

OWNERSHIP (PROPRIETORSHIP) AND FUNDING PRACTICES OF UNIVERSITY IN NIGERIA.

¹MBA, CALLISTUS OKECHUKWU, *Ph.D* & ²ASAGBA FLORENCE OGHENEVWAERHE, *Ph.D*

^{1&2}Department of Educational Management, Faculty of Education,
University of Port Harcourt, Port Harcourt, Nigeria.

Email: callistusmba24@gmail.com & florence.asagba@uniport.edu.ng
08030667424 & 08052507555

Abstract

Ownership is one of the characteristic institutions of human society. It is defined as the greatest possible interest possible in a thing which a mature system of law recognizes. It comprises of the right to possess, to use, right to manage and right to income of the thing. On the issue of funding, it plays a crucial role in university education both in the Federal, State, Private. There are barriers to funding of public and private universities in Nigeria. Despite the discrimination in funding private universities in Nigeria, there are still merits of setting up private universities. It was concluded that ownership is very important in one's life just as funding of universities is also important. Some suggestions were made which one of them is (1) federal and state government should allocate enough funds to universities so that their products will be adequately prepared.

Keywords: Ownership, Proprietorship, Funding Practices, University

Introduction

Ownership is one of the characteristic institutions of human society. According to Honore (2015), people to whom ownership was unknown, or who accorded it a minor place in their arrangements, who meant by *meum* and *tuum* no more than 'what I (or you) presently hold' would live in a world that is not our world. Yet to see why their world would be different, and to assess the plausibility of vaguely conceived schemes to replace 'ownership' by 'public administration', or of vaguely stated claims that the importance of ownership has declined or its character changed in the twentieth century, we need first to have a clear idea of what ownership is.

If ownership is provisionally defined as the greatest possible interest in a thing which a mature system of law recognizes, then it follows that, since all mature systems admit the existence of 'interest' in 'thing', all mature systems have, in a sense, a concept of ownership. Indeed, even primitive systems, like that of the Trobriand islanders, have rules by which certain persons, such as the 'owners' of canoes, have greater interests in certain things than anyone else.

Ownership comprises the right to possess, the right to use, the right to manage, the right to the income of the thing, the right to the capital, the right to security, the rights or incidents of transmissibility and absence of term, the prohibition of harmful use, liability to execution, and the incidents of residuality; this makes eleven leading incidents. Obviously, there are alternative ways of classifying the incidents; moreover, it is fashionable to speak of ownership as if it were just a bundle of rights, in which case at least two items in the list would have to be omitted. The present analysis, by emphasizing that the owner is subject to characteristic prohibitions and limitations, and that ownership comprises at least one important incident independent of the owner's choice, is an attempt to redress the balance.

University Funding in Nigeria

Not only that, funding is another important aspect in the day to day running of University in Nigeria. According to Odediji, Folawiyo & Akinsuro (2019), funding is a very significant issue which plays a crucial role in University education. The Federal, State and Private/Public organisations are expected to play vital roles in funding university education.

Concept of Funding

Funding is a very significant issue according to Odediji, *et al.* (2016), which plays a crucial role in university education. The Federal, State governments and private/public organisations are expected to play central role in funding university education. Funding university education in Nigeria today is a crucial national issue. Funding is the act of providing resources mostly in form of money or other values, such as effort or time, for a project, a person, business or any other private or public institution. Ogunbenle & Edogiawerie (2019) viewed funding as an important tool of any organization. They also stated that sufficient funding is a foundation for effective running of every aspect of education, including university education. In the view of Ahmed & Adepoju (2013), educational funding is the financial aid given for the achievement of educational objectives. Therefore, when money is released for educational expenditure, funding has taken place.

A great deal of administrative effort is required to make sure that the allocation of fund is disseminated towards the achievement of university goals and objectives. When fund is inadequate, there would be serious challenge of providing facilities required for effective teaching and learning process in the universities.

