

THE CHALLENGE OF EDUCATIONAL FUNDING IN NIGERIA AS PREDICTIVE DIMENSION OF TEACHER EFFECTIVENESS: TIME SERIES BUDGET ANALYSIS

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ABSTRACT

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Abstract

One of the many essential preconditions for the development and transformation of a national economy is the factor of education in the broadest sense – a clear manifestation of the importance of education.

Education as a social service is capital intensive. People are important part of the wealth of a nation, and a high degree of literacy level will make the nation wealthier, hence the incessant focus on educational funding in Nigeria. This paper presents a historical background on financing of schools and highlights funding of primary, post-primary and tertiary educational institutions.

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Abstract (Cont')

Educational funding is generally regarded as inadequate and strategies for financing were enumerated. Budgetary allocations to the educational sector for the pre-nascent democracy years 1990-1998 and nascent democracy period 1999-2007 by the Federal Government of Nigeria were examined, analyzed and presented

Key words: Education, Budget, Development & Finance.

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INTRODUCTION

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Introduction

Education is concerned with the transmission of knowledge and acquisition of skills that will enable the individual not only to survive in the society, but also to contribute to the development of the society (Bell-Gam, 2003). Ulilig (1999) also opined that one of the essential preconditions for the development and transformation of a national economy is the factor of education in the broadest sense, this statement was affirmed as a clear manifestation of the importance of education (Osunde & Bell-Gam, 2003). Hence, the functionality of our educational systems, to a large extent, depends on adequate funding of all the levels of education by the governments (local, state & federal) and other stakeholders.

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Introduction (Cont')

Corbally (1962) regarded school finance as public and defines it as “the collection and disbursement of funds by government to serve the purpose of government.” It is the financial activities of public authorities such as taxing, spending, borrowing and lending.

The mode of operation of public finance is dependent upon several factors, which are premised upon the prevailing political and economic situations in the country. These factors include her ideology, constitution, political awareness, level of literacy, social and economic development, efficiency and probity of the administrative set-up and leadership style. Education finance, thus, connotes the means employed to provide funds for the expenditure involved in the staffing, equipping, and maintenance of educational institutions.

HISTORICAL BACKGROUND

Historical Background

- Education has been widely recognized as investment in human capital, that is, human capacity building. It has also been regarded by economists, such as, Schultz, Marshall and Pigou, as a factor that stimulates economic growth and has deplored the waste of human resources resulting from inadequate provision for it. (Obayan, 1997).

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Historical Background (Cont')

- Earlier financiers of education in Nigeria were Christian missionaries, rich merchants, and emigrant businessmen living in Lagos. The colonial government did not deem it necessary to finance education between 1842 and 1882.
- In 1882, the Education Ordinance provided for the financing of schools established by government and grant-in-aid to schools established by missions and private individuals.
- In 1886, Lagos became a separate Crown Colony and the Local legislators enacted the Education Ordinance of 1887.
- Then came the 1926 Education Ordinance which truly laid the foundation of education systems in Nigeria.
- In 1947, the Sir Arthur Richard's constitution decentralized the administration of education in Nigeria, thus, education became a regional service. (North, East & West).

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Historical Background (Cont')

- As from 1951, the Federal and Regional governments had concurrent constitutional and administrative responsibilities for educational development.
- During the first National Development Plan 1962 – 68, the Federal Government was responsible for education in the then capital territory – Lagos, while the regional governments had primary responsibilities for education in their areas (Taiwa, 1982).

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Historical Background (Cont')

- From 1970, education in Nigeria had been mainly financed by the public sector, Grants from the Federal government to states were: (1) Recurrent grants based on enrolment; (2) for capital projects based on approved expansion plan; and special grants for specific education projects; while sources of revenue for education include: taxes, school fees, education levies or rates, donations from philanthropic organizations or individuals, proceeds from school products such as magazines, food items, dramatic performances, handcraft; Parents/Teachers

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Historical Background (Cont')

Association Levies, external assistance from governments, individuals, corporate bodies such as, UNESCO, the USAID, Ford Rockefeller, Nuffield Foundations-in form of loans, grants, personnel, equipment, training of personnel abroad and locally, donations of books; Old students Associations, Endowment funds, bursaries. scholarships, loans and consultancy services.

