ARTICLE

The Higher Education Fund: Unconventional Financing Strategies for Public Universities in Bangladesh

Shakhawat Hossain Sarkar[1,*], Syed Zabid Hossain[2]

This study appraises Bangladesh's higher education financing based on primary data. Empirical results reveal that state funding, rather than tuition fees, is the primary source of higher education finance. In addition to state funding, several supplementary sources ought to be considered, such as establishing rapport with domestic and international studentship benefactors, encouraging faculty members to pursue research projects and research grants, managing low-interest and accessible student loans, introducing a modest education tax on alums, companies, and affluent individuals, creating academic and research collaborations with overseas higher education institutions, initiating financially beneficial projects, and introducing unconventional shifts funded by students themselves. The government, higher education institutions, students, alums, private employers, the social elite, corporate firms, foreign fund providers, and other stakeholders are invited to collaborate in creating a Higher Education Fund. Revenue from all sources is to be deposited into the fund, and all higher education expenses can be met from it, in accordance with fund-accounting rules. This collaborative approach ensures that all stakeholders are valued and included in higher education financing.

Keywords: higher education fund, special revenue fund, public university, fund accounting

Introduction

The cost of education is a well-thought-out long-term investment because its returns are both monetary and nonmonetary, but visible in the long term, not in the short term (Becker, 1993). Education shapes society through social and economic progress, levels of affluence, and national development. Higher education (HE) contributes to socioeconomic development by transforming the unskilled population into human resources (HR; Sherburne-Benz et al., 2021). A considerable amount of government and student personal funds is used to develop human resources through higher education. Bangladesh needs more funds for quality higher education, given its densely populated nature. Budgetary allocation in education, and/or at tertiary levels, in Bangladesh is far below the proposals of the education commissions, United Nations Educational, Scientific and Cultural Organisation (UNESCO) benchmarks, United Nations Development Programme standards, and South Asian practices (Chauhan, 2008).

Bangladesh's government has a scarcity of resources to allocate sufficient budgets to higher education in line with the recommended norm, on the one hand, and deficiencies in appropriate planning, low motivation, and lack of awareness are also causes of insufficient funding allocation at the tertiary level, on the other. Government allocation is the primary source of funding for public universities in Bangladesh, where only a nominal amount (around 12–18 per cent) of their revenue budget comes from internal sources (Government of Bangladesh, n.d.). Due to their extreme dependence on government funding, public universities must cover their expenses up to the limit of government grants (Khatun, 2003). In this process, public universities are bound to cut back on essential expenditures, including purchasing reference books and research journals, research and laboratory machinery and supplies, scholarship/stipends, research grants, and teaching materials (Aminuzzaman, 2011).

Some education policy planners believe public universities should increase their internal revenue by raising tuition fees (Tilak, 2012). However, public universities are facing financial challenges due to rising student tuition, fees, and

Bangladesh Journal of Educational Research, Vol. 12, No. 1, pp. 24–31
Print ISSN 2313-2515 Online ISSN 3080-6925
DOI: https://doi.org/10.3329/bjer.v12i1.87209

Publisher: Institute of Education and Research, University of Rajshahi
https://www.banglajol.info/index.php/BJER

* Corresponding Author: sarkar_knu@jkkniu.edu.bd
[1] Department of Accounting and Information Systems, Jatiya Kabi Kazi Nazrul Islam University, Mymensingh, Bangladesh
[2] Department of Accounting and Information Systems, University of Rajshahi, Rajshahi, Bangladesh

other charges (Aftab & Ahson, 2009). If tuition, fees, and additional charges are amplified, brilliant but underprivileged students cannot access tertiary education because scholarships, fellowships, and financial assistance are very limited and insufficient in public universities (Khatun, 2003). In this context, a higher education fund (HEF) comprises alternative sources that can help address funding crises in the country's tertiary education budget. However, the mechanisms for forming HEF and maintaining the fund have yet to be identified through scientific methods. The above backdrop guided the following questions: What should be the sources of HEF? How should the fund be operated? Thus, the study aimed to identify the best approach to creating and maintaining the HEF. The answer to the above questions will help us attain our goals.

