

PUBLIC-PRIVATE PARTNERSHIP IN FUNDING OF TERTIARY EDUCATION IN NIGERIA

Ken Ayo Azubuiké

Abstract

Tertiary institutions in the country have -been experiencing severe financial crisis. The crisis which have some far reaching implications on the delivery of tertiary education seems to have defiled all possible solutions. Nevertheless, appalling as the financial situation lives in the policy of Public-Private Partnership. The Public-Private Partnership advocates active collaboration of not only the government, but also the private sector, philanthropists and other interest groups in the funding of tertiary institutions. This paper identified the various areas that can be salvaged through Public-Private Partnership Programme. Some attempts were also made to suggest ways through which Public-Private Partnership could be made effective. The paper concludes that partnership has the potentials of improving the financial bases of tertiary institutions in the country.

Introduction

Higher education all over the world has been generally accepted as a very powerful instrument in the socio-economic and technological advancement of any nation. It occupies a strategic position in the nation's educational system. This is because, it is the cornerstone for national development. According to the National Policy on Education (2004:36), tertiary education, which is, also called higher education "is the education given after secondary education in universities, colleges of education, Polytechnics, Monotechnics including those institutions offering corresponding courses".

The goals of tertiary education include:

- a) To contribute to national development through high level relevant manpower training.
- b) To develop and inculcate proper values for the survival of the individual and society.
- c) To develop the intellectual capability of individual to understand and appreciate their local and external environment.
- d) To acquire both physical and intellectual skills which will enable individuals to be self-reliant and useful members of the society.
- e) To promote and encourage scholarship and community service.
- f) To forge and cement national unity, and
- g) To promote national and international understanding and interaction (NPE, 2004),

The above goals leave everyone without any doubt that tertiary institutions are established to give professional training for the production of highly motivated, conscientious and efficient manpower, that is necessary for nation building. This can only be achieved if the institutions are financially well positioned to cope with the ever-rising cost of higher education delivery.

However, the events of the last two decades indicate that tertiary education is in for some financial embarrassment. This stems from the fact that Federal Government, which is the principal actor in the funding of education in Nigeria, can no longer cope adequately with the financial demands of the industry. This malaise started in the early eighties when the global economic recession gave rise to glut in the world market for crude oil, which is Nigeria's major foreign exchange earner.

The introduction of the panic ridden measure called Structural Adjustment Programme (SAP) in July, 1986 could not make any positive changes. This situation adversely affected education as the Federal Government de-subsidized social services.

This resulted to a systematic decline in the funding of the nation's educational system. Consequently, Liman (3997), posits that the inadequacy of needed facilities in tertiary institutions will remain for sometime the expectation is that funds allocation to tertiary institutions will not improve any time soon, as the Federal allocation to the education sector

continues to dwindle. For instance, in 1989, the Federal Government spent 6.45 percent of her total budget on education. It dropped to 5.77 percent in 1990, 4.02 percent in 1991 and 3.40 percent in 1992. It then rose to 9.33 percent in 1994 and for the next four years could not reach the 1994 mark (see Table below) in 2002, it moved up to 10 percent, 11.5 percent in 2005 and 11 percent in the budget for 2006.

Year	1988	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
Total budget education	1,084.10	1,941.80	2,294.3	1,554.20	2,060.40	7,999.1	10,283.60	12,728.70	15,351.80	15,944.0	26,721.30
Total budget estimates (capital and recurrent expenditure for the period)	24,297.20	30,107.10	39,764.00	38,665.90	52,035.90	112,100.50	110,200.00	153,495.60	189,000.00	276,123.20	367,261.60
Percentage of education budget estimates to total budget estimates	4.46%	6.45%	5.77%	4.02%	3.40%	7.14%	9.33%	8.29%	8.12%	5.76%	7.28%

Source: (i) Federal Government Budget Estimates.
(ii) Federal Ministry of Finance and Economic Development.