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PRIMARY EDUCATION FUNDING

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Primary Education Funding

The primary education have had checkered history as to its financing. However, with the establishment of the National Primary Education Commission (NPEC), 1988 amended decree of 1993, primary education became the responsibility of the Federal Government mainly and states contributing: and this made public primary education free for all eligible pupils.

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Primary Education Funding (Cont')

1996 became another turning point in the financing of primary education in Nigeria with the introduction of free, universal primary education (UPE). This brought huge financial investment by the federal Government, especially for the provision of school buildings and payments for personnel and overheads. But, just before the introduction of the UPE, about six million pupils were enrolled in the available 15,000 primary schools in the country, six years later, the nation had nearly 40,000 primary schools with about 16 million pupils on the enrolment. (Adeyemi, 1993).

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Primary Education Funding (Cont')

The resulting financial implication was astronomical, uncoordinated, purely political and down right against the already serious financial crises the nation was and is still facing.

In recognition of the enormous problems which inadequate funding for education posed and still poses to most states and local governments, the Federal Military Government then, promulgated the NPEC Decree 31 of 1988;

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Primary Education Funding (Cont')

and by 1990, the management and funding of primary schools in the country shifted to the local government councils. The local government councils became independent of the state governments and their revenue allocations gradually increased from 10% in 1989 to 20% in 1992. In spite of the revenue increase, most of the local government councils could not cope with the management and funding of primary education.

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Primary Education Funding (Cont')

- In 1993, an amended decree was promulgated for the NPEC, which became based in and supervised by the Federal Ministry of Education. The National Primary Education Fund was also established by the State Decree to be deducted directly from the Federated account.

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POST-PRIMARY (SECONDARY) EDUCATION FUNDING

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Post-Primary (Secondary) Education Funding

By the provision of the Federal Government in 1972, Post-primary education was made the responsibility of state governments. The state governments were empowered to establish, administer and finance post-primary schools in the local government areas, however, the money spent by the state governments were supplemented with federal government grants.

The “Unity Schools”, that is, the Federal Government established post-primary schools throughout the federation are solely administered and funded by the federal government. Both federal and state governments also concurrently finance Teacher Education and Vocational and Technical Education.

TERTIARY EDUCATION FUNDING

Tertiary Education Funding

- The financing situation in tertiary institutions, especially the federal universities, has not changed much since the 1978/79 academic year when students started paying for all the university services being enjoyed except tuition.
- The federal government exercised the control over the federal universities through the National Universities Commission (NUC) set up in 1974 and amended by decree 10 of 1993.

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Tertiary Education Funding (Cont')

- The federal government, however, grants subventions for recurrent expenditures for federal tertiary institutions and provides funds for special capital projects.
- The tertiary institutions are, in addition, expected to generate funds from internal and alternative external sources.

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THE STATE OF EDUCATION

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The State of Education

- The state of education is one of the crucial indicators of the seriousness of a society in its quest for national development because the quality of education in a society determines the quality of her manpower.
- In the 1970s, as an aftermath of the oil boom, demand for education increased without commensurate funding which should have provided for construction of more schools, renovation and expansion of existing ones, recruitment of teachers both in number and quality, provision of laboratories, workshops and reading materials.

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The State of Education (Cont')

- The educational situation deteriorated over the years with more emphasis placed on other sectors of the nation, especially Defence/ Security.
- The neglect of this sector has created many problems, such as, inadequate staffing, deterioration of facilities, incessant crises in the educational sector and falling standard in education. For instance, Jibril (1997) traced the genesis of the problems of tertiary education to rapid expansion of the university system, which was not matched with adequate funding due to the down turn in the economy and inflation.

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The State of Education (Cont')

The result was that whatever increase there was in the level of funding did not translate too much in real terms. This had serious adverse effects on the ability of universities to attract and retain staff, acquire and maintain facilities.

