VOLUME 15, NUMBER 1, MAY 2019

ISSN 0794-2192

African Journal of Historical Sciences in Education

A Journal of Historians of Education Development Society of Nigeria
An Affiliate of the International Standing Conference for the History of Education (ISCHE)

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TERTIARY EDUCATION TRUST FUND

Secretariat:
Department of Early Childhood and Educational Foundations
University of Ibadan, Ibadan, Nigeria

ISSN.0794-2192

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E. J. Isuku

Abstract

The concern of this paper was to analyse the need to depoliticise the financing of higher education, and to suggest more sustainable financial channels to improving higher education financing in order to achieve an efficient and effective higher education system that is capable of performing its social and economic development functions in the competitive global market.

Key words: Higher education, financing, enrolment, educational costs, access

Introduction

Higher education financing in most Sub-Saharan African countries is largely and predominantly dependent on governments and public revenues to meet the rising cost and high enrolment demands. This is in spite of the economic limitations and challenges facing most Sub-Saharan African countries. In Nigeria, the problem of limited tax base, uncertainty in the prices of crude oil (a major source of income for the country) in the international market, and the increasing pressure of other equally important social and macroeconomic needs on government limited funds, has imposed serious constraint to higher education financing and hence puts higher education institutions (particularly in Nigeria and other Sub-Saharan African countries) into conditions of financial austerity (Johnstone 2004:). The inability of the limited government funds to solely sustain the huge financial needs of the ever increasing capital and labour-intensive higher education system in the country, and the soaring enrolment among the burgeoning higher education-age population has serious implications for access, quality of human capital production and consequently national development. The concern of this paper therefore was to analyse the need to depoliticise the financing of higher education, and to suggest a more sustainable financial channels to improving higher education financing in order to achieve an efficient and effective higher education system that is capable of performing its social and economic development functions in the global market

The Problem

One of the very pressing problems facing most Sub-Saharan African countries' higher education system is the challenge of how to ensure sustainable funding of the system. In Nigeria, despite various efforts at improving the financing of higher education system, the problem of inadequacy of funds for higher education operation still persists. Limited government support for higher education financing has the capacity to undermine the quantity and quality of products from higher institutions, and hence reduce the human capital stock of the country as well as limit access to the growing number of eligible individuals who demand for higher education. Although the prevailing unfavourable economic circumstances could affect the level of funding of higher education in the country, certain government policies and practices seems to have similarly constraint the financial sustainability of the sector. The rigidity and unwillingness of political authorities (governments) to depoliticise the financing of higher education in an attempt to gain political advantage seems to be an important limitation to effective financing of higher education in the country. This paper therefore attempts to x-ray the impact of political influence in the funding of higher education in Nigeria. This is with the view to suggest the need for government to depoliticise the funding of higher education in the country.

Higher Education system and politics in Nigeria

Nigeria has one of the largest higher education systems in Sub-Saharan Africa with over 360 higher institutions in the country. Thus higher education enrolment has grown in the country over the past few years with over 1.7 million students at all levels of higher education in the country.(Isuku and Olapegba forthcoming). Tertiary education system in Nigeria is composed of universities, polytechnics, institutions of technology, and colleges of education that form part of or are affiliated to universities and professional specialized institutions (IAU, 2000). Education is a gigantic project which most governments use as tool for political gains hence this fact makes it governments statutory responsibility to bear the cost of higher education in the country although government has consistently finds it difficult to sustain. (Jones 2013).

In Nigerian, education is used as a very strong political instrument to canvass for votes from the electorates. Thus, many politicians, both governing and non-governing elites, school managers and proprietors seem to have come to accept the political intrigues and the politicking of education in Nigeria. Although, at the national level, Nigeria have had several people in the academia manning the prestigious ministerial position as education ministers, they have achieved less at ensuring that the sector receive best attention it requires to meet the standard of international practices. However,, structural facilities, human and material resources have not only be grossly inadequate in most educational institutions, they have also plunged into decay with the attendant poor quality output from the various institutions in Nigeria. In the past, Nigeria had an outstanding record of having the best of tertiary institutions, especially universities, in Africa and was competitively measured along with universities of international reputes. Students and lecturers from all over the world were coming to Nigeria.

The impetus for this was the material conditions that were readily available at that time. Foreign investors and international organisations were willing to invest in the Nigerian education sector. Unfortunately however, the poor and decayed condition of the education system in Nigeria due to lip-services paid by government and other stake holders has brought the education into its lowest ebb.

Challenges in Higher Education financing in Nigeria

According to Isuku (2016), 'the higher education system in Nigeria is faced with overwhelming financial challenges which have the capacity to constraint its development and subsequently limit the stock of manpower needed for economic development' Some of the challenges confronting the effective financing of university education in Nigeria include:

1 Slow/weak economy thereby leading to poor access to reasonable finance that can be deployed to critical area like the education sector.
2 Prevalence of a burgeon youth population of university age leading to continuous demand for university education with its financial implication for university resources and facilities needs
3 Poor internal revenue generation drive mechanism and initiative leading to over reliance on government grants by universities
4 System inefficiency: this is another important challenge facing the university system in Nigeria. There seems to be incidence of wastage or misplaced priorities in the Nigeria universities Issues relating to teaching and research are often given less attention in favour of non-academic activities thereby starving the most critical needs of the university system of the needed funds
5 Reluctance of the organised private sectors to support the university system because it does not provide immediate profits for the profit-seeking business organisations.

Although the demand for Higher Education is increasing annually in Nigeria and in most other Sub-Saharah African, the financial requirements to meet the needs of the Higher Education systems have surpassed the ability of government at the different levels. This has made the debate on higher education financing a recurring decimal among stakeholders and policy makers as well as educational institutions administrators in Nigeria and other Sub-Saharah African countries. This problem of education sector is evidence in the poor and dwindling funding efforts of the government over the past years. Analyses of Education budget in the country show that the budget of education averaged around 8.5% from 1999 -2016, The development show produced that government could longer continue to sustain the funding of education. The worsening macro-economic environment and the increasing competition for public funds among the various government institution has be the major reasons for the declining condition of the education system in the Nigeria and other Sub-Saharan African.

The growth in the higher education is one of the fastest in the Nigeria social and economic landscape. As earlier expressed, governments at both national and state levels are the major providers of higher education services in the country. Although there is an increasing importance of private provision of higher education, more than two-thirds of students in higher institutions in the country are in public institutions (see Isuku, 2016). This growth and expansion in the higher institution equally accounts for the much reliance on public funding of higher institution in the country. However, not surprisingly the continued reliance on government funding of higher education in the country has continued to decline. Although, most of the problems of higher education financing in the country are numerous, some of the unavoidable and remote causes could be traced to the expansion of the system without any corresponding funding ability. In fact it is observed that these expansions are connected to politics.

It has been observed that political factors are the main motives behind many of the expansion polices especially in the university system (Ekundayo, 2008) Infact, capital projects to meet the expanding programmes could not take off, and in cases where they took off, they had to be abandoned due to lack of funds. The result according to Ekundayo (2008) was an intense pressure on the available limited resources thereby resulting in downward pressure on staff salaries together with deteriorating working conditions. The effect includes high degree of "brain-drain" among the academic staff, incessant strikes action, students 'riots and lecture boy-cots etc. All these will have effects in the quality of higher education in Nigeria.

Table1: Some Funded Tertiary Education Projects in Nigeria

Universities					
Interventions/ Fund	Project Development	Academic Staff training and Dev.	Library Dev.	High Impact Project	Total
Allocation	163,071,078,237.00	27,222,000,000.00	6,491,756,176.57	71,700,000,000. 00	268,484,834,413.57
Accessed	149,398,238,237.00	19,251,288,386.11	1,980,601,216.87	62,700,000,000.00	233,330,127,339.98
Committed but not accessed	13,672,840,000.00	7,970,711,613.89	4,511,154,959.70	9,000,000,000.00	35,154,706,573.59

Polytechnics						
Interventions/Fund	Project Development	Academic Staff training and Dev	Library Dev.	High Impact Project	Skill-G(Procurement/Workshop &Lab renovation	Total
Allocation	88,052,097,500.27	11,558,000,000	2,720,000,000	11,600,000,000	15,377,624,304.80	129,337,721,805.07
Accessed	84,032,697,500.27	7,965,690,312.88	1,096,200,200	8,522,280,032.73	15,377,624,304.80	116,994,492,150.68
Committed but not accessed	4,019,400,000.00	3,622,309,687.12	1,623,800,000	3,077,719,967.27	---------	12,343,229,654.39

Colleges of Education						
Interventions/Fund	Project Development	Academic Staff training and Dev.	Library Dev.	High Impact Project	Micro-Laboratory Project	Total
Allocation	88,844,889,770.73	10,496,000,000.00	2,530,000,000	11,300,000,000	11,213,281,304.74	124,384,171,075.47
Accessed	83,477,559,770.73	6,722,587,792.89	1,459,097,000	7,623,594,434.96	6,952,234,408.94	106,253,073,407.52
Committed but not accessed	5,367,330,000.00	3,773,412,207.11	1,070,903,000	3,676,405,565.04	4,261,046,895.80	18,149,097,667.95

Table 2: Education budget as a percentage of total National budget in Nigeria (1999-2018).

YEAR	NATI ONAL BUDGET (Trillion Naira)	ALLOCATION TO EDUCATION SECTOR(Billion Naira)	EQUIVALENT ALLOCATION IN %	ALLOCATION TO UNIVERSITIES (Naira)	%EQUIVALENT ALLOCATION FROM EDUCATIONAL SECTOR TO UNIVERSITIES
2010	4,079,654,724,257	234,800,000,000	5.76%	118,110,007,132	50.30%
2011	4,971,000,000,000	356,495,828,145	7.17%	173,390,612,730	49.64%
2012	4,740,000,000,000	400,156,000,000	8.44%	202,197,297,524	50.53%
2013	4,924,604,000,000	427,515,707,800	8.68%	220,950,691,594	51.68%
2014	4,642,960,000,000	495,283,130,268	10.67%	211,569,534,071	42.72%
2015	4,493,363,957,158	392,363,784,654	8.73%	229,839,096,373	58.58%
2016	6,077,680,000,000	483,666,376,896	7.96%	215,530,059,140	44.56%
2017	7,440,000,000,000	550,000,000,000	7.40%		
2018	8,612,000,000,000	605,800,000,000	7.03%		

Source: **Yearly Appropriation Bill**

The drive to explore innovative approaches to financing education for development is partly driven by a desire to move the debate beyond aid to consider other forms of financing that can sustain long term, equitable growth on a national scale. The EFA Global Monitoring Report identified a huge funding gap in basic education which will debar the achievement of MDGs (now SDGs) and EFA goals. The UNESCO led Education for All (EFA) movement has six goals, including the four Sustainable Development Goals (SDGs) and adding the expansion and improvement of early childhood education; learning and life skills programmes for young adults; achieving a 50% increase in youth and adult literacy rates by 2015; and improving the quality of education at all levels. The challenges in financing quality education are clear – hundreds of millions of children are not learning, resources are not reaching the most marginalized, 59 million children remain out of school and the sector faces a substantial external financing gap. According to UNESCO, an estimated US$39 billion per year is needed for lower and upper secondary education to achieve the Sustainable Development Goal 4 (SDG4) on education by 2030. In addition to this huge gap, aid to education has been declining since 2010 due to global recession, resulting in lower per capita spending. With fiscal economic challenges in Nigeria (as in other developing countries) such as borrowing to fund annual budgets, depleting the nation's foreign reserve to run the economy, achieving a quality education system looks like a mirage. Nigeria being a signatory to EFA, SDGs and many other education-advancing initiatives cannot shy away from achieving these goals. However, to achieve the ambitious new global education goal more funding must be generated, and everyone must step up. The question is how can we generate more funding to achieve quality education for all?

