



FINANCING EDUCATION SECTOR IN BORNO STATE NIGERIA IN THE ERA OF INSURGENCY: IMPLICATIONS AND OPTIONS FOR NATIONAL DEVELOPMENT

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Abstract

The future of any country lies in the quality of its education. Education remains the major tool for socio-economic development, individual empowerment and poverty reduction. Unfortunately, one major problem now facing education in Nigeria is the issue of underfunding. We have, in the last decades, witnessed a gradual degradation in infrastructure, in manpower development and access to qualitative education. Precisely, the federal and state governments' spending on education is below 10 percent of their overall budget. This is largely due to the fluctuations in the oil market, and the need to reduce the huge and rising service obligations. This paper examined the financing of higher education in Borno State, the implications of inadequate funding and possible strategies of funding education. Thus, it was suggested among others that all stakeholders, parents and guardians, the society in general, the private sector and non-governmental agencies must become involved in the financing of education in Nigeria.

Keywords: Financing, education, budget, national development

Introduction

Education is not only an investment in human capital development but it is also a prerequisite for economic development which makes the demand for education so high. Thus, in Nigeria, education



has remained one of the most challenging sectors of the economy. Because of its importance to human capital development, education was one of the Seven-Point Agenda enunciated by the late Umaru Musa Yar’adua administration on assumption of office in 2007. The administration met an educational sector that was in comatose. In spite of the reforms carried out by the immediate past government Umaru Musa Yar’adua took over from, there was in reality nothing on ground to inspire confidence in that very vital segment of the national economy (Nwosu, 2009). The universities and other higher institutions of learning were in a state of decay with most teaching staff leaving the country in droves in search of greener pastures abroad.

Apart from the impact inadequate funding have on the quality of teaching and learning in the education sector in Nigeria, student support is inadequate (Ubogu, 2011). Universities and other higher institutions of learning in Nigeria for instance, as it is today do not have enough support for graduate and postgraduate study programmes. It is therefore, not surprising that the President Muhammadu Buhari led administration had to be confronted by labour unions in the higher educational sector with long lists of demand on what should be done to uplift the sector. The unions, one after the other, had to go on strike to press home their points. The ensuing face-off between the Federal Government and Academic Staff Union of Universities (ASUU) resulted to the shutting down of the universities for more than six months.

Against the backdrop of the Academic Staff Union of Universities (ASUU) strike, a report released by an advocacy group, Invictus Africa (2022), disclosed that the educational sector received its lowest budgetary allocation in 2022. The report entitled, “Data and Analysis of the Federal Government of Nigeria’s Budgetary Allocation to Education between 2015 and 2022,” pegged the federal government’s budgetary allocation to education at 5.39 percent, accounting for ₦923.79 billion out of the total budget of ₦17.13 trillion as shown in Figure 1.

Budget Allocation to Education (2015 - 2022)
(Federal Government of Nigeria)

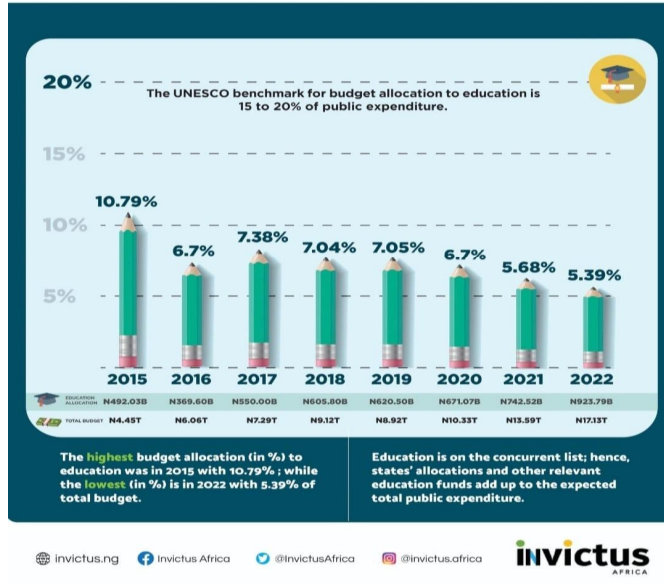


Figure 1: Federal Government’s Budgetary Allocation to Education



Adewale, Ajayi and Enikanoselu (2006) are of the opinion that education in Nigeria has been experiencing financial crises. There is less money to spend on primary, secondary and tertiary education. There are increasing complaints about the underfunding of the higher educational sector while the government accuses the sector of inefficient utilization of available resources. The government has always argued that public spending on higher education should be reduced. However, the fact remains that higher education sector in Nigeria has been experiencing facility decay, deterioration of equipment and plans, and uncompleted projects as a result of the financial crises facing the sector.

An Overview of Financing Education in Nigeria

Funding of education comes from different sources but the major one at all levels of government is public revenue from taxation. Education funds are reported to be distributed among primary, secondary and tertiary educational levels in the proportion of 30%, 30% and 40% respectively (Balumi, 2003). The public funding includes direct government expenditures in the form of subsidies to households such as tax reductions, scholarships, loans and grants. It also includes payment from Education Tax Funds (ETF) mainly for capital expenditure. At present, private sources account for about 20% of total national donors in the form of loans (Adewale *et al.*, 2006). The underlying rationale for public funding of education is to equip people with the requisite knowledge, skills and capacity to enhance the quality of life. It is to increase productivity and capacity of the citizens to gain knowledge of new techniques for production so as to be able to participate actively in the development process. Table 1 illustrates the federal budgetary allocation to education.

Year	Budget (₦Trillion)	Educational Allocation (₦Billion)	Percentage of Budget (%)
2010	5.160	249.09	4.83
2011	4.972	306.30	6.16
2012	4.877	400.15	8.20
2013	4.987	426.53	8.55
2014	4.962	493.00	9.94
2015	5.068	392.20	7.74
2016	6.061	369.60	6.10
2017	7.444	550.00	7.38
2018	8.612	605.80	7.03
2019	8.830	620.50	7.03
Total	₦60.973	₦4413.17	7.24

Source: Ameh and Aluko (2019)

With education regarded as public goods by the government, the quantity of education increased dramatically as the quality nose-dived to an unprecedented level while the declining trend continued. Precisely, the federal government spending on education is below 10% of its overall budget. Today higher education institutions in Nigeria are facing imminent collapse due to some emerging issues including inadequate competent teachers, poor teaching methods, corruption, inconsistent government policies, non-payment of salaries, pensions and gratuity, insecurity, poor learning environments and poor remunerations. Financing higher education is imperative and a necessary condition for sustainable development because it is in the higher institutions of learning that the relay race for economic development is achieved.



Financing Higher Education in Borno State in the Era of Insurgency

Insecurity has dealt a deadly blow to educational institutions in Borno State especially in some local government areas where some of the state's higher institutions are located. Boko Haram insurgency has dealt a blow on education delivery in Borno State (Bukarkulima, 2015). The terrorists have destroyed 512 schools. When this is translated to classrooms, it is over 1000, in addition to more than 350 teachers killed with unspecified number of school children and students in higher institutions of learning missing and/or killed. Boko Haram insurgency kept about one million children out of schools (UNICEF, 2015). More than 2000 schools were shut down while hundreds had been attacked, looted or set ablaze.

Boko Haram insurgency has seriously affected the growth and quality of education in Borno State especially at the higher education level aside funding of education. The gross neglect of education in the allocation of funds by successive governments, and the shabby treatment of teachers of all cadres, have combined to rob higher education institutions in Borno State of their traditional pride, dignity and honour. It is as if a tragic war has been deliberately waged against the destiny of the people through the destruction of education, the very organ in which resides the hope of tomorrow (Ehusani, 2002).

In Borno State, funds meant for education are distributed among State Universal Basic Education Board (SUBEB), secondary education and tertiary education level. As reported in the Vanguard Newspaper (December 28, 2017), Gov. Kashim Shettima presented ₦170.2 billion Appropriation Bill for 2018 fiscal year to the State House of Assembly tagged: "Budget of Resettlement and Empowerment. Major highlights of the budget showed that education got the highest allocation of ₦27 billion. Breaking down the budget portfolio, Shettima said that ₦12.6 billion was set aside for infrastructure development and management of secondary school education, and ₦10.3 billion for tertiary education, while ₦4.4 billion for the State Universal Basic Education Board (SUBEB) programmes.

In the 2019 fiscal year, Gov. Kashim Shettima presented ₦125.82 billion appropriation bill to the State House of Assembly for approval. The bill tagged: "Budget of Consolidation" was higher than the 2018 approved budget, with over 30 per cent increase. In the budget, education got the highest allocation of ₦22 billion for recurrent and capital projects, which included ₦9 billion for completion of various school development projects and ₦8 billion for higher education.

To support education in Borno State the European Union (EU) has doled out 20 million Euros (about ₦8 billion) as support for the education sector in Borno, which had degenerated as a result of the Boko Haram insurgency. The EU had in January 2018 donated 143 million Euros (₦60 billion), as funding for various multi-sectorial interventions in Borno State. The support is a three-year intervention project that will be implemented by the United Nations Children Fund (UNICEF) and Plan International.

To further expand the development of education sector in Borno State on assumption of office, Governor Babagana Zulum established an Education Trust Fund (BOETF) with 13 board members with Prof. Hauwa Biu appointed to head the board, Maina Yaumi as the Executive Secretary, and 11 other members. The board was charged with the responsibility to monitor and evaluate the execution of ongoing educational projects. The three senatorial districts were represented by Babagana Malarima, Lydia Goro and Umara Kyari for Borno Central, South and North respectively. Eight other members represented Ministries of Education, Higher Education, Finance, Local Government and Emirates Affairs, Justice, Trade, Investment and Tourism the Universal Basic Education Board and the Borno State University.

Under the Governor Babagana Zulum administration, the Borno Government in its proposed 2020 Appropriation Bill of ₦134.5 billion allocated ₦23 billion for the educational sector to reinvigorate the sector and counter Boko Haram insurgency ideology (News Agency of Nigeria [NAN], 2020).



Education, which is one of the major sectors devastated by the insurgency got the highest allocation in the proposed budget for the 2020 fiscal year. The administration gave high premium to education because no genuine social transformation and economic development will take place without education. The budget was also meant to find solution to the root causes of insurgency; and to revamp the education sector to cater for the teeming population, the school dropouts and out-of-school children.

Governor Babagana Zulum presented a budget of ₦267b for Borno's 2022 fiscal year, from which the education sector got the largest share of ₦38 billion, representing 20.22% of the budget size. In Borno State, higher education is the core in the plan of the government, because there are about nine tertiary institutions and about forty per cent budget to education goes to higher education, with the new state university, the government is spending a lot to make sure students get access to higher education. The Borno State government's plan on education, especially higher education, is targeted at training as many Borno State indigenes and prepare them for the training of manpower and also teachers for schools, the secondary schools and even universities with the hope of training at least 1,000 in terms of teachers of PhD and masters, in the next two or three years.

On investment in higher institutions, in the area of infrastructure the state government have done a lot. The state government have renovated a lot of structures, have built a lot of structures and have sponsored people. The state government have awarded scholarships to about 23,000 students domestically and have spent to the tune of ₦26 million outside. Already the government have released over ₦300 million. The state government have done a lot in terms of scholarship to allow for human capacity building. Next, the state government is trying to purchase equipment for Borno State University and most of the courses because of the insurgency have not been accredited, which the state government have started doing that.

The quality of life and work in higher educational institutions, and the very environment in which teaching and learning take place, have become a thing of shame and a source of embarrassment to many who have an idea of what higher educational institutions should look like (Ehusani, 2002). In deed too many things have happened within the last 30 years to the structure, management, supervision, administration, financing of higher education institutions in Borno State, culminating in a serious dislocation of the educational system, whose symptoms are the much decried fall in academic standards, wide spread indiscipline, examination malpractices and other vices. Perhaps an even greater dislocation occurs in the psyche of the contemporary teacher, whose morale is now very low. Abubakar (2016) declared that no one can guarantee any teacher going to class on empty stomach and stated that it is unfortunate that a situation like this revolves around higher institutions of learning in Borno State. If this trend should continue, the higher education system in the state will soon collapse. It is a pity that this is allowed to happen despite the fact that education is the key and bedrock of economic development.

The Challenges of Funding Higher Education in Borno State

The challenges of education sector in Borno State and its funding in particular could be traced to policy and strategy instability and inconsistency. There is an inefficient management of resources, wastages and leakages thereby overriding macroeconomic conditions that have determined the fate of the sector. When the economy is not growing at a reasonable high and sustainable rate, it will not have the resources to fund a largely – social service sector such as education. With a high population growth rate, lackluster growth rate of the GDP would imply severe resource constraints, which could lead to the poor resourcing of social sector such as education.

For the period 1970 – 2013, the country recorded either negative GDP growth rates or low positive growth rates which affected both the Borno State and Federal Government. It should not be



surprising therefore, that education has been poorly funded over the period. Nwachukwu (2014) observed that both the states and federal government depends heavily on oil for an average of about 80% of its total revenue, while non-oil (agriculture, solid minerals and other resources) revenue contributes much less-an average of about 20%. The problem with this revenue structure is that oil revenue on which the state government depends heavily is highly exposed to the volatiles of the price fluctuations of oil in the international market. Such derived fluctuations in the major revenue item of government means that without careful planning and rationalization of expenditure of the revenue, the implementation of government projects and programmes would be subject to frequent disruptions and distortions.

Insecurity in Nigeria has dealt a deadly blow to education in recent times especially in Borno State. Boko Haram insurgency has dealt a blow on education delivery in Borno State (Bukarkulima, 2015). The terrorists have destroyed 512 schools including tertiary institutions in the state. When you translate this to classrooms, it is over 1000, in addition to more than 350 teachers killed with unspecified number of children/students missing and/or killed. In Borno State, schools were shut down including higher institutions of learning while hundreds had been attacked, looted or set ablaze. The terrorists have abducted more than 200 school children including students from higher institutions of learning in Borno State. The North-Eastern Nigeria has remained one of the poorest parts of Nigeria with low levels of education. The insurgency has worsened the social and economic crisis in the region. Many schools in the Borno State have been turned into camps for the Internally Displaced People (IDPs).

Funding of education in Nigeria has seriously affected the growth and quality of education especially in Borno State at the higher education level. The gross neglect of higher education in the allocation of funds by successive governments, and the shabby treatment of teachers of all cadres, have combined to rob higher education of their traditional pride, dignity and honour (Ehusani, 2002). The quality of life and work in higher institutions in the state, and the very environment in which teaching and learning take place, have become a thing of shame and a source of embarrassment. Insufficient financing of higher institutions of learning in Borno State culminated in a serious dislocation of the educational system, whose symptoms are the much decried fall in academic standards, wide spread indiscipline, examination malpractices and other vices. Perhaps an even greater dislocation occurs in the psyche of the contemporary teacher, whose morale is now very low.

Severe poverty in Borno State have been an impediment to the funding and growth of education at all levels. The situation is so terrible that many parents and guardians cannot keep their children and wards in both public and private schools. Many of the children drop out of schools including students from higher institutions of learning. According to Birdsall, Levine and Ibrahim (2006) most of the 104 million school-age children who are not attending school are poor and have parents who are uneducated and illiterate. In Borno State for instance, poor children are less likely to start school, more likely to drop out and most likely to engage in child labour or domestic chores and begging that keep them away from schooling. Education for All (EFA) cannot be achieved without adequately addressing reasons why the children of the poor in Borno State cannot be enrolled in schools.

Systematic corruption is another challenge confronting financing higher education in Borno State. Where there is gross mismanagement and misappropriation of the available funds meant for higher institutions of learning either by the state officials or the management of the higher institutions funding education will be **challenging**. Some of the school heads compound the problems of parents and students by introducing irregular multiple fees in addition to the government approved fees. Most of the students who have dropped out from higher institutions of learning in the state are children of



the poor. The so called free education in Nigeria is a mere paper-work due to corruption and illegal levies in schools.

Option for Funding of Higher Education in Borno State for Sustainable Development

Education is both a private good and a public good. It is a private good because it is a process of investing in the development of human resources, which is one of the factors of production and which earns income in exchange for its contribution in the production process. According to Levine (2012), education can be appropriately funded in the context of the market demand and supply framework. Alternatively, education is also a public good. Among the reasons for this is that an educated population is considered, *ceteris paribus*, necessary for an orderly and civilized society that is required for the building of a viable democratic society. It is also an important factor in determining the national identity and a country's location in the global scale of civilization. From this perspective, education does not just confer some benefits on the individual but also on the community.

Bekaert (2009) stated that higher education is considered to have significant positive externalities, which is considered a largely public good. The government is to play a proactive role in supplying higher education services sufficiently, as well as in ensuring effective demand. Ensuring effective demand implies mobilizing school-age population to undertake higher education and ensuring that all those so mobilized are adequately resourced to participate. The simplest way a government does this is by making basic education compulsory and free, implying that capital and recurrent costs of providing the service are made available not by the individual but by the government from the public treasury.

In addition, to give effect to the provision that the private sector is not excluded from supplying basic education, the government would also provide the enabling regulatory environment, incentives (such as tax breaks) to encourage private sector investment in basic education (Mekinnon, 2012). For the private sector component of higher education, demand for the service would depend on the purchasing power of the households who prefer such a service to the option available from the government (Olubivo, 2011). For tertiary education, the policy and strategy of government need to focus on providing the incentives and the enabling environment, generally, for the private sector to supply education. The role of government would include the provision of appropriate legislative and regulatory framework, as well as the provision of infrastructure and fiscal incentives such as tax breaks.

On the demand side, individual citizens and households rather than the government will be responsible for carrying the cost of the services they demand. It is important to note that assigning tertiary education to market demand and supply does not in any way underrate the importance of high level education for the rapid economic transformation goal of the government (Pagano, 2010). The dichotomy in terms of public funding between basic and tertiary education only reflects the reality of limited availability of resources and how funding responsibilities should be allocated to ensure adequacy, effectiveness, dynamism and continuity.

When government focuses its limited education budget on basic education, it will be feasible to ensure a strong education base. In this regard, the products of secondary schools will be of such a high quality that would have acquired the knowledge and skills to participate actively in the economic and social process. Those proceeding to tertiary education would have been properly prepared for the advanced challenge. Under this framework, government will still need to get concerned about ensuring that a greater number of citizens have the opportunity to gain from higher education. Accordingly, such schemes as Open University, e-learning and other forms of long-distance, non-physical presence learning would be encouraged (Stan, 2010).

Programmes flexibility and affordable offer cost effective education that ensure that inability to provide funds does not constitute a major inhibition to citizens who wish to undergo further studies after their



basic education. Existing indications are that educational institutions (primary, secondary and tertiary) owned by the private sector and run on commercial principles are viable in Nigeria and that they can boast of relatively better quality of graduates. On the other hand, existing government-owned tertiary institutions still face extreme funding difficulties in having adequate recurrent funding and in maintaining the quality of the physical assets needed to deliver qualitative education (CBN, 2012). There is, therefore, the need to consider a viable arrangement that would ensure: optimal use of the existing fixed assets of public tertiary education institutions, sustainable funding that would make the fixed assets productive and, the production of quality graduates. Such an arrangement would be more so desirable if it also helps to address the concern of affordability, particularly for students with poor financial background ECA (2009).

Other Options for Funding Higher Education in Borno State

- i. Regular contributions from communities, states, such as levies on all adult to support schools, local government official, churches, mosques and school authorities should be involved in the launching of appeals for funds.
- ii. Large Corporation should find the need for regular contribution to education in their operational state either in cash or by building classrooms, lecture rooms and by supplying equipment.
- iii. Wealthy philanthropic individuals in the communities, states, should provide regular financial and materials assistance for sustainable educational development.
- iv. Regular financial support for Nigerian's education should come from international bodies as the World Bank, UNESCO, UNICEF, UNDP, and UNFPA and other financial assistance through bilateral agreement between Nigeria and other countries.

Conclusion

The researcher concluded that Nigeria education sector and its funding problem in particular was attributed to policy and strategy instability and inconsistency, inefficient management, wastages and leakages, and over dependence on oil revenue as a source of funding of education in Nigeria.

Suggestions

Based on the literature, the following recommendations are made:

- i. Government, recognizing basic education as a public good, accepts the responsibility of providing it free for all citizens. In essence, government aims at guaranteeing the supply, as well the demand for basic education.
- ii. For tertiary education, the private sector is incentivized to invest in and operate the provision of education, based on market demand and supply framework. The private sector would be encouraged to mobilize investment capital.
- iii. Complementarily, the government would concession out the existing capital assets of its tertiary institutions to private entrepreneurs, whilst using the fees received to support deserving indigent students. With this funding architecture, Nigeria is likely to have an education funding legacy, which is sustainable in terms of adequacy, effectiveness, and dynamism.

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