

Funding Universal Basic Education in a Depressed Economy: The Case of Nigeria

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Abstract: The study examines economic problems in the Nigerian economy and discusses the challenges facing the government in funding Universal Basic Education in such a depressed economy. The study argues that distortions in the economy may pose constraints to achieving sustainable universal basic education in Nigeria if inbuilt regulatory mechanism is not put in place. The study notes that much more fiscal resources are being spent on paying and servicing both external and domestic debts than is being spent on education. It argues further that monolithic nature of the economy also adversely affects the financial muscle of the government towards provision of the UBE. The study therefore justifies the case for compulsory and free universal basic education through having viable and stable economy. It also discusses key areas through which additional resources could be mobilized for funding and achieving sustainable compulsory and free universal basic education in a depressed economy, like Nigeria.

Key words: Funding, UBE, depressed economy, mechanism, economy, Nigeria

INTRODUCTION

A depressed economy has been characterized by economic, political, social and cultural distortions. It is a state when things are completely down and there are widespread unemployment and general misery. Most African economies are in these conditions. They suffered from chronic economic under-development, which is due partly to the monoculture phenomenon of Africa economies (Mohammed, 2002) and hence fluctuations. The Nigerian economy presents a basketful of the typical features and characteristics of most African economies. It is an economy in which majority of the citizens are unable to meet minimum requirement of basic needs, such as food, housing, healthcare services education and clothing. More than 90% of Nigerians live below the poverty line \$2 per day, despite the country's vast resources (PRB, 2007).

The nose-diving monetary value of the Naira ejected by distortions in monetary policies has rendered the economy of Nigeria impotent. The naira exchange rate continues to depreciate following high demand pressure. At present, the exchange rate is about N178/US\$. These situations have resulted in unchecked devaluation and hyper inflation thereby reducing purchasing power for most people. At this junction, policy questions to be raised are; will sustainable Universal Basic Education be achieved in this depressed economy? What are the likely funding patterns for universalizing basic education in a depressed economy? This study therefore focuses on the strategies for

raising additional sources of funding the universal basic education in a depressed economy, such as Nigeria.

MATERIALS AND METHODS

The universal basic education in Nigeria: The universal basic education scheme came into force as a result of the 1990 Jomtien Declaration for all by the year 2003 and since then there had been different education conferences worldwide such as New Delhi, 1991 Declaration on E-9 Countries, Amman, 1996 Affirmation on pursuit of the goals of Jomtien, Durban, 1998 Statement of Commitment on inter-African collaboration for the development of education, O.A.U. Decade of Education in Africa (1997-2006) among others. The most recent one was the Dakar, 2000 World Education Forum which made most African governments to embrace Education for All (EFA) by 2015 as an integral part of their poverty reduction strategy. In Nigeria, UBE was launched by President Olusegun Obasanjo in September, 1999 and by the year 2004, the National Assembly passed the bill that enacted Compulsory and Free Universal Basic Education Act 2004. This bill became operational on the 26th May, 2004. As contained in the Section 2 (1-4) of this Act:

- Every government in Nigeria shall provide Free Compulsory and Universal Basic education for every child of primary and junior secondary school age
- Every parent shall ensure that his child or ward attends and completes his
 - Primary school education

- Junior secondary school education by endeavouring to send the child to primary and junior secondary schools
- The stake-holders in education in a local government area shall ensure that every parent or person who has the care and custody of a child performs the duty imposed on him under Section 2 (2) of this Act
- A parent who contravenes section 2 (2) of this act commits an offence and is liable
 - On first conviction, to be reprimanded
 - On second conviction, to a fine of N2,000 (US\$13.245) or imprisonment for a term of one month or both
 - On subsequent conviction to a fine of N5,000 (US\$33.113) or imprisonment for a term of two months or to both

Section 4 (1-2) state that:

- Every parent shall ensure that his child receives full time education suitable to his age, ability and aptitude by regular attendance at school
- The provisions of sections 2 (2) and 4 (1) of this Act shall not apply to any parent who for the time being, is resident outside Nigeria

Section 5, also emphasizes that the provision of sections 2 and 3 of this act shall not apply to any child who is resident outside Nigeria and who has not received such education.

Scope of the UBE in Nigeria: The compulsory and free universal education is designed to address the following:

- Programmes and initiatives for early childhood care and socialization
- Education programmes for the acquisition of functional literacy, numeracy and life skills especially for adults (persons of age 15 and above)
- Out of school, non-formal programmes for updating knowledge and skills of person who left school before acquiring the basics needed for life-long learning
- Special programmes for nomadic populations
- Non-formal skills and apprenticeship training for adolescents and youths who have not had the benefit of formal education
- The formal school system from the beginning of primary education to the end of the junior secondary school (Obanya, 2001)

Objectives of the UBE in Nigeria:

- To develop in the entire citizenry a strong consciousness for education and a strong commitment to its vigorous promotion
- To provide free, compulsory universal basic education for every Nigerian child of school going age
- To reduce drastically dropout rate from the formal school system through improved relevance and efficiency
- To cater for drop outs and out of school children/adolescents through various forms of complementary approaches to the provision and promotion of basic education
- To ensure the acquisition of the appropriate levels of literacy, numeracy, manipulative and life skills as well as the ethical, moral and civic values needed for laying a solid foundation for life-long learning (Obanya, 2001)

Coverage of the UBE scheme in Nigeria: There are three areas which the UBE Scheme covers in Nigeria:

- Formal basic education encompassing the first 9 years of schooling (primary and junior secondary education) for all children
- Nomadic education for school age children of pastoral nomads and migrant fishermen
- Literacy and non-formal education for out-of-school children, illiterate adults, street children and disabled groups (Federal Government of Nigeria, 2004)

RESULTS AND DISCUSSION

Funding arrangement for the UBE scheme in Nigeria:

Section 3 (1) of the UBE Act 2004 states that the implementation of the universal basic education shall be financed from:

- Federal government block grant of not <2% of its consolidated revenue fund
- Funds or contributions in form of federal guaranteed credits and local and international donor grants

Section 3 (2) states:

For any state to qualify for the Federal government block grant pursuant to sub-section 1 of this Section, such state shall contribute not <50% of the total cost of the projects as its commitment in the execution of the project

Table 1: Instructional and learning materials

Programmes	Financiers
Primary schools	Federal government (100%)
Junior secondary school	Federal government (50%) State government (50%)
Adult literacy	Federal government (25%) State government (50%) Local government (25%)
Nomadic education	Federal government (80%) State government (20%)

Federal Government of Nigeria, 2004

Table 2: Teachers recruitment and remuneration

Programmes	Financiers
Primary schools	State government
Junior secondary school	Federal and state government
Adult literacy	Federal, state and local governments
Nomadic education	Federal government

Federal Government of Nigeria, 2004

Table 3: Infrastructural provisions (classrooms and learning centres)

Programmes	Financiers
Primary schools	Federal government (75%) State government (25%)
Junior secondary school	Federal government (25%) State government (75%)
Adult literacy	Nil
Nomadic education	Federal government (100%)

Federal Government of Nigeria, 2004

Table 4: Teachers training

Programmes	Financiers
Primary schools	Federal and state government
Junior secondary school	Federal and state government
Adult literacy	Federal and state government
Nomadic education	Federal and state government

Federal Government of Nigeria, 2004

Funding arrangement for the UBE is therefore categorized into the following: nobody is financing infrastructural provisions for adult literacy programmes because adults involved are expected to receive their lessons in the existing public schools. Table 1-3 show clearly that the Federal government is to be 100% responsible for the Nomadic except in the area of instruction and learning materials, where state is to bear 20% of the funding. There is also a sharing formula between Federal and State governments in teachers training (Table 4). This arrangement then raises some fundamental questions such as:

- Which state would bear the 20% on infrastructural and learning materials since these nomads would move from state to state
- In a country (Nigeria) where percentage of population living on <\$2 per day was 92% as at 2007 (PRB, 2007) will the governments be able to finance universal basic education
- In a country (Nigeria) where much more fiscal resources are being spent on paying and servicing both external and domestic debts will sustainable universal basic education be achieved

- Now that there is a global financial crisis will universal basic education be adequately funded

In the face of these problems and a depressed economy, what alternative financial measures should be put in place to ensure that this UBE scheme does not break down like the free Universal Primary Education (1976) and free education schemes of the past.

Strategies for raising additional resources for the UBE in a depressed economy such as Nigeria

Debt relief: The debt burden in the developing countries is one of the root causes of poverty and this poses as steely constraint on adequate funding of the universal basic education. To actualize the overall Millennium Development Goal (MDG) of reducing the proportion of people living on extreme poverty by half through universal basic education by 2015, a specific policy proposed to help meet the targets was that a minimum of 20% of government budgetary expenditure in developing countries be allocated to basic social services, along side 20% of aid flows. This target has been severely curtailed by the high levels of debt (Nafula, 2001).

Debts both domestic and external have continued to weigh down the economies of the developing countries. Huge external debt burden and its servicing are of the major banes of Nigeria's economic problems. As at 2006, the Nigeria's external debt was US\$6.278 billion, while the domestic debt stock stood at US\$14.578 billion as at March, 2007. The Nigeria's external debt servicing by the year 2008 amounted to US\$126.667 billion (Zenith Bank, 2008).

The analysis of this figure shows that the stock and servicing are highly intimidating and this affects the financial standing of the country negatively. Consequently, budgetary allocation to education, among competing factors, remains insufficient. One of the main benefits of the debt relief initiative is that by reducing annual debt service payments, it will make it possible to accommodate higher levels of expenditure in areas that have been identified as key to accelerate Universalization of basic education. In addition, this initiative will also help to regularize the financial situation of poor countries. In adopting this policy, therefore, care must be taken in not making debt relief unconditional, otherwise the consequence will be reckless spending and more debts.