To surmise, Okecha(2008), Dike(2006) and Igbuzor (2006), opined that the neglect of the sector had resulted in the following: unpaid and poor remunerations of teachers; dilapidated school structures; lack of laboratories or dilapidated poorly equipped ones;

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The State of Education (Cont')

no libraries or ones stocked with obsolete books and other reading materials; inadequate furniture; poor ventilation and over-crowded classrooms, heavy workloads for available teachers; deteriorating quality of outputs from educational institutions; unstable governments; unqualified staff; uncommitted staff; unprecedented scale of corruption; cultism, large scale examination malpractices; increase enrolment; rapidly increasing educational costs; among others.

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The State of Education (Cont')

- In a survey carried out in one local government area in Lagos state, there were 59,000 primary school pupils in 69 primary schools and two Home Economics centers. Of the schools, 50 had leaking roofs and crumbling walls. About 18 had half their roofs blown off, many had earth floors, more than half had less than half the number of desks and benches for pupils. In five schools, pupils sat on the floor and teachers had no desks, less than half the entire schools had toilets and lavatories, such that the surroundings of some of such schools had been turned into waste dumps. (Guardian 1997).

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The State of Education (Cont')

The above observations, though vivid enough, do not give a comprehensive analysis of schools conditions in the country. A predictive aftermath of this scenario is the rendering of teachers ineffective in performing their responsibilities.

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THE CHALLENGES OF EDUCATIONAL FUNDING

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The Challenge of Educational Funding

The challenge posed by educational funding is enormous and a source of concern for all stakeholders such as governments, the society, educators, parents, students, non-governmental organizations and the international communities. This concern is pertinent now more than ever in light of increasing competing budgetary demands and rising costs of providing functional quality education.

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The Challenge of Educational Funding (Cont')

- The National Policy on Education recognizes that Education is an expensive social service and requires adequate financial provision from all tiers of government for successful implementation of educational programmes.
- The United Nations Education, Scientific and Cultural Organization (UNESCO) has recommended that at least 26% of every country's annual budget be spent on education; Nigeria has not complied with this recommendation inspite of her huge revenue in comparison to other African countries that are less endowed. She was the sixth largest world oil exporter and Africa's top producer as shown below

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Table 1: Oil Export Revenues in Billion US Dollars in 2005

Ranking	Country	Revenue
1	Saudi Arabia	163
2	Russia	122
3	Norway	63
4	Iran	47
5	United Arab Emirates	46
6	Nigeria	45
7	Kuwait	39
8	Venezuela	38
9	Algeria	36
10	Libya	28

Source: National Geographic Feb. 2007 in Okecha 2008 p. 96

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The Challenge of Educational Funding (Cont')

Furthermore, as shown in Table 2, Nigeria had an average of 5.8% of total public expenditure on education and only 1% Gross Domestic Product (GDP). These figures are far below the All African averages of 18.14% and 4.68% for public expenditure on Education and GDP respectively; and only Ghana, Uganda and Cote d'Ivoire African countries have met the UNESCO minimum of 26%.

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Table 2: Public Expenditure on Education in Africa

Country	Average Percentage of Total Public Expenditure	Average Percentage of GDP 1980 - 2000
Botswana	19.0	6.77
Swaziland	24.6	4.40
Lesotho	17.0	7.87
South Africa	25.8	5.75
Nigeria	5.8	1.00
Niger	18.0	2.93
Cote d'voire	30.0	5.75
Burkina Faso	16.8	2.60
Liberia	11.9	6.50
Gambia	14.2	3.27

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Table 2: Public Expenditure on Education in Africa (Cont')

Country	Average Percentage of Total Public Expenditure	Average Percentage of GDP 1980 - 2000
Ghana	30.0	NA
Kenya	23.0	6.63
Ethiopia	11.33	3.90
Uganda	27.0	2.07
Morocco	17.7	5.47
Tunisia	17.0	6.00
Egypt	11.1	4.68
All Africa	18.14	4.68

Source: UNDP Human Development Report. 2003 & 2004 African Development Indicators from World Bank in Okecha 2008:93

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The Challenge of Educational Funding (Cont')

