companies and businesses, as well as contributions from charities and others to support higher education and scientific research, can also be broadly and legally opened up, as recommended by research to diversify the sources of education and achieve the independence of universities while maintaining the principle of equal opportunities for all members of society.*

Keywords: - *Financing, Higher Education, academic independence, Higher education indicators.*

1. Introduction:

The issue of financing for higher education raises several questions, including about the absolute amount of expenditure and about the ratio of such expenditure to other aspects of public expenditure or as a proportion of GDP, or about its efficiency and its reflection on the quality of education. The source, sustainability and continuity of such expenditure, whether public or private, are also important issues (MHAIBES & MAHMOOD, 2020). Therefore, recent studies on the economics of education have focused on the subject of financing higher education and comparing the benefits generated by higher education economically, socially and institutionally, on the one hand, with the costs borne by individuals, Governments and society as a whole, on the other, in order to generate an acceptable or profitable return or return at the level of the individual or society in exchange for the sacrifice incurred.

In developing countries, the cost of providing higher education is usually largely on the shoulders of Governments, while in developed countries it is on taxpayers in general, and this may raise several questions about the relationship of the most beneficiaries of the higher education system to those who pay the fair share of the cost. A few countries

have been able to expand higher education while increasing its quality without demanding a substantial contribution from students and their families, but most developing countries need a sustainable financing strategy for higher education. These strategies are based on five components increased public investment, Diversify corporate revenues by increasing cost-sharing. Expansion of the private sector, Growth in enrollment in technical education and vocational training and Expand the use of new performance technologies (OECD, 2010).

The importance of this research is that it discusses the sources and ratios of funding for higher education in Iraq, especially in view of the financial pressures under Iraq's general budget as a result of the decline in oil prices. The purpose of this research; is to highlight the importance of government funding for higher education in an absolute and relative way, and to assessment the cost of education in the Iraqi education system in the private sector, The research hypothesis is that there is a direct link between private-sector funding for inclusive education on the one hand, and university autonomy and accountability on the other. Finally, the research structure is based on two axes. The first is the conceptual framework for financing and academic

independence of higher education. The second focuses on methods and challenges of higher financing, followed by conclusions and recommendations.

2. Conceptual framework for financing higher education and its independence

2.1 Public-private funding options:

Increasing financial pressures on investment in education, combined with increased private demand for education, have led many Governments to increase the contribution of students and their families to financial support for funding through several cost-recovery mechanisms, including student fees and loans. However, there are some who argue for supporting higher education. The first is that social benefits outweigh private benefits, prompting Governments to support education in order to maintain the minimum required to invest in education. The second argument concerns social justice and equal opportunities, and lack of reliance on market forces and the private sector alone in the provision of education (Abdul Rahman et al., 2021). By contrast, with limited mechanisms to allocate public budget resources based on performance, State institutions of higher education will not have specific administrative and financial incentives that make them more innovative and enable them to use resources more effectively. Rigid government systems, in which institutions of higher education operate, will not provide sufficient incentive and flexibility to use limited resources in efficient and effective ways (Mhaibes, 2009).

The third argument; Based on the principle that education is subject to economies of scale, achieving the principle of efficiency requires that the public sector burden core financing to benefit from expansion and thus enter the private sector (Shore & Wright, 2003). Generally speaking, before investing in an educational project, the project owners must take into account the following criteria direct economic returns on investment; this is by balancing the opportunity cost of resources with the expected future benefits of increased graduate productivity. Indirect economic returns, through external benefits that affect the incomes of other members of society. Financial benefits; they are in the form of higher taxes paid resulting from the increase in income.

Level of satisfaction achieved in the demand for trained labour; this shows the importance of employment policies, forms of employment and the level of wages. Special demand for education; The focus here is on the special rate of return on investment in education, fee levels, other forms of social cost and other factors. Internal competence of educational institutions; which is expressed by the relationship between input and output through the indicators of waste, failure and abandonment. Firstly, Geographical and social distribution of educational opportunities (Bassam, 2014). Impact of distribution of educational opportunities on income distribution and the contribution of education to poverty reduction and poverty rates (Barr & Crawford, 2005).

2.2 Independence and academic freedom:

The term academic freedom was first used in the United States in 1885, in Britain in 1901, and was founded in the United States in 1915 by the Declaration of Principles of the American Society of University Professors (Brubacher & Rudy, 2017). The 1940 Declaration of Academic Freedom by the American Society of University Professors (AAUP) defined academic freedom as the right of the faculty to have full freedom to research and disseminate the fruits of their research. (Barnes, 2019; Salman et al., 2021). The major principles of academic freedom and independence include The freedom of a researcher to educate, investigate and discuss problems in his or her field of science, and to express his or her findings through publication or teaching, without the interference of politicians or administrators, unless the means used by a competent body of his or her competence are clearly inappropriate or contrary to the ethics of his or her profession. The right to participate in the management of the institution and decision-making (Essam, 2012):

- A. Free choice of research subjects.
- B. Freedom of expression and free dissemination of opinions and free interpretation of knowledge through the media.
- C. Freedom to engage in academic activities and activities.
- D. Freedom of travel and communication with other academics.

Academic independence is crucial for achieving international standards in scientific research and making use of them through dissemination and development, as well as providing opportunities for creative minds to emerge and advance. The revival of the innovation movement and the recording of inventions and publications in periodicals and literature in the study and research centers is a positive indication of the absence of pressure from funders (Altameemi & Flayyih, 2021).

With regard to the relationship of independence to finance, most of the world's evolving and mature institutions include in their strategy a clearly stated governance system regarding governance independence, diversification of funding sources such as partnership and marketing of services, as well as the role of private finance, relying on transparency, participation, accountability and the role of audit in the proper utilization of their resources (Aebi et al., 2012). The main sources of funding for universities can therefore be identified such as Receives funding from public administrations of the State. Students' contribution to some tuition. The commercial activity of universities and the marketing of research aimed at generating revenue from commercial activities. In the Arab and Islamic world, there could be another type of financing based on a moratorium, such as Al-Azhar University and Al-Zaytouna University, which gave the best examples of financial independence (Essam, 2012).

2.3 High-level financing methods and challenges:

Financing for higher education is both important and sensitive. Higher education is expensive, on the one hand, and faces competition from other important sectors for the distribution of public expenditure among these sectors (McPherson & Schapiro, 2021). The lack of adequate funding for higher education affects its quality on the one hand, and the lack of access to and diversity on the other, thereby affecting both objectives (efficiency and equity). Reliance on public funding is no longer sufficient, and it is necessary to rely on private funding, but taking into account students from poor backgrounds. In some developed and developing countries, the most important sources of funding for higher education range from funding for central to local governments,

to private funding from the family sector, to contributions from companies and foundations to contributions from charities and others (Agarwal, 2006).

One of the challenges in financing higher education is that public spending is unsustainable, as well as economic constraints on universities that reduce efficiency incentives (Barr, 2004). so a three-element strategy could be proposed; Deferred variable fees, suspended income loans and effective measures to enhance access to education, which are applicable in a country that can collect income tax, and the challenge remains to finance higher education in ways that enhance quality and avoid crowding out primary and secondary education (Lorimer, 2019).

3. The Results and discussions :

3.1 Higher education funding trends and costs in Iraq:

Iraq launched the National Strategy for Higher Education and Education in Iraq for the period 2011-2020. The entry of Iraqi universities into the world rankings as a target and indicator of the quality of higher education in Iraq. Adopting a true twinning of Iraqi universities with important world universities through joint study, training and scientific research output; reducing laxity, promoting academic atmosphere, research and university life, and raising scientific standards.

