Neoliberal Policy Agenda and the Problem of Inequality in Higher Education:  
The Ethiopian Case

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Abstract: Under the influence of external policy pressure of donors such as the World Bank, higher education (HE) in Ethiopia has witnessed a series of institutional and system-wide changes. In analysing selected policy documents, this paper seeks to identify key neoliberal policy agenda endorsed in the reform and explicate how they have affected social equity in the subsystem. The analysis shows that HE policy reforms in Ethiopia, primarily framed by concerns of economic efficiency, have constrained social equity in two important ways. First, at a discursive level, the problem of inequality is represented as a lack of access and a disadvantage in the human capital formation of the nation. Second, the drive for greater efficiency and reduced costs in the educational provision embedded in the reforms are inconsistent with the need for financial and political commitments required to benefit marginalised members of the society through relevant equity instruments. If the equity policy provisions should be instrumental in ensuring participation, retention and successful completion and thereby supporting the social mobility of disadvantaged groups, they need to draw on a social justice perspective.

Keywords: equity; Ethiopia; higher education; inequality; neoliberal agenda; policy; reform; the World Bank

1. Introduction

As nation states seek a competitive advantage in a burgeoning global knowledge economy, they are increasingly looking to human capital produced by quality and efficient higher education (HE) systems to give them this advantage. In the case of sub-Saharan Africa (SSA), this optimism has been expressed in terms of the centrality of HE in the knowledge-driven poverty reduction discourse championed by the World Bank (WB). The Bank has underscored the critical role that HE can play in supporting ‘knowledge-intensive’ development through training, producing new knowledge, and building capacity to access and apply global knowledge; and has renewed its interest in revitalizing HE in sub-Saharan Africa (World Bank, 2009). Many countries in the
region have taken the World Bank’s lead, reforming their HE policies to emphasize new national ambitions of knowledge-driven economic growth to end poverty.

Ethiopia is no exception. With the Bank’s critical role in initiating reforms and providing support (including policy advice and funding) necessary to these reforms, the Ethiopian Government has introduced reforms in HE aimed at producing a qualified workforce required for the national human-resource development plan – now at the centre of the country’s poverty reduction program – and ensuring HE’s responsiveness to the nation’s economic needs. At a system level, it has introduced a new HE proclamation that sets the legal framework for the reform process, and has extensively expanded HE. Even so, viewed from Trow’s (2006) categorization, participation in Ethiopian HE is far from ‘mass’ and can more accurately be described as ‘elite’. Inequality in access to and success in HE remains a critical challenge. And yet the problem has not been located within and investigated in relation to the major policy changes and expansion of the subsystem.

The focus of this paper is the problem of inequality in the Ethiopian HE subsystem in relation to the neoliberal reform agenda endorsed by the government. Given the pervasive and largely external neoliberal educational agenda in in the last ten years, and the current high record of inequitable access to and successful participation in HE, it is imperative to question the equity implications and consequences of the reforms. Drawing on critical policy analysis approach and qualitative data collected from government officials, national policy documents and key policy publications of the WB, the paper seeks to understand the way the problem of inequality in HE has been framed in key equity policy provisions; and explicate how the role of the Government has been constrained in addressing structural inequalities in the subsystem. The first section of the paper presents key neoliberal policy agenda endorsed in the Ethiopian HE reform while the second section explores implications of the reform agenda for social equity. By way of conclusion, the final section highlights the importance of a social justice perspective in devising equity policy instruments.

2. Key Neoliberal Agenda

Neoliberalism assumes its hegemonic position through the process and forces of globalization. Its economic ideals are embedded in policy menus of international financial institutions; and are infused into public policy arenas of nation-states in the form of a call for liberalization,
privatization, decentralisation, and social spending reduction. In this regard, unlike in the global North where neoliberal policies are mostly the result of internal political and economic dynamics, in SSA neoliberal agenda are exogenous and are imposed by donors and lenders. As May et al. (2008, p.64) appropriately note:

Initially with loans, and later debt reduction, dependent upon take-up of a SAP [Structural Adjustment Programs] or implementation of a PRS [Poverty Reduction Strategies], recipient countries have little choice but to accept the medicine doled out by the IMF and the World Bank.

