

1 Trends of Financing Higher Education in Uzbekistan

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5

6 **Abstract**

7 This paper suggests investigating the financing of higher education in Uzbekistan and its
8 trends in the last years. Most expenses of higher education are covered by public funds, and
9 although the share of public expenditure in GDP is higher than other countries, enrolment is
10 still not in high rate. In general, government can afford to subsidize mass higher education
11 because of Uzbekistan choice for socially oriented market economy. 20 percent of students can
12 get public budget scholarship if their scores are on top of the list in entrance exams. For a long
13 time tuition fees have been introduced and its share in financing higher education is rising
14 year by year. In turn, the amount of monthly scholarships, tuition fee and number of student
15 influence on public expenditure insignificantly. Tuition fees might be paid by three main
16 sources. Students pay their tuition using education loan that is given by commercial banks,
17 however the loan has higher interest rate than assumed. Predominantly, parents share in the
18 payment of tuition fee has highest role among the sources, in this case the income of parents is
19 exempt from income tax.

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21 ***Index terms***— higher education, financing higher education, public expenditure, tuition fee, tuition loan.
22 higher education in Uzbekistan and its trends in the last years. Most expenses of higher education are covered
23 by public funds, and although the share of public expenditure in GDP is higher than other countries, enrolment is
24 still not in high rate. In general, government can afford to subsidize mass higher education because of Uzbekistan
25 choice for socially oriented market economy. 20 percent of students can get public budget scholarship if their
26 scores are on top of the list in entrance exams.

27 For a long time tuition fees have been introduced and its share in financing higher education is rising year
28 by year. In turn, the amount of monthly scholarships, tuition fee and number of student influence on public
29 expenditure insignificantly. Tuition fees might be paid by three main sources. Students pay their tuition using
30 education loan that is given by commercial banks, however the loan has higher interest rate than assumed.
31 Predominantly, parents share in the payment of tuition fee has highest role among the sources, in this case the
32 income of parents is exempt from income tax.

33 Obviously, private sources for financing higher education are needed to develop, as most EU countries can
34 afford to use taxpayer's resources less and less. Even though EU countries public expenditure is higher share
35 than private, states support students with financial aids under low interest rate.

36 **1 Introduction**

37 nowadays scientific review possibilities of financing higher education in Uzbekistan is topical. Indeed, most of
38 expenses are covered by public budget financial resources. Actually, mostly students in the country pay tuition
39 fees for tertiary education. But 60-90 percentages of these fees are returned as monthly scholarships for student
40 who paid tuition fee. That, in itself, creates condition for high education expenses to be depended on public
41 budget trends. Most states are no longer affording to finance higher education and nowadays method of financing
42 education is developed to assimilate of taxes less and less (Barr, 2005; Chapman, 1997; Johnstone, 2004a).

43 Financing higher education is component of the expenses of social sector; of course this sector occupies 60
44 percent of public budget. To increase independence of higher education there should be more sources of financing,

45 other than public expenditure. At N education. Oftentimes, high results are dependent on outcomes of higher
46 education in the conditions of strong competition of XXI century. In this regard, Lijing Yanga, Brian McCall
47 (2014) argued that workers tend to get education for high qualification, as a result, demand for knowledge
48 increased; hence, it impacts the economic growth positively.

49 Mingat and Tan argued that level of economic conditions significantly influence the rates of return of education.
50 Respectively low-income states tend to get the most return by means of investing on basic education, and high
51 income states give attention to higher educational provision, hence, middle-income states have intentions to
52 develop secondary education (Mingat and Tan, 1996). Individuals who are highly educated and experienced have
53 ability to contribute more to the society, in the future (Oliveria et al., 2009).

54 In our opinion, there is more and more demand on getting experience through education under the conditions
55 of developing highly competitive labour market. Indeed, this requires further development in higher educational
56 system. Uzbekistan is going to get recognized as developed countries, therefore, financing opportunities are
57 required to be expanded and perfected in perspective way. For example, the share of public budget expenditure
58 on education in the GDP of Uzbekistan is higher in comparison with other countries, including OECD countries.