Encourage the establishment of community-based universities with global standards and quality, encourage parallel education in universities and introduce distance education. Encourage investment in the expansion of government colleges and the upgrading of their scientific and academic levels by the Iraqi and foreign private sectors or by foreign universities to provide expenditures outside the government budget. As for private university education (private education), legislation No. 25 of 2016 has been enacted to update the laws in force and to keep pace with developments in the world today. The Higher Education Fund, established at the Centre of the Ministry of Higher Education and each university, college and institute, has moral personality and financial and administrative independence. The resources of the Higher Education Fund are determined by article 4 of the Ministry's Status, article 5 of the Universities and

article 6 of the Colleges and Institutes (Higher Education Fund Instruction No. 122 of 1999). The Ministry of Higher Education and Scientific Research has also adopted a bill to amend the Companies Act to allocate (1%) annual profits to companies and transfer them to the Scientific Research Fund for further details (site of the Ministry of Higher Education and Scientific Research of Iraq). In Iraq, higher education is funded primarily by central funding from federal budget public expenditure allocations, which depend on government oil revenues of more than 90%, and by

private sector funding. Table 1 shows that the proportion of public expenditure on higher education is less than 2% for 2021 according to the draft Federal Budget Act of Iraq and is close to the previous year’s average of 2%. The 2 table estimates tuition premiums for the various private-sector levels of teaching for the bachelor (primary) level only to range from an average of \$ 3000 for human specialties, \$ 4000 for economic and administrative disciplines, \$ 8000 for scientific studies, and \$ 20000 for medical specialties.

Table (1) Ministry of Higher Education allocations from the general budget of Iraq for 2021

Details	Total public spending	Total capital expenditure	Total operating expenditure
Ministry of Higher Education and Scientific Research	2,914,250,995	81,278,330	2,808,672,665
Total	164,206,006,155	27,755,619,729	120,557,692,591
Relative importance*	1.78	0.29	2.33

Source: 2021 Federal Budget Project, p. 40-43.

* Calculated by researchers.

Table (2) estimate of the cost of years of study in Iraq (Iraqi dinar/USD)

School stage	Total cost in dollars \$ at the (exchange rate of 1450I.D,1\$)	Total Cost (I.D.)	Cost per year	Years of study
Primary school	4965	7,200,000	1,200,000	6
Middle school	3103	4,500,000	1,500,000	3
High school	3724	5,400,000	1,800,000	3
Total cost of primary, middle and high school education	11793	17,100,000		
Bachelors (humanitarian sections)	3450	5,000,000	1,250,000	4
Bachelors (Scientific and Medical Departments)	20690 -8275	– 12,000,000 30,000,000	– 3,000,000 6,000,000	5-4
Master (private universities)	5520	8,000,000	4,000,000	2
Ph.D. (Private universities)	12415	18,000,000	6,000,000	3

Source: Researchers work based on interviews.

3.2 Indicators for students in higher education during the period 2014-2019

A number of facts can be drawn from table 3. The number of students admitted to higher education (government, private and technical) has increased by 50% in just five years. Existing students grew by almost 38% over the same period, and if we move to students (heads, tenants and tarquins), there was an

increase to the highest level in 2016/2017, then a decline in 2017/2018 as the security situation improved and displaced persons returned.

The number of teaching staff in university and technical education also increased from 35,362 in 2014/2015 to 49,753 in 2018/2019, an estimated 29% in about five years

School year	Faculty members	Total graduate students	Total students (depositors, deferred)	Total students present	Total students admitted
2014/2015	35362	100848	130005	574997	160013
2015/2016	38643	130428	134862	608554	148410
2016/2017	41233	144201	148569	647770	190292
2017/2018	47913	152467	124380	743825	233935
2018/2019	49753	148401	-----	792553	241268

Source: University and Technical Education in Iraq for the academic year 2018/2019, Ministry of Planning, Central Bureau of Statistics, Directorate of Social and Educational Statistics, p. 5 and p7.

Table 4 also shows that one of the outcomes of the expansion of higher education (Government and private) after 2003 in Iraq and the 50% increase in the number of students admitted in five years is the rise in annual growth rates in the numbers of both primary and higher graduates. The increase in

primary school graduates was 47.1% and graduate graduates 40.7% during the five years of study. The relative importance of graduates of State university education and private university education, and of education in technical institutes was about 62%, 16% and 20% respectively for the 2018/2019 academic year.