Repositioning the economy from mono directional to multi-directional:

Provision of additional sources of financial support for education is a function of dynamic economy. As the level of capital formation is low, while

Table 5: Activities of agricultural and industrial sectors in Nigeria (1999-2003)

Activity sector	Years				
	1999	2000	2001	2002	2003
Share in total (%)					
Agriculture	35.31	26.29	30.60	31.18	27.03
Crop production	29.69	22.04	25.66	25.87	22.68
Livestock	3.48	2.56	2.96	3.22	2.64
Forestry	0.55	0.49	0.52	0.53	0.42
Fishing	1.59	1.19	1.44	1.55	1.28
Industry	36.93	51.99	46.95	43.00	47.50
Crude petroleum	32.07	48.19	42.94	38.31	43.33
Mining and quarrying	0.13	0.10	0.12	0.11	0.08
Manufacturing	4.73	3.70	3.89	4.51	4.08

FOS (2003)

enrolment into the UBE continues to increase astronomically, the economy will not be able to rise to the occasion. There is a need therefore to reposition the Nigerian economy from a monolithic to multidirectional economy by exploring and expanding other sectors of the economy apart from crude oil (Akinyemi, 2002). Agricultural sector that was the mainstay of the economy in 1970s needs to be revitalized. Energy and gas need to be explored and expanded. Industrialization and tourism will energize the country's financial muscle if they are adequately encouraged (Samuel, 2003).

The true picture of the agricultural and industrial sectors is shown in Table 5. Table 5 shows the percentage contribution of sub-sectors under Agriculture and industry. The Table 5 shows that crude petroleum had the highest percentage in the periods under study. By implication, greater attention was on crude petroleum, while other sub-sectors were not adequately encouraged.

If all other sub-sectors, apart from crude oil are explored extensively, this will go a long way to improve the Gross Domestic Product (GDP), Gross National Income (GNI) and the per capita income. These will in turn enable government and households to have additional financial resources to efficiently fund the UBE.

Assistance from international donors: Though International donor agencies such as United Nations Educational, Scientific and Cultural Organization (UNESCO), Japanese International Cooperation Agency (JICA), Department for International Development (DFID), the World Bank and the Korea International Cooperation Agency (KOICA) have been providing financial and technical assistance to facilitate the implementation of the programme in Nigeria, some of these donor agencies limit their assistance to some

Northern States (Kaduna, Niger, Plateau, Katsina and Kogi) of the country. Efforts should be intensified to seek their assistance to include more states of the Federation.

Private sector participation in funding the UBE:

Donations can be sought from philanthropic organizations, firms, companies and wealthy individuals in the country. Government could also mandate private international institutions such as Chevron, Julius Berger and other multinational companies to assist in funding the UBE through provision of instructional materials, blocks of classroom and social services. According to Ajayi and Adeshina (1998):

As a means to encouraging private participation in funding of education, the government would have to openly accept bitter fact that the brunt of financing the system cannot be totally borne by it. Therefore, the first move would be to identify and recognize the wide range of non-governmental organizations like large religious bodies, village development associations, social and philanthropic organizations as well as eminent individuals. In doing this, government should know that social and political as well as cultural interests and motives of the individuals and groups cannot be played down upon or neglected. In addition to this, private corporate bodies should also be encouraged to make education one of the social services that should be provided to their communities

A following on the above suggestion is the strict enforcement of the Act requiring all private establishments to pay a certain percentage (2%) of their profit to the Education Trust Fund (ETF).

Introduction of a special universal basic levy: There is need to introduce a special universal basic education levy in certain commodities such as beers

and cigarettes. If everyone who consumes such commodities pays a token (for example 10 kobo). Through beer and tobacco companies, the government could raise a lot of money for universal basic education. Mechanisms have to be established to make sure that monies from such levies are not embezzled or misallocated.

Anti-corruption policies in favour of UBE: It is no gain saying that a chunk of the resources of the nation is diverted into private ownership. Hence, funds that could have been judiciously used for education are now being used by some privileged individuals for their personal gains. Not until a strong and sincere effort is geared towards putting a stop to corruption, the problem of funding UBE would remain. Whatever extra means of raising funds we could successfully adopt with the presence of the Vampire called corruption, education will continue to have its life at jeopardy.

CONCLUSION

In this study, challenges facing the government in funding universal basic education in a depressed economy like Nigeria are examined. The study argues that distortions in the economy may become constraints to achieving sustainable universal basic education if inbuilt regulatory mechanism is not put in place. The study therefore justifies the case for compulsory and free UBE through having viable and stable economy. The study also suggests economy strategies through which additional resources could be mobilized for achieving sustainable and free UBE in a depressed economy.

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