
Contribution of Public Private Partnership to Educational Development in Nigeria

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Abstract

This study is on the contribution of public private partnership (PPP) to education development in Nigeria. PPP is seen as a panacea to revamping educational sector that is experiencing decline in term of quality everyday due to insensitivity on the part of government to finance education to meeting up the minimum requirement benchmark put forward by the United Nation (UN). Sequel to this backdrop that the study seeks to examine the extent at which PPP has assisted in revamping the educational sector in Nigeria. However, this research adopts qualitative approach to analyze its data, the materials used in this study were garnered from the secondary sources which include Journal publications, internet, books etc. The study found out that Public Private Partnership (PPP) also known as Private Financial Initiative (PFI) has contributed to educational sector greatly. The study therefore recommends that concerted effort should be made by the government and private sectors to providing lasting solution to decline in educational sector of Nigeria.

Keywords: Public Private Partnership, Educational Sector, United Nation, Government, Finance

1.0 Introduction

Education is the live wire of development in any country. It is mechanism through which growth and development are realized or achieved. It is the wheel that propel the engine of any economy so as to be on the path of development. Partnership between government and private sectors has yielded success in many countries of the world due to the clarity of definition in the performance of their duties and roles.

According to UNICEF and ADB (2011) partnership between the non-state and Public Sectors are most successful when the role of these sectors are clear and when the contributions of non-State Sector are recognized by the State for example, contracting with non-State actors such as Non-Government Organizations (NGOs), Community-Based Organizations, Faith-Based Organizations and formal and informal non-state enterprises in the delivery of educational services can improve efficiency in delivery, expand service coverage and mobilize financial resources to meet pressing public service needs. In Nigeria, education sector has been bedeviled with many problems which inter-alia include insufficient funds, corruption, nepotism, cultism etc. such that it has affected the result of its outputs.

Idialu and Idialu (2012) opines that tertiary education in Nigeria today is bedeviled by some challenges which have great impact on the outcome of its products. Ahmed (2011)

is of view that the legacies of colonialism which had lingered and in some instances directed the trust of tertiary education policy, the State of the national economy, which is characterized by several underachievement in virtually all sectors of the economy, this State of economy gloom is compounded by a very volatile and unstable polity, the massive migration of talents (brain drain) due to frustration and low social expectation. However, Public Private Partnership also known as Private Financial Initiative (PPP/PFI) arrangement was adopted in Nigeria in mid 80s when government expenditure on education increased tremendously due to increase in demand for education. This made government to feel that funding of education should not be left to her alone but should be jointly funded by private sector.

According to Oduleye (1985) the quantum of funds made available to each institution by government was on the decline hence the search for alternative sources of funding for tertiary institutions. Ever since the adoption of PPP/PFI on education in Nigeria, there has been promotion of public attention on delivery of education innovation, Save School Initiative etc so as to develop education that is recognized globally.

According to GBCE (2016) strong financial mechanisms were provided through a multi-donor trust fund hosted by the United Nations Development Programme and with International support from the United States, the United Kingdom, Norway, Germany and the African Development Bank. A World at School and the Nigerian government contributed an initial financial investment of \$10 Million to launch the initiative (GBCE, 2016). Despite the huge amount spent on education by the government, multi-donor trust fund, it is disheartening and unfortunate that there has not been an improvement in the quality of education provided in Nigeria. It is against this backdrop that this study seeks to examine the role played by the PPP/PFI in improving the education system of Nigeria.

2.0 Review of Literature

According to Idumange and Nwaeke (N.D) private University proprietors could liaise with public institutions and explore ways of tapping opportunities for the mutual benefits of both parties. Such partnership cannot be avoided because all over Africa, Private University education seems to be growing by leaps and bounds. Private University cannot exist in isolation; they must fit within the academic system, as their survival depends on the dynamics of the labour market.

Ochuba (2001) asserts that it is worrisome to note that Nigerian tertiary institutions are fast decaying. He stressed further that all the resources required for education production process are in short supply, lecture halls, laboratories, students' hostels, library space, books and journals and office spaces are all seriously inadequate.