Background of the Study

Education is well known as an investment in human capital (Becker, 1993; Schultz, 1961). The global trend in tertiary education financing is to fund recurring expenditures through direct recipients of education (Johnstone, 2004). The embryonic positions on the role of tertiary education have led to shifts in funding sources; many universities are now exploring numerous methods to cover costs, such as implementing strategies to recover costs from student fees and seeking alternative sources of funding beyond government support (Tilak, 2012). However, some countries rely mainly on private-sector financing, while others employ public-sector higher education financing (Goksu & Goksu, 2015).

Financing higher education is crucial for developing countries because investing in higher education to transform people into human capital is one way to raise socioeconomic well-being (Alamsyah, 2020). The government should take primary responsibility for covering the core costs of university education, with equitable sharing of financial contributions from other higher education stakeholders (Vinella & Osakwe, 2023). Securing funding for higher education is not just about identifying the required funds; it also involves allocating resources in a system that manages societal demands (Pfeffer & Salancik, 2006). Introducing the Student Loan Trust Fund is a mechanism for funding higher education in Ghana (Pantah, 2018).

Low investment in human resource development (HRD) is a significant problem. Given the current level of investment in education and skills development, South Asian countries cannot build competitive workforces or enhance productivity (Rana & Hossain, 2023). Spending on education ranges from 2 per cent to 4 per cent of gross national product (GNP) in any South Asian Association for Regional Cooperation (SAARC) country, which is lower than the UNESCO standard of 4 per cent of GNP for developing nations (Chauhan, 2008). The purpose of higher education is to generate innovative knowledge and, at the same time, to build up a skilled workforce (Government of Bangladesh, 2010).

Tertiary education has been recognised as a powerful instrument of HRD, necessary for poverty alleviation and economic growth in a country (Islam, 2012). The human capital concept recognises that human beings are more important than physical capital in creating wealth (Heckman, 2005). The rapid increase in higher education enrollment, combined with financial constraints in South Asia, has led to high student-to-teacher ratios, eroded faculty employment conditions, underdeveloped faculty capacity, reliance on traditional administrative structures, and inadequate care for facilities (Asian Development Bank, 2011). The primary means of funding higher education include public support, private investment, and foreign assistance. Public funding for higher education has been a common practice worldwide since the 1950s. However, some countries in South and East Asia and Latin America have deviated from this pattern (Varghese, 2021).

Public expenditure on education is very low in Bangladesh. After independence in 1971, Bangladesh has not been fulfilling the recommendations of various education commissions, including the 4-5 per cent of GDP/NI target for education expenditure. Actual expenditure was far below the recommended level over the period. Allocation to the education sector is currently about 2.3 per cent of GDP and 14 per cent of total government expenditure in Bangladesh (Government of Bangladesh, n. d.). The government's budget allocation for higher education in Bangladesh is 1.0 per cent of the national budget. This budget allocation is insufficient to meet the minimum demand of public universities (University Grants Commission, 2012). Public universities in Bangladesh can allocate only a small amount to research and development; in some universities, it is even less than 1 per cent of their revenue budget (Aminuzzaman, 2011).

The real challenge in education finance is the ever-increasing cost of higher education relative to limited funds, and the greatest hope lies in maintaining the quality of education while reducing the cost per graduate, or increasing quality while maintaining costs at the present level (Aftab & Ahson, 2009). Public universities in Bangladesh are heavily dependent on the government for funding their revenue and development budgets, with more than 90 per cent of their revenue budget and 100 per cent of their development budget provided by the government (Khatun, 2003). There are debates about the quality of higher education and the budgetary provision for it in Bangladesh. Public universities face quality-related issues, and, except for the top few, they lack the facilities needed for quality teaching and research (University Grants Commission, 2006).

All public universities in Bangladesh are operating on deficit budgets. They are forced to cut even essential expenditures, such as the procurement of books, journals, equipment, and chemicals for laboratories and research, as well as maintenance costs (Khatun, 2003). The state budget primarily funds the cost of higher education in Bangladesh, one of the world's lowest (Islam, 2012). Universities in Bangladesh are viewed primarily as teaching institutions with limited

incentives for research (Rizvi, 2009). Iqbal (2011) mentioned that the public universities in Bangladesh are not promoting research due to a shortage of funds. "Dhaka Bishwabidyalay Granthagar" (2013) noted that a large crowd had gathered at the Dhaka University Library due to inadequate seating, yet the authorities were unable to expand capacity because of insufficient funding. As a developing country, we contend with limitless needs but constrained resources, making it essential to plan strategically to ensure their most effective use.

This study is anchored in human capital theory, pioneered by Becker (1993) and Schultz (1961), which argues that education is not merely a form of consumption but a strategic investment in human productivity. The framework recognises higher education as a key driver of socioeconomic development, capable of transforming an unskilled population into human resources. By conceptualising students as capital assets, the theory underscores the need for substantial financial investment to ensure high-quality outcomes, thereby supporting the rationale for establishing the proposed HEF. Given that the accumulation of human capital yields considerable private and social returns, it is theoretically coherent to seek contributions from its direct beneficiaries—particularly employed alum and the corporate sector. Complementing this perspective, resource dependence theory (Pfeffer & Salancik, 2006) highlights the organisational imperative at the heart of the study. Owing to their reliance on limited government grants, public universities must diversify their revenue sources through mechanisms such as the HEF to mitigate environmental uncertainty and safeguard operational autonomy.

The study offers both theoretical and practical contributions. Theoretically, it enriches the existing literature on higher-education finance in Bangladesh. Practically, it provides policy planners with evidence-based guidance for designing appropriate financing measures, particularly for the higher-education sector.

Literature Review

Chauhan (2008) noted that SAARC countries face common social and economic problems, including low literacy rates, poor infrastructure, poor-quality education, high dropout rates, and inadequate funding. Almost all SAARC countries have been financing education through public funds. However, the allocation of public funds for education is very low, between 2 and 4 per cent of GNP, compared with the UNESCO standard of 4 per cent for developing nations. Sherburne-Benz et al. (2021) identified that persistently low public investment is a primary barrier to human capital development in South Asia, noting that the region's spending on human capital as a share of GDP is among the lowest in the world.

The Asian Development Bank (2011) observed that most Asian universities face financial constraints in maintaining the quality of higher education for increasingly diverse students. Sarkar et al. (2013) demonstrate that the shortage of key elements (teaching aids, library facilities, availability of books and journals, research facilities, and laboratory facilities) is the main challenge to quality HE in public universities in Bangladesh. Budgetary provision and utilisation are two major limiting factors in improving those facilities. Alinoor and Muttakin (1999) found that most government universities in Bangladesh are suffering from budget deficits; budgeting practices are, in most cases, traditional, and the university authority or the government has yet to make any effort to change them.

Sarkar et al. (2014) observed that an insufficient education budget in Bangladesh impedes the expansion of HE and hinders improvements in the Human Development Index (HDI). Sarkar and Hossain (2018) also stated that about nine-tenths of the recurring finance for public educational institutions comes from the government, with the remaining from tuition and other sources. A study using field-level data reveals that about half of respondents cover their educational or general living expenses alone, and a significantly higher proportion of male students bear their total expenses. However, about one-third of female students had to bear their educational and living costs partly (Begum et al., 2020).

Ahmed et al. (2012) stated that the Malaysian government's intention to implement the HE reforms was evident in the 2007 implementation of the national HE plan beyond 2020. As a result of this reform, public universities are required to generate their own finance to supplement insufficient federal government funding. They also mentioned that performance-based funding will be implemented in Malaysian public universities to stimulate their competitive edge. Ponce and Loayza (2012) observed that eliminating tuition fees has no significant impact on opportunities for tertiary education. The empirical evidence showed that the policy of free tuition fees in public universities in Ecuador has non-progressive effects.

Alam et al. (2009) assessed that investment in education provides a significant return; therefore, countries are giving special priority in allocating budgets. Rizvi (2009) stated that Bangladesh, as a developing country, has suffered from low investment in education, particularly in research and development. Universities in Bangladesh are viewed primarily as teaching institutions, with no incentives for research, and, on the other hand, a lack of financial resources, libraries, laboratories, and equipment, and failure to invest in them contribute to diminishing research capabilities. Iqbal (2011) stated that public universities in Bangladesh place little importance on research due to a shortage of funds. Mehmood et al. (2012) mentioned that research could increase HE quality.

Hasan (2013) disclosed that, due to session jam, students and guardians are financially victimised on the one hand, while many social and state assets are misused on the other. Rizvi (2012) urged that allocations for HE be considered investments rather than expenditures. Rao (2006) mentioned that HE contributes to national development by disseminating specialised knowledge and skills. He also opined that education is universally recognised as an investment in

HR. Saad and Kalakech (2009) identified that education is the key sector in which public expenditure should be directed to foster long-term economic growth.