- The challenge is even more glaring at the university level (analysis refers to only federal universities as data are not readily available for state and private ones), where enrolment (34% female, 59% in sciences) grew at the rapid rate of 12% annually during the 1990s and totaled 325,299 students by 2000 (NUC 2002b). This generated an enrolment ratio of 340 per 100,000 persons and an average staff/student ratio of 1:21. (sciences 1:22; engineering 1:25; law 1:37; education 1:25), and thus, resulting in a running cost of \$210 million by 1999 and even more now with obvious implications for educational quality,

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The Challenge of Educational Funding (Cont')

staff shortage (presently estimated at only 48% of staffing needs) and teacher ineffectiveness. (Saint, Hartnett & Strassner 2004).

- According to Areo (1997); the quality of the minds of the citizens of a nation determines to a large extent the level of her development. It could be said that no nation can become stable, prosperous or achieve stable and enduring democratic rule without an educated citizenry. Thus, corroborating Nwankwo (1995) who asserted that, a country that fails to produce

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The Challenge of Educational Funding (Cont')

qualitative replacement for the retiring generation can only be on a short road to ruin.

- In view of the importance placed on education, it is pertinent, therefore, to examine the Federal government's role in ensuring the educational right of her citizenry as indicated in the specified periods under review.

BUDGETS ANALYSIS

Budgets Analysis

- In Nigeria, where public educational institutions are funded to a large extent by governments, the public money involved raises considerations of financial and economic equilibrium, political expediency and choosing between alternative kinds of expenditure; which complicates financial analysis and often limits the funds allocated for education.

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Table 3: Pre-Nascent Democracy
Federal Government Approved Educational Allocation 1990 – 1998 (N'million)

Year	Recurrent Expenditure on Education	Capital Expenditure on Education	Total Expenditure on Education	Total Expenditure for All Sectors	Percentage for Education
1990	1,963.0	331.7	2,294.7	39,766.0	5.77
1991	1,265.0	289.1	1,554.1	38,766.0	4.01
1992	1,998.0	395.1	2,393.1	27,594.0	8.67
1993	6,436.0	1,563.0	7,999.0	111,616.0	7.17
1994	7,878.0	2,417.5	10,295.6	110,200.0	9.34
1995	9,169.4	3,307.4	12,476.8	173,287.4	7.20
1996	12,136.0	3,215.8	15,351.7	142,014.0	10.81
1997	12,122.2	3,807.0	15,930.2	138,162.7	11.53
1998	13,928.3	9,739.8	23,668.1	286,943.1	8.25

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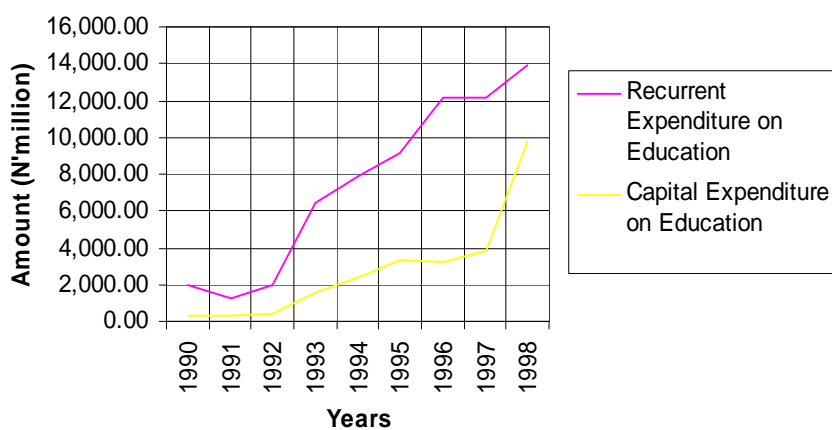
Sources: (a) Federal Republic of Nigeria Budgets 1990 – 1998
 (b) Central Bank of Nigeria Statistical Bulletin. Vol.9, No.2 (Dec. 1998:97)
 (c) Federal Ministry of Finance & Economic Development: Central Bank of Nigeria Statistical Bulletin. Vol.9, No.2 (Dec. 1998:97)