These allocations are far below UNESCO's benchmark for percentage of the National Budget that should be set apart for education. According to Sani (2005:7), UNESCO recommends that, every nation should make a budgetary allocation of at least 26 percent for education. But unfortunately, Nigeria's allocation and had always fallen short of this recommendation, not even during the days of the oil boom when Nigeria boasted that her problem was not money but how to spend it, did our allocation hit 10 percent.

It is even more disheartening to observe that in comparison with other African nations, Nigeria's funding effort of education is less than desirable and its education priority lower. The average budgetary allocation to education in Sub-Saharan Africa is 2.1 percent, while Nigerian's record is less than 9 percent (UNESCO, year). This situation has brought with it far-reaching, implications on tertiary education.

Consequences of Under Funding of Tertiary Institutions

The sustainability of tertiary institutions in Nigeria has become a problem, which seems to have defied all possible solutions. This is because, in spite of the billions of Naira that the government had been sinking into this level of education, the problem of under-funding is still very much around. While lamenting the continued unsustainability of one of the arms of the nation's higher education, Okebukola (2005:37), observed that, the Obasanjo's administration has injected over N195 billion into twenty-four Federal Universities in the last five years, yet, many of the problems still persist. A seemingly large sum of money one may say. Okeke (2005:12) argues that when the allocation is distributed to the various arms and levels of education to meet their various needs, the amount that finally reaches each institution becomes extremely negligible.

The inadequate funding of the education sector in general, and the tertiary education in particular has brought some calamitous consequences on teaching and learning in the country. The most disturbing aspect of the development is that, the problem transcends all the fabrics of our tertiary education bringing upon it varied consequences. Nwaokolo, Iloh, Biose and Ali (1998:250), declared that, there is no longer any doubt that, all higher institutions are not strategically well-positioned to meet the challenges of the twenty-first century. This is because, without fund, the institutions cannot provide the numerous services and infrastructural facilities needed to create a conducive learning environment, in which both the teacher and learner will be happy to function in.

The paucity of funds as against the ever-increasing needs of the tertiary institutions has resulted in a lot of stress, tension and a wave of negative reactions from both staff and students. According to Sani (2005:5), the teachers and the learners pass through so much stress and untold hardship in order to teach and be taught.

Teachers are not paid as at when due. The issue of salaries and that of poor facilities are now common denominators in the continual and prolonged strike actions by staff of Nigerian tertiary institutions. It has become fashionable that lecturers in tertiary institutions have to go on strike before their accumulated salary arrears can be negotiated for settlement. Ukeje (1998:25), described the phenomenon of persist strikes and closure of tertiary institutions. He maintains that, as unions exchange strike batons among themselves, no single institution could boast of successful and uninterrupted academic session. Teaching and research are replaced by political agitations and pursuit of commercialized externally funded researches.

Tertiary institutions which are supposed to be centres for advancement of socio-economic and technological researches now has turned to centres for unnecessary political agitations.

The deplorable state of infrastructural facilities in tertiary institutions also beg for comments. A tour around tertiary institutions reveals the gory state of tertiary education in the country. In the words of Bosah (2005:68), the level of dilapidation in the schools is monumental. The environment of the institutions are anything but conducive for learning. Lecture rooms/halls which are in short supply are usually in bad conditions, either suffering from leaking roofs, or collapsing walls. Some of the halls are riddled with broken glasses and chairs. Students hardly find chairs to seat during lectures.

Libraries lack current and well-balanced stock that is capable of meeting the information needs of varied users in the institutions. Teaching and laboratory materials are also in short supply.

The situation is most pronounced in state owned tertiary institutions. It is in line with the above pitiable condition that Isyaku (2002:5) laments that:

Nigerians may recall that in the past, some state college of education, universities and polytechnics were totally abandoned by their state¹ proprietor, subjected to the now famous phenomenon of zero allocation they are asked to generate all the money needed for running their institutions.

Reiterating the same situation, Egwu (2005:12), also, laments that, it does not serve the cause of nation building for the federal government to treat federal institutions as its babies and the state institutions as is distant cousins.

From the foregoing, it is clear that, under funding has taken much toll on the tertiary institutions in Nigeria, and unless something is urgently done tertiary education will be a shadow of what it stands for.

Funding, Tertiary Education Through Public-Private Partnership

The call by the federal government and some educational administrators that, the responsibility for funding Nigeria's higher education system should be shared by all stockholders including donor agencies has been on for quite sometimes. The call stems from the realization that, the government cannot single handedly shoulder the cost of providing education, especially higher education to her citizens. According to Enyi (2001:2), no government can satisfactorily finance the education of its citizens up to their expectation. Consequently, the policy of Public-Private Partnership (PPP) in the funding of the education sector as recently enunciated by the federal government is a step in the right direction.

By this programme, the government wants public and private sector to pool their resources together with a view to ameliorating the financial problems of our tertiary institutions. Omolewa (2004) believes that, for this partnership to be effective, it must be formed at the widest level, between and among government, civil society, private sector, the international community, national and regional levels as well as the grassroots levels. Such partnership will also involve the Parents-Teachers' Association (PTA), alumni associations, the host community, government agencies, corporate bodies, local agencies and individuals. It is imperative that funds are raised through these interest groups because the federal government has constitutional obligation to cater for all sectors of the economy., and not only the

education sector.

The era of total dependence on government for funding of the education sector especially the higher education is now over. Funding of education should be seen as a collective responsibility of the parents, the government, the end-users of education products as well as other interest groups. These groups can contribute to the funding of tertiary institutions through the following ways:

- a) **Provision of Cash:** Tertiary institutions are in dire need of cash for their capital and recurrent expenditures. This can be provided in form of aids, grants or subventions. The situation where institutions receive funds only from controlling agencies like National Universities Commission or National Commission for Colleges of Education can no longer suffice. Other interest groups can provide cash for specific projects or for general purposes. The practice where the names of wealthy individuals that make available cash for erection of specific projects are conspicuously written on such projects is commendable, as it will motivate others to act in like manner.
- b) **Provision of Infrastructure Facilities;** There is no gain saying that, there is dearth of infrastructural facilities in our tertiary institutions. Even the ones that are in place have greatly deteriorated. Stakeholders can partner with the government in the provision of staff quarters, offices, classrooms, hostels, and construction of administrative blocks. They can also help to provide good road networks, buses, water and electricity suppliers. For instance, in the recent past, the University of Lagos has had a number of facilities, courtesy of some interest groups. These include the Julius Berger Lecture Theatre, the MTN Universities connect project, the WEMA Endowment Building, the Zenith Internet Project and the 500-sector auditorium valued at N100 Million, and so on. Other bodies should be encouraged to follow suit.

Provision of Materials and Equipment: Tertiary institutions utilize a wide range of materials and equipment. These materials could be provided by the stakeholders, among the materials and equipment required by tertiary institutions are: Library materials, instructional materials, scientific and laboratory equipment, communication equipment, computer hardware and software, games and recreational facilities, furniture, e.g. tables and cupboards. Secretarial equipment like photocopying machines, typewriters, cyclostyling machines and so on. d) **Sponsorship of Staff Development Programmes:** Staff is very fundamental in the realization of instructional goals. Without the right staff in the right position, the attainment of these goals become impossible. To achieve this equilibrium, staff needs to be trained. The training and development of human resources, is an expensive investment, which tertiary institutions cannot effectively cope with without external assistance. To this end, it becomes imperative that, stakeholders should financially support the institutions.

The training and development of staff in tertiary institutions involves many activities such as the organization or sponsorship to conferences, workshops and seminars. Staffs also go on study leave most of the time without their salaries. If institutions are supported financially by interest groups, they can afford to grant their staff study leaves with pays, and even scholarship.

