

Original Article

## Education and Business Cycles Distance Education in Boom and Depression

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### Introduction

Education can be influenced by business cycles for many reasons. Prosperity and recession periods increase a person's motivation to grow specialized skills, on one hand, and due to the right business conditions and the rising opportunity costs, encounter with more costs to assign time for the education on the other hand; therefore it can decrease the motivation of education. To do this, the present research aims to investigate the effect of expansion and recession periods on the rate of registration of Payame Nour University across the country from 2005 to 2018.

### Method

The use of traditional methods in econometrics is based on the assumption that the variables are static. In other words, the mean and variance of the variables are assumed to be constant over time, and a static or reliability test is performed to show this. Therefore, to prevent the occurrence of false regression when estimating the pattern, it is first necessary to examine and test the static variables; Special tests of this type of data can be used to evaluate the reliability of variables in panel data.

### Results

The result of this study show that the share of PNU students declined, comparing with the total numbers of other students in all provinces in the periods of expansion .In contrast, this share regarded to be positive in the period of recession .Results also indicate that the intensity of influence is very low in the periods of expansion and recession .Worth saying is that the rate of registration acts as anti-cyclical process .These findings revealed that

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people are highly influenced by the expenditure , when they put their name down for a course in this university. The results of the study can help the academic management to make appropriate policies in the periods of expansion and recession.

### **Discussion**

The result of the present study reveals the effect of the theory of opportunity cost on higher education enrollment .Put it differently,people get more motivation for higher education in recession period, emerging with cutting down the labor force .This university regarded to be more fascinating due to such factors as remote education, low education cost,its geographical span and accessibility in the period of recession that is simultaneous with cutting down the rate of wage and employment.Findings of this study stay in line with literature review section ,particularly with the views of the scholars cited on various aspects of the study such as, Betts &Mcfarland (1995), Dells & Sakellaris and Bedard &Herman .Their findings accentuate on anti-cyclical treatment of people who enrol in higher education system.Meanwhile, the findings of the present research can make contribution to the academic managers and curriculum planners in Payame Noor university to anticipate the behaviour of the applicants in the periods of recession and expansion or forthcoming future. All such works done in order to accommodate the given factors in their planning model in pedagogic, financial ,research and collegiate fields.Student's enrolment has a strong and negative correlation with tuition fee .It indicates that students of this university are very sensitive to the tuition fee paid.Perhaps, this issue uncover a fact that remarkable portion of activities in this university realized in the lower level of society, where a big group of students belong to a class with earning a low income. Finally, the last variable is unemployment, which has a positive effects on studens tend to keep on their study in this university,and this is the indicator of the positive effects of recession on student enrollment.

**Keywords:** Boom, Depression, Education, Payam Noor University

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