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Figure 1: Trends of Recurrent and Capital Allocation to Education in Nigeria. Pre-Nascent Democracy 1990 -1998

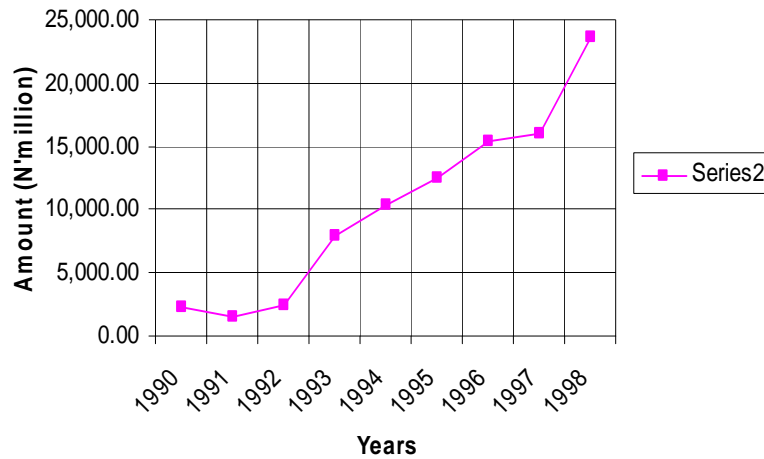


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Figure 2: Total Budgetary Allocation to Education – Pre-Nascent Democracy
1990 -1998



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Pre-Nascent Democracy 1990 - 1998

- Total Federal approved expenditure estimates for all sectors for **1990** was N39,766 billion comprising N27,209 billion for recurrent and N13.452 billion for capital expenditure. Sectoral allocation to Education was N1,963 billion for recurrent expenditure and N331.746 million for capital expenditure, that is, 7.21% and 2.4% of total recurrent and capital expenditure respectively.

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Pre-Nascent Democracy 1990 – 1998 (Cont’)

- 1991 total estimated expenditure was N38.085 billion, composed of N25.581 billion recurrent and N13.085 capital expenditure. Approved budget for Education was, recurrent N1.265 billion and N289,108 million for capital expenditure.
- In 1992, the total expenditure outlay was N15.6 billion for recurrent and N11.9 billion for capital expenditure. In terms of sectoral allocation, Education got N2.4 billion comprising of N1.998 million for recurrent and N395.130 million for capital expenditure.

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Pre-Nascent Democracy 1990 – 1998 (Cont’)

- Like its predecessors in the past years, the **1993** budget was not short on well-articulated policy objectives. Total federally collectible revenue for 1993 was projected at N157 billion as against N101.2 billion projected in 1992. Education topped the sectoral breakdown of the budget with N7,999 billion broken into N6.44 billion and N1.56 billion for recurrent and capital expenditure respectively.

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Pre-Nascent Democracy 1990 – 1998 (Cont’)

- The goals of the **1994** budget were set to reverse the negative trend of the past and the admittance of the failure of the Structural Adjustment Programme (SAP). For instance, the deficit for 1993 stood at N90 billion which led to excessive growth in money supply and depreciation of the naira. Overall, the government’s planned expenditure of N10.2 billion was predicated on projection of \$14 per barrel of oil. Collectible revenue was projected at N231.4 billion from oil sources, totaling N278.5 billion. A source of government revenue was the introduced tax on consumption, known as Value Added Tax (VAT) which replaced sales tax, and 80% of the revenue derivable were to be retained by the states. For sectoral allocation, Education got the highest of N7.87 billion for recurrent and N2.42 billion for capital expenditure.

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Pre-Nascent Democracy 1990 – 1998 (Cont’)

- The **1995** budget sought to free the economy from the constraints that had long inhibited progress and focused on: The take-off of National Primary Education Commission with headquarters at Kaduna and state offices of the Primary Education Board.. Total expenditure for the year on Education was N12,5 billion, comprising of N9.2 billion for recurrent expenditure and N3.3 billion on capital expenditure.
- **1996** was essentially a “Budget of Consolidation.” Total expenditure on Education amounted to N15.4 billion of which N12.1 billion was for recurrent expenditure and N3.3 billion was for capital expenditure.