59 In this case, the incidence of students in the total population can be dependent on the level of financing of
60 education. Particularly, according to UNICEF the coverage rate of primary school is 97 percent, while higher
61 education is 15.

62 As mentioned earlier, Uzbekistan spends a lot on education but gets little results. This paper offers the ways
63 we can assess and get scientific conclusion about financing system in the country and determines the experiences
64 (based on EU) that are most suitable for Uzbekistan.

65 Bei Li, Jie Zhang (2015) analysed optimal version of financing higher education. Especially, the role of public
66 finance was assessed for forming human capital of students. Furthermore, they argued "That efficient education
67 subsidization involves two aspects, concerning not only how high the optimal rate of education subsidization
68 should be but also who should pay for it intergenerationally. Intuitively, the stronger is the parental altruism
69 towards children's welfare or education achievement, the higher is the optimal rate of education subsidies. This
70 result holds in various models with different forms of altruism and different taxes. However, who should pay
71 taxes to subsidize children's education are not straight forward across generations." (p. 47).

72 Hence, facts encourage us to study finance of higher education of and give scientific conclusions about
73 Uzbekistan.

74 Above mentioned articles studied many features of financing higher education. It encourages us to investigate
75 financing trends of higher education in Uzbekistan and experiences of EU countries. The research paper consists of
76 five sections. Section 2 gives information about institutional background and its idiosyncrasies. Section 3 studied
77 Financing education: public expenditure and tuition fee. Section 4 discusses the results. Section 5 concluded
78 paper.

79 2 II.

80 3 Institutional Idiosyncrasies

81 Nowadays, there are 109 students per 10 thousand people of the population (Mirkurbanov N.M., Anoshkina V.,
82 Danilova-Kross Ye. 2009). Of course, through increasing the autonomy of institutions of higher education there
83 can be more opportunities for increasing the volume of non-budget resources.

84 Here we can see that total number of students accepted to the higher educational establishment have changed
85 marginally since during the years 2011-2016. There is little reflection with rising population. For instance, 0.19
86 percent of population becomes student 1 In Germany, social expenses are covered with the deficit in the budget.
87 Tuition fees were implemented in 7 of 16 states in the year 2005, but in the year 2007 the fees were cancelled
88 (Kerstin Bruckmeier, Berthold U. Wigger (2014)).

89 . Indeed, the number of applicants wishing to be student is increasing. Currently, average share of students
90 in the total population is less than one percentage (see Table ??).

91 In most EU countries, this indicator is higher than 3 percent, for example, 4.6 percent in the Netherlands,
92 3.6 in Germany, 3.9 in Great Britain, 3.4 in France and 4.1 in Czech Republic. Obviously, in these countries,
93 non-budget resources are not higher than public fund; however the experience of utilizing this fund is of positive
94 influence to the efficiency of the usage of funds. However, the ratio between public and private funds is relatively
95 high: 70.5:29.5 in the Netherlands, 56.9:43.1 in Great Britain, 79.8:20.2 in France, 79.3:20.7 in Czech Republic,
96 66:34 in Italy and 85.9:14.1 in Germany ??OECD, 2015). It should be noted that nonbudget funds in financing
97 higher education are of significant importance. As a result, these ratios and more autonomy of universities
98 increase enrolment rates in tertiary education of EU countries.

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100 Volume XVI Issue IV Version I Year () Conclusions of many authors emphasized that macroeconomic indicators
101 of most countries show increasing public debt. Thus, states are trying to reduce share of public funds in the
102 expenditures of higher education (Chevallier & Eicher, 2008).

103 Since 2005 there has been budget profit in Uzbekistan. It is connected with the government's policy to
104 achieve budget profit, that's why it is not common to increase budget expenditures, besides it raises tax burden.
105 Therefore, it is required to increase the volume of non-budget funds to increase enrolment rates in the country.

106 In this regard, for 20 years the enrolment rates has been decreasing. Notably, it was 17 percent in 1991, it
107 decreased 8 percentage points by 2011 (note: share of educated people in the population). In OECD high income
108 countries this indicator is equal to 75 percent.