Improving the Funding of Higher Institutions n Nigeria

Funding of tertiary institutions in Nigeria is at present very dismal, No thanks to the current crisis in the nation's economy coupled with high rates of inflation and falling revenues. With the increasing evidence of financial constraints, solutions to the funding bottlenecks must involve a combination of short, medium and long term interventions. In Nigeria, the increasing demand for higher education can be attributed to the fact that higher education is not only an investment in human capital, but also a pre-requisite as well as a correlate for economic development (Adeyemo 2000). The belief that education is an engine of growth rests on the quantity and quality of education in any country. The National policy on Education (2004) explicitly states that education is a government affair in which free education is to be provided by the government at all levels when and practicable. The public sector is the major provider and financier of education in Nigeria since it took over most of the schools in the country from primary to tertiary level in the mid-70s. This was based on the assumption that it is only the government that can effectively provide education because of the externalities associated with it.

However the dwindling resources of government Since the 1980s have put much strain on the financing of education. Higher education in this context refers to all forms of post-secondary education such as the Universities, Polytechnics, Colleges of Education, Monotechnics and Professional schools. Oghenekohwo (2004) classified the funding of higher education into two regimes namely: Pre-deregulation regime and deregulation regime

- Pre-deregulation regime
- Deregulation regime

The pre-deregulation regime was characterized by education funding by government or public funding alone. High priority was accorded to funding higher education, and this created an impression amongst Nigerians that funding of higher education is the exclusive preserve of the government. During the deregulation regime, which is mostly a post Structural Adjustment Programme (SAP) on the other hand, things began to change. The benefits of the acquisition of any higher education programme now went largely to the individual as a "private good" for which beneficiaries and their families should pay (Schuttz, 1961; Psacharopoulos 1984; Babalola 1995; Adedeji 2003; Okebukola 2003). In the submission of Okebukola (2003), Educational outcomes are products of the complex interactions of the different stakeholders who participate directly in the schooling process (parents, teachers, students, administrators, ministries etc) and other agents not directly connected to the educational system. The financing of education should therefore be the function of all the major stakeholders. This is because government alone cannot fund higher education.

The financing of higher education can be improved from fees paid by parents, repayable loans to parents, local government taxes, general budgetary funds, gifts and remission of taxes. UNESCO (1968) remarked that in developed countries, education is entirely financed by taxation, but in developing countries other sources could be explored. Higher institutions should explore alternative sources of funding such as fee-paying students and improved relations with industry to supplement their income. There is an increasing demand and willingness to pay for chargeable programs offered on a part-time basis. Many Nigerian higher institutions are starting to rely on this mode of income generation as an alternative source of funding for other programs within their institutions. Satellite campuses in some instances have been set up to cut down on non-academic costs such as accommodation and other expenses. Short-term courses offered on part-time basis have become popular among people who are already employed and wish to study, and can also afford to pay the fees or have their employers pay for them.

Considering the foregoing, it is necessary to suggest other means of improving higher education funding in Nigeria. These include:
According to Famade (2000), this will be in the area of cost recovery and redistribution of the financial burden of investing in education. He opined that the following steps should be taken as a way out of funding challenges.

As a first step, a cost sharing and funding partnership arrangement between the government, parents, communities and the private sector should be explored on a remarkable scale. Parents and local communities should be more involved in the provision of books, equipment and materials to schools. This can be done through the Parents' Teachers Association. The communities could undertake to build schools and provide goods and services in kind (e.g. food or accommodation for teachers).

Secondly, the efficiency profile of the school system should be improved. A way of improving the internal efficiency of the education system is to reduce wastage, which is always in the form of high failure, drop out and repeater rate, as well as low teacher productivity.
Measures that could help reduce wastage within the school system include the improvement of teacher training so that empirical learning will replace memorization and rote learning: as well as strengthening pedagogical research as an instrument for improving educational efficiency. If this were done, the education system would achieve much more than it is achieving with the current level of funding.

Thirdly, appropriate designs and efficient contract management in all the tertiary institutions should be put in place to ensure substantial cut in costs.

Fourthly, a market-oriented approach should be adopted in delivering essential services. Proper deregulation of these services should be carried out. For instance, efficient or appropriate pricing of most services-boarding, feeding, tuition, and examinationetc.will go a long way in the mobilization drive for scarce resources towards efficient financing.

Internally Generated Revenues

These are funds mostly generated by the HEIs from their internal business and commercial activities to boost their income base and reduce their over reliance on government funds. They include incomes like; interest earned on bank deposits; charges for hostel accommodation and fees from consultancies and other related incomes. According to the NUC funding parameters, each university is expected to raise at least 10% of its operating expenditure internally (Omoregie & Hartnett, 1995). It should be noted however that the choice of the funding mix for the institutions depends on the governments' perception of the visions and missions of higher education in any given nation and the perceived role of education in national development (Omoregie & Hartnett, 1995).

Business Enterprise could serve as an indirect way of generating funds for higher institutions, while the first two approaches (financial aids and sale of services) constitute a direct way. There are four major business enterprises in which tertiary institutions can invest their productive funds. According to Famurewa (2014), these are: (a) Agriculture, (b) Manufacturing, and (c) Commercial ventures

- *Agriculture*: Though, some of the tertiary Institutions in Nigeria are known to have established agricultural projects, all tertiary institutions should, as a matter of deliberate policy and urgency be encouraged to embark on this venture. They should play a significant role both in research work and practical agriculture in order to assist in feeding the growing population and to reduce the nation's dependence on imported foods from abroad.
- *Manufacturing*: All tertiary institutions should also consider setting up any manufacturing industry like simple food processing industry for local consumption as well as for export where possible. Some Universities in Nigeria are already having bottled and sachet water companies.
- *Commercial Ventures*: Higher institutions can embark on a wide range of enterprises like real estate, market stalls, shopping complexes, petrol station, retail and distributive trade. Other viable projects which may be considered are: bakery, hotel and catering services, bookshop, printing, transport services etc. Apart from the fact that these enterprises provide revenue/income for higher institutions, they can serve as training workshops for students on Industrial Work Experience Scheme (SIWES). Higher institutions can also embark on other creative commercial ventures such as establishing Micro Finance Bank or selected institutions can come together to jointly set up Commercial Banks. Funds can also be raised through lottery and raffle draws. These techniques, apart from serving as sources of revenue to these Institutions, are reliable ways of redistributing the nation's wealth.

External Support:

This always comes in the form of technical assistance, grants, credits and loans. Due to paucity of funds for tertiary institutions the Nigerian government has often sourced for loans/grants from foreign and international development partners. These are largely in form of bi-lateral and multi-lateral loans. As regards foreign grants, it is nowadays largely confined to the offer of scholarships for specialised training particularly at the graduate level outside the country. Sometimes it takes the form of technical assistance.

Deregulation of Education

Deregulation is primarily an economic term that developed from the free market economy of Adam Smith. It is based on the doctrine of laissez faire that favours capitalist self-interest, competition and natural consumer preferences as forces leading to optimal prosperity and freedom (Encarta Encyclopedia 2003). However, in a free market economy, government is expected to provide education, which is a "public good". As a public good its consumption by one individual does not reduce the amount of the good its consumption by one individual does not reduce the amount of good left for others. Secondly, the benefits that an individual receives do not depend on that person's contribution (Encarta Encyclopedia 2003).

Deregulation of education means that education is no longer a public good. Its consumption by an individual is now deemed to possibly reduce the amount of good left for others. Secondly the benefits that an individual receives most now depend on that person's contribution. Deregulation breeds competition and hence expectation of high yields or dividends or profits from investment. It means sale of knowledge to the highest bidder and hence possible lowering of standards for the attraction of customers (Kaplan 2002). A deregulation higher education means dismantling of legal and governmental restrictions on the operations of certain business - this time - university education. Government would no longer be involved in the establishment, owning, funding and management of universities in Nigeria.

As a deregulated sector, education must become a private enterprise undertaken by private individuals or corporate bodies who hope to realize profit from their activities. This is because they invest and must bear any risk associated with those activities (Encarta Encyclopedia, 2003). Even when not looked at from the point of view of public good, the free market economy as inherently effective has been challenged by George Akerlof, a co-winner of the 2001 Nobel price in economics (Encarta Encyclopedia, 2003). He disagreed with the idea that 'an invisible hand' reconciled an individual's private pursuit of economic gain with the public good and that therefore a market operated best and most efficiently as a free market without government regulation. He held that markets operate inefficiently if there is unequal distribution of information about the commodities being traded.

There might be arguments that the poor masses will be at the suffering end of this deregulation policy. We must note that some of the so called poor masses send their children to private universities in the country by all means in order to circumvent the issue of incessant strikes that has plagued our public universities.

Worthy to note also is the fact that the structure of education in Nigeria provides for 9 years basic education after which one can either choose to proceed to vocational training or senior secondary education (which eventually leads to Higher education). The fact that the government has subsidized the fees in these public secondary schools has made the initiative of vocational training a failure. This is because the low fees being paid by students in tertiarty institutions amounts to nothing since the burden rests more on the government and this is why someone with a proper degree could be seen working as a hairdresser or a petty trader thus diminishing the value of the higher degree to zero.

The idea of deregulation has multiple positive effects in that it will not only make the vocational education initiative practicable but will also through this contribute positively to the gr wth of the economy through the goods and services that will be produces. Again, it will curb wastage of resources since the monies that would have been spent on training a great number of people who will not contribute to the GDP of the country will be put into use in revamping the technical/vocational education and other sectors of the economy that require extra resources.

Cost-Sharing And Student Loans for funding Higher education

Cost- Sharing is generally thought of as the introduction of, or especially sharp increase in, tuition fees to cover part of the costs of instruction, or of user charges to cover more of the costs of lodging, food and other expenses of student living that may have hitherto been born substantially by governments (taxpayers) or institutions.

Student loans, or any other sort of deferred payment plans (including all forms of income contingent and graduate tax schemes, regardless of what they may be called, as well as more conventional, scheduled repayment forms), have been on the agenda of higher educational policy reforms for decades, including those directed at the countries of Sub-Saharan Africa. In theory, a student loan program combines the financial imperative of taxpayer revenue supplementation with the social and political imperative of expanding higher educational accessibility. At the core of the student loan concept is the belief that students who will benefit so much from the privilege of higher education can reasonably be expected to make a modest contribution toward its considerable costs. And student loans make a contribution toward equity by insulating this contribution from both the affluence and the attitudes of their parents. Adrian Ziderman (2002) claims that government-sponsored student loan schemes are in place in some 50 countries around the world, serving a combination of objectives including:

(1) Revenue diversification or income generation;
(2) University system expansion;
(3) Equity, or the targeted enhancement of participation by the poor;
(4) Specialized manpower needs;
(5) The financial benefit of students generally, expressing their greater time preference for present money.

The Nigerian government may want to imitate Botswana who only provides higher education for those who are willing to give back to the country by means of working for the country after completion of education. The higher education system of Botswana is such that the government bears the burden of higher education based on agreements with the user of education. Higher education in Botswana has always been paid for by the government via a loan which was granted provided that the graduate would contribute 5% of initial gross salary for each year of sponsorship. Those who went into other government tertiary institutions operating under the respective ministries other than the universities got 100% funding with no requirement to pay back the loan. Apart from the fact that the government contribution to students for university education did not cover the full costs of training, a more serious problem was that a majority of the graduates were not contributing, and repayment and recovery of the loans was extremely low. The coordination between the employers and Bursaries Department was poor, making it difficult to find out who was contributing or to trace graduates (Republic of Botswana 1991).

Following the recommendations of the Presidential Commission on the Revised National Policy on Incomes, Employment, Prices and Profits of 1990, the bursary system was re-organised into a loan/grant system. This was provided to every citizen who qualified to go to university to study for a course of his/her choice. The loan/grant scheme for higher education students was introduced in 1995. Loans are payable on a sliding scale. Students studying in subject areas that are deemed to be in short supply are awarded a 100% grant. Loan beneficiaries are required to pay loans within a stipulated period after training, and the loans are interest free. The loan/grant is based on the human resource needs of the different sectors of the economy and is aimed at assisting the economy in terms of giving students an incentive to follow the areas in which skills are considered to be scarce while also providing cost recovery from higher education.

There are five categories of loans. Category 1 comprises those areas considered to be experiencing a critical shortage of the human resources and include the science and technical fields. These include Medicine, Dentistry, Engineering, Professional Accounting and Actuarial Studies. This category is awarded a 100% grant on both tuition and maintenance costs. Students contribute in terms of being required to take up employment in Botswana for a specified period of time. Category 2 comprises areas with human resource shortages because programmes were unattractive to students in the past. These include subjects such as Economics, Statistics, Town Planning, Chemistry and Agricultural Science. Subjects of study in this category attract 100% grant on tuition costs and 50% loan on maintenance. Graduates contribute in terms of service for a specified period plus repayment of 50% loan on maintenance. Category 3 is for those subjects needed to encourage local capacity to increase supply of qualified human resources to satisfy the market or balance demand and supply. Examples of these are Law, Public Administration, Journalism, Social Work, BSC (general) and Psychology. Students in this category have a 100% grant on tuition costs, 100% loan on maintenance costs. Graduates contribute in terms of service for a specified period plus repayment of 50% loan on tuition costs and 100% maintenance costs. Category 4 applies to programmes that benefit the society and economy but are less of a priority. These include Sociology, Philosophy, Museum Studies, Physical Education and Archaeology. Graduates have a similar degree of cost recovery to Category 3 in that they are to contribute in terms of service for a specified period plus repayment of 50% loan on tuition costs and 100% maintenance costs. Category 5 is for programmes largely benefiting individuals. These include Hair Dressing, Cosmetology, Photography, Modelling, Interior Design, and Performing Arts. Cost recovery is in terms of service in Botswana for a specified of time and repayment of 100% loan on both tuition and maintenance costs (Ministry of Education [MOE] 2004).

Taking a cue from this initiative will not only improve access to higher education but will also ensure public returns to education as against the widely enjoyed private returns to higher education in Nigeria which is detrimental to a fiscally challenged country such as Nigeria.

Some traditional sources of Funding higher education in Nigeria

Traditional funding sources include public spending on education is mainly financed out of general revenues, and sometimes specific charges for education, such as fees, and specific taxes for education, e.g education tax fund (ETF), training levies on firms for vocational education to mention a few. Studies have shown that Governments alone are not able to meet demands on quality education for all. They will not be able to fulfil their commitments unless huge resources are mobilized for education. Quality education is a public good and a fundamental right to all children of the world; universal access to education of good quality rather than to schools of good quality with expensive education is not necessarily good education.

Non-Traditional Sources of Funding

1. **True Philanthropy**: Education is a core public service function of the State. It is also a social responsibility. As a noble cause, it can generate social support and induce public contributions in a philanthropic spirit, if properly encouraged by policies of good governance in the education system e.g through civil society, philantrophic institutions, development banke and private for-profit institutions.. All those valuing education as a public good and a noble cause should be encouraged to contribute to the development of education with innovative ways aimed at maximizing national investment in education. Educational establishments for philanthropic purposes which are not profit driven but promote education as a social good are valuable for generating social support for education. Public policies can foster foundations of public utilities devoted to the cause of education. However, concern has been expressed that "Without clear lines of accountability", there is an "imminent risk" for development agenda to be unduly shaped by private sector financing, activities and priorities.

2. **Open Educational Resources (OERs)** reduce the costs of access to high-quality educational materials especially through the engagement of the

global OER Community that increases teacher solidarity and sharing of knowledge. Open Educational Resources are any type of educational materials released in the public domain or with an open license that allows a user to freely and legally use, copy, adapt, and redistribute the materials. OERs provide a strategic opportunity to improve the quality of education as well as facilitate policy dialogue, knowledge sharing and capacity building.

