

Equity of Access to Public Higher Education in Lao P.D.R.

— The Case of National University of Laos* —

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I. Overview and problem

Overview

In order to understand the situation, the paper will start with giving necessary information concerning the system of public higher education of the Lao P.D.R.¹ and in particular the National University of Laos (NUOL).

Since the proclamation of the Lao P.D.R. in December 1975, the Lao higher education system develops rapidly. In 30 years, the number of students, lecturers and higher educational institutions have increased by 273 times, 43 times and 17 times, respectively (Table 1).

Table 2 shows that the enrollment becomes more and more important with the authorization of private higher education at the beginning of 2000, the establishment of the University of Champasack in 2002 in the Southern part, and the

Table 1. Evolution of number of students, lecturers and institutions

Year	Students	Lecturers	Institutions	
			Colleges	Universities
1975-76	146	40	2	
1985-86	2,782	82	6	
1995-96	7,273	800	11	
2000-01	16,678	1,079		1
2001-02	21,010	1,021	5	1
2002-03	24,162	904	9	2
2003-04	29,245	1,412	19	3
2004-05	39,921	1,684	30	3

Source: Department of Cooperation and Planning, Ministry of Education, 2005.

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Table 2. Number of students

	2003-04	2004-05
NUOL	19,675	24,221
University of Champasak	1,147	2,516
University Souphanouvong	548	1,226
Private colleges	5,666	7,466
Total	27,036	35,429

Note: These figures do not take into account the students of the pedagogical colleges.

University Souphanouvong² in 2003 in the Northern part of the country.

In 2005 the high education system of Laos is composed of: NUOL, University of Champasack, University Souphanouvong, and 30 private colleges. NUOL was established in 1996 and has been the unique public university in the Lao P.D.R. until 2002.

In 2005 when the survey was organized, NUOL students represented approximately 87% of the students in the public universities of Laos. In NUOL there are 2 types of courses, the regular courses and the special courses. The regular courses are almost free while the special ones are paying (850,000Kips or 85USD per year).

The access to NUOL is open to all graduates from the upper secondary education. However, as the supply of public higher education develops less rapidly than the demand, entering public higher education and in particular NUOL becomes more and more difficult. At the present time there are 3 ways to enter public universities: the way of governmental quota, the way of national competitive entrance examination, and the way of university competitive entrance examination to enter special courses in that university.

- (1) The way of governmental quota: According to its planning, each year the government set a quota of students for each province and for each university training programs. In the end of the year, the most merited graduates from upper secondary schools are selected to be the "quota students". The latter ones receive scholarship of the government and they enter the regular courses for almost free.

- (2) The way of the national competitive entrance examination: Other graduates from upper secondary who wish to enter public universities can attend the national competitive entrance examination, organized simultaneously in every province of the country with the same timing and subjects. The highest score students are the first to choose the training programs they wish to study, and the enrollment process continues until the places in the universities last. These students are in the regular courses, they do not receive scholarship of the government, but the training is almost free.
- (3) The way of the competitive university entrance examinations: The remaining graduates from upper secondary can still apply for the competitive university entrance examinations which are organized by each of the faculties of the university. The enrolment process is the same as mentioned earlier. The students will study in the special courses. Most of the programs in NUOL exist in regular courses and in special courses. These two courses follow the same curricula, but the special courses are paying.

The principle of selection is based on the meritocracy of the students. The merits of the students are his or her academic performance which is evaluated by the average marks he or she received in the final examination of upper secondary and in the entrance examination, and his or her “revolutionary virtue” which is evaluated by the behavior’s mark during the upper secondary schooling years. In some cases, the positive discrimination is applied for the children of the national heroes and for the minority ethnic groups, but this practice becomes rarer and rarer.

Problem

Since the liberation of the country in 1975, the higher education system has developed rapidly. In 1986 the “new economic mechanism” was put on the rail, and the Laotian economy is gradually transformed from centrally planned to market-oriented. In this context of rapid change, it is legible to question if the current higher educational system is equitable for the children issuing from different social categories of the Laotian population?

2. Theoretical issue

2.1. The access equity and the way of financing education

Today, there is at least one question in education that the policy makers through out the world are interested in: does free education, especially free higher education, lead to the equity of access and a better efficiency?