109 Lijing Yang and Brian McCall (2014) argued that there is marginal relationship between public expenditure
110 per tertiary student and enrollment ratio, at the same time, tertiary enrollment is affected positively by share of
111 GDP in public spending on education and its per capita. Patrinos (2000) found that higher education influences
112 welfare directly and it creates opportunity to develop economically and socially, that's why states pay increasingly
113 high attention to financing education.

114 Thus, limited funds keep low tertiary enrollment rate, which means that new sources of funds are needed. The
115 number of students is kept at a fixed rate and that also influences on the enrolment rate of master students, in
116 turn we can see that ten percent of graduated bachelor students are going on in next step of tertiary education
117 (see Table ??).

118 These tendencies might be related with reforms which were implemented by the Resolution (PPQ-1564) of the
119 President of Uzbekistan in the year 2011. It caused reduction of bachelor specialties from 228 to 165 and masters
120 from 1200 to 447.

121 5 III.

122 6 Financing Education: Public Expenditure and Tuition Fee a) 123 Public expenditure

124 For many years government have be setting quotas for the number of students universities can accept; does it
125 decrease or increase public expenditure?

126 Most governments subsidize higher education. Whereas all citizens have access to education, they take it up
127 in different levels. "In particular, those who have a special aptitude for education and those for whom formal
128 education makes a large contribution to market earnings are the most likely to acquire higher than average
129 levels of higher education." (Craig Brett, John A. Weymark 2003, P. 2566-2567). In this regard, experience of
130 Uzbekistan has its own peculiarities. Conclusions below are made based on the analyses that are related to public
131 expenditures in tertiary education. For this purpose, we form regression function with three indicators of table 2.
132 Here, we use expenses on education as affected indicator. We C investigate the correlation between expenses on
133 education and three independent variables, number of bachelor students (?1); tuition fee (pedagogical specialty)
134 (?2); amount of average monthly scholarship (?3).

135 As a consequence, we have relative results that designed in the table 3. Based on R-squared, the parameters
136 of the standard model are considered as reliable. The significance of Fisher once again confirms that it is equal
137 to 0.00868. Ceteris paribus, we have equation (??) as followed below: $F(x) = -15990,99 + 0,2714x_1 + 0,3823x_2$
138 $+ 0,0296x_3$ (1) Between Ministries of Finance and Higher and Secondary Specialized Education of the Republic
139 of Uzbekistan memorandum, regarding tuition fees for the academic year 2015/2016 was signed on 18th August,
140 2015. According to this memorandum tuition fees are 5800 thousand. But, it should be noted that based on
141 P-Value (P-Value < 0,05 indicates strong evidence) variable indicators (x) do not have significant influence on
142 public fund trends. This is due to the fact that all chosen indicators are determined by government; as a result
143 trends are more or less stable.

144 Although budget expenses are growing on a continuous basis, the share of students in the population stays
145 invariable (see Table ??). Noteworthy is the fact that, the enrolment rate has slight changes, in the meantime,
146 population increases in a more rapid way. Thus, percentages of changing trends of public expenditures are
147 predominantly similar. Ceteris paribus, financing of higher education is changing, together with three variables,
148 in parallel. Based on aforementioned conclusion, the natural question that arises is: "do tuition fees influence on
149 this trend as non-budget funds do?"

150 In this regard Lijing Yang and Brian McCall (2014) emphasized that most developing and some developed
151 countries in Asia have introduced policy of public financial austerity in financing higher education by means of
152 implementing tuition fees and student loans. 3 See variables in table 2. 4 It was for academic year 2015/2016,
153 then it can be increased UZ soms for pedagogical specialty. Here if we consider the highest amount of monthly
154 scholarship, which is 439772 UZ soms, it can be seen that during a year student of this specialty get 91 percentages
155 of his/her tuition fee as a monthly scholarship. At the same conditions with the specialties that have highest
156 tuition fee, students will get 62 percentages of the tuition fees they pay. Trends of Financing Higher Education
157 in Uzbekistan. Indeed, students who pay tuition fees, receive their monthly scholarship not from public budget
158 sources, but from their own tuition fee. In this regard, given the students receive back a significant portion of
159 the money paid as a fee, the non-budget sources of universities need to be further increased.