Shin (2012) argued that the growth of Korean HE is remarkable for both its quality and quantity, due to government policy initiatives to invest aggressively in research and development. Long (2019) found that the government plays a momentous role in financing higher education, as it enjoys considerable informational and enforcement advantages over the market. However, it cannot eliminate the challenges of moral hazard and adverse selection in an effective loan programme. Huang (2018) observed that the ongoing financial assistance from the Japanese central government to private institutions and international students underscores the societal benefits of higher education. Kim and Park (2018) identified key activities that need to address financial structure issues in South Korean higher education, including a significant reliance on private institutions, a heavy reliance on tuition fees, and the government's minimum investment regulations.

It is evident from the above that some research has been conducted in the field of HE, focusing on quality, HRD, economic development, budgetary control practices, budgetary allocation, organisational characteristics, return on investment in education, education spending and productivity, efficiency and waste in education, among others. Most studies noted the inadequate funding for HE and the reliance on government funding in South Asian countries, particularly in Bangladesh. However, no in-depth study has been done to find ways to raise funds from sources other than government grants. In this context, this study attempts to fill this gap, contributing to the existing knowledge and literature.

Methodology

The study primarily focused on primary data sources. The study population was divided into two categories: faculty members of public universities and alum of public universities employed in jobs that required non-technical educational qualifications. Primary data were collected from 557 alums of public universities who held jobs requiring a non-technical educational entry qualification, and from 63 faculty members across four university categories. To collect primary data from alums, participants were selected from various training programmes organised and managed by the training institutes of Bangladesh Bank, Sonali Bank Limited, Janata Bank Limited, Agrani Bank Limited, Rupali Bank Limited, Bangladesh Krishi Bank, Rajshahi Krishi Unnayan Bank, the Bangladesh Public Administration Training Centre, and the Regional Public Administration Training Centre in Dhaka and Rajshahi.

The researcher randomly selected a sufficient number of training batches, considering the convenience of timing and availability, and collected data from all participants in the selected batches, with the support of the executives of the participating training institutes. The training institute selected the trainees for the individual training programme. The alums graduated from general, agricultural, engineering, science and technical universities. The selected sample includes graduates from the study areas of arts, social science, business, engineering, technology, agriculture, law, and education. Both class one and class two officers of the bank, as well as officers from different cadres, including administration, police, customs, tax, foreign affairs, and audit, and other government job holders, were selected for the sample. The sample consists of males (83.12%) and females (16.88%) with 2 to 5 years of graduation and 1 to 2 years of a master's degree. The faculty sample includes only 11.1 per cent females. The majority of respondents are senior faculty members (36.5% professors and 30.2% associate professors), while one-third are junior faculty (25.4% assistant professors and 7.9% lecturers). Respondents were drawn from general, agricultural, engineering, science and technical universities. More than half of the respondents (54%) hold a PhD.

All ethical procedures were followed and communicated verbally. Prior to selecting each training batch, verbal consent was obtained from the authorised official of the training institute. Data collection was also conducted in the presence of an official representative of the institute. Before distributing the questionnaire to respondents, the purpose of the data collection and the commitment to maintaining respondents' personal information confidentiality were clearly explained. It should also be noted that the necessary declaration was printed on the questionnaire.

A multi-stage sampling procedure was followed to draw the study sample. The sample comprised 620 respondents from two strata. The first included academic staff from public universities, with a known population of 9,962. Using judgment-based selection across four university categories, followed by random selection based on availability and willingness, 63 academics ultimately provided usable responses. The second stratum consisted of alums of public universities, for whom the total population was unknown. Of the 1,050 questionnaires distributed during various training programmes at national and regional public administration training centres and bank training institutes, 839 were returned. After excluding respondents who had graduated from non-public universities or were employed in technical roles, 557 valid alum responses were retained. In total, the study drew on 620 respondents.

After completing data processing, the researcher turned to analysing both quantitative and qualitative data. The data were analysed using Microsoft Excel. In the descriptive analysis, frequency, mean, and percentile were used.

Results and Discussion

Financing for Higher Education

The financing mechanisms for higher education were identified through a literature review, and the results were obtained through data analysis. To fund higher education in perpetuity, the government may collect funds by imposing a mandatory payroll tax equal to 0.5 per cent of the salaries of all graduate employees (Rizvi, 2009). Saving the budget

from non-required higher education should be invested in vocational education and training programmes (Alam et al., 2009).