In association with the poverty alleviation mission, the WB particularly called for restructuring the HE subsystem in SSA. The WB induces educational reform agenda underpinned by its neoliberal assumptions about the limited role of the state vis-à-vis the increased importance of the market forces. Consequently, national education policies and practices in aid recipient countries such as Ethiopia have unavoidably been shaped by what Roger Dale calls a “globally structured educational agenda” (Dale, 2000). As one of the most important actors of the “global education policy field”, the WB is a prominent global agent for the neoliberalization of education (Lingard, Rawolle & Taylor, 2005). In this study, neoliberal policy elements refer to specific policy prescriptions of the Bank that constitute the broad reform agenda or direction. For example, while a commitment to reduce public spending in HE through marketization can be considered a neoliberal reform agenda, putting in place the cost-sharing scheme is a neoliberal policy element in support of that agenda. Based on the analysis of selected policy documents from the Bank (World Bank, 2002, 2003, 2009) and the Ethiopian Government (FDRE, 2009; MoE, 1998, 2002, 2004), and insights from the works of Klees (2002, 2008, 2012), Olssen & Peters (2005), Peters (2012), and of Torres (2002, 2009), I have summarised neoliberal HE reform agenda of the WB in three key categories: introduction of market mechanisms, strong alignment with economic productivity, and decentralised governance. These three agenda and elements constituting them will be explained generally and in relation to Ethiopia specifically as follows.

2.1 Introduction of Market Mechanisms

In introducing market forces into the HE system of aid-dependent governments, the WB presents three key policy elements: private provision, cost-sharing and income diversification. Privatization is at the centre of what the WB calls “sound economic policy” (World Bank, 2002,
In this scenario the private is preferable to the public to achieve the most desired public policy goal of efficiency. Cost-sharing (user fees) is another dimension of the market forces in HE. It is part of the plan to reduce public spending on HE and maximize resource utilization. It is assumed that higher rates of taxation to support students out of public funds impair economic efficiency, and hence the alternative is to let individual students pay directly for a service they receive. Income generating is another option for public universities. HEIs are expected to widen their source of income through establishing linkage with the industry and service sectors in the society in the form of consultancy and research, and by producing capital goods such as technology and agricultural products (World Bank, 2002, 2003, 2009).

In line with Bank’s policy recommendation, the government opened up the HE subsystem for privatization in the mid-1990s. In less than a decade the number of accredited private HEIs (with undergraduate and above programs) grew from none to 44 (in 2009/2010 academic year) enrolling about 18% of the total student body (MoE, 2011). The cost-sharing scheme is another market element introduced to the HE subsystem of Ethiopia. Following insistent recommendation of the WB throughout the 1990s, finally the government introduced user fee in public HEIs in September 2003. The Higher Education Proclamation (first ratified in June 2003 as No.351/2003; revised in 2009 as No.256/2009), provides:

Any Ethiopian student studying in a public institution and who is not required to pay in advance tuition fee shall contribute, in cash or in service, to cover the cost of his education in accordance with the regulations of the Council of Ministers on cost-sharing.

In the new user fees scheme, students in public universities enter an obligation to share the cost of their study, to be paid back in the form of service or graduate tax from future earnings. The cost-sharing scheme has partly been justified on equity grounds – to let the primary beneficiaries pay for their education so that the public fund can be used to widen access and increase the participation of disadvantaged groups of the society. Nevertheless, with deteriorating quality of education and the weak economic environment of the country, unemployment of graduates has become a serious concern, and recovering costs of education appears to be an inauspicious scenario.

Diversification of the sources of revenue for public universities is thought to be a solution to ever declining public funding. The government, therefore, has demanded public universities to gradually move away from public funding through mobilizing resources for themselves in
different ways, for example, marketising their research and advisory services and establishing for-profit enterprises. However, it should be noted that the lion share of funding for public HEIs comes from the Government. What is significantly changed is the instrument of funding. In accordance with the recommendation of the WB HE research team in Ethiopia (World Bank, 2003), the HE Proclamation provides that:

Every public institution shall receive a block grant-budget, agreed upon in advance as indicative budget for a five-year period; provided however, that such block-grant budget shall be revised annually (Article 62.2).

In fact, in the case of SSA, given the much needed social benefits of HE and the high level of poverty for the majority of the population, the cost of insufficient public investment in HE is unbearable for any nation and hence leaving the subsystem all alone under the full control of the market forces is simply impractical and undesirable.

2.2 Strong Alignment with Economic Productivity

An economic agenda has always been part of the mission of HE. What is new is the imagined scale and intensity of the relationship between knowledge and economic productivity. Producing an entrepreneurial and innovative workforce seems to be a common concern of HE systems world-wide. It is assumed that economic competitiveness is contingent on a competent labour force that attains a high level knowledge and skills through quality lifelong and life-wide learning (World Bank, 2002; Torres, 2009). This is the thread that links HE with the macroeconomic and social policies of nation-states.


Since the mid-1960s, education policies and strategies of the WB have been strongly influenced by the human capital theory and the rate of return analysis. Human capital refers to the knowledge, skills and well-being of the individual person; and expenditure on education and training (by the individual or the state) is a form of investment in capital that leads to increased
earnings and productivity at work (Becker, 1993). The WB regards educational development aid as a form of investment in human capital formation to promote economic growth and eradicate poverty, and to support economic competitiveness of nations in the global market economy at large (Heyneman, 2003, 2012; Samoff, 2007; World Bank, 2009). In the global education policy field (Rizvi & Lingard, 2011), the emphasis on human capital formation is indeed unmistakable expression of what Melanie Walker (2008) refers to as ‘neoliberal instrumentalism’ of education. The normative assumption is that knowledge and skills are the way forward to economic growth as measured by gross domestic product of a nation.

HE policy of the Bank for SSA in general has long been framed by the human capital theory. In its recent HE policy report of the region, the WB stresses:

The name of the game now is knowledge-intensive development. It calls for a new outlook – one that is more strategic and nationally integrated – on the nature of the contribution that education can make to industrialization, to exports, to the building of a more resilient economy, and to confronting the twenty-first century challenges […] This new outlook, together with the policy interventions it implies, comprise a pathway to the vital skills and increased knowledge that African economies are certain to require if they are to increase their competitiveness and thereby sustain their recent growth. (World Bank, 2009, pp. xxx-xxxi, emphasis added).

The prevalence of the knowledge-driven poverty reduction discourse, and low level of participation in HE prompted the government of Ethiopia to pursue an aggressive expansion program over the last ten years. In 2000, Ethiopia could offer access to HE to only 0.8 per cent of the relevant cohort (Saint, 2004). According to Saint’s data, in the same year, while the sub-Saharan Africa average HE gross enrolment rate was 339 students per 100,000 head of population, in Ethiopia, there were only 62 HE students (including those at a diploma level) per 100,000 inhabitants. In line with the knowledge economy discourse and in response to the increased demand for HE – mainly resulting from achievements in widening access to basic and secondary education – the government increased the number of public universities through merging the existing colleges and institutions and establishing new ones, expanded the admission capacity of the existing universities, and allowed the private HE provision to expand significantly. The result was impressive. As noted above, the number of public universities grew from two in 1998 to 22 in 2009, with an additional four non-university HEIs and 10 more currently under establishment (MoE, 2000, 2011). Accordingly, the enrolment rate has grown
exponentially – full-time undergraduate enrolment in public universities grew from around 20,000 in 1999 to nearly 200,000 in 2010 (MoE, 1998, 2011). Consequently, Ethiopia now spends more than 1.5 per cent of its GDP on HE, which positions it as one of the top eleven HE spending nations in the world, and with the highest expenditure on HE in SSA (UIS, 2010). As a result of the large-scale expansion at all levels and the encouragement of the private for-profit HE provision, Ethiopia has the third highest average annual growth rate of HE enrolment in the world, after Lao PDR and Cuba (UIS, 2009).

Reforming HE to ensure its quality and relevance has been the second focus in aligning the subsystem with economic productivity. The Bank attributes lack of relevance and poor quality of HE in SSA in general (World Bank, 2009) and in Ethiopia in particular (World Bank, 2003) to lack of qualified staff, out-dated curriculum, and declining spending and subsequent poor physical facilities (including library and laboratory services). As part of the reform process, in line with the Bank’s recommendations (World Bank, 2003), the Government of Ethiopia has been able to review and update university curricula; introduce new programs in areas of computer science, agriculture, engineering and other science fields; expand graduate level programs; improve pedagogical competence of university teachers through professional development programs; and institutionalize a quality assurance agency and a national pedagogical resource centre to ensure the relevance and quality of education and training in HEIs. Moreover, science and technology fields have been prioritised as critical fields for the nation’s economic development efforts. Ethiopia has introduced a 70:30 policy which seeks to increase the university intake ratio of Sciences and Technology to Social Sciences and Humanities from 58:42 in 2008/09 to 70:30 in 2014/15 (MoE, 2010, p.62). In line with this policy, the government has introduced new technology institutions with a status of university.