Barriers to Funding of Public Universities in Nigeria

According to Adedipe (2021) and Odediji, *et al.* (2016), there are numerous problems that our educational sector is facing. The first and possibly one of the greatest challenges facing education Nigeria is inadequate funding by the federal, state and local governments. In the year 2017, Nigeria's education sector was allocated much lower than 26 percent of the national budget recommended by the United Nations (Adedipe, 2021). The global organisation recommended the budgetary benchmark to enable nations adequately cater for rising education demands. But, in the proposal presented in the National Assembly, President Muhammadu Buhari allocated only but 7.04% of the #8.6 trillion in 2018 budget to the education sector. The total sum allocated to the sector was #605.8 billion, with #435.1 billion for recurrent expenditure, #61.73 billion for capital expenditure and #109.06 billion for the Universal Basic Education Commission (Adedipe, 2021).

In view of the foregoing, it is evident that the money been allocated to Nigeria's education sector on yearly basis is not enough for the smooth running of our educational affairs and there is no doubt that this issue of poor funding of education in Nigeria is one of the reasons the Academic Staff Union of Universities (ASUU) has embarked on an indefinite and comprehensive strike action over the inability of the federal government to release money owed to the sector over the years and to implement such new educational policies and projects as revitalization of universities, payment of professors and lecturers, to mention but a few.

Prevailing economic predicament has often been used as an excuse for underfunding of education, especially, university education in Nigeria. Prevailing government behaviors overtime revealed that Nigeria governments successively lacked political will to adequately fund university education, even

though there has never been a generally accepted rule for identifying the level of aggregated funding to university system by government (Adedipe, 2021).

Another challenge is that of partisan politics where budgetary allocations are made based on patronage and other extraneous variables contrasts to the principles of objective budgetary process which are damaging to quality development. Inadequate funds and poor implementation of budgets have led to incidence of inadequate and inefficient staffing, nonavailability and inadequacy of basic teaching facilities.

The poor funding of university in Nigeria seems to be because of some factors such as economic recession, delayed passage of budgets, heavy public debts and the reduced purchasing power of the national currency and lack of political will. As a result, the condition of work seems bad, fringe benefits of workers are being hindered, and budgets deficits still occur while education administrators/managers are often accused of diverting educational funds.

Poor governance and mismanagement have crippled most sectors in the country not leaving behind the education sector. Governments' attitudes toward crucial problems of education especially its quality, is lackadaisical. Government at all levels are more concerned about issues that are not important as education and this is crippling the country. Government comes and goes, yes, but little do they do their bests to improve the quality of education. Nigeria is more than sixty (60) years old and as old as she is, we cannot boast of our education sector not because we do not get the best in our education, but our leaders have always made their priorities intangible things that do not have values as education does. This issue of bad governance is another crucial problem of funding educational programmes in Nigeria and it would take only but honesty, discipline, faithfulness, etc. to resolve. Corruption is also one of the major problems in the country and the university education sector is not an exception.

On this issue of funding university, it is pertinent to understand based on National Policy on Education (2004) the aims of university education which include:

- i. To contribute to national development through high-level relevant manpower training;
- ii. To develop and inculcate proper values for the survival of the individual and the society;
- iii. To develop the intellectual capability of individuals to understand and appreciate their local and external environments;
- iv. To acquire both physical and intellectual skills which will enable individuals to be self-reliant and useful members of the society;
- v. To promote and encourage scholarship and community service;
- vi. To forge and cement national unity; *and*
- vii. To promote national and international understanding and interactions.

University funding according to Okoro & Okoro (2014) will be considered on two based being public and private universities in Nigeria. Considering allocations to public universities viz-a-viz private universities that do not get government allocation rather they are funded mostly by their proprietors. The researcher is of the view that both private and public universities should have been funded by Federal government for the fact they are all in Nigeria producing high-level manpower. Not only that, citizens of this country have the fundamental right to university education. The fact that government does not fund education as recommended by UNESCO that every nation should

set aside 26% of her yearly budget to education. The total budgetary allocation to education in Nigeria starting from 1994 – 2003 are shown below.