Extra money is needed to augment budgetary provision for higher education, and to meet this additional budget pressure, so diversified sources of finance are also required. Sources of finance can be classified into two categories: primary and other sources.

Main Sources of Finance

It is evident from Table 1 that the alums' mean opinion on the option of being fully financed by the government is 3.81, and the mode is 4.00 on a scale of 5.00. In contrast, the mean score for students' tuition fees as the primary source of finance is 2.33, and the mode is 1.00 on a scale of 5.00. The statistical results suggest that the government should be the primary source of finance for higher education in Bangladesh. Table 1 presents alum opinions on whether government funds, tuition fees, or a combination of both should finance higher education.

Table 1
Alum Opinion Regarding Finance from Government and/or Tuition Fees

Category	Fully Financed by Government	Fully Financed from Tuition Fees
Mean Score	3.81	2.33
Mode	4	1

It is also evident from Table 2 below that the respondent academics (about 86 per cent) opined that the government should provide full funding for higher education in Bangladesh, whereas around one-fifth of the academics opined that tuition fees should be the primary source of finance for higher education (*F* denotes frequency and *P* denotes percentage).

Table 2
University Faculty Members' Opinion on Financing Higher Education in Bangladesh

Sources	*F*	*P*
The government should provide total funding for higher education	54	85.7
Tuition fees should be the primary source	13	20.6
Imposing a special education tax on alum	3	4.8
Imposing a special education tax on high-income people	22	34.9
Through a public-private partnership (PPP)	29	46.0
Establishing profit-oriented economic projects	11	17.5
Introducing student loans	23	36.5
Engaging academics in consultancy, research projects and grants, among others.	41	65.1
Build up a linkage with scholarship providers at home and abroad	47	74.6
Introducing the evening shift with private financing	15	23.8
Introducing double shift	15	23.8
Students' existing fees need to increase consistently	2	3.17
Financing through a research contract with industries for mutual welfare	2	1.59
Influencing alums to donate to higher education	1	1.59
Influencing higher society to donate to the establishment of libraries/laboratories in their name	1	1.59
Collaborative research with foreign research institutes or universities for higher study	1	1.59
A combination of government funds and students' tuition fees	1	1.59
Establishing a relationship with foreign educational institutions	1	1.59

These findings align with human capital theory (Becker, 1993), which posits that education yields both private and social returns. The strong support for government funding (mean 3.81) reflects recognition that society collectively benefits from an educated workforce, justifying public investment. Simultaneously, support for alum taxes and graduate payroll contributions acknowledges that the direct beneficiaries of human capital accumulation should share in the financing of these costs.

Other Sources of Finance

Different potential sources of higher education financing emerge from respondents' opinions collected through semi-structured questionnaires. In that case, respondents were free to choose one or more options and write their opinions freely. Table 3 reveals that 78.1 per cent of alums and 74.6 percent of faculty members emphasized building relationships with scholarship providers at home and abroad, 66.6 percent of alums and 36.5 percent of faculty members opted for introducing student loans, and 44.7 percent of alums and 65.1 percent of faculty members thought that involvement of professors in consultancy, research project, research grant, among others. could be the source of finance for higher education.

The study's respondents proposed other sources of financing higher education, but placed less emphasis on them than on the previously mentioned sources. Other sources include imposing special education tax on alums, private employers and people of the high-income bracket, financing

through PPP, initiating profit-oriented economic projects, introducing evening shifts with private finance and introducing double shifts, research contracts with industries for mutual welfare, collaborative research with foreign research institutes and universities, collection of donations from alums and high-income classes, among others. Table 3 summarises respondents' views on alternative sources of finance for higher education.