However, there remains a tension between the extensive expansion program and the quality assurance effort. Even though the overall budget for HE has increased significantly, per student expenditure in the subsystem has drastically decreased from US$ 3,300 in 1971/72 to about US$ 700 in 2004/05 and even lower since then (Molla, 2011a). This is extremely low when compared to the average African annual per student expenditure in HE (US$2000 in 2006), and to OECD countries (around US$10,000 in 2006) (World Bank, 2010). This low per student expenditure in turn leads to high student/teacher ratios, poor physical learning environments and
inadequate library and other services, which, in aggregate, undermines the quality and relevance of higher education and training.

2.3 Decentralised Governance with a ‘Steering State’

Neoliberals call for limited state intervention, and downsized public spending on social services, including education. Even in economically developed countries in the global North, the issue of “de-coupling of education from direct state control” is one of the most visible features of a neoliberal education reform agenda (Ball, 1998, p.72). As Marginson (1997, p.63) posits, “Neoliberal government rests on self-managing institutions and individuals, in which free agents are empowered to act on their own behalf but are ‘steered from a distance’ by policy norms and rules of the game.” Hence traditional roles of the state in regulation, coordination, funding, control and legitimisation of HE have been challenged. Governments are compelled to devolve power to HEIs. As a way of redefining their roles, with the decentralization of the governance of the institutions, governments have put in place accountability mechanisms associated with the autonomy they granted for them. The state employs various accountability instruments to monitor and evaluate the behaviour and performance of public HEIs, as well as to demand changes and impose sanctions.

In Ethiopia, the Bank recommends the use of financial incentives and regulatory frameworks by the state to ensure effective implementation of reforms and facilitate innovative changes in HEIs though holding them accountable for their performance and public resource usage (World Bank, 2003). The revised Proclamation (No.650/2009) stipulates self-managing HEIs as administrative and financial autonomy of institutions is balanced by the block grant budgeting system. In terms of autonomy, the government granted HEIs with authority to control their personnel decisions and financial expenditures. Article 64.2 of the Proclamation provides:

A public institution shall be free to use its income as it sees fit, in accordance with its approved business plan, except insofar as the law provides otherwise, and having regard to the purposes of any tied funds.

The Bank underscores two criteria of accountability in public HEIs: “the relevance of their activities to the needs of society, and to allow their effectiveness in performing this role to be assessed by external review” (World Bank, 2009, p.84). Hence it recommends the need for
effectively coupling the autonomy of HEIs with an appropriate set of accountability mechanisms such as the use of funding formula in allocating block grants for public universities, and institutionalizing quality assurance both at institution and national levels (World Bank, 2003).

By way of accountability and quality assurance, the government seeks to monitor such crucial concerns as access, equity, quality and relevance, and efficient use of resources in public HEIs. In this regard, the government steers public HEIs using regulatory frameworks (e.g., the Proclamation, and Strategic Plan Agreement) and system oversight agencies such as the Higher Education Relevance and Quality Assurance and Higher Education Strategic Centre. As provided under Articles 62 & 65 of the Proclamation, the government periodically commits Strategic Plan Agreement with public HEIs on areas of strategic goals and institutional priorities in research and teaching programs. The Agreement is a form of ‘performance-based budgeting’ that determines the block grant allocation for public HEIs. With this, an “evaluative state” (Neave, 1998) emerges in a new position of governance through strategic funding and quality assurance although the steering role of the state seems to have been hampered by organizational weaknesses of the system oversight agencies. Again, it should be noted that institutional autonomy in Ethiopia is only partial. Public universities have little or no control on student admission at undergraduate level; and top members of the university governance body are usually members of the ruling party appointed by the government.

Bearing these neoliberal educational policy agenda endorsed in the Ethiopian HE reforms in mind, it is imperative to explore how the problem of inequality has been framed in equity policies and strategies in the subsystem. The following section takes on this point.

3. The Problem of Inequality and the Neoliberal Connection

In a public policy, the basic criteria of equity policies are distributional appropriateness and sufficiency (Gordon, 1999). That is to say that equity is beyond securing equal access to resources and opportunities. It includes reasonable adjustment to systems to provide a differential treatment in accordance with the conditions and needs of the target groups for fair outcomes. Furthermore, the idea of social equity in and through HE includes both access and outcomes, with equitable outcomes in HE broadly understood as “opportunities to progress and complete tertiary studies and also to achieve particular returns to tertiary education” (OECD, 2008, p.14). Social equity in HE is about redressing educational disadvantages in terms of access
and participation, creating a socially representative HE system, and thereby ensuring equal opportunities in the labour market.

