

## **PRIVATIZATION OF HIGHER EDUCATION: ISSUES AND PROSPECTS**

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**ABSTRACT:** *Investment in education is treated as a factor contributing to the development of human resources. In effect, private initiative can help since the private sector is the beneficiary of the knowledge industry. Privatization implies induction of private ownership which education is not an exception. It is therefore the responsibility of both individual including the student, his family, his employers and the society which includes the community and the state. There are factors responsible for privatization of higher education which some of them are; need for competitive efficiency and growth in population. Not only that, there are major causes of privatization of higher education which some are; expansion and establishment of education institution and knowledge explosion. There are also merits of privatization of higher education which include; initiative in educational reforms and innovativeness in teaching and evaluation while demerits; job insecurity and lack of accountability. Programmes and policies of privatization of higher education are highlighted including its strategies. Conclusion was made and suggestions enumerated which some are; nations should have stricter rules and regulations in its privatization policies and illegal private higher institutions should be clamped down by relevant government regulatory agencies.*

**KEYWORDS:** Privatization, Higher Education: Issues, Prospects.

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### **INTRODUCTION**

Private institutions do not require long procedures for procurement of human as well as material resources. In order to purchase and maintain good qualitative infrastructure and equipment like furniture, buildings, different types of laboratories and qualified and competent academic staff, who can be paid as per the demand, there is a need for privatization. Growing number of schools naturally pushed the demands for higher education to a greater height, therefore demand for privatization of higher education is the need of the day. There is very little initiative from the public sector due to limited freedom. Private institutions are free to initiate modern and advanced courses in order to fulfill the demand for subjects which facilitate economic development of the nation. The demands of the market and the times can be fulfilled; hence, privatization is needed.

Although the demand for schooling has increased among the people of all the strata of society, including the marginalized because over the years, standards of public schools have declined considerably. Despite an increase in enrolment, the content, quality and process of schooling and teaching practices are not only degrading but also discriminatory. There is an utter lack of infrastructural facilities in government schools, such as students' desks, tables, stools, carpets, teacher's chairs, chalkboards, drinking water, limited space with or without constructed class rooms, lack of play grounds and teaching materials. All these shortcomings, along with the defective teaching system, have severe effects on the education of students. To say the least,

the procedure of appointment of teachers in public schools is also very faulty. The truth is that politicians sell teaching jobs for a handsome price. Such teachers, who are appointed for life, are protected and believed that there is no need to teach. With such perverse incentives, accountability disappears. India as a nation spent 4 percent of GDP on education and even in the recent budget proposals of 2007, spendings on education, health and rural employment schemes have increased by 35 percent.

Privatization implies induction of private ownership, management and control of organizations. Privatization also implies deregulation; meaning lesser control of the government. It refers to expansion of private sector and reduction of public sector. It also means that areas reserved for the public sector will be opened to the private sector. The shift towards privatization reduces the role of the government and increases the role of the private, corporate and local government. The areas of shift are mainly decision making and responsibility of money and administration. Education and privatisation if properly applied to the education sector, privatization can be seen as part of the wider reform of the public sector. Education is both a private and social investment. It is therefore the responsibility of both the individual including the student, his family, his employers and the society which includes the community and the state. The areas of shift in the education sector are mainly decision and responsibility of money, administration and relevant curriculum of high quality. Such institutions generate their own funds through higher fees, user charges and full use of resources. Privatization of higher education has emerged in several forms and types in the recent past.

1. Privatization within government higher education institutions takes place in the form of introducing self-financing courses within government institutions.
2. Converting government-aided private institution into private self-financing institution.
3. Allowing to expand self-financing private institution with recognition and also without recognition, which may be termed as commercial or private higher education institutions.

### **Policies and Programmes of Privatization in Education**

Privatization evolves as education policies across each of the education strata viza-viz primary, secondary and higher education. Some programmes and policies which are popular worldwide with regards to privatization are enumerated below:

1. **Choice of private schools:** Government has legalised it that parents and families have the right to make wide range of choices on the type of school they want whether private or public school. Not only that, children have the right to attend schools close to them as will be recommended by their parents considering the cost of transport and other sundry expenses associated to it. By so doing, some schools will be more populated in terms of enrolment than others.
2. **Private school liberalization:** This brings fewer regulations amongst private schools. And with this, most of these private schools respond better to students demands. These schools are managed through laws and government rule. Atimes, they break the rules guiding them due to bureaucratic redtapism.
3. **Private contracting of specific services:** Private schools provide municipal services by outsourcing most of the jobs to different companies for maximum efficiency. This

range from supply of food staff to cleaning, maintenance of machines and many more for the comfort of both staff and students. This may be the most common approach to privatization, and politically the least contentious when reduced to specific services.

4. **Subsidies, Assistance Grants and to Private School:** One technique to foster competition between public and private schools is to give subsidies directly to private schools. These grants are made available in many European countries like England, Holland, Sweden and many more and should be encouraged in Africa.
5. **Competition between schools and between Education Agencies:** One easy method of creating education market is to encourage schools to compete with each other. According to Neena (2009), where a school has monopoly it is likely that it will not respond to students' need. Where families have a choice of schools, they will select the one that best meets their needs. Invariably, privatization would involve creating systems where schools compete with each other to offer the highest quality education.
6. **Home-schooling and private payment for schooling:** Many parents have lost taste on public or private schools thereby they have decided that their children will have their education at home. By so doing, they hire private teachers to teach their children at home. This is more pronounced in the United States of America where home-schooling is legalised. Investigation has it that there 800,000 of school-age children in United states access their education through this way.

### Factors Responsible for Privatization of Education

1. **Need for competitive efficiency:** Main justification for privatization rests heavily on the grounds of efficiency to promote a more competitive economic environment. Operation of public sector enterprises is considered inefficient. It is believed that private ownership and control are more efficient in terms of resource allocation and work.
2. **Growth in population:** Nigeria has a population of more than 170 million people. In order to provide to a large number of people more private institutions are needed. To fulfill the demand for higher education of young people in the country privatization of higher education is needed.
3. **Financial burden on government:** Higher education in Nigeria is in a big mess. The state government can no longer bear the financial burden of public enterprises. Very little is being spent on higher education. This compares unfavourably with the international level, especially when compared with countries such as South Africa, which invests eight per cent of GNP on education. Therefore, there is a need to evolve policy through which private resources are mobilized.

### Major causes of privatization of education

1. The expansion and establishment of education institution is increasingly high and the same has been shouldered mainly by the state. A stage has now come when the state is finding it very difficult to meet the democratic aspirations of the people for further expansion of education system due to paucity of resources. It is therefore felt that the private sector be inducted in education so that it can share the burdens in funding education.

2. Knowledge explosion is taking place in the world and underdeveloped economies must keep pace with this knowledge explosion. Education or knowledge industry is becoming the key factor in the process of development. This being so education is no longer viewed as a social service rather it is considered as a necessary economic input. In this effort, the private sector is also considered to play its part since it is a major beneficiary of the knowledge industry.
3. The world is passing through fourth industrial revolution. This consists of information technology, bio-technology, nano-technology, robotics, application of lasers and new industrial materials. The growth of satellite TV has further strengthened information revolution in the world along with development in computer technology. These technological developments have increased the requirements of educated and technical manpower at a much higher level. Since the public sector due to limitedness of resources allocated to education cannot meet the needs of industry and other sectors of the economy, it is vital that private sector is initiated in the programmes of skilled manpower to take advantage of growing technologies.

### **Fears in Privatization of education**

This will badly affect the poor, undermine equity, diversity and openness, does not address issues of equality, fairness and responsibility, exorbitant fees will deprive many of availing education, accountability problem will arise. Many courses may not pass accreditation, collected funds may be misused by the owners, favoritism towards family members and friends and benefits remain unproven. Despite these mentioned issues, there are merits and demerits that accost privatization of education notwithstanding.

### **Strengths of Privatization**

1. **Decentralization and De-bureaucratization of educational institutions:** Many schools both public and private will not have so much bureaucratic bottlenecks as witnessed in the past; thereby decentralizing functions in schools and making each staff to be in a particular section and perform the function therein.
2. **Initiatives in educational reforms:** According to Tilak (2001), most schools have improved in their innovations in terms of quality of teaching and the various ways of evaluating the process in a particular school setting. In many private schools today, there are various modern teaching aids that make teaching and learning easy and interesting.
3. **Innovativeness in teaching and evaluation:** Quality education has been the message of the present day education in the sense that the tenets of quality assurance is enshrined in the school system; thereby making training of teachers much more easy compared in the past. According to the Federal Republic of Nigeria (2014), government shall establish efficient and effective quality assurance agencies at federal, states and FCT and LGA's for monitoring and maintaining set standards at all levels of education below the tertiary level p.67.

It continued by maintaining that the goals of quality assurance shall be to; set, maintain and improve standard in all aspects of the school system, ensure minimum standard and quality assurance of instructional activities in schools through regular inspection and continuous supervision, disseminate on a regular basis, information on problems

and difficulties of teachers and institutions and offer practical solutions to them and encourage dissemination of information on innovative and progressive educational principles and practices in the school system through publications, workshops, meetings, seminars and conferences, unquote.

4. **Competition:** Competition as it is known discourages monopoly in every facets of life. In the case of education, it is a welcome development in the sense that both public and private schools do their best to outweigh the other in terms of quality of teachers, library, laboratory, discipline and to crown it, the quality of students they produce. That is why there is emergence of many private schools today.
5. **Utility of human and material resources in proper way:** There are various checks and balances today in both public and private schools in the way they make use of both human and material resources. In the past, there were so many wastages of both human and material resources. But because of emergence of many private schools, public schools are trying to measure up in order to win more patronage and encourage the less privileged.

### Weaknesses of Privatization

1. **Quality assurance is not guaranteed through privatization:** For the fact that there is dichotomy between public and private schools, the issue of quality is not guaranteed. This being the fact that many public schools hardly keep to laid down rules and regulations pertaining quality assurance for the fact that anything can happen in public school. That is not the case in private school where the proprietor(ess) wants the school staff and students to maintain quality for it to compete favourably amongst her peers.

According to Federal Republic of Nigeria 2014(68), the primary responsibility of quality assurance officers shall be to:

- a. Undertake inspection visits.
  - b. Disseminate information about instructional materials and tested effective teaching methods and good practices.
  - c. Monitor, document and publish the overall quality of education in schools and proffer practical and positive advice; and
  - d. Organize meetings with and workshops for teachers when necessary with a view to improve their professional competence.
2. **Job insecurity:** The fact remains that it is fairly difficult to just sack or disengage a staff in public school due to “due process” it will take before the action can take place. This is not so in the case of private schools where the proprietor(ess) can wake one day and decide to sack or disengage any staff he or she deems fit. In this case, there is no “due process” because of its peculiar nature.
  3. **Lack of accountability:** Accountability is the process whereby both teachers and students give the stewardship of their behaviour in school. Lack of accountability has eaten deep into the fabrics of many organizations including schools. A situation where teachers can not boast of having at least three lesson contacts per day and where



students do not live up to expectations lives much to be desired. Privatization looking at it from this angle, is like a *liaizes-faire* affair in the school.

4. **Excess autonomy of institutions:** Anything done in excess is dangerous. Privatization visibly encourages excess autonomy in schools thereby making operators of institutions to be more or less “semi-God” to themselves. Excess autonomy can water down the laid down policy on quality assurance; hence institutional failure.

### Strategies for Privatization

For privatization to succeed, there are some strategies to be adopted. Mark Bray (2015) in his research stressed four strategies viz:

1. **Transfer of ownership of public schools:** Government can deliberately transfer public school to private hands. Government is still expected to play a major role in the education by enshrining the spirit of quality assurance in managers of this schools through thorough follow-up. In Nigeria, after the civil war in 1970, the government of Yakubu Gowon took over all missionary (private) schools. Not until the 1990s that some state government started giving back schools to their original owners (missionaries) under the spirit of privatization.
2. **Increase government funding and support for private schools:** At times increased government funding for private schools bring increased control and effectively makes these schools part of the public sector. However, in other cases, governments are prepared to give public funds to private schools without exerting extensive controls. Most African countries do not give public resources to private schools due to competition associated to it but rather regulate both public and private schools through her quality assurance agency. Reason being that most private schools are more sophisticated and financially balanced than their public counterparts. According to Federal Republic of Nigeria (2014) concerning financing of education and I quote: “The financing of education is a joint responsibility of the Federal, State and FCT and Local Governments and the Private Sector. In this connection, government welcomes and encourages the participation of local communities, individuals and organizations” p.70.

Efforts towards the improvement in the funding of education at all levels include increased government investment in education in order to eliminate the deficiency in public investment between Nigeria and other sub-Saharan and developing countries. At least 26% UNESCO minimum standard recommendation should be dedicated to funding education at all levels.

3. **Increased private financing and control of government schools:** Increased private financing particularly depends on societal demand for education viz-a-viz the class of education an individual wants. According to Agabi (2002), if people decide to classify the type of educational demand by the categories of educational expenditure decision makers, then we have the right to privatize education. The control of government schools through government financing has to be looked through her recurrent and capital expenditure respectively. A comparative analysis of a six year expenses on education according to Nwosu (2017), (2010 to 2015).

<b>Year</b>	<b>Recurrent</b>	<b>Capital</b>
2010	170,770.56	9,561.94
2011	335,837.89	58,494.81
2012	345,400.00	61,362
2013	390,424.85	97,465.21
2014	343,754.99	70,112.7
2015	325,190.79	52,275.35
<b>Average</b>	<b>319.063.18</b>	<b>72,554.67</b>

Source: Nwosu, C.D. (2017): *Comparative analysis of budgetary allocation to education (1980-2015)*. An unpublished Ph.D thesis

It is captured that government spent N319,063.18 million on recurrent expenditure while N72,554.67 million was spent on capital expenditure representing a difference of N246,508.51 million in favour of recurrent expenditure on education.

Succinctly, Neena (2009) put it that privatization is strong and it is taking place in many countries of the world because of its large government expenditure. He reasoned that education can be privatized if:

1. If students enroll in private schools.
2. If higher education is privately funded. In the first instance, government no longer provides enough schools to match the teeming population. On a second thought, government is no longer funding education adequately. For this reason, there is needed to think of privatization in terms of:
  1. Private provision
  2. Private funding and
  3. Private regulation and accountability.

Neena opined that privatization of education can be undertaken by either:

- a. Increasing the number and proportion of private providers.
- b. Raising the amount of funds contributed directly by the users of the services and lowering the amount contributed through subsidies.
- c. Embarking parental monitoring of schools and school choice over government rules and regulations. Each of these approaches can be done simultaneously.

## CONCLUSION

Privatization can respond to market demand for labour in the more efficient and prompt manner than the public sector, which finds it very difficult to introduce flexibility in operations of human resource development. Over the years, public sector has failed to generate resources from the recipients of education, it has become more or less free public good and this has devalued the education in the eyes of recipients. Privatization may lead to changing for the

service provided which is likely to generate great responsibility among the recipients of education. This results in greater efficiency in teaching, learning and improvement in its quality. Privatization generates more funds from students' fees; hence to reduce fiscal burdens of the government. Whether we recognise privatization or not is not a question. Rather, it is good for a nation to experiment privatization in a rational and judicious way for a selected period of time in selected areas and resources. But it is not advisable to keep away ourselves from the process of privatization. To put it in a nut shell, privatization is inevitable in this modern world of industrial and technological revolution and to meet the growing needs of human power. There can be some manipulations but can be managed by proper rules and regulations by government. There are always pros and cons but we can overcome them by involving government and private sectors effectively. Dedication and financial support of community and government towards privatization has been on a large scale.

Providing free and compulsory education to all is a basic duty of government and it cannot be neglected. So government has to invest more funds in development of education. Huge cut in expenditure on higher education by government is the direct outcome. But it doesn't mean that higher education is not important. Government cannot absolve its responsibility of regulating private institutions. So, some regulating agencies have to be put in place which assures quality and transparency and prevent excessive profiteering. There is an urgent need to regulate quality but not growth of supply. There is also a fact that private investors would not run an institute at loss. If a private higher institution cannot at least recover its costs, it would be forced to close down. At least, private higher institutions must be allowed to be commercial; that is they must be allowed to break-even and make profit. If they are allowed to do so transparently, there would be no need to disguise their profit and the institute will not compromise with quality. To ensure access to higher education by less privileged persons, government has to increase public expenditure on higher education. On the whole, an improvement in the standards of education could be achieved through a balanced relationship between public and private sector despite the fact that there are many drawbacks of privatization of higher education, it will improve the present educational system. There are many nations of the world that have made privatization to have many opportunities in terms of its provision, funding and accountability of educational services. Indeed, international reviews of the demand and supply policies show that many countries have implemented some form of privatization; thereby making it a liberal business.

## **SUGGESTIONS**

1. Nations that have privatized their education system should have stricter rules and regulations that guide these schools in order not to be messed up by these private schools.
2. Government should make loans available to private schools in order to compete favourably with the public schools in their countries and to compete favourably with their counterparts outside the country in terms of quality and ranking.
3. Government should do more by handing over more missionary schools to their original owners; thereby promoting privatization of education.
4. Illegal private higher institutions should be checked by government of the day by enforcing the relevant laws of the land on them. This should be done mostly by regulating agencies like NUC, NABTEs, NBCEC to clamp down on these institutions.



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