According to UNICEF & ADB (2011) non-state providers present a significant resources for improving access and quality in education and they are likely to remain a major force in the overall market for education with or without state support. The state can foster a dynamic private sector and can harness its strengths by introducing well-designed policy frameworks by promoting PPPs that improve education promotion for the poor to be successful, PPPs must be effectively designed and implemented.

Nwadiani (2000) affirms that the massification of tertiary education has resulted in Jack of integration of the products of the Universities and the economy. The dynamics of the market place resulted mainly from technological changes in ICT which has dramatically

improved education service delivery. Public Private Partnership would ensure a more realistic and flexible responses to the demand of the market.

Education has been defined as all efforts, conscious and direct incidental and indirect made by a given society to accomplish certain objectives that are considered desirable in terms of the individual's own needs as well as the needs of the society where that education is based (Fafunwa, cited in Kpolorie and Obilor, 2013 and Ugwuogo 2015)

According to Kpolorie and Obilor (2013) education improves productivity, empowerment and health but reduces negative features of life such as child labour, prostitution, crime and other vices. Owen (2014) opines that irrespective of the national endowment a nation might have without the requisite educational capacity the skill necessary to harness them would be lacking and therefore, the structure or system of such a society is bound to have defects

According to Wale (2014) and UNESCO (2000) quoted in Ugwuogo (2015) to underscore the importance of funding to education, some international organizations have advocated some benchmarks for the funding of the sub-sector as follows: Dakar framework of action, 20% of national budget or 5% of GDP, Education for all, 20% of national budget or 5% of GDP, Education for all, 20% of national budget; World education forum, 7% of GDP within 5 years and 9% within 10 years, UNESCO 26%.

2.1 Education Funding in Nigeria

Educational funding in any country of the World cannot be over-emphasized as it helps in meeting up both recurrent and capital expenditures which inter-alia include hostel facilities, payment of staffs, research, maintenance and fueling of vehicles etc.

According to Adeyemi (2011) in Ugwuogo (2015) the period between 1953 and 1980 witnessed a lot of development in financing of education in Nigeria. It was a period when the federal and regional government had constitutional roles for education development. According to Adeyemi (2011) before this period, the funding of education was mainly in the hands of Christian missionaries and voluntary agencies. By 1981, government had taken over the funding of schools. The financial involvement of government in education has become remarkably visible leading to further educational activities and expansion. During this period, the government was solely responsible for funding education in Nigeria, although the amount spent on education might be small perhaps due to debt servicing.

The Federal Government increased the commitment towards funding of education at all levels in the country, emphasizing that education in Nigeria was no more a private enterprise, but a huge venture that must witness government's intervention and active participation (Marcellus, 2009 cited in Ugwuogo, 2015). The federal government is responsible for funding federal government owned public tertiary institutions while the state government and proprietors take care of state and provide institutions respectively. However, the federal government provides financial assistance to state and private institutions especially in capital (Ugwuogo, 2015).

2.2 Total Budgetary Allocation to Education from 1999-2017

In 1999, the total budget was N60, 549,835,647, the amount allocated to education was N2,700,000,000 which represented 4.46%. In year 2000 N470,009,971,781 was the total budget, N40,940,663,330 was ear marked for education which represented 8.71%. In year

2001, N894,214,805,186 was the total budget but N63,783,776,900 was allocated to education which represented 7.13%. In year 2002 N1,064,801,253,520 was the total amount budgeted, N73,435,499,300 was allocated to education which represented 6.90%. In 2003, N976,254,543,375 was the total budget but N75,707,827,520 was allocated to education which represented 7.75%. In year 2004, the total budget was N1,790,848,344,588. N93,767,886,839 amount was allocated to education which represented 5.24%. In year 2005, N1,799,938,243,138 was the total budget but the amount allocated to education was N147,835,827,799 which made up 8.21%. In year 2006 N1,876,302,363,351 was the total amount budgeted, N195,693,672,666 was allocated to education which represented 10.43%. Also in the year 2007, the total budget was N2,266,394,423,477, the amount allocated to education was N221,071,774,929 which made up 9.75%. In year 2008, N2,492,076,718,937 was the total amount budget, N250,144,818,579 was released to education sector which represented 10.04%. More so, the total amount budgeted in the year 2009 was N2,870,510,042,679 but N252,204,813,495 was allocated to education representing 8.79%. In year 2010, N4,608,616,278,213 was the total budget, N339,634,791,000 was allocated to education which represented 7.37%. Also in year 2011 the total amount for budget was N4,226,191,559,259, the amount allocated to education was N393,810,171,775 which made up 9.32%. More so, in year 2012, N4,749,100,821,170 was the total amount budgeted but only N468,385,490,528 was allocated to education representing 9.86%. In the year 2013 and 2014, N4,987,220,425,601 and N4,642,960,000,000 were the total amount budgeted respectively, N509,039,713,761 and N493,458,130,268 were allocated to education sector respectively. These amounts represented 10.21% and 10.63% respectively. The total amount budgeted so far was N39,775,989,629,922 while the total amount allocated to education was N3,621,614,558,688 (Wale 2013). From the above data one will see that government allocations on education have not been consistent over the years. This inconsistency is one of the major factors militating against education sector in Nigeria.