Table 3
Other Sources of Finance for Higher Education

Sources	Alums		Academics	
	F	*P*	*F*	*P*
Imposing a special education tax on alum	29	5.2	3	4.8
Imposing a special education tax on private employers	102	18.3	-	-
Imposing an education tax on people in the high-income bracket	-	-	22	34.9
Financing through PPP			29	46.0
Introducing loan facilities for students	371	66.6	23	36.5
Involving professors in consultancy, research projects, and research grants, among others.	249	44.7	41	65.1
Strengthening relationships with scholarship providers at home and abroad	435	78.1	47	74.6
Initiating profit-oriented economic projects	217	39.0	11	17.5
Introducing the evening shift with private finance	143	25.7	15	23.8
Introducing double shift	-	-	15	23.8
Other	60	10.8	-	-

The data indicate that some academics suggested that a combination of government funds and tuition fees should be the primary sources of funding for higher education. A few respondents suggested that the existing tuition and other fees must be increased significantly and repeatedly. It is worth noting that some education policy planners aim to increase university income from tuition and other fees. However, public universities face budget deficits due to rising tuition fees and other student charges. Moreover, if tuition and other fees are increased, talented but poor students may not have access to higher education, as scholarships and fellowships are almost absent at public universities in Bangladesh.

The respondents' endorsement of multiple funding streams—scholarships (78.1%), student loans (66.6%), and faculty research engagement (44.7%)—is consistent with resource dependence theory (Pfeffer & Salancik, 2006). Public universities' heavy reliance on a single government source creates vulnerability; diversifying through the proposed HEF reduces environmental uncertainty and enhances institutional autonomy.

The convergence of human capital and resource dependence perspectives provides theoretical justification for the HEF model: human capital theory establishes who should contribute (beneficiaries of educational returns), while resource dependence theory explains why diversification matters (reducing organisational vulnerability).

Higher Education Fund

Based on the respondents' support for alternative funding, we propose the following framework. A Higher Education Fund (HEF) should be established and operated in accordance with the principles of a special revenue fund under government accounting. It should be noted that a special revenue fund ensures that money collected for a specific purpose is used only for that purpose. A concept of a HEF has been proposed to manage financial activities in higher education, especially in public universities, based on respondents' opinions, print and electronic media messages, informal scholarly discussions, the basic concept of a special revenue fund, and the researcher's judgment. The concept is appended below.

- Create an HEF as a special government revenue fund. The fund will be operated in accordance with the common principles of government accounting for special revenue funds.
- This fund should bear the total expenditure for higher education and deposit all income from higher education. Initially, the government will provide the full amount required for the fund, but its contribution should be reduced gradually.
- After the fund is launched, it will be operated using contributions from various stakeholders, including government grants, student tuition fees, income from higher education institutions, donations, and tax income.
- Interest revenue can be a source of finance for HEF and will be generated from the fund's short-term, medium-term, and long-term investments.
- Donations received from the corporate sector under corporate social responsibility (CSR) may also be a great source of finance for HEF. The government can make it voluntary, but can also offer companies tax incentives to motivate contributions.
- The government should contribute between 0.75 per cent and 0.90 per cent of GDP, or between 3.00 per cent and 3.50 per cent of government expenditures, to the HEF annually.

- All income from higher education institutions, such as tuition fees, seat rent, and other sources, should be deposited into the HEF.
- Introduce loan facilities for poor but meritorious students at a rate below market rates. After securing employment, the students will repay the loan they took earlier from HEF, with interest, in instalments.
- The fund can be enriched by imposing a special education tax on alum, private employers, businesses and industries, high-income people, among others. Strong motivation is essential for social endeavours and is the core to creating upscale shared value for HE stakeholders (Islam & Hossain, 2019).

Conclusion

Bangladesh, as a developing country, has been suffering from an acute shortage of funding for its education, notably higher education. There may be alternative sources of finance for higher education in Bangladesh beyond government grants and tuition fees. The study also supports the idea that government funding should be the primary source of higher education finance instead of tuition fees. Alternative sources of financing higher education beyond government support and tuition fees should be considered. Some other auxiliary sources, such as student loans, building up linkage with scholarship providers at home and abroad, engaging professors in consultancy, research projects and research grants, introducing evening shift with private finance and introducing double shifts for more use of existing facilities, and establishing research collaboration with industries and foreign educational institutions can augment the size of HEF. Special revenue funds for higher education can be created by imposing a special education tax on high-income individuals, private employers, and graduates, and by introducing a payroll tax of 0.1 to 0.25 per cent on graduates' basic salaries, among other measures. Limitations of the study include reliance on primary data that may introduce sample bias, and differences across samples may yield slightly different results. On the other hand, the study only used descriptive analysis.

ACKNOWLEDGEMENT

This article draws on primary data and analysis from the first author's PhD thesis. It was subsequently presented at the "International Conference on Changing Dynamics of Higher Education in South Asia and the 21st-Century Transformative Goals: Contexts, Concerns and Prospects", held in Assam, India, in 2023.

ORCID IDS

Shakhawat Hossain Sarkar https://orcid.org/0000-0001-5673-9339

Syed Zabid Hossain https://orcid.org/0000-0003-4896-0222

REFERENCES

Aftab, K. & Ahson, U. (2009). Financing sustainability of higher education in Pakistan: A public sector university's perspective. *SAARC Journal, 5*(1), 67–87.

Ahmed, A. R., Farley, A., & Naidoo, M. (2012). Impact of the government funding reforms on the teaching and learning of Malaysian public universities. *Higher Education Studies, 2*(2), 114–124. doi:10.5539/hes.v2n2p114

Alam, G. M., Khalifa, M. T., & Shahjamal, M. M. (2009). Return from education system in Bangladesh: An investigation on comparative flashback scenario. *African Journal of Business Management*, *3*(10), 567–575. doi:10.5897/AJBM09.202

Alamsyah, V. U. (2020). A literature review of financing the tertiary education in Indonesia. *International Journal of Sociology, Policy and Law, 1*(1), 79-84.

Alinoor, M. & Muttakin, M. B. (1999). Budgetary control practice of Islamic University: A case study. *Islamic University Studies, 2*(2), 133–146.

Aminuzzaman, S. M. (2011). Quality issues of higher education in Bangladesh. *Journal of General Education, 1*, 01–15.

Asian Development Bank (2011). Higher education across Asia: an overview of issues and strategies. *Asian Development Bank*, Philippines.

Becker, G. S. (1993). *Human capital: A theoretical and empirical analysis, with special reference to education* (3rd ed.). Chicago, IL: The University of Chicago Press.

Chauhan, C. P. S. (2008). Higher education: Current status and future possibilities in Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka. *Analytical Reports in International Education, 2*(1), 29–48.

Dhaka bishwabidyalay granthagar [Dhaka University Library]. (2013, April 3). *The Daily Prothom Alo*, p. 10.

Goksu, A. & Goksu, G. G. (2015). A comparative analysis of higher education financing in different countries. *Procedia Economics and Finance, 26* (2015), 1152 – 1158. doi: 10.1016/S2212-5671(15)00945-4

Government of Bangladesh (2010). *National Education Policy 2010.* Dhaka: Bangladesh Government Press.

Government of Bangladesh (n. d). *Sixth Five-Year Plan.* Ministry of Planning, Dhaka.

Hasan, S. (2013, January 16). Manoniyo upacharjogon [To honourable vice-chancellors]. *The Daily Prothom Alo*, p. 10.

Heckman, J. J. (2005). China's human capital investment. *China Economic Review, 16*, 50–70.

Huang, F. (2018). Higher education financing in Japan: Trends and challenges. *International Journal of Educational Development, 58*, 106–115. doi: 10.1016/j.ijedudev.2016.12.010

Iqbal, M. Z. (2011, June 6). Matro ek hajar PhD [Only one thousand PhD]. *The Daily Prothom Alo*, p. 12.

Islam, F. (2012). *Higher education in Bangladesh: Prospects and challenges.* Dhaka: Desh Publications Limited

Islam, M. R. & Hossain, S. Z. (2019). Conceptual mapping of shared value creation by the private commercial banks in Bangladesh. *Asian Journal of Sustainability and Social Responsibility, 4*(3), 1–20. doi: 10.1186/s41180-019-0024-8

Johnstone, D. (2004). The economics and politics of cost sharing in higher education: Comparative perspectives. *Economics of Education Review*, *23*(4), 403–410. doi:10.1016/j.econedurev.2003.09.004

Khatun, S. (2003). Access to education: An inquiry into the present situation in Bangladesh. *Journal of the Asiatic Society of Bangladesh Humanities, 48*(2), 37–57.

Kim, B. & Park, N. (2018). Lessons learned from financing universal higher education in Korea. *International Journal of Educational Development, 58*, 116–127. doi: 10.1016/j.ijedudev.2017.09.010

Long, N. V. (2019). Financing higher education in an imperfect world. *Economics of Education Review, 21*, 23–31. doi: 10.1016/j.econedurev.2018.06.004

Mehmood, I., Khan, S. B., Raziq, K. & Tahirkheli, S. A. (2012). Role of academic leadership in change management for quality in higher education in Pakistan. *Journal of Education and Practice, 3*(16), 194–198.