Wansen and Weisbrod (1969) concluded that the way of financing higher education in California State led to a non negligible revenue transfer from low income to the higher income families; explicitly the net impact of taxes and subsidies related to higher education was more profitable for the children of the rich families who have a higher probability to enter higher education. This conclusion, rather provocative, was based on the fact that the families having their children in the public higher education system had average revenue higher than the families having no children in the system. Field (1975) and Psacharopoulos (1977) maintained that in developing countries, free education has a pernicious effect as described above. Jallade (1974) has made the first detailed study the case of Colombia, a developing country. He has demonstrated that (1) globally the poor obtain a revenue transfer from the rich because the poor receive more public subsidy for education than they pay in tax. (2) Low-income families get more benefit from the credits for primary education, while middle and higher income families get more benefit from the credits for secondary and higher education. The final result is that everybody receives more or less equal subsidies from the State because the one who get more at the lower level of education get less at the level of higher education, and vice versa. Similar studies have been done in Malaysia and in Indonesia, in these two cases the conclusions go in the same direction: in the present state of affairs, the public financing at the level of post-secondary and higher education is more profitable for the rich, and it would be more equitable from social point of view, and more efficient from economical point of view, to move a part of the financial burden towards the private financing sources. The same situation can even be observed in industrialized countries, as empirical data shows that in many European countries, the majority of students attending low or zero tuition public higher education institutions are from high and middle-income families. This situation leads to believe that the State

support for higher education produces inequitable and inefficient outcomes. OECD studies (1998, 2001) also state that the present higher education systems seem to have little impact on the participation of young people from the less advantageous backgrounds. The existing systems of free higher education are regressive, because they tend to subsidise the students from higher economic classes at an expense of all tax payers, including those with low income (Biffi & Isaac, 2002). Moreover, the system of free or low tuition is inefficient, because it provides a subsidy to students who can afford to pay more.

On the other side, Pechman (1970) counterattacked Wansan and Weisbrod about the Californian case. By re-analyzing the data, he demonstrated that on contrary, there were the high income families who helped to finance higher education of the members of the low income families. Barbaro (2002) proved in his calculation the same conclusion as Pechman did but for the case of Germany.

No matter what it is in reality, the negative situation described by Wansan and Weisbrod is theoretically and practically possible. This controversy about the redistribution effects of public financing of education continues to give rise to debates and it is far from coming off with shared conclusions. Indeed, the studies on this subject encounter several types of problems and restrictions. Firstly, the results of the studies depend directly on modes for classifying the beneficiaries of the subsidies which are justified choices of the researcher himself. Secondly, from the theoretical point of view, it would be more appropriate to measure the taxes and the subsidies effects on the whole revenue of individual along his active life; but for lack of longitudinal data, only cross-sectional analysis was done so far. Thirdly, in the cases of developing countries, the restriction comes from the absence of reliable information, and in most of the cases, the studies relied on only hypothesis.

In conclusion, despite different outputs depending on countries, all agree on the following points: (1) the structure of the financing is very important and has a direct impact on the efficiency and the equity of the educational system; and (2) the modes of financing need to be re-studied and the sharing out between public and private financing needs to be modified.

2.2. The access equity and the social characteristics of the families

According to Boudon (1970) the “rational individual” proceeds along his or her educational career to the calculation of the type cost-benefit-risk. This calculation is made not only under the material costs’ constraints but also and above all under the influence of his or her social characteristics. The return and the risk are evaluated and perceived differently according to the social group he or she belongs to. Referring to this theoretical model the children of the lower social group such as farmers and workers, would perceive the risk of going to good universities or well known institutions very high. This sociological theory of Boudon is in some way complementary to the economic theory of Gary Becker (Human capital, 1964) which considers education as an investment.

As regard the access equality to school, it is manifested by the equality of participation of the different social groups, at equal aptitudes. As for the aptitudes, they are of 2 types, the first are of a genetic nature, and the second are influenced by the economic social and cultural environment in which the individual grow up. The first type of aptitudes cannot be corrected because they are hereditary, but the second type, also called “aptitude of departure”, in principle can be corrected. Mingat (1975) has measured the inequality of access to education according to the aptitudes of the individuals from different social groups. The aptitudes were evaluated by the test of Intelligence’s Quotient (IQ) and it was found that the variance of the IQ depends on the environmental characteristics for 20% to 40%, and on the heredity for 60% to 80%. He called “limited meritocracy”, the access equality at equal aptitudes without correcting the aptitudes of departure, and “generalized meritocracy” if the aptitudes of departure are corrected.

One can note that in many cases, the terms equity and equality are interchangeable, like in this case. But to be rigorous, they are not synonyms (Psacharopoulos and Woodhall, 1998). Equity is more philosophical and has a broader meaning than equality because it depends on what we believe to be fair. It is not based on only the distribution of resources but the also the way resources are distributed and the value judgment on the manner the society should distribute these resources. In several cases, the governments have an unequal

treatment vis-à-vis the unequal social groups of the society, in order to redress what they believe to be the social justice (the positive discrimination).

3. The analysis of the access equity of the public higher education in Lao P.D.R. The Case of the National University of Laos (NUOL)

3.1. The method of measure

The method of measure of the equity of access to education is taken from the book titled “Analytical Tools for Educational Systems Study” by Mingat and Tan (1987). At the narrowest level of the analysis, the equity of the opportunity distribution in education will be evaluated by comparing the characteristics of the pupils or students (their sex, their origin, the social group they belong to, etc.) with the population of reference.

In our case, the data concerning the proportions of the Laotians according to their socio-professional categories can be obtained, thanks to the care of the National Statistical Centre who has made the national census in 2005. The grouping of the population is made according to the socio-professional nomenclature developed by the International Labour Organization (ILO) in 1998. Therefore, the population of reference will be the entire Lao population. So we will say that there is the equity of access for a category of students, if in the university, the percentage of this category of students corresponds (more or less) to the percentage of the population of the same category in the whole country. If we call p the percentage in the university of students of the socio-professional category x , and P the percentage of the Laotians of the same socio-professional category in the country, we will have:

*The situation of equity or a normal representation if:

$$p = P \quad \text{or} \quad p/P = 1$$

*The situation of inequity with an inferior opportunity or an under-representation if:

$$p < P \quad \text{or} \quad p/P < 1$$

*The situation of inequity with a superior opportunity or a over-representation if:

$$p > P \quad \text{or} \quad p/P > 1$$

3.2. The data

Table 3. Sample of the survey January 2005

Bachelor Level							
Fac codification	Faculties	Programs' codification	Regular Courses	Special courses	Number of groups to survey	Number of students to survey	Number of questionnaires distributed
1	School of Foundation Studies	11	Natural Sc	No	1	60	120
		12	Social Sc	No	1	60	
2	Fac Education	21	Lao literature	No	2	120	120
		22	English	YES*			
		23	French	YES*			
		24	Math	No			
		25	Physics	No			
		26	Chemistry	No			
		27	Biology	No			
		28	History	No			
		29	Geography	No			
		210	Political Sc	No			
3	Fac of Letters	31	Lao literature	No	2	60	300
		32	English	YES	4	120	
		33	French	YES	4	120	
4	Fac Social Sc.	41	Geography	No	2	60	180
		42	History	No	2	60	
		43	Political Sc	No	2	60	
5	Fac Economics and Business Management	51	Economics	YES	4	120	240
		52	Business	YES	4	120	
6	Fac Law and Administration	61	Law	No	2	60	120
		62	Administration	No	2	60	
7	Fac Natural Sc.	70	Informatics	No	2	60	300
		71	Math	No	2	60	
		72	Physics	No	2	60	
		73	Chimistry	No	2	60	
		74	Biology	No	2	60	
8	Fac Engineering	81	Civil engineering	No	2	60	420
		82	Mechanical engineering	No	2	60	
		83	Electrical engineering	No	2	60	
		84	Roads and Bridges	No	2	60	
		85	Irrigation	No	2	60	
		86	Electronics	No	2	60	
		87	Transportation	No	2	60	
9	Fac Agriculture	91	Plantation	No	2	60	120
		92	Livestock farming	No	2	60	
10	Fac Forestry	101	Forestry	No	2	60	60
High Diploma level							
8	Fac Engineering	81	Civil engineering	YES	4	120	840
		82	Mechanical engineering	YES	4	120	
		83	Electrical engineering	YES	4	120	
		84	Roads and Bridges	YES	4	120	
		85	Irrigation	YES	4	120	
		86	Electronics	YES	4	120	
		87	Transportation	YES	4	120	
9	Fac Agriculture	91	Plantation	YES	4	120	240
		92	Livestock farming	YES	4	120	
10	Fac Forestry	101	Forestry	YES	4	120	120
TOTAL					102	3,180	

Note:* The special courses «secondary school teachers of English and French» have just started in 2004-05.

The data for the analysis are obtained from a survey that was organised February-March 2005. The survey could be done thanks to the assistance of 10 students of the Faculty of economics and Business management of NUOL. The questionnaires were given to 3,180 students of all training programs in the NUOL. For each program, were taken at random 2 groups, one of the 1st year of study and the other of the final year of study. Each group is composed of 30 students. The School of Foundation Studies and of the Faculty of Education were treated differently because of their particularity. The details of the sample are given in table 3:

Out of the 3,180 sets of questionnaires sent, 2,178 samples were correctly filled and returned, representing approximately 70% of the sample-target. Details are given in the following table 4:

Table 4. Number returned questionnaires

		Regular courses	Special Courses	returned	Sent out
Bachelor Level	School of Foundation Studies	117		117	120
	Fac Education	88	15	103	120
	Fac Letters	149	81	230	300
	Fac Social Sc	171		171	180
	Fac Economics and Business	106	118	224	240
	Fac Law and Administration	76		76	120
	Fac Natural Sc	172		172	300
	Fac Engineering	243		243	420
	Fac Agriculture	114		114	120
	Fac Forestry	32		32	60
Sub total-1		1,268	214	1,482	1,980
High Diploma Level	Fac Natural Sc	224	274	498	840
	Fac Engineering	94	72	166	240
	Fac Agriculture	19	13	32	120
Sub total-2		337	359	696	1,200
Total				2,178	3,180

4. The access equity analysis

4.1. Between boys and girls

For this particular case the number of girls attending NUOL can be obtained from the Academic Office of NUOL.

Taking all the Laotians or only the Laotians aged 17 to 24 as population of reference the girls are clearly under-represented in NUOL (Table 5 and 6). Our survey shows that 62% of students in the regular course and 73% of those in the

Table 5. Population by male, female, and total

		Population		
		male	Female	Total
(1)	NUOL	13,186	6,489	19,675
(2)	Laos	2,884,500	2,951,900	5,836,400
(3)	Laos — but 17 to 24 years' old	387,680	426,060	813,740

Sources: Academic Office of NUOL and Statistical data 1975-2005 of National Statistical Center.

Table 6. Proportion of Population by gender

		Population		
		male	Female	Total
(1)	NUOL	67.0%	33.0%	100.0%
(2)	Laos	49.4%	50.6%	100.0%
(3)	Laos — but 17 to 24 years' old	47.6%	52.4%	100.0%
(1)/(2)		1.4	0.7	1.0
(1)/(3)		1.4	0.6	1.0

Table 7. Percentages of Ethnic Groups in NUOL and in the Country

Ethnic Groups	% in NUOL (Regular vs. Special) (1)	% in Laos (2)	(1)/(2)
Lao-Loum	89.5 (88.3/93.3)	65.6	1.36
Lao-Theung	3.5 (4.2/1.1)	22.9	0.17
Lao-Soung	7.0 (7.5/5.6)	11.5	0.61
Total	100.0	100.0	

Sources: Our Survey 2005 and National Statistical Center-national census 2005.

special (or evening) course are males. This perhaps reflects that females tend to avoid going back home in late evening than males. Here, women in overall are clearly under-represented in NUOL, but there is a small difference between both courses.

4.2. Between ethnic groups

The Laotian population is composed of 3 main ethnic groups: Lao-Loum (Laotians of the plains), Lao-Thung (Laotians of the plateau), and Lao-Soung (Laotians of the mountains). The 2 latter ones are minority.

Table 7 shows that the Lao-Loums are the only group who is over-represented. They are slightly more over-represented in the special course as

Table 8. Percentages of students according to their provinces they come from compared with the population of their province

Province they come from	NUOL		Laos		% in NUOL/ % in Laos
	Number of students	% in NUOL	Number of population (x10 ³)	% in Laos	
Vientiane capital	778	35.82	669	11.46	3.12
Phongsaly	48	2.21	195	3.34	0.66
Louangnamtha	44	2.03	146	2.50	0.81
Oudomxay	56	2.58	268	4.59	0.56
Bokeo	33	1.52	145	2.48	0.61
Louangprabang	68	3.13	465	7.97	0.39
Houaphanh	86	3.96	312	5.35	0.74
Xayaboury	125	5.76	372	6.37	0.90
Xiengkhouang	148	6.81	256	4.39	1.55
Vientiane	250	11.51	383	6.56	1.75
Borikhamxay	80	3.68	209	3.58	1.03
Khammouane	91	4.19	348	5.96	0.70
Savannakhet	121	5.57	857	14.68	0.38
Saravane	38	1.75	327	5.60	0.31
Sekong	28	1.29	82	1.41	0.92
Champasack	110	5.06	640	10.97	0.46
Attapeu	32	1.47	111	1.90	0.77
Special Zone	36	1.66	51	0.87	1.90
Total	2,172	100.00	5,836	100.00	

Sources: Our survey 2005 and National Statistical Center, country data 2005.

compared with the regular course. The remaining two ethnic groups are under-represented, especially for the Lao-Theung. They do even more so, in the case of the special course.

4.3. Between Vientiane Capital and provinces

Table 8 shows that there is a over-representation of the students of Vientiane Capital (3.1 times), of Vientiane province (1.7 times), and of Xiengkhouang (1.5 times). The case of Borikhamxay is correctly represented (1.03 times), while other provinces are under-represented.

As seen in Figure 1 and 2, the distribution of students by provincial origins is more diversified in the regular course than in the special course. While nearly one-haft of students in the special course are from the capital city, over two-third of students in the regular course are from other provinces.

Thanks to the “quota-students” system in the regular course (of which it does not exist in the special course), over 40% of regular courses’ students entranced by the provincial authorities according to the government’s plan. Our survey finds that nearly 60% of students from other provinces have access to higher education by the quota-system. Nevertheless, roughly one-fourth of students from the capital are also utilized this system. So far, students from the

Figure 1: The distribution of Students by Provincial Origins in the *Regular Course*

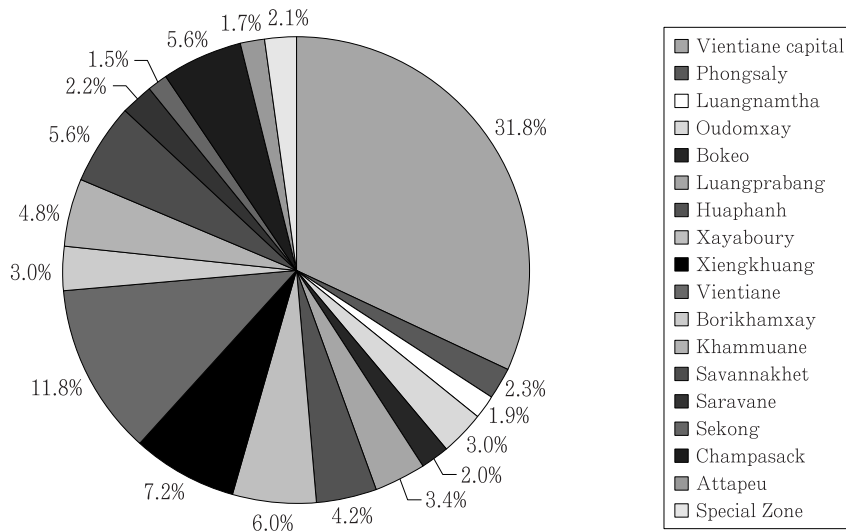
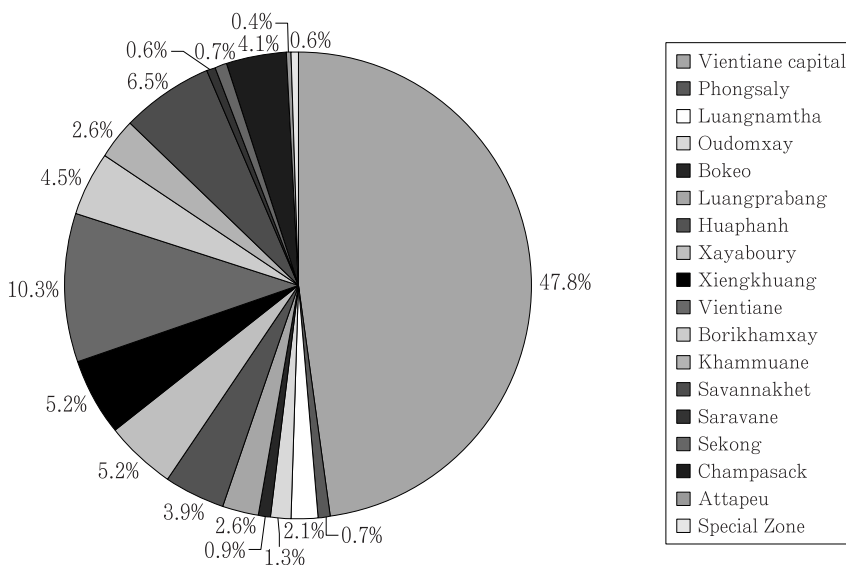


Figure 2: The distribution of Students by Provincial Origins in the *Special Course*



capital have more advantages in access in all cases. This implies to further reform of the quota-students as the significant role it plays.

4.4. Between different socio-professional groups

The National Census organized in 2005 by the National Statistical Center, published in 2006, gives the following proportions of the different socio-professional groups in Laos:

- Group 6 «AGRICULTURAL AND FISHERY WORKERS» men and women together, represent 85.57% of the total population of the country, of which the sub-group 62 «SUBSISTENCE AGRICULTURAL AND FISHERY WORKERS» represents 97.5%, and the sub-group 61 «MARKET-ORIENTED SKILLED AGRICULTURAL AND FISHERY WORKERS» only 2.5%. The other following groups are in the proportions much less important:
- Group 5 «SERVICE WORKERS AND SHOP AND MARKET SALES WORKERS» 3.96%
- Group 4 «CLERKS» 3.24%
- Group 3 «TECHNICIANS AND ASSOCIATE PROFESSIONALS» 2.89%
- Group 7 «CRAFT AND RELATED TRADES WORKERS» 2.58%
- Group 2 «PROFESSIONALS» 1.71%
- Group 9 «ELEMENTARY OCCUPATIONS» 1.17%
- Group 8 «PLANT AND MACHINE OPERATORS AND ASSEMBLERS» 0.98%
- Group 10 «ARMED FORCES» 0.94%
- Group 1 «LEGISLATORS, SENIOR OFFICIALS AND MANAGERS» 0.44%

4.4.1. Comparison between socio-professional groups, taking the proportions Men/Fathers as reference:

The following Table 9 is obtained by adding the information obtained from our survey 2005 to the above information.

- Over-representations of the children from the socio-professional groups: 1, 2, 4, 3 and 5 (by increasing order);

Table 9. Proportions of the students' fathers compared with the proportions of the men in the country according to their socio-professional groups

Socio-professional groups Men/Fathers		Laos		University		p2/p1
		N	p1	N	P2	
1	LEGISLATORS, SENIOR OFFICIALS AND MANAGERS	8,873	0.85%	287	13.18%	15.51
2	PROFESSIONALS	17,878	1.71%	339	15.56%	9.09
3	TECHNICIANS AND ASSOCIATE PROFESSIONALS	38,517	3.69%	332	15.24%	4.13
4	CLERK	2,378	0.23%	34	1.56%	6.86
5	SERVICE WORKERS AND SHOP AND MARKET SALES WORKERS	36,899	3.53%	144	6.61%	1.87
6	AGRICULTURAL AND FISHERY WORKERS	849,066	81.29%	855	39.26%	0.48
7	CRAFT AND RELATED TRADES WORKERS	33,129	3.17%	79	3.63%	1.14
8	PLANT AND MACHINE OPERATORS AND ASSEMBLERS	20,429	1.96%	43	1.97%	1.01
9	ELEMENTARY OCCUPATIONS	18,329	1.75%	23	1.06%	0.60
10	ARMED FORCES	19,048	1.82%	42	1.93%	1.06
Total		1,044,546	100%	2178	100%	

Sources: Our survey 2005 and National Statistical Center-national census 2005.

Table 10. Ranking by decreasing order

Socio-professional groups	p2/p1	Rank
1	15.51	1 st
2	9.09	2 nd
4	6.86	3 rd
3	4.13	4 th
5	1.87	5 th
7	1.14	6 th
10	1.06	7 th
8	1.01	8 th
9	0.60	9 th
6	0.48	10 th

—Normal access opportunity for the children of the socio-professional groups:

7, 8, and 10 ; and

—Inferior access opportunity for children of the socio-professional groups: 6

and 9.

We note that the students issuing from the privileged groups 1, 2, 3, 4 are

over-represented in NUOL, in particular the group 1. As for the students of the group 6, children of agricultural people, are the most under-represented, although they represent 39.26% of the total of students in NUOL. The children of the group 9, the workers, have a similar fate but in smaller scale. The children of the groups 7, 8, and 10 are more or less equitably represented in the university. The overall picture is that the children from rural areas have less opportunity to enter NUOL than the children of the urban areas (Table 10).

4.4.2. Comparison between socio-professional groups of the regular course with the special courses, taking the proportions Men/Father as reference

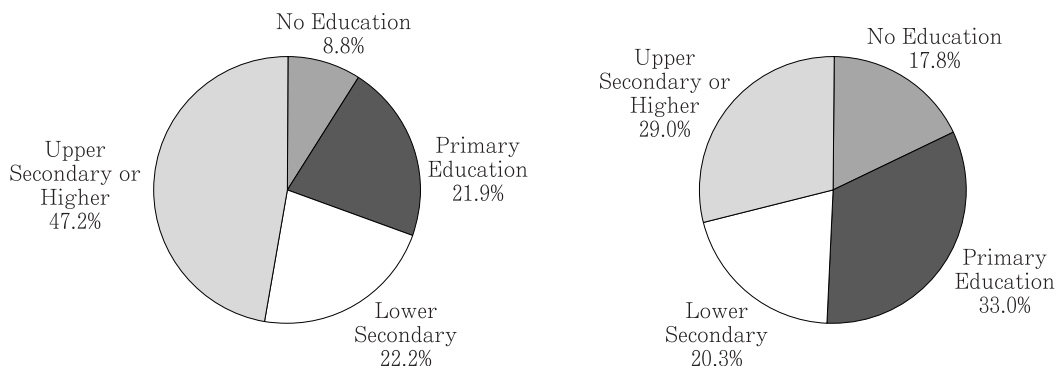
Observation:

—The privileged groups 1, 2, and 3 who are the best represented in the university, their proportions in the regular courses and in the special courses are almost the same ($r/s =$ et 1.12 respectively).

Table 11. Percentage of students issuing from the different socio-professional groups in the regular courses and in the special courses with population of reference Men/Fathers

Socio-professional groups		Regular Courses		Special Courses		<i>r/s</i>
		N	% (<i>r</i>)	N	% (<i>s</i>)	
1	LEGISLATORS, SENIOR OFFICIALS AND MANAGERS	219	13.53%	68	12.16%	1.11
2	PROFESSIONALS	259	16.00%	80	14.31%	1.12
3	TECHNICIANS AND ASSOCIATE PROFESSIONALS	247	15.26%	85	15.21%	1.00
4	CLERK	17	1.05%	17	3.04%	0.35
5	SERVICE WORKERS AND SHOP AND MARKET SALES WORKERS	117	7.23%	27	4.83%	1.50
6	AGRICULTURAL AND FISHERY WORKERS	619	38.23%	236	42.22%	0.91
7	CRAFT AND RELATED TRADES WORKERS	58	3.58%	21	3.76%	0.95
8	PLANT AND MACHINE OPERATORS AND ASSEMBLERS	29	1.79%	14	2.50%	0.72
9	ELEMENTARY OCCUPATIONS	15	0.93%	8	1.43%	0.65
10	ARMED FORCES	39	2.41%	3	0.54%	4.49
Total		1,619	100.00%	559	100.00%	1.00

Figure 3: Students' Parental Educational Attainments (Left=Father and Right=Mother)



—It is almost the same for the group 7 ($r/s = 0.95$).

—But for the group 6, there is the slight over-representation in the special courses ($r/s = 0.91$).

—The group 8 ($r/s = 0.7$) and 9 ($r/s = 0.6$) are perceptibly more important in number in the special courses.

As a whole, there is no important difference between the groups' representation in the two types of courses. However the number of students issuing from the group 6 (the agricultural people who constitute the largest population of the country), from the groups 8 and 9 (workers), are slightly more important in the special courses (Table 11).

Overall, students in NUOL are likely to come from intelligent families, no matter what professional your parents are. Our survey finds that less than 9% of students' fathers have no education at all. Surprisingly, nearly one-half of them graduated upper secondary educational level or higher. These are much better than general adults in the country. There are only marginal differences among the students of the regular and the special course (Figure 3).

5. Discussions and Conclusions

5.1. The situation of inequity

Laos is an agricultural country and agriculture contributed up to 46.6% of

the GDP (2004). 85% of the population is agricultural (group 6) and live for the majority of them by practicing the agriculture of subsistence. Their living conditions are precarious and their children are strongly under-represented in the university.

In the whole country there are a little bit more females (50.6%) than males, however at all levels of education, females are less represented than males. In NUOL for example, females constitute 33% and males 67%.

As final outcome, there is a significant inequity of access to public higher education in Laos. This situation is common to most the developing countries where the opportunity of access to education is not equal between the rich and the poor, people of cities and people of the countryside, boys and girls. The issue of the minority ethnic groups ties up with the previous issues because majority of them are poor and live in the remote areas.

There is a fact that merits attention. The study reveals that there are slightly more children issuing from the families of farmers and workers in the special courses than in the regular courses. This tendency is not healthy because if it persists or becomes more important, there will be more children of farmers and the workers in the paying courses and the educational system will be perverse as the poor have to pay more than the rich in higher education.

5.2. The causes of the inequity

At the level of individuals and their families: Based on the theory of economics of education of Becker, and sociological theory of Boudon, for the individuals and their families, education is an investment, but in their calculation of the return of investment, people from different socio-economical background, have different perception about the risk. These theoretical models are applicable to the Lao case. The country is still at it very first stage of it development and its population in general, the farmers and workers in particular, live in the precarious conditions (Laos is classified by the UN as one of Least Developed Countries). Most of the agricultural people work for their survival, see few importance of education, and want their children help them in their everyday works (planting rice, fishing, haunting, etc.). Now a day, many of them

understand the future benefit of education for their children, but they can hardly finance it, despite the situation of free education and compulsory primary education. Beside, in a Laotian traditional family, when an opportunity of schooling is offered, in most of the cases, the boys are firstly chosen by the parents, because they should become the future main support for the family and continues to hold the family name after being married. As for girls, they should help the parents at home and support her brothers' studies. This is the phenomena of "cultural heritage" of Boudon. It is to be noted that this phenomena still exist even in several industrialized countries such as France where the opportunity to become student of a boy is 35 times more important than a girl in the farmers' milieu, and 10 in the workers' milieu (Devineau and Léger, 2001).