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Pre-Nascent Democracy 1990 – 1998 (Cont')

- In **1997**, Education was conspicuously not included in the stated objectives of the budget. N12.2 billion was allocated to recurrent expenditure while N13.8 billion was for capital expenditure: amounting to a total of N15.9 billion approved educational allocation for the year.
- The main policy thrust of the **1998** budget was the stimulation of production to effectively address the twin problems of unemployment and poverty in the society. Accordingly, the objectives of the 1998 budget included among others “human capital development” (1998 budget, p7) through the improvement of educational facilities, which have deteriorated

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Pre-Nascent Democracy 1990 – 1998 (Cont')

- These conditions had adversely affected the quality of the products of our educational system. In view of these, the Federal government resolved to invest substantial resources over a period of three years for revamping educational facilities and improving staff welfare. Funds were, therefore, to be allocated for:

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Pre-Nascent Democracy 1990 – 1998 (Cont’)

- procurement of essential books, journals and research facilities for tertiary institutions.
- procurement of computers, e-mail and other communications facilities for the universities.
- Improvement of office accommodation and staff welfare

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Pre-Nascent Democracy 1990 – 1998 (Cont’)

- Improved funding of relevant research and organization of seminars, workshops and conferences for updating knowledge, and
- Retraining of primary and secondary school teachers and procurement of teaching aids.

Consequently, approved educational allocation in 1998 amounted to N23.6 billion, of which N13.9 billion was for recurrent expenditure and N9.7 billion was for capital expenditure.

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Table 4: Nascent Democracy Federal Government Approved Educational Allocation 1999 – 2007 (N'million).

Year	Recurrent Expenditure on Education	Capital Expenditure on Education	Total Expenditure on Education	Total Expenditure for All Sectors	Percentage for Education
1999	23,047.2	8,516.6	31,563.8	340,600.0	9.27
2000	44,225.5	23,342.6	67,568.1	470,000.0	14.38
2001	39,884.6	19,860.0	59,744.6	892,000.0	6.70
2002	100,240.2	9,215.0	109,455.2	844,000.0	12.97
2003	64,755.9	14,680.2	76,436.1	1,175,000.0	6.51
2004	72,217.9	21,550.0	93,767.9	1,189,000.0	7.89
2005	92,594.7	27,440.8	120,035.5	1,800,000.0	6.67
2006	129,421.9	35,791.8	165,213.7	1,880,000.0	8.79
2007	137,478.3	48,293.5	185,771.8	1,531,815.9	12.13

Source: (a) Federal Republic of Nigeria Approved Budgets 1999 – 2007

(b) Central Bank of Nigeria Statistical Bulletin. Vol.18, Dec. 2007

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Nascent Democracy 1999 – 2007

- The main thrust of the 1999 and 2000 budgets have been largely of poverty alleviation through massive creation of jobs, the enhancement of educational opportunities to all. The creation of wealth through the development of the solid minerals sectors and a massive development of the agricultural sector.
- In 2001, the total expenditure outlay was N480 billion for recurrent and N412.2 billion for capital expenditure. This Fiscal year tagged “the road to recovery” was private – sector – led and technology driven. The policy thrust the restructuring of the Nigerian Economy to make it market – oriented.

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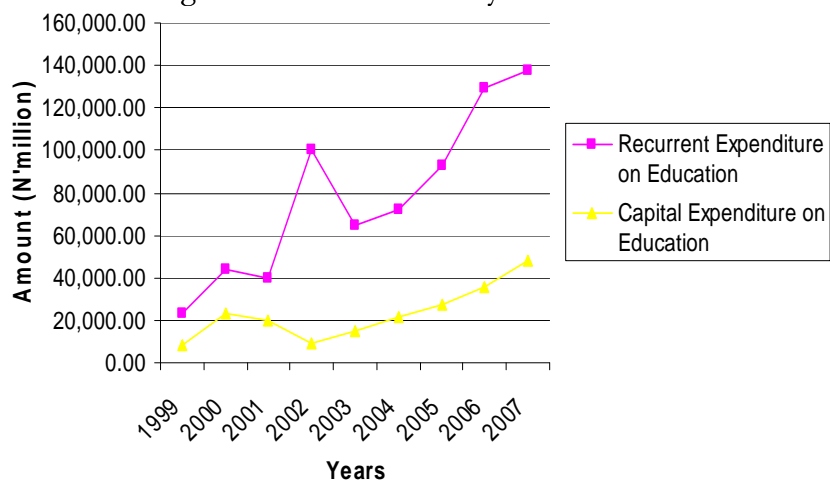
Nascent Democracy 1999 – 2007