160 On the other hand, as mentioned, tuition fees of tertiary education are determined by government. For example,
161 in 2015/2016 academic year tuition fees of economics and business specialties are equal to 7650 thousands UZ
162 soms.

10 SOURCE: CALCULATED BASED ON INDICATORS OF THE DECREES OF THE PRESIDENT OF UZBEKISTAN ABOUT QUOTAS OF HEI

163 Although there are differences in scientific level of teachers, facilities between HEI, the amount of tuition fees
164 in the relevant specialties are equal. Daniela Glockner, Johanna Storck (2014) analyzed 75 different educational
165 fields, in particular, their risk and return properties. The results show that financial performance of different
166 educations varies across and within levels of qualification. Indeed, qualification level influences noticeably on
167 financial performance.

168 In Europe, tuition fees are defined based on the peculiarities of the specialty. In this regard, Walker & Zhu,
169 (2011) argued that social sciences (business, law and medical subjects) are more attractive field for investment
170 in terms of monetary returns, as opposed to humanities and arts.

171 Most HEIs in Uzbekistan prepare Bachelor degree students in Economics and Business spheres, and the same
172 standard of education is used for these sphere in all HEIs.

173 In comparative study of teachers HEIs (of Tashkent and regions) that have scientific levels. We found that the
174 number of teacher's with scientific level is higher in HEIs of Tashkent than in regional HEIs. The students of the
175 same bachelor specialties are taught by different levels of teachers, while receiving seemingly identical standards
176 of education and paying the same tuition fees. It can be concluded that HEIs with high rank receive the same
177 tuition fees as HEIs with lower ranks for corresponding specialties.

178 In general, based on aforementioned opinions we come to conclusions related to the trend of public expenditure:

179 Firstly, tuition fees defined by government do not create opportunity to take into consideration possibilities
180 and achievements of HEI.

181 Secondly, it is necessary to develop connection between ranking of HEIs and tuition fee in defining the amount
182 of tuition fees.

183 Thirdly, it is required to form the competitive environment among HEIs when it comes to determining fees.

184 Fifthly, mostly public expenditures are spent for the maintenance of HEIs and salaries of staff members.

185 Lastly, there is no correlation between tuition fees and salaries of HEI teachers.

186 7 b) Tuition fee

187 It should be noted that the share of students who pay tuition fees is raising year by year, this share increased
188 from 62 percent in 2011/2012 to 67 percent in 2015/2016 academic year. In this regard, we can say that students'
189 number who pays tuition fees is increasing insignificantly (see Table 3). This, in turn, not only creates opportunity
190 to raise amount of non-budget funds, but also large part of paid tuition fees by students are returned to them as
191 a monthly scholarship.

192 Steven Bednar and Dora Gicheva (2013) found that students between the ages 24-30 prefer to pay tuition fees
193 by themselves. In the meantime, students between 18-23 years old tend to get financial support of parents,
194 interestingly; this trend is increasing in

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198 Trends of Financing Higher Education in Uzbekistan prevalence. They found that if the tuition reimbursement
199 tax exemption is given in a particular year for 24-30 year-old employed college graduates, then fulltime graduate
200 enrollment in public institutions, for students in that age group and in that year, increases by about 8%. Though
201 there are some tax privileges in Uzbekistan, when it comes to paying tuition fees, it doesn't significantly increase
202 the number of students, because the number of students for enrollment is defined by the government.

203 10 Source: calculated based on indicators of the decrees of the 204 President of Uzbekistan about quotas of HEI

205 Giuseppe Migali (2012) researched an income contingent loan (ICL) for financing higher education in Great
206 Britain and argued that graduates would pay more to switch from mortgage loan to ICL. He emphasized that
207 graduates, especially male graduates, have more willingness to pay for an ICL, compared to females. The reason
208 for their preference is that males tend to be employed by private sector.

209 It should be noted that, Costas Christou, Michael Haliassos (2006) argued that repayable financial aid for
210 paying tertiary fees influences on students loan or working possibilities in studying period. students loan or
211 working possibilities in studying period. Mostly such kind of aids is provided by relatives, mainly by parents.
212 Aforementioned sort of repayable financial aids also exist in Uzbekistan.