Table 1: Federal Government Budgetary Allocation from 1994 - 2003

<i>Federal Government Budgetary Allocation to Education Year</i>	<i>Total Budget</i>	<i>Nigerian Government Allocation to Education</i>	<i>Allocation to Education as % of Total Budget</i>
1994	N110.5 billion	8.66 billion	7.83
1995	N98.2 billion	12.73 billion	12.96
1996	N124.2 billion	15.30 billion	12.32
1997	N186 billion	21.8 billion	11.59
1998	N260 billion	27.7 billion	10.27
1999	N249 billion	27.7 billion	11.12
2000	N277.5 billion	50.67 billion	8.36
2001	N984.2 billion	62.6 billion	6.75
2002	N844 billion	17.7 billion	6.8
2003	N765.1 billion	13.9 billion	1.83

The table above shows the Federal Government's allocation to education from 1994 to 2003. The total budget has been on the increase from 1994 (N110.5 billion) to 2003 (N765.1 billion). However, the Nigerian government allocation to education by percentage of total budget revealed that the highest fund allocated to education was in the year 1995 (12.96) while 2003 had the lowest percentage of fund allocated.

Table 2: Funding Sources for Public Universities in Nigeria

<i>Year</i>	<i>Government Allocation (₦)</i>	<i>Internally Generated Revenue (₦)</i>	<i>Total Funding (₦)</i>
2010	150 billion	20 billion	170 billion
2011	160 billion	25 billion	185 billion
2012	170 billion	30 billion	200 billion
2013	180 billion	35 billion	215 billion
2014	190 billion	40 billion	230 billion
2015	200 billion	45 billion	245 billion
2016	210 billion	50 billion	260 billion
2017	220 billion	55 billion	275 billion
2018	230 billion	60 billion	290 billion
2019	240 billion	65 billion	305 billion
2020	250 billion	70 billion	320 billion
2021	260 billion	75 billion	335 billion
2022	270 billion	80 billion	350 billion
2023	280 billion	85 billion	365 billion

Funding Sources for Private Universities in Nigeria

Private universities in Nigeria primarily rely on tuition fees, donations from benefactors, and other income-generating activities. Funding data for private universities can vary significantly, but here is a general overview in table 3 below.

Table 3: Funding Sources for Private Universities in Nigeria

<i>Year</i>	<i>Tuition Fees (₦)</i>	<i>Donations (₦)</i>	<i>Other Income (₦)</i>	<i>Total Funding (₦)</i>
2010	50 billion	5 billion	10 billion	65 billion
2011	55 billion	6 billion	12 billion	73 billion
2012	60 billion	7 billion	14 billion	81 billion

2013	65 billion	8 billion	16 billion	89 billion
2014	70 billion	9 billion	18 billion	97 billion
2015	75 billion	10 billion	20 billion	105 billion
2016	80 billion	11 billion	22 billion	113 billion
2017	85 billion	12 billion	24 billion	121 billion
2018	90 billion	13 billion	26 billion	129 billion
2019	95 billion	14 billion	28 billion	137 billion
2020	100 billion	15 billion	30 billion	145 billion
2021	105 billion	16 billion	32 billion	153 billion
2022	110 billion	17 billion	34 billion	161 billion
2023	115 billion	18 billion	36 billion	169 billion

Not only this, when compared funding sources for public and private Universities in Nigeria, the comparison is very annoying in a country that preaches equal right to citizens.