At the level of the State: The Lao government understands the important role that education plays in the defense and the development of the country, but due to the financial constraint, the sector receives only an annual budget of approximately 11% of the national budget which is low (Thailand: 27%, Malaysia: 28%, Average WEI-2005³: 15%). Lao basic education (primary and secondary) is still weak because of poor infrastructures and the lack of qualified teachers. The situation is more serious in the countryside and remote area. Higher education, like basic education, has developed rapidly but rather in quantity than in quality. Due to an increasing demand, and in view of preparing the regional integration (GMS⁴, ASEAN⁵), the government undertook an important reform in 1995 which led to the creation of NUOL in 1996, and authorized the opening of the private higher education institutions since the beginning of 2000. Despite the stable growth, the government still faces the shortage of funding to assure the projects of development of all sectors, and external assistances from international organizations such as the Japan International Cooperation Agency (JICA), the World Bank, and the Asian Development Bank (ADB) are still necessary at the present time. There is a particular point that merit to be mentioned, the special courses within public universities. Actually, the presence of the special courses in NUOL for example, can help to generate non negligible additional revenues for NUOL staff and assume an important part of the operating cost of the

university. In 2005, the revenue from the special courses of NUOL reached 43%⁶ of NUOL budget, and thanks to these extra revenues, the university can run its activities properly.

5.3. How to improve the situation

In developing country like Laos, it is obvious that the main cause of the inequity is the economic gap between different groups of people. The children from poor families have little opportunity to reach higher education than those from wealthier families. To improve the situation and reach the objective of equity in the long run, the following ideas are given as matters of reflection:

- The government and the society should help the disadvantaged families to create a better living and learning environment for their children. To the present time, primary education is compulsory, public education at all levels is free, and several schools for children of minority ethnic groups are established through out the country. The strategy for growth and poverty eradication is being implemented. The ministry of education works to improve the conditions of the schools in the countryside and the quality of the teaching. The parents of pupils are invited to contribute in terms of donation or even workforce to improve the conditions of the school in their village or district. Things move in good direction, but more effort must be given to the education sector than in the past.
- Place the importance on the level of basic education and establish the tuition fees in the public universities: Like many developing countries, the government faces the financial constraint, and the governmental budget cannot respond to the need of all educational levels. According to the world trends and based on the recommendations of the experts such as: Johnstone (2003), Woodhall (1992), Ziderman and Albrecht (1995), Johnstone, Arora and Expeton (1998), Psacharopoulos and Maureen Woodhall (1998), in such a situation the public financing should put the emphasis on primary and secondary education, It is therefore necessary to move the gravity center of the

public financing of education downward to primary and secondary levels.

- At the same time the government should permit the public higher education institutions to establish the tuition fees system, because of the limited governmental budget. Indeed making the individual pay for higher education is also theoretically justified because it is a private investment that will bring future benefit to that individual (Theory of human capital). Beside there are also other supporting arguments such as the private financing (1) gives the students more sense of responsibility, (2) reinforces the autonomy of the university and increases its responsibility vis-a-vis those participate in the financing, (3) helps to improve both equity and efficiency (Psacharopoulos 1988, Johnstone 2003), and in particular in the developing countries, (4) makes the students and their families more demanding vis-a-vis the quality of the education.

It is important that the tuition fees should gradually cover the real cost of the training (approximately 100USD per year per student⁷). In parallel, the government should encourage the universities to explore the other sources of financing than governmental. The activities that may generate income could be: the organization of short term trainings, the contract of research of private companies, the consulting services, or even the renting of university's facilities for organizing meetings, conferences, sport activities, etc. In the present situation, the public universities should also continue to look for external/international assistance from international organization, donations, etc.

- Establish the financial assistance to students: When setting the tuition fees system, it is imperative to accompany it with the establishment of the financial assistance to students. The new system in place should guarantee that poor but talented students will not be rejected. It is noted that the (high) tuition fees system discourages more the poor students than the rich. As for the case of Laos, the amount of the current scholarship should be revised because at the present time it represents, on the average, only 12%⁸ of the

student's real expenses, and cannot help the poor students that much. Other forms of assistance such as soft loans should be considered and implemented in the near future. There are several examples of student loans in the world, among them the differed cost recovery loan system implemented in Australia merits to be studied.

Notes

- 1 Lao People Democratic Republic is the official name of Laos since the 2nd December 1975. Before that date the country's name was Kingdom of Laos.
- 2 Name of first President of Lao P.D.R., born prince of Louangprabang, he joined the communist movement of Lao Isara, better known abroad as the red prince of Laos.
- 3 WEI-2005 — 14 countries have participated in the survey WEI (World Education Indicators) in 2005: Argentina, Brazil, Chile, India, Indonesia, Jamaica, Malaysia, Paraguay, Peru, Philippines, Russia, Thailand, Tunisia and Uruguay.
- 4 GMS: Greater Mekong Sub-region is composed of Laos, Vietnam, Cambodia, Thailand, Myanmar, and Yunnan province of China.
- 5 ASEAN: Association of South-East Asian Nations, 10 members: Laos, Vietnam, Cambodia, Thailand, Myanmar, Indonesia, Malaysia, Brunei, Singapore, Philippines.
- 6 Calculated by the author.
- 7 Calculated by the author in 2006.
- 8 Calculated by the author in 2006.

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