213 Notably, parental aid in paying tuition fees plays the main role in students decision to receive higher education
214 (according to Tax Code of the Republic of Uzbekistan, Article 179, part 31, paragraph 1, there is tax privilege
215 for parents who pay for their children's fee from their salaries). Furthermore, students (in some cases parents)
216 may take loan from private financial resources of commercial banks'. Also, any company or C Fourthly, there is
217 strong relationship between public expenditures and students who receive state scholarships.

218 firm that aims to recruit student can cover expenses of students for the tuition fee. That support of the firm
219 not only gives financial aid to students, but also guarantees employment of students after graduation.

220 Although there are three sources of financing tuition fees, these sources cannot raise the amount of non-budget
221 funds. This is due to the fact that the bulk of fees will be given back to students in the form of monthly paid
222 scholarships.

223 On 26 th of July, 2001, Government of Uzbekistan accepted resolution about educational loans that that
224 are given by banks. According to resolution educational loans can be given to students with Refinancing rate
225 of Central Bank of Uzbekistan. HEI students enrolled in bachelor degree receive loans for a period of 10 years,
226 meanwhile master's degree students are supposed to pay the loan back within 5-year period. All graduates must
227 commence reimbursing the three months after their graduation.

228 However, the use of educational loans provided by commercial banks, is in the interest of banks rather than
229 students, since the interest rate for the loan is high. Refinancing rate of Central Bank of Uzbekistan is equal
230 to 9 percent, which makes already difficult situation for students, i.e. repayment of the after three months from
231 graduation, even more complex. Finding a job in short period is not an easy task. Alan M. Saks and Blake E.
232 Ashforth (2000) analyzed job searching processes of graduates of 121 universities, the results showed that getting
233 a job in 4 months was a good result. Indeed, start of reimbursement period in Uzbekistan should be prolonged.

234 Lorraine Dearden, EmlaFitzsimons, GillWyness (2014) studied sources of financial aids to student and their
235 role in getting higher education. Specifically, they considered reforms that were implemented during the years
236 2004-2007. Reform that set a tuition fee as 3000 pound sterling /year was accepted in Higher Education Act
237 in the year 2004 and implemented from the academic year 2006/2007. Their research shows that if tuition fee
238 is decreased to 2000 pound sterlings, the rate of participation in education rises 3.95 percents. Students whose
239 parents had incomebelow 22500 pound sterling a year, could pay 1050 pound sterling as a maximal fee.

240 Educational loans are one of the sources of tuition fees that are common in international practice. Oftentimes,
241 government has a responsibility to give financial aids to disabled children. For example, there are some privileges
242 for disabled or the orphan: when half of loan is paid by students and the latter part of loan is paid by State Fund
243 for Employment of the Republic of Uzbekistan under the Ministry of Finance.

244 In some EU countries there is support for disabled people, namely in Austria, Czech Republic, Ireland,
245 Spain. Gottfried Biewer, Tobias Buchner, Michael Shevlin and others (2015) classified disabled students in
246 three categories they are: residence, type of impairment and current employment status. In Austria, federal
247 states support physical and visual impairments.

248 In Germany, state pays comprehensive attention to the disabled. Disabled students who have children are
249 exempt from paying their tuition fee (this was the case during the years 2005-2007 when tuition fees were
250 temporary introduced). In 2008 interest-free educational loans were introduced in Hamburg (Walker & Zhu,
251 2011).

252 Following conclusions can be made based on the studies of researches:

253 Firstly, the bulk of tuition fees are paid by students (or parents) directly.

254 Secondly, tuition fees that are based on educational loans of banks refunded with interest rates. In other
255 words, three months after graduation, graduates have to reimburse the loan with 9 percent (2016) interest rate
256 -refinancing rate of Central Bank of Uzbekistan. If the delay was introduced for the reimbursement of educational
257 loan, total costs of students could be lower.

258 Thirdly, educational loans create opportunity to pay tuition fees for students who are in difficult financial
259 situation.