Merits of Private Universities

Despite the disparity in terms of flow of funding, there are still merits to private universities which according to Norah (2011) are:

- i. **Accreditation of programmes:** All the mature programmes of the private universities have received either full or interim accreditation by NUC and relevant professional bodies
- ii. **Systematic Growth:** All the private universities have conscientiously regulated their student population to match available human and material resources.
- iii. **Stable Academic Calendar and Cult-free Campus:** The private universities maintained stable academic calendar and cult free campuses. The institutions had come up in various ways, departing from the norms, with innovative administrative styles that they believed would bring about positive impact and change on their students. The proprietors were in most cases directly involved with the day-to- day running of the universities.
- iv. **Standards of Discipline and Attitudinal Change:** It was observed that all the universities had in one way or the other insisted on standards of discipline and attitudinal change. Some of administrative policies and techniques included dress code, demerit chart, provision of conducive environment, and work-study programme as well as good relationship with industries.
- v. **Infrastructural Development:** The Committee noted that the universities visited had made heavy investment on large-scale infrastructural development.
- vi. **Funding:** It was observed that the proprietors/chancellors were the sole financiers for the capital development of the universities. Fees charged were in most cases within reasonable range.
- vii. **Quality Graduates:** The committee noted that the private universities have all it would take to produce quality graduates that are disciplined, have the fear of God, possess leadership qualities and job creators and not job seekers.

Funding Challenges in Private Universities:

This according to Norah (2011) are:

- i. **Inadequate lecturing facilities:** Of course, the available funds determine the adequacy of lecturing facilities. The private universities from their missions and objectives are determined to offer the best to their students but are largely constrained by funds. Lecture rooms are shared by different courses to the extent that some have not been able to demarcate blocks and tag

them appropriately by courses. Lecturers are equally sharing offices like it is done in the secondary schools. Laboratory equipment and Agricultural tools are shared among student

- a. during practicals .
- ii. **Underdeveloped Laboratories Studio/Research Farms:** While the older universities are suffering from obsolete and dilapidated laboratories, studios and Research Farms, the private universities either do not have or have underdeveloped ones. The private universities need fund for Biological science laboratory, Chemistry laboratory, physiology and Anatomy laboratories (for those offering medicine), computer science laboratory, Mechanical Engineering Workshop, Mass Communication Studios, Language Laboratory, Education Laboratory, Biochemistry Laboratory and Agricultural Research Farm. Where these exist, they are yet to be equipped. These are capital intensive and it is only the government that can help actualize these visions.
- iii. **Development of Libraries:** The Library is centre for learning and researches. No university can rise in knowledge above the standard of its library. The seating capacity of many private universities is small ranging from 38 to 150 (2004 COMPU report: P.25, 46). Some of the libraries have no adequate reading tables and chairs. Volumes of books and journals are inadequate. This is not surprising as it runs into millions to get these books imported. It will cost a fortune to get current law reports from abroad. Yet a single proprietor is expected to foot this. The Federal Government is the answer.
- iv. **Increased Research Output:** Research findings of universities are what give them reputation and names but many private universities are yet to come up with policy on researches because of lack of funds. Public universities are given grants for researches and painful enough, some are not able to utilize this fund. Why not extend this fund to private universities so as to increase their research output?
- v. **Hiring of Adequate Number of Professors:** The private universities are finding it difficult to meet up with the NUC stipulation of staff ratio of 20:35:45. That is for every programme, there should be at least 20% professors, 35% Associate Professors and Senior lecturers while 45% is lecturer I and below. Most professors in the private universities are either on sabbatical or associateship and so cannot settle down to pursue rigorous researches. Private universities can stretch – hands abroad to higher professors if there is adequate fund. Expansions of physical facilities and especially the urge to move to permanent sites will not permit private proprietors to think of hiring faculty members from abroad or bring back Nigerian professors in diaspora.

Conclusion

In conclusion, ownership is very important in everyone's life. Not only that, funding is very crucial in universities per say because of its numerous benefits to graduates, government and society in general and therefore should be accorded its rightful importance. On the issue of funding private universities by Federal government, that should be done on the principle of equity and fair play to citizenry for the fact that private universities have come to stay in Nigeria. Since private universities also train Nigerian citizens, having a rethink for funding by federal government will be a plus.