In the context of Ethiopia, the pervasiveness of the neoliberal policy agenda precludes women and geo-politically peripheral communities from effective participation in HE and other opportunities (Molla, 2011b, 2012). A critical analysis of selected policy texts show that the problem of inequality in HE in Ethiopia is connected with the neoliberal policy prescriptions endorsed in the reform process. The two themes explaining the connection are: superficial representation of the problem of inequality, and political and financial constraints to promote social equity in HE. The themes are discussed in turn as follows.

3.1 Superficial Representation of the Problem

Analysis of equity policy texts reveals that in Ethiopia the problem of social inequality in HE has been framed as a mere lack of access, and a disadvantage in human capital of the nation.

3.1.1 Inequality as Lack of Access

The problem of inequality in the Ethiopian HE is framed mainly as lack of access. For instance, when it comes to gender, mainly due to repressive gender relations in the society, men and women have no equal likelihood of participation and successful completion of education. Women are considered less competent in comparison to their male peers; and there are women’s work and men’s work both at the household level and in the broad job market (Molla, 2012). In HEIs, the gender-based norms and power relations play significant roles in framing attitudes about abilities and expectations of women and men, and thereby determining their positions through gender-based distribution of opportunities and roles. The consequence is evidenced through women’s underrepresentation, subordinate position and exclusion from the subsystem. To address the problem, in line with the constitutional provision, the government has introduced preferential admission policy to benefit disadvantaged groups at entry (e.g., FDRE, 2009; MoE, 2004; TGE, 1994).

The Higher Education Proclamation (No.650/2009) reiterates the importance of positive discrimination to redress past injustice; and the national strategic framework on gender equality in HE further outlines the necessary instruments to promote the participation of women in the
system (MoE, 2004). The superficial representation of the problem of gender inequality is evident in the narratives of the Strategic Framework where gender inequality in public HEIs is understood simply as an issue of disparity in enrolment. It holds:

[…] the Ministry of Education views the gender disparity in public universities and colleges as a major concern (MoE, 2004, p.27, emphasis added).

Consequently, the Strategic Framework aims to be:

Instrumental in reducing the gender disparity in tertiary education (MoE, 2004, p.36, emphasis added).

Representing the problem of inequality as a mere disparity in enrolment clearly shows how “equity by numbers” can “hide less measureable injustices” in the HE system (Sellar & Gale, 2011, p.3). Social justice entails a strong notion of equity of opportunity that goes beyond eradicating legal barriers to education and jobs. It requires improving experiences of the target groups through addressing “more qualitative concerns about the existing curricula, pedagogy and relations of power and governance within universities” (Gale & Tranter, 2011, p.42).

As equity measures of the government are mainly limited to improving conditions at entry point, institutional constraints keep members of the disadvantaged social groups in a subordinate position. In order to promote social equity in and through HE, the Ethiopian Government needs to be mindful of the experiences of the policy target groups within the institutions. Taking gender-based disadvantages in HEIs, as women are socialised to remain quiet, less assertive and dependent, they lack the social and cultural capitals required to succeed. In those male-dominated institutions, gender inequality manifests in the form of such qualitative disadvantages as deprivation of respect and recognition to female staff and students, sexual division of labour, sexual harassment, differential power relations, and other qualitative disabling constraints that affect women in their learning and working environments (Molla, 2012). The reluctance to address these qualitative factors of inequality has resulted in high attrition rates among female students. An empirical study by Mersha, Bishaw, Asrat & Nigussie (2009) shows that in 2007/08 academic year, attrition rates of female students in five public universities (in faculties of education) was found to be much higher than their male peers: 43 per cent female and 24 per cent male in Mekele University; 38 per cent female and 15 per cent male in Jimma University; 36 per cent female and 11 per cent male in Haramaya University; 35 per cent female and 8 per
cent male in Hawasa University; and 29 per cent female and 7 per cent male in Bahir Dar University.

A disadvantage in HE is not limited to hostile experiences and repressive institutional structures. Framing inequality in terms of lack of access to opportunity (e.g. HE) also tend to overlook inequalities in the opportunities themselves (e.g., who is overrepresented in economically and socially high return fields?). Marginson rightly argues:

All else being equal, economic markets are associated with greater social inequalities of access in systems mediated by the private capacity to pay, so that access is more steeply stratified on social lines; and with a steeper hierarchy of institutions, so that what is accessed is also increasingly stratified (2004, p.234).

Getting access to HE hardly changes the social position of disadvantaged groups unless the educational credential they obtain can provide them with tangible opportunities in the form of access to resources and active political and economic participation in the society. In this regard, one of the direct consequences of the human capital formation perspective in Ethiopia is the expansion of the public HE; and subsequent considerable increase in the enrolment of women and ethnic minorities. For example, in eight years (2002/03-2009/10), the average annual enrolment growth rate for female students (141.6 per cent) was higher than their male counterparts (125 per cent). However, gendered streaming in the institutions has created a horizontal inequality by which women are overcrowded in low wage fields of humanities and social sciences – in 2008, only 14 per cent of graduates in science and technology fields were females (UIS, 2010).

3.1.2 Inequality as a Human Capital Concern

As highlighted above, human capital formation has been a central theme in the WB’s HE reform agenda. In its World Development Report 1998/99, Knowledge for Development, the Bank not only emphasised the significance of knowledge in the emerging global economic order but also recommended that the developing world should narrow the knowledge gap through acquiring, absorbing, and communicating knowledge (World Bank, 1999). In stressing the invariant value of knowledge in national economic productivity, the report argues:

Poor countries – and poor people – differ from rich ones not only because they have less capital but because they have less knowledge (World Bank, 1999, p.1).
Here, ‘knowledge’ refers to productive knowledge associated with the quality and competence of the labour force to be acquired mainly through higher level education and training. There is a strong optimism about the central role of HE in enhancing intellectual capacity to produce and use knowledge and skills. The assumption is that human capital built on high level knowledge and skills makes possible entrepreneurship and innovation, which opens new investment and employment opportunities, and ‘enhances export competitiveness’ (World Bank, 2009). Governments with a neoliberal disposition response to the problem of inequality in HE is an expansion of access. In Ethiopia, the ambitious expansion of HE has been guided by a mission to:

 […] prepare knowledgeable, skilled, and attitudinally mature graduates in numbers with demand-based proportional balance of fields and disciplines so that the country shall become internationally competitive (Article 1.1 of the Proclamation, No.650/2009).

This narrow instrumentalist view of education (as framed in the human capital theory) has two constraining implications for social equity. First, for the proponents of this theory (including the WB), a talented student from a low-income group and/or from a minority background who is denied access to quality higher education and training represents a loss of human capital both at individual and societal levels. Hence, the exclusion of an individual or a group of individuals from the HE system, the argument goes, represents a loss of human capital for society at large (World Bank, 2002, 2009). It also holds that inequality in education mainly results from inadequate investment on the part of the individual. This narrow orientation limits the role of the state in tackling unjust inequalities in HE.

Second, HE expansion underpinned by the human capital perspective may not necessarily widen access to equal opportunities for all. In its recent policy report on the SSA HE, the Bank urges governments in the region to ensure the economic contribution of HE by actively supporting fields of strategic priority (such as science and technology) and leaving the social sciences and the humanities for private investment. The Bank recommends:

A more efficient approach would restrict government sponsorship of students to only those discipline areas deemed most critical for the country’s future development, consequently obliging those wishing to study in other areas to finance this from non-public sources (World Bank, 2009, p. 92).

The orientation of efficient use of public funding to expand economically relevant programs and disciplines, as the new 70:30 policy shows, aims to gradually leave the social sciences and
humanities to the private sector which is generally perceived to be of lower quality and reputation. Given that those fields of study being pushed to the private sector are overcrowded by women, depriving public funding to those fields may mean discriminating against women in terms of access to public resources, thereby reinforcing inequality.

3.2 Delegating Responsibility and Lack of Funding

In his seminal work, *A Theory of Justice*, John Rawls argues that social justice as fairness draws heavily on the responsibility of the state to redress “undeserved inequalities” through “policies and programs directed towards removing barriers arising from unequal power relations that prevent access, equity and participation” (1999, p.86). Rawls’ *principle of redress* in particular underscores that “in order to treat all persons equally, to provide genuine equality of opportunity, society must give more attention to those with fewer native assets and to those born into the less favourable social positions” (1999, p.86).

In Ethiopia, the effects of the neoliberal policy agenda of decentralised governance and reduced public spending on social equity in HE manifest two ways: delegating responsibility of ensuring equity to HEIs, and lack of financial commitment to equity-related programs in the HE subsystem.