260 Fourthly, parents who cover tuition fee for education of their children, from their salary, are given financial
261 support as tax privileges.

262 Fifthly, disabled students in Uzbekistan have advantages when it comes to reimbursing the educational loan.

263 11 IV.

264 12 Discussion: Experience of Eu Countries

265 In EU, financing and governance of higher education has its own peculiarities. Notably, universities in EU have
266 financial independence, which boosts sources of non-budget resources. Below is the study of these cases.

267 Greenaway D. and Haynes M. (??003) argued that majority of universities of Europe have higher financial
268 dependence on tuition fees of students, rather than public funds. Hence, most universities are independent in
269 managing their finance. The benefits of this, in different stages of education, are abundant. For example, public
270 financing of primary schools raises literacy level of all groups of population. The poor, compared to the rich,
271 have higher results of return from primary education than from higher education. Although, restricted allocation
272 of public funds for primary education exist. The author's research suggested the introduction of user charges
273 within universitylevel (Psacharopoulos, 1994).

274 In the last decade of XX century, public funds of some European (e.g., Germany, Denmark, Greece and
275 C Luxembourg) countries were under pressure of "free-of-charge" higher education. From the start of current
276 century, privatization and cost sharing occurred. (Stamoulas, 2005). In Italy, for instance, tuition fees increased
277 with the ratification ofAct of Parliament (537/93).This Act influenced on the policies of some states. Firstly, this
278 act decreased the volume of public fund resources of HEIs. Decreasing contribution of public budget, in turn,
279 reduces the amount of taxes to be paid. Secondly, newly accepted Act supported universities to introduce tuition
280 fees independently (G. Di Pietro, 2003).

14 CONCLUSION

281 Of course, HEIs rank and specialties available increase the level of their financial independence when define
282 the level of tuition fee. In turn, that will not only rise enrolment rate, but also decreases the demand for public
283 expenditure.

284 Low rate of enrollment rate in Uzbekistan can be explained by fixed number of student quotas. Naturally,
285 there is very high competition among applicants who want to acquire the diploma of tertiary education, that in
286 itself, increases competition for the entrance exams of the following year. Thus, getting enrolment for a university
287 becomes increasingly arduous task. That means additional number of quotas would be needed in future.

288 Similar situation can be observed in Greece. For example, unsuccessful applicants' families spend money
289 for tutors that equals to 46.1 percent of public expenses on education (Costas Kanellopoulos and George
290 Psacharopoulos, 1997). As a result, it influences on increasing number of young men and women with high
291 potential to go abroad in search of tertiary education. Costas Kanellopoulos and George Psacharopoulos (1997)
292 came up with two reasons for spending so much resources on tutors of Greek families:(i)benefits of education in
293 society are highly related to the level of individual's attendance; also (ii) restricted public fundsdo not create
294 opportunity to get the level and type of education that Greek families seek. Along with this, 17 percent of students
295 in Italy cover their tuition fees by means of financial aid. Work-study programs were very popular among all aid
296 programs,12% of students were involved in aid programs. On the other hand, guaranteed studentloans are used
297 by merely 0.2 percent of students to finance their studies (G. Di Pietro, 2003).

298 For instance, "Student Finance England"service was especially organized to give financial support for students
299 in Great Britain. The interest rate of tuition loans are linked to the rate of inflation,as well as to the Retail
300 Prices Index. There is no specific requirement for the period of repaying the loan, conversely, it isset based on
301 the income of graduates. Graduates have to repay when they begin to earn more than £15,000 annually (GDP
302 per capita was \$23,000, 2006 year estimate). It requires students to pay 9 percent of their income per year.

303 Graduates will be exempt from repaying tuition fees until reaching financial independence, this is considered
304 to be one of the positive aspects ofthe policy. According to Sweden's experience graduates need to repay the loan
305 they take till the age of 60. Graduates need to pay5 percent of their income for reimbursement of their loan for
306 tuition; volume of payment must rise at least 2 percent annually.