According to Premium Times (2017) Adamu Adamu, minister of education opines that Nigeria education sector has again received much lower than the 26% of national budget as recommended by the United Nation (UN). In the year 2017 budget proposals presented on Wednesday by the President Muhammadu Buhari, N448.01 billion was allocated to education representing about 6% of the N7.30 trillion budget, contrary to the recommendation by UNESCO.

The global Organization recommended the budgetary benchmark to enable nations adequately cater for rising education demands. Out of the sum earmarked for the sector N398.01 billion was allocated to recurrent expenditure and the balance of N50 billion allocated to capital projects. Recent allocations by the federal government to education have shown marginal yearly increases however, except for the N367.73 billion (6.01%) in 2016 which saw a decrease from the allocations for the preceding years.

The figures include N492.34 billion in 2015, in 2016, 33 states of the federation had estimated N653.53 billion (10.7%) of their combined total budget estimates of N6.1 trillion to education. Recently, the Academic Staff Union of Nigerian Universities (ASUU) went on strike to demand increased budgetary allocation to the education. The demand was in reaction to the poor state of facilities in public Universities across the country, with some of the institutions even defaulting in salary payment. Earlier this year,

most of the federal Universities in the Southwest of Nigeria were shut down by workers citing decrepit facilities and generally poor learning environment.

To underscore the situation, no Nigerian Universities is ranked among the top 800 in the world or among the top 10 in Africa. Although the Nigerian government has continued to state its commitment to the education sector, a comparative analyse with budgetary allocations by other countries even in Africa indicated that the government has never put its money where its mouth is.

2.2 Public Private Partnership and its impact on education

PPPs have been studied in depth in health (World Bank 2003b; Harding 2002) and in education (Jallade 1973; Blomqvist and Jimenez 1989; Lock Heed and Van Eeghen 1998; James 1993; LaRocque and Patrinos 2006; World Bank 2006). Recent contributions to the literature are the proceedings from a conference jointly organized by the World Bank and Harvard University in 2005 (Chakrabarti and Peterson 2008; Patrinos and Sosale, 2007). Also the World Bank held a follow- up international conference on PPPs in 2007 where six rigorous studies of PPPs in education were presented. According to World Bank (2009) Private participation in education has increased dramatically over the last two decades across the world, serving all types of communities- from high- income to low-income families. Although governments remain the main financiers of education (at least of Primary and Secondary Education) in many countries, private agents deliver a sizeable share of education. A number of governments contract with the private sector to provide some of the services involved in producing education such as teacher training, management or curriculum design. Other governments' contract with private organization to manage and operate a public school as is the case with charter and concession schools, still other contracts require private organizations to provide education to a specific group of students by means of a subsidy, a contract or a voucher. In the most common type of PPP, the government provides subsidies to existing private schools or to fund student places.