To being with, in the name of institutional autonomy and decentralizing power, the government has transferred the role of protecting the rights and benefits of historically and socially disadvantaged groups into the universities. The government limited its role to concluding Strategic Plan Agreement with the institutions in which, as stipulated under Article 65.2e of the Proclamation (No.650/2009), the public HEIs are expected to give attention to:

>Social goals such as measures to enhance the nationality composition of its academic staff, increase the proportion of senior positions held by women, and assistance to disadvantaged sections of its students.

One of the limitations of the Agreement is that it uses the proportion of women and ethnic minorities enrolled and graduated in a particular year in the given institution as factors to determine the block grant allocation. By so doing, it encourages public HEIs to focus on quantitative indicators while internal structural barriers related to hostile learning experiences and repressive power relations remain unchallenged. Again, as it is witnessed in the implementation of the National Strategic Framework for gender equality in public HEIs, the
government lacks the capacity to coordinate and follow up equity policies and practices of the universities. For example, even though affirmative action admission policy has been in place for the last 15 years, until 2010, the government had no record on the number of the beneficiaries and their status after entry. There is no a systematic evaluation on the effectiveness of the policy.

The reduction of spending on equity-related programs is another important issue. With the increased economic optimism related to HE, the government has been engaged in an ambitious physical expansion program that overstretched its funding capacity. Related to this, most often governments of developing countries tend to trade off equity for efficiency-driven policy prescriptions of educational development aid providers (donors) (Carnoy, 1999, 2005). As one the top beneficiaries of WB’s development aid to Africa, the Ethiopian government has been under constant pressure to reduce public spending by focusing on strategic investment in HE. This has limited its role in redressing inequalities. An example suffices here. To promote the participation of women and ethnic minorities, most of the public universities have set up offices for gender equality, and multiculturalism and diversity. However, according to the gender office directors in two public universities, the government has no annual budget for these offices, and the universities cannot fully finance them from their internal revenues (Molla, 2012). As a result, in most cases, the offices are under-staffed and are not fully functional. Seen from this perspective, Gyimah-Brempong and Ondiege (2011) are right that the financing system of Ethiopia does not encourage equality, and it even tends to perpetuate inequality.

To sum up the section, in the neoliberal policy discourse, the problem of inequality is framed mainly as an issue of economic efficiency and productivity; and the equity policy instruments fall short of transforming the condition of unfairness. The function of the market as a rational means of distributing resources and opportunities is uncertain, to say the least. In poor countries such as Ethiopia where the majority of the population lives on an income of less than two dollars a day, replacing the role of the government by the market is not a viable direction to take. By their very nature market interests are selective – only those who can afford the price get the service. Hence the expansion of the private HE does not benefit the rural poor and women who have little to afford the costs of their education at market rates. Addressing structural social inequalities along with gender relations, ethnic origins and socio-economic background requires strong policy provisions that ensure not only distribution of resources and opportunities but also recognition and respect for the identities, conditions and contributions of social groups. Active
government involvement in the form of introducing and funding effective equity instruments is imperative to protect the rights and benefits of historically and socially disadvantaged groups in the society.

Moreover, it is noteworthy that a mere expansion of HE may not be a solution for all problems a nation faces. Economic productivity is determined by many other significant factors as well. Political stability, cultural values of the society and availability of physical resources are equally important. In a country where over 40 per cent of its adult population is illiterate, and where only 5 per cent of the relevant age cohort (that is, 19-23 years age group of the population) has access to HE (UIS, database1), aggressive expansion of HE in line with the discourse of knowledge-intensive economic growth may be a false optimism, at least at this point in time.

On the other hand, in the age of neoliberal globalisation, with the increased decentralised governance and commercialised HE, the question of social equity has come to be a serious concern, at least in low-income countries such as Ethiopia. Proponents of neoliberalism (e.g., the WB) argue that the market is an efficient and rational allocator of resources. Accordingly, the traditional roles of the state in regulation, coordination, funding, control and legitimisation of HE have been challenged. The Bank calls for the state to use financial incentives and regulatory frameworks (legislation, evaluation and planning) to ensure effective implementation of reforms, and maintain the institutions accountable for their performance and public resource usage (World Bank, 2002, 2003, 2009).

The neoliberal policy agenda, through accepting the market as a rational means of economic distribution and reducing active involvement of the state, tend to reproduce inequalities (Apple, 2001).