3. **Technology** offers a solution in making quality education very affordable and accessible. This can significantly reduce the cost of education since in many countries as Nigeria, large portions of the budget is spent on purchasing textbooks. In the case of infrastructure, a physical space is not an absolute must. Connectivity and hardware availability has now taken priority. This is especially true for training of teachers. Via the internet teachers can connect readily to networks which support best teaching practices, engage in online courses for continuous professional development or even to obtain degrees without leaving the service/country. We have to research how we as a nation can tailor the use of technology efficiently and how to sustain efforts that are implemented.

4. **Public-Private Partnerships** in education take various forms including sharing financing for state provision with private sector organizations (e.g. UK Academy school scheme); fully contracted out service provision in order to utilize skills and expertise of non government organizations (e.g. BRAC schemes in Pakistan and Afghanistan); subsidized mixed public-private systems (such as is now envisaged as part of the post-earthquake donor support to Haiti); and voucher schemes that provide targeted subsidies to households to allow them to purchase education services from local non state providers. It is understandable that the need and the importance of public-private partnerships (PPPs) are being increasingly recognized as a way to finance various development projects resulting in maximizing national investment in education. This aspect of capability building is also important as regards the future agenda for education development.

5. **Global Partnerships:** At the Financing for Development conference, heads of state and government and high level representatives from 193 countries agreed to "scale up investments and international cooperation to allow children to complete free, inclusive and quality early childhood, primary and secondary education, including through scaling up and strengthening initiatives such as the Global Partnership for Education." The Addis Action Agenda is a concrete symbol of the support and belief that the global community has in the power of partnership; and recognition that a scaled up and strengthened Global Partnership is a prerequisite for successful implementation of SDG4.

6. **Bond Financing** has been extensively used in the United States and other countries to finance higher education institutions – with future student fees being used to finance the bond issues. The amount of funding in the bond issue could be further significantly increased by participation of local pension fund investors protected from loss by financial guarantee insurance. Additional resources can be mobilized from contributions of local bodies, private donors and communities through institutional mechanisms that supplement Government funding.

Conclusion

Yes the education system in Nigeria as an example of a fiscally-challenged economy is grossly underfunded, with more money necessarily needed but smarter use of what we have will yield higher returns. With weak Public Finance Management systems in most developing countries like Nigeria, it becomes systemically impossible to achieve effectiveness in the utilization of resources in the education sector. There's an urgent need to address issues of corruption in most developing countries and hopefully revert back to collectively adopting important instruments like 'pool financing' and 'sector budget support'. These can only be achieved if developing countries urgently address various public finance management challenges.

Conclusion

Politics of Education implies the control and management of human, material, physical and financial resources as well as the leadership and responsibility of the education enterprises. In Nigeria, political involvement in Education is manifested in the massive neglect of the sector via lip service. It is important however to appreciate the fact that government needs substantial funds to run the sector. Commutatively, various governments have paid lip service to education in terms of financing considering the importance of higher education in National development and improvement in the well being of the citizens, there is need for the government to deregulate and de-politicize the funding of HE to allow all stakeholders contribute to the effective financing of education.

The distribution and financing of HE in the country has had much to political consideration rather than the economic and development consideration. This has serious implication for the country human seems to have financing of Higher education provides individuals with skills to participate in the increasingly competitive global economy, public higher education in Nigeria is facing a number of challenges that may weaken its ability to fulfil its functions. The most immediate challenge is from the large cuts that public higher education has taken as governments have struggled to meet other societal needs. On top of this cyclical decline, there is evidence that states are reducing their support for public higher education over the long term as other programmes such as financing the health system, require a larger share of public funds. Meanwhile demand for higher education is likely to continue to increase, as more and more students graduate from higher school each year. All in all, these challenges are likely to create problems in the funding of public higher education for many years to come.

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