2.3 Contribution of Public Private Partnership to Development of Education in Nigeria.

Public Private Partnership arrangement has led to the development of education sector in Nigeria. According to Esenwa (2003) in the beginning Nigerian Universities were planned and designed to house its staff and students on campus. During the 1970s they were providing comfortable hostel accommodation for all students on campus and the total available hostel bed spaces were adequate to cater for students. The first generation Universities were constructed with beautiful hostels and students 'population then was within control (Guardian Newspaper 2004 quoted in Ibrahim (2014). Private sector participation in provision of hostel started in 1980. It began when private entrepreneurs took up the challenge of providing accommodation for students in Universities that operated on non-residential policy. Students in Federal Universities were charged N90.00 per bed space academic session. During that period the federal Universities have started experiencing problem because N90.00 paid by each student could not cover the cost of maintaining the hostel. According to Ibrahim (2014) the National Universities Commission in 1996 submitted a memorandum to the committee on the future of higher education in Nigeria. Universities were encouraged to engage the private sector to

participate in the provision of residential accommodation for all staffs and students within stipulated guidelines and development plan of the University. The private sector participation policy will ensure that more of the Universities financial resources will be directed towards teaching and research.

A harmonizing committee was set up in 1998 to harmonize the 1996 Etsu Nupe Committee report on education and the 1997 vision 2010 committee on education.

Sequel to the above committee report on education that PPP arrangement was adopted in the education sector to help revamp the sector. Public Private Partnership (PPP) arrangement has helped in solving accommodation problem in Obafemi Awolowo University, Ile-Ife. The University collaborated with Campus Alive Initiative Limited to build a hostel facility. Also University of Ibadan in collaboration with group of investors under the umbrella of CMF ANGEL LTD have begun the construction of a new hostel in the University of Ibadan through PPP/PFI arrangement. Akande Hall that was opened four years ago under PPP arrangement in the University of Ibadan has also helped to solve accommodation problem in the institution.

2.4 Problem Facing Public Private Partnership in Tertiary Education

According to Idumange (N.D) although, PPP is workable in Nigeria as in other countries, there are some basic challenges that are likely to vitiate such partnerships.

First is the challenge effacing grim finance squeeze facing Nigerian Universities. The result of under-funding is that many Universities have under-resourced libraries, dilapidated and obsolete physical infrastructure and poor student support facilities. Fears are being expressed in some quarters that in the nearest future, most of the programmes in the Arts and Humanities and other non-professional courses with diminishing marketable potentials may not attract patronage and may be scrapped. Thus PPP in tertiary education is likely to reduce the range of programme mounted in Nigerian Universities.

There is the tendency for people to have a high patronage for more “for –profit Universities” but in most countries of the world such Universities do not command as much prestige as public Universities. Altbach (2000) quoted in Idumange (N.D) subscribes to profit Universities in South Korea, Malaysia and the Philippines as small, vocationally oriented institutions where specialized skills are trained. They have the tendency of offering services that are in high demand and most of their programmes are designed essentially for profit making. In Nigeria, the high index of graduate unemployment has created a situation where programmes that are market-driven are given priority attention.

3.0 Methodology

This study adopts the documentary approach of research. The method gives the researcher the luxury of exploring documented evidences related to the area of study for inferences. These documents range from reports generated from the World Bank documents, publications, journals, government gazettes, magazines etc. This study was analysed qualitatively using the available qualitative data.

4.0 Findings

It is found out that in the nearest future most of the courses in Arts, Humanities that are not marketable will be faced out from the curricula

Public Private Partnership will assist in providing infrastructural facilities to education sector in Nigeria.

Also it is found out that Public Private Partnership has been in existence over two decades ago providing services to both high and low income earners in education.

5.0 Conclusion and Recommendation

Education sector in Nigeria has witnessed myriads of reforms which were detrimental to its development in the past. According to Dike (2002) quoted in Ikenga (2015) the Nigerian government has toiled with some education reform programmes which have only served as conduits to transfer money to the corrupt leader and their cronies. For instance the universal primary education (UPE) in 1976 failed due to lack of fund necessitated by corruption. The 6334 system followed the same option. Similarly the Universal Basic Education (UBE) was a total failure as fund for the programme are either diverted or misappropriated. However, since the introduction of PPP arrangement in education, there has been a tremendous development and improvement in the sector which inter-alia include provision, rehabilitation and consolidation of education development. It should also be noted that the importance of PPP to education sector cannot be over-emphasized, this arrangement has led to the infrastructural development of many higher institutions in Nigeria.

The paper therefore recommended that government should encourage the adoption of PPP and allow higher institution of learning autonomy.

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