4. Conclusion

In this last section of the paper, I try to highlight the importance of a social justice perspective in equity policy formation in education. The persisting inequality in the form of high attrition rates and low graduation rates among females and ethnic-minorities, low female participation in science and technology fields, and subordinate position of women both as students and academic staff (see Molla, 2012) clearly shows that widening access through extensive HE expansion and nominal affirmative action admission is inadequate to fully address the problem. Equity strategies
limited to positive discrimination also tend to reproduce inequality as they frame the target groups as deficient which may subject them to stigmatisation. Thus, to limit equity policy provisions to affirmative remedies is “to add the insult of disrespect to the injury of deprivation” (Fraser & Honneth, 2003, p.77). Drawing on Amartya Sen’s ‘capabilities approach,’ empirical and theoretical educational studies (see for example, Walker, 2008; Unterhalter, 2007; Unterhalter & Walker, 2007) suggest that transformative equity policies and practices in education should be attentive to the actual opportunities as well as to the relevance of the opportunities to the needs and situations of the policy targets.

According to Sen (1999, 2009), inequality in the distribution of social opportunities (such as education and skill formation) means inequality in the development of human capabilities that contribute to personal well-being, social transformation and economic productivity. When it comes to HE reform, this means that equity-oriented policy instruments should provide individuals with effective opportunities that fit to their differences so that they can be able to convert resources they have into their benefits, into their actual freedom to function (Sen, 2009). Eliminating legal barriers or providing equal access for all is not sufficient for equity in education because personal differences and social environment position individuals differently in relation to opportunities in HE. Related to this, the capability perspective helps us to see equity as what people are actually able to do and be, not simply in terms of efforts or resources made available to them. That is, capabilities include actual opportunities and associated achievable functionings such as being well educated and being healthy. The capabilities perspective holds: “A person’s advantage in terms of opportunities is judged to be lower than that of another if she has less capability – less real opportunity – to achieve those things that she has reason to value” (Sen, 2009, p.231). Hence a critical evaluation on equity policy provisions and practices in education “should look at the condition of being educated, the negative and positive freedoms that sustain this condition and the ways in which being educated supports what each and every person has reason to value” (Unterhalter, 2007, p. 75).

A broad and inclusive equity framework helps us see deeply rooted structural impediments, and brings into forefront the moral imperative for elimination of “undeserved inequalities” in the education system. The problem of misrecognition (e.g., cultural domination, non-recognition and disrespect) of one’s culture, identity and values; and redressing this form of symbolic injustice requires revaluing cultural values and restructuring their legal and political expressions that
institutionalized them in society at large. Furthermore, from the capabilities perspective, equity in HE is not only about how many universities are opened in geo-politically peripheral regions of the country (as is the case in Ethiopia) or how many women are enrolled in the subsystem, but about how the local people are benefited from them and how many of women manage to successfully complete their studies so that they can actively and equitably participate in the socio-economic and political affairs of their communities.

The paper located equity policy provisions and the representation of the problem of inequality in HE in a broad context of the neoliberal reform prescriptions endorsed by the Government of Ethiopia in the last ten years. It showed that HE reform in Ethiopia has failed to properly address the problem of social inequality, and this is partly attributed to constraints associated with those prescriptions. Even though socially and historically disadvantaged groups (e.g., geo-politically peripheral ethnic groups and women) have been given a nominal advantage at the entry point (by slightly lowering admission cut-off points), social equity is far from being a reality. The equity policies and strategies should begin with recognition of personal, social and historical conditions that impede individual from being well-educated and being able to exercise freedom of agency. In fact, higher level educational attainment is thought to be instrumental in promoting democratic participation, making possible open debates and dialogue, and establishing trust and tolerance for diversity and difference. As such, in a multicultural and multi-ethnic society like Ethiopia, active public engagement in HE should be seen, beyond motives for economic productivity and efficiency, as a way of ensuring democracy, political stability and social cohesion.

Deeper understanding of the problem of inequality in HE should begin with recognition of structurally embedded challenges that define differences in advantages along ethnic and gender lines. Individuals are in a state of structural inequality when their access to resources and opportunities, and their possibilities to exercise their agency is constrained due to their gender, ethnic background, religion or socio-economic positions in society (Young, 2008). Inequality is explained not only in terms of distribution of material resources and opportunities but also in the form of disabling constraints, including domination and oppression that determine patterns of distribution as well as decision-making, division of labour and cultural stereotypes (Young, 1990). As such, as a policy instrument, equity involves public action to redress ‘unjust inequalities’ resulting from systemic structural factors that systematically disadvantage specific groups such as women, ethnic minority or individuals from rural areas.
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References