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Figure 3: Trends of Recurrent and Capital Allocation to Education in Nigeria Nascent Democracy Era 1999 - 2007



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The 2007 budget continued to focus on reforms and development of the economy. The budget gave priority to investments in power, water, roads, security, **education** and health. The aim was to make life more comfortable for citizens available. (Parp 2008)

Figure 4: Trends of Educational Appropriation of Total Budget of Nascent Democracy in Nigeria 1999 - 2007

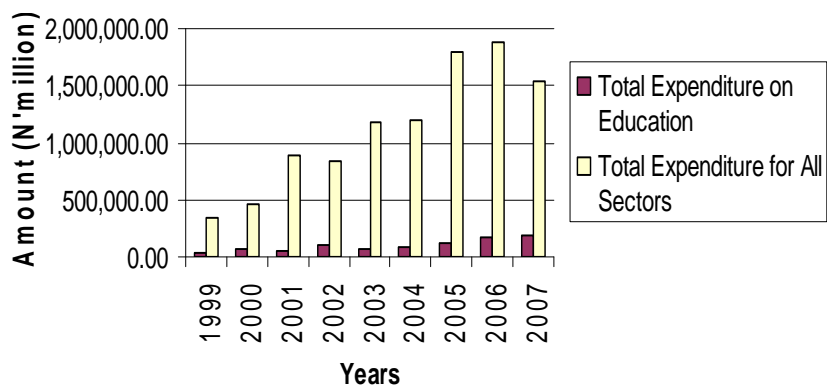


Table 5: Comparison of Education Appropriation Percentages of National Budget

Pre-Nascent Democracy 1990 – 1998		Nascent Democracy 1999 - 2007	
Year	Percentage	Year	Percentage
1990	5.77	1999	9.27
1991	4.01	2000	14.38
1992	8.67	2001	6.70
1993	7.17	2002	12.97
1994	9.34	2003	6.51
1995	7.20	2004	7.89
1996	10.81	2005	6.67
1997	11.53	2006	8.79
1998	8.25	2007	12.13

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STRATEGIES FOR FINANCING EDUCATION

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Strategies for Financing Education

Education financing, judging from the discussion so far, poses an enormous challenge to stakeholders, especially the federal government of Nigeria. Hence it was regarded in the National Policy on Education (2004) as a joint responsibility. In Nigeria, oil still accounts for about 40% of GDP, 90% of exports and 80% of government revenue. The challenge, therefore, is to reverse the trend and diversify the revenue base by further development of the non-oil sectors of the economy, though this will take time to yield the desired results.

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Strategies for Financing Education (Cont')

- Though oil has become almost the exclusive source of revenue for the nation, it has become worrisome that education is not allocated adequate share of the accruable revenue, as it has to compete with other sectors. The government once set up a panel to provide alternative sources for financing and it recommended some financing strategies which were known as “hypothecation” of Federal funds, that is, a certain percentage of the total revenue should be ear-marked specifically for education to be used for:

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Pre-Nascent Democracy 1990 – 1998 (Cont’)

- Allocation for immediate expenditure;
- The establishment of a Federal Education Development Bank (FEDB);
- The establishment of a Federal Education Endowment Fund (FEEF); and
- A loan scheme for higher education.

These were attractive propositions, which were difficult to implement for logistic reasons like resultant overhead costs.