Research activities also help staff to improve in their assignment. Stakeholders or other interest groups can co-sponsor research activities in tertiary institutions. They can also contribute to the development of the education sector through endowment. Endowments enable institutions to embark on capital projects which otherwise would have been difficult to execute. There are some notable endowment funds in our tertiary institutions like the endowments of a chair in open heart surgery in the University of Nigeria, Nsukka, the endowment of Eze Akanu Ibiem professional chair of Business Ethics in the faculty of Business Administration, Enugu Campus, by the Harvard Business School Association of Nigeria (Ogbonnaya, 2005). These efforts are commendable, but others are expected to emulate the giving spirit of these donors.

Recommendations for Effective Public-Private Partnership

For Public-Private Partnership to be the guiding principle of the nation's tertiary institutions, with regards to funding, the following steps should be taken:

- a) Tertiary institutions must clearly identify the areas that require intervention in their respective

- institutions. This will enable the partners know the areas that they can salvage.
- b) Good communication network should be established between the tertiary institutions and the private sector. While the institutions require information as to what organization or individual are disposed to helping them solve their financial problems, the stakeholders require information on the needs and progress of their benefiting institutions.
 - c) Benefiting institutions must institute a standard accounting system, to check corruption, mismanagement, and misappropriation of funds donated by partnering bodies.
 - d) The federal government should create a healthy private sector environment. When the private sector is enjoying good business, they will be disposed to assisting tertiary institutions.
 - e) Tertiary institutions should devise ways of appreciating those that donated. This can be done by naming projects after their donors or conferring honorary degrees as a mark of appreciation for their contributions.

Conclusion

Education is a capital-intensive venture. It is virtually impossible for the government to single-handedly fund any level of education especially, tertiary education. This is because, the financial, material and infrastructural needs of tertiary education institutions are numerous, even as the means of satisfying them is limited by unhealthy economy.

Public-Private Partnership programme therefore offers itself as a ready cure to the ever-widening financial problems of tertiary institutions.

References

- Bosah, H. O. N. (2005). Repositioning the teacher for improved effectiveness in Nigerian school. In H. O. N. Bosah, C. O. Obiagwu, & Ken Azubuike (Eds.), *Refocusing Nigerian Education System for Recent Democracy*. Onitsha: Ofona Press.
- Enyi, D. (2001). Strategies for community in funding Nigeria's primary education: Case study of Benue State. *Journal of Primary Education* 2(1) (October): 3-7.
- Federal Government of Nigeria (2004). *National policy on education*. Lagos: Nigerian Education Research Development Council (NERDC) Press.
- Isyaku, K. (2002). The status of higher education in Nigeria: The college of education perspective. A paper presented at the National Summit on Higher Education, Organized by the Federal Government of Nigeria, March 10th- 16th, Abuja.
- Nwaokolo, P. O.; Iloh, G. O. M.; Biose, E. S.; & AM, A. (1998). Generation of internal income by Federal College of Education: Current and new challenges. *Review of Education* 15 (1) April.
- Obasanjo, O. (2006). In Olubusuyi Adenipekun (Ed.), *UNILAG: Obasanjo Commissions Multi-Million Naira Project*. Vanguard. P. 38.
- Ogbonnaya, N. (2000). *Foundations of education finance*. Onitsha: Cape Publishers Int. Ltd.
- Okebukola, P. A. O. (2002). *The state of university education in Nigeria*. Abuja: National University Commission (NUC).
- Okeke, E. A. C. (2005). Funding of education in Nigeria: Realities and strategies for improvement. Being an invited Faculty of Education Lecturer, Awka, Nnamdi Azikiwe University, June 28.
- Sani, P. (2005). Better funding for education. *Thisday*, p. 25.

Ukeje, B. O. (1998). Crises in the Nigerian education system. In B. O. Ukeje & E. T. Ehiamefor (Eds.), *Crisis in Nigerian Education*. Nsugbe: School of Education, Nwafor Orizu College of Education.