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308 Many peculiarities of EU experience in repayment tuition loan could be seen above. In this regard, introduction
309 of conveniences in the provision of educational loans in Uzbekistan is important. As was pointed out earlier,
310 educational loan in Uzbekistan should be repaid in five year period, and started paying three month after
311 graduation. Many discrepancies can observed when the experience educational loans of Sweden and Uzbekistan.
312 Many advantageous aspects of the experience of Great Britain could be applied in Uzbekistan as well. Indeed,
313 positive results could be achieved in providing educational loan for students, if Uzbekistan exploited some features
314 of foreign experience.

315 V.

316 14 Conclusion

317 Public expenses play pivotal role in financing tertiary education. These expenses have higher share of GDP
318 in comparison with other countries, which shows that social market economy in the country is welldeveloped.
319 Although public fund covers tuition fees of 20 percent of students, the remaining 80 percent of the students pay
320 tuition fees by themselves, simultaneously receiving monthly allowances which compensate the bulk part of the
321 fees they pay.

322 Parents are exempt from paying income tax when they pay tuition fees of their offspring. It once again proves
323 Uzbekistan's attention for social market economy.

324 By way of conclusion, tuition fees and scholarships have marginal influence on planning public expenditure in
325 education. Enrolment rate is low because of little financial support, which in turn requires developing financial
326 activity of HEIs. This development of financial activities will not only increases competitive environment among
327 HEIs, but also creates opportunity to develop private sources financing. ^{1 2 3 4}

¹Calculated based on indicators of the Committee of Statistics of the Republic of Uzbekistan .

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³Total amount of monthly scholarship is defined based on the number of students and average amount of monthly scholarship.© 2016 Global Journals Inc. (US)

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Figure 1: 4

CONCLUSION OUTCOME

The regression statistics	
multiple R	0,997097256
R-squared	0,994202939
Normalized R-squared	0,985507347
standard error	339,0602658
Observations	6

variance analysis

	df	ss	MS	F	The significance of	
						F
Regression	3	39432193,53	13144064,51	114,3341285	0,008682978	
the balance	2	229923,7277	114961,8639			
in total	5	39662117,26				

	Coefficients	standard error	t-statistics	P-Value	The lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Y-intersection	-15990,99006	11832,81948	1,351409956	0,309128779	-66903,50311	34921,52299	-66903,50311	34921,52299
Variable X1	0,271428861	0,230455136	1,1777948	0,360045386	-0,72013956	1,262997283	-0,72013956	1,262997283
Variable X2	0,382374123	0,958914301	0,398757347	0,72861763	-3,743501111	4,508249357	-3,743501111	4,508249357
Variable X3	0,029609218	0,013227476	2,238463274	0,154587374	-0,027304016	0,086522453	-0,027304016	0,086522453

4

Figure 2: 4 Global

2

	2010	2011	2012	2013	2014	2015
Expenses on education, billion UZ soms	4464,1	5582,9	7130,4	8803,2	10763	
Number of bachelor students (?1)	56607	56607	56607	57907	57907	
Tuition fee, thousand UZ soms (pedagogical specialty) (?2)	3350	4000	4600	5050	5800	
Amount of average 2 scholarships, UZ soms (?3)	159187,7	175107	201373,7	260733,3	299844	329662,3
	monthly					

Figure 3: Table 2

3

	2011/2012	2012/2013	2013/2014	2014/2015	2015/2016
Bachelors, total	56607	56607	56607	57907	57907
State scholarship (grant)	19560	19340	19120	19120	19120
Fee paying students	37047	37267	37487	38787	38787
Masters, total	5880	6300	6300	5000	5000
State scholarship (grant)	1566	1566	1548	1548	1548
Fee paying students	4314	4734	4752	3452	3452

Figure 4: Table 3 :

328 [C] , C .

329 [Education in Uzbekistan] , <http://www.unicef.org/ceecis/Uzbekistan.pdf> *Education in Uzbekistan*

330 [Tashkent ()] , Tashkent . http://iqtisodiyot.uz/sites/default/files/maqolalar/14_A_Maxmudov.pdf 2015.

332 [Saks and Blake ()] 'Ashforth Change in Job Search Behaviors and Employment Outcomes'. Alan M Saks , E Blake . *Journal of Vocational Behavior* 2000. 56 p. .

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