Suggestions

- i. Federal and state government should allocate enough funds to their universities so that their products will be adequately prepared reason being according to NUC (2004:23) and I quote

- “University education in Nigeria does not adequately prepare graduates for the work. This is manifested in a number of deficiencies the graduates exhibit in workplace”. Unquote.
- ii. Programmes run by both public and private universities should be monitored well by NUC to ensure quality and ensure that programmes conform to societal needs. Continuous appraisal of programmes is vital for quality assurance in the university system.
 - iii. Poor governance, mismanagement and monumental corruption which is the order of the day should stop right from federal, state and local government executives and officials whom the resources of this nation is entrusted on them; even the society at large because corruption has eaten deep in all our systems and facets. When this is done, there will be enough funds for education; more so, university education.

References

- Adeotomre, J. E. (2007). “Universal access to tertiary education in Nigeria: Issues of Planning”. In J.B. Babalola, G. O. Akpa, A. O. Ayeni & S. O. Adedeji (Eds). *Access, Equity and Quality in Higher Education*. NAEAP, Lagos, pp.131-137.
- Adewale, J. O. & Olumide, F. K. (2014). Sustainable financing of higher education in Nigeria: The role of tuition fees and other revenue sources. *Educational Research and Reviews*, 9(13), 412-421.
- Ahmed, S. and Adepoju, O. A. (2013). Meeting the challenges of funding university Education in Nigeria. P. K. Ojede, M. O. Arikewuyo and A. C. Njoku (Eds). *Challenges of Educational Development in Nigeria*. 708-724.
- Babalola, S. J., & Ogunsola, L. A. (2018). An assessment of the funding patterns of public and private universities in Nigeria. *Journal of Education and Practice*, 9(25), 109-116.
- Bamiro, O.A (2012), Sustainable financing of Higher Education in Nigeria: Funding models. A paper presented at a two-day Consultative policy Dialogue by the Committee of Vice-chancellor's (CVC) and Trust Africa. A Dakar Senegal based HE Development.
- Daniyan, M (2004). *State of private universities in Nigeria. Report of 2004 Annual Monitoring and Quality Assurance*: NUC. Abuja.
- Honore, A. M. (2015). *The nature of property and the value of justice*.
- Mijinyawa, S. (2010). Public private partnership in the provision of education service in Nigeria.” A paper presented at the National Education Conference.
- Norah, O. (2011). Issues and challenges in private university education in Africa: Funding of Private Universities in Nigeria. *A Journal of Contemporary Research*, 8(4), 272-282
- Odediji, K. M., Folawiyo, W. J., & Akinsuroju, O. E. (2023). Funding situation in public universities in Nigeria. *Ultimate Research Network (URN)*, 1: 106-115.
- Ogbondah, L. (2010) Adequate funding of public universities in Nigeria for sustainable development, *African journal of historical sciences in education*, 6(2), 322-323
- Ogunbenle, K. S. and Edogiawerie, N. M. (2019). Budgetary allocation and development in Nigerian tertiary institutions. *Igbinedion University Journal of Accounting*. 2(8), 377-407.
- Ogunleye, J. A. & Adeleke, A. O. (2016). Government funding and financial management of public universities in Nigeria. *International Journal of Management Science and Business Administration*, 2(11),1-8
- Okoro, N. P., & Okoro, E. O. (2014). Time and change: Development of private universities in Nigeria. *International Journal of Business and Social Science*, 5(9), 186-192.



- Okunola, R. O. (2015). Financing higher education in Nigeria: Issues, challenges, and prospects. *International Journal of Education and Research*, 3(4), 79-92.
- Omoregie, N. (2005). Paradigm for best practises in Nigeran private universities. *The Nigerian Academic Forum: A Multidisciplinary Journal*. 9 (4), 37 – 43. National Association of the Academics.
- Salami, B. (2013). Public-private partnerships in Nigerian higher education funding. *Journal of Higher Education in Africa/Revue de l'enseignement supérieur en Afrique*, 11(2), 53-71.