Pantah, A-M. (2018). Higher education accessibility and financial sustainability in Ghana: The role of the student loan scheme. *International Journal of Advanced Research, 6*(2), 1481-1495. doi: 10.21474/IJAR01/6536

Pfeffer, J., & Salancik, G. (2006). External control of organizations—resource dependence perspective. In J. B. Miner (Ed.), *Organizational behavior 2: Essential theories of process and structure* (pp. 355–370). Armonk, NY: M.E. Sharpe.

Ponce, J. & Loayza, Y. (2012). Elimination of user-fees in tertiary education: A distributive analysis for Ecuador. *International Journal of Higher Education,* 1(1), 138–147. doi: 10.5430/ijhe.v1n1p138

Rana, M. S. & Hossain, S. Z. (2023). Intellectual capital, firm performance, and sustainable growth: A study on DSE-listed nonfinancial companies in Bangladesh. *Sustainability*, 15, 7206, 1–23. doi: 10.3390/su15097206

Rao, D. P. (2006). Genesis and growth of higher education in India. *Journal of Social and Economic Studies, 18* (1), 19–28.

Rizvi, G. (2009). Reinvesting universities: Higher education in a global society. *Journal of the Asiatic Society of Bangladesh (Hum.), 54*(2), 37-70.

Rizvi, G. (2012, January 24). Ucchashikkha khate boraddoke biniyoger drishtite dekhtey hobey [Allocation in the higher education sector should be seen as an investment]. *The Daily Prothom Alo*, p. 3.

Saad, W. & Kalakech, K. (2009). The nature of government expenditure and its impact on sustainable economic growth. *Middle Eastern Finance and Economics, 4*, 38–47.

Sarkar, S. H. & Hossain, S. Z. (2018). Higher Education Systems and Institutions, Bangladesh. In: Teixeira P., Shin J. (eds) *Encyclopedia of International Higher Education Systems and Institutions.* Springer, Dordrecht, 1–10.

Sarkar, S. H., Hossain, S. Z. & Rahman, R. A. (2014). Budgetary provision for higher education: Evidence from Bangladesh. *Journal of Public Budgeting, Accounting and Financial Management, 26* (4), 643–671.

Sarkar, S. H., Rana, S. & Zitu, R. A. (2013). Challenges of quality higher education in Bangladesh: A study on public universities. *Journal of Education and Practice, 4*(8), 151-160.

Schultz, T. W. (1961). Investment in human capital. *The American Economic Review*, *51*(1), 1–17.

Sherburne-Benz, L. D., Haque, T. S., Tandon, A., Coudouel, A., Fasih, T., Andersen, C. T., … Crystal, S. (2021). *Unleashing the South Asian century through human capital for all* (157496). Retrieved from World Bank Group website: https://documents.worldbank.org/curated/en/885781616013381140

Shin, J. C. (2012). Higher education development in Korea: Western university ideas, Confucian tradition, and economic development. *Higher Education, 46*(1), 59–72. doi: 10.1007/s10734-011-9480-5.

Tilak, J. B. G. (2012). Financing of Higher Education: Traditional versus Modern Approaches. *Journal of Higher Education, 2*(1), 28–37.

University Grants Commission (2006). *Strategic plan for higher education in Bangladesh: 2006-2026.* University Grants Commission of Bangladesh, Dhaka: as author.

University Grants Commission (2011). *Annual Report 2010*, University Grants Commission of Bangladesh, Dhaka: as author.

University Grants Commission (2012). *Annual Report 2011*, University Grants Commission of Bangladesh, Dhaka: as author.

Varghese, N. V. (2021). Financing of Higher Education in India. *Quality Mandate of Higher Education Institutions in India, University Grants Commission,* New Delhi, India.

Vinella, O. & Osakwe, N. G. (2023). Investing in university education in Nigeria: who should pay? *Scope*, 13(1), 78–91.

Manuscript received: 1 April 2020
Initial acceptance: 11 April 2021
Revisions received: 12 July 2021; 3 February 2022; 22 October 2023; 9 August 2024; 30 April 2025; 4 January 2026
Final acceptance: 6 January 2026