Table (4) Graduates of Iraqi Universities by Universities

School year	Postgraduate graduates	Total total graduates	Graduates of technical institutes	Graduates of technical universities	Graduates of private universities	Graduates of public universities
2014/2015	8081	100848	18796	2134	21513	58405
2015/2016	7547	130428	20047	3064	26951	80426
2016/2017	7613	144201	23757	2858	27578	90008
2017/2018	9345	152467	29682	3124	31633	88028
2018/2019	11039	148401	30126	3126	24056	91093
The relative importance of each of the last year's university %graduates		100	20.3	2.1	16.2	61,4

Source: Graduates of Higher Education in Iraq for the academic year 2018/2019, Ministry of Higher Education, Central Bureau of Statistics, Directorate of Social and Educational Statistics, p. 13. cosit.gov.iq

Finally, a Table (5) shows the allocations obtained by some important State universities in Iraq, with a view to achieving the objectives of the Government program without specific criteria. The University of Basra is ranked first, followed by the University of Kufa and the University of Baghdad.

Table (5) allocations of the government development program for the most important Iraqi universities for the year 2021 (million dinars)

University of Baghdad	University of Babylon	University of Kufa	University of Technology	University of Basra	University of Mosul
University of Technology 768.7	446.6	964.9	381.6	1303.4	62.1
Al-Mustansiria university 678.9	Ministry Center 12.6	Tikreet University 455.8	University of Anbar 356.7	University of Nahrin 260.2	Al-iraqia university 23.6

Horizontal and vertical expansion in public and private higher education took place after 2003 in general, with a marked continuation of this trend for the years 2014-2019, with student admission reaching high levels of up to 50% in primary studies. This shows the extent to which material and moral needs from buildings, laboratories and other requirements have increased through qualified teaching staff, which is not in line with the modest budget of the Ministry of Higher Education, which is only 2% of the public budget. On the one hand, Iraq's governmental universities continue to rely almost entirely on public budget allocations, losing an important part of their independence and ability to make important strategic decisions. On the other hand, the weakness of the allocations originally allocated to higher education, ranging from only 2-3% of public expenditure at best, which are subject to cuts and rationalization in the event of an ad hoc crisis, as we are witnessing today, is leading to economic difficulties for higher education, particularly State education (university and technical). The question of funding state higher education remains important and complex, and a recent observation has been that evening education (which depends on the payment of premiums by students as well as special maintenance in graduate program) has succeeded in financing and paying professors and lecturers through this channel. Also private (community) education, which played an increasing role in higher education after 2003, successfully financed itself and invested in the expansion to a large extent. Over the last five years 2014-2019, however, the Corona crisis and declining numbers of students enrolled at their own expense in both state and community universities (Private sector) put additional pressure specifically on the private education sector. The proportion of graduates for both primary and higher studies has increased to 47% and 37%, respectively, during the course of study. There has also been a shift in the structure of higher education from government and private universities and colleges towards technical institutes, whose student ratio has increased. (17 to 20%) in less than five years, because graduates of these private medical institutes have higher chances of

employment and employment in the government sector after graduation.

4. Conclusions:

Emphasizing the importance of finding permanent, stable and diversified sources of funding for higher education in Iraq, and that the first step in reducing reliance on central specialties must be followed by further steps to strengthen autonomy in universities; In order to provide independence to Iraqi governmental and private universities in particular, it is necessary to limit the role of the Ministry to oversight, supervision, direction and accountability in order to achieve the required transparency in both public and private education. As a result of the increase in graduates of higher education from primary and higher education, which places a burden on the labour market, decent employment opportunities to absorb higher education output become necessary and require the involvement of the private sector in solving this problem because the public sector cannot respond to labour market variables in a flexible and rapid manner. Transparency in the management and development of the Higher Education Fund and governmental university funds as an auxiliary source of funding for educational institutions, especially during economic crises.

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