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Pre-Nascent Democracy 1990 – 1998 (Cont’)

Other strategies are enumerated herewith:

- **Tuition fees:** Government needs to revisit the untapped veritable source of revenue for university financing by charging tuition fees, which is presently prohibited. Parents are stakeholders and should be willing to invest in quality functional education for their children and wards.
- **Proliferation of Educational Institutions:** The establishment of educational institutions should be based on clear-cut ideology and not based on sentiments or rule-of-thumb as the present trend of proliferation does not make for financial prudence, for example, what justification is there for establishing four universities in a state, when some are grossly underutilized?

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Pre-Nascent Democracy 1990 – 1998 (Cont’)

- **Accountability/Prudence:** Leaders and educational managers should be made accountable for the usage of the available funds by prudent utilization. Those found wanting should be sanctioned.
- **Population Control:** Intensive and sustainable campaign should be made by government to create awareness for the citizenry to imbibe family planning in order to space and control the number of school-age children.

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Pre-Nascent Democracy 1990 – 1998 (Cont’)

- **Endowment Fund:** Governments, business and philanthropic organizations and individuals should intensify the usage of this strategy to provide sponsorship for educational requirements.
- **Alumni:** The alumni of educational institutions could be made more active in the development of their Alma Mata by provision of scholarships, awards, boarding facilities, equipment and endowments amongst others.
- **Demographic Data:** A serious hindrance to education financing is lack of reliable data for planning. Thus, bodies entrusted to provide statistical information should do so, especially data of school-age population at all educational levels, number of births, deaths, sex, rural or urban and migration trends.

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Pre-Nascent Democracy 1990 – 1998 (Cont’)

- **Maintenance Culture:** There is the need for all stakeholders in the schools to imbibe maintenance culture, the indifferent attitude towards “government properties” needs to be address as a stitch in time saves nine. If the facilities provided are judiciously utilized and maintained, the capital expenditure will be minimized and thus money made available for other needs.
- **Personnel Management:** This strategy is usually very sensitive as it involves staff, the number and quality of staff required should be determined and not have excess staff that will continue to inflate the personnel emoluments.

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Pre-Nascent Democracy 1990 – 1998 (Cont’)

- **Sectoral Bodies:** The Education Tax Fund; Industrial Training fund and the National Science and Technology Fund have been established to respond to the funding needs of Education. Their impact should be felt more in this sector.
- **Private Sector Funding:** Another strategy is to campaign for private sector funding of teaching, research, learning, equipment and infrastructures.
- **Stock Market:** the educational sector, especially tertiary institutions should be encouraged to trade in stocks and bonds in the Stock Market as an additional channel of raising required funds.

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CONCLUSION

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Conclusion

Funding for education has not been commensurate with the demand of the education sector. Reportedly, the percentage of Federal government budgetary allocation to education has been fluctuating, it was 7.2% in 1995; 7.89% in 2004 and 12.13% in 2007. Statistics covering these periods under review show that, Federal government expenditure on Education has been below 15%, which is far below the UNESCO recommended 26%.

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Conclusion (Cont')

Government's policies and objectives towards education are often very laudable, but safely embedded in the clause of "*as and when practicable.*" Educational trends and realities in Nigeria have revealed often and again that implementation of these laudable policies and objectives are fraught with difficulties. Paramount among these problems is the inadequacy of financial outlay required to meet educational needs. Although money cannot correct all the ills of public education, the absence of adequate funding will to a large extent predict degree of teacher effectiveness and the quality of education provided.

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Conclusion (Cont')

- Furthermore, though the educational sector had to compete with other sectors of the country for funds, the funds allocated to it, usually have political undertone and considerations, giving the fact that education is capital intensive, it is adduced, that the federal government is capable of meeting the recommended UNESCO 26%, as a conducive teaching/learning environment will ensure teacher effectiveness and greatly influence the economic growth and international status of the country.

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Conclusion (Cont')

- Babalola (2007) advocated the Harvard University model of funding, founded in 1636, had an endowment of over \$22.6 billion by the end of 2004 financial year and an income of \$2,228.2 billion without grant or subvention from the government and laments the educational institutions' overdependence on government funding.
- He challenged governing councils, alumni associations, multinationals, individuals, vice – chancellors, rectors, provosts, students, parents – Teacher Associations, the government, institutions and workers to source for alternative funds.

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