## Deregulation of University Education in Nigeria: Challenges and Prospects.

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### Abstract.

The role of the University education is to provide the much needed manpower in accelerating the growth and development of the economy and to acquire both physical and intellectual skills that will enable individuals to be self-reliant and useful members of the society. The need for globalization and the demand for University education in the country which the government alone cannot provide led to the deregulation of the system to enable private sectors to participate in the provision of education in the country. Deregulation implies expanded private sectors activity with complimentary contraction in the public sector size in the interest of productive efficiency. This paper examines some of the reasons for deregulation, challenges that accompany deregulation of university education, such as high school fee cost, the widening of the gap between the upper class and the indigent students, the circumvention of standards in the name of profits, among others. It also identified some prospects to include increase in students' admission, improvement in infrastructural development, employment opportunities, among others. The paper concludes by recommending that educational planners and administrators, as well as federal and state governments, should, through appropriate channels, ensure that educational standards are not compromised and the citizens are not exploited.

Key words: Deregulation, University, Education, Public Universities, Private Universities

### Introduction

The role of University education as an instrument for promoting the socio- economic, political and cultural development of any nation cannot be overemphasized. A University is a place where intellectual collision occurs (Aiya, 2014). It provides an intellectual foundation for a chosen carrier, a great place to make life-long friends, develop professional networks and discover mentors. To Duze (2013), University education is a place for preparation for the complexities of a world that needs rigorous analysis of its problems and systematic approaches to solving them. It is for students to decide what and how they want to contribute to societies, communities and their families. This remained the custom and tradition in Nigeria until recently when the government found it difficult to finance the institution properly. According to Adebayo (2014), the introduction of the policy of deregulation in Nigeria was as a result of the public sector not being able to account for what is happening within the sector due to corruption and dysfunctional communication as well as poor academic integrity. This involves examination malpractices, the extortion of money from the students in return for higher grades, unnecessary dilapidated buildings and lack of funding by the government; all these culminated to ill- conceived strikes actions by the academic staff union. In a situation of this nature, the students are cast aside and forgotten as both parties look to themselves with the intention of winning the negotiation. In most cases, it has been observed that during the strike period, facilities that were supposed to be used and maintained regularly were abandoned. These facilities will no longer function properly when the strikes are over, and it will be difficult for the management of university to go back to the government to ask for money to either replace or maintain the facilities. These issues have been accumulating for a long period of time and today most public universities laboratories are no longer functioning because research activities are no longer supported by the government and no one else wants to fund it.

The universities have been experiencing this problem of strike and the huge number of candidates awaiting every year for admission every year continues to

double as secondary schools continue to turn-out grandaunts. So, the number of candidates seeking admission to university continues to increase. In addition, the large demand for university education and coupled with not graduating those already in the system due to strike actions, created another problem. Applications for admission continue to mount as a result of these problems. As a result of these developments, the government decided to introduce the policy of deregulation. The government realized that it could no longer carter for the needs of most of the public sector, so it resolved to deregulate a number of businesses- for instance telecommunications, the Nigeria Water Corporation, the Nigeria Electric Power Authority (NEPA), among others- an approach which opened the door for the privatization and commercialization of many of the public sector (Adetunji, 2015). During this period university education in the country also experienced privatization as non of the existing universities was taken over by private sectors; rather, private sectors were allowed to establish their own universities. All these culminated in the deregulation of university education in the country. Therefore, this paper will examine the deregulation of university education in Nigeria- the challenges and prospects.

### The Concept of Deregulation

The term deregulation is an economic term that emerged from the free market economy of Adam Smith (Encarta Encyclopedia, 2003, cited in Edobor, 2004). Government rules and regulations governing the operation of the system is relaxed or held constant in order for the system to determine its optimal level through competition. Deregulation is based on non interference by the government; an approach which favours capitalist self- interest, innate consumer preferences, competition and freedom as the impetus for optimal prosperity. Deregulation of the university education has been linked with privatization, where the universities will have to be self- regulated and controlled; that is freedom from government imposed decisions. Kaplan (2002) asserted that the deregulation of university education or any other sector will become a private enterprise, controlled and managed by a corporate body or individual with the aim of maximizing profit as a return on its investment.

Also, Faniran (2012) observed that, the deregulation of university education should mean such institutions

are no longer public goods. Faniran was of the view that the benefits an individual gets from the education system during the period of deregulation should be the result of their personal contribution.

Deregulation of university education has been linked with privatization where the university will have to be self-regulated and controlled. Jerome (2008) describes privatization as a set of policy initiatives aimed at changing or transferring ownership and control of corporations from the government to individual investors. Izibili and Aya (2007) stated that privatization means that the government no longer provides social services to the sector. It simply means that the government is not involved in the day-to-day business of corporations. Education deregulation initiatives have been implemented in developed and developing countries (Tsai, 2001). The focus of educational deregulation in the United States is on parents' freedom to control their children's schooling. In the UK, too, deregulation has led to the liberalization of schools, with schools taking greater responsibility for determining their own destiny. In Nigeria's education system, deregulation policies emphasize privatization close to financing (Alabi, 2005).

### Deregulation of Universities in Nigeria

It is difficult to overestimate the government's efforts to improve the welfare of Nigeria's universities. In an effort to improve the sector, the government has introduced deregulation among several approaches. Deregulation is the process of removing the controls and restrictions imposed by the government on the economy and business (Oluyele, 2005). In the same vein, Akintayo and Oghenekohwve (2005) stated that, deregulation will offer individuals and groups the opportunity to actively participate in business ownership in the country, rather than the government monopoly.

In Nigeria, deregulation started as a result of advice from the Breton Woods Institute, the International Monetary Fund (IMF) and the World Bank, to the Nigerian government to reduce overhead expenses and to emulate other countries such as in Europe and the USA, where education at tertiary level is not fully funded by the government (Akintayo, 2004). This advice was as a result of the large financial burden which the Nigerian government was suffering (Jerome, 2008). According to Jerome, Nigeria

operates some 1,500 enterprises which account for about 57% of the aggregate fixed capital investment while about 66% of the formal sector employment is taken over by the government. He stated further that industrial enterprises typically operate at 10.35% of capacity invested in the public sector amounts to US\$35 billion, including US\$12.5 billion of equity capital, US\$10.2 billion of government loans and US\$11.5 billion of grants to various domestic companies. As pointed out by Breton Wood, the IMF and the World Bank, it was the failure of the Nigerian government.

In spite of these facts, Nigeria government continued to make attempts to borrow more money. It was this consideration that the Breton Woods Institute, the IMF and the World Bank advised the Nigerian government to deregulate its enterprises. The policy attracted attention in different sectors of the country. Then, in 2001, the policy which had been adopted in other sectors of the country found their way into the university sector during a convocation lecture at the Federal University of Technology(FUT) Minna, with the President, General Ibrahim Gbadamosi Babangida in attendance. The Vice Chancellor posited that Nigerian Universities were now facing huge challenges, among which he mentioned poor funding, overcrowding, obsolescent of facilities and so on. The Vice Chancellor concluded that there might be the need for private investors to contribute to the development of university education in the country. Also, the Vice Chancellor asserted that although there was a ban on the establishment of private university education in the country, at that moment all the public universities were overcrowded and many students were still waiting to gain access into the university (Adetunji, 2014).

Immediately, after the convocation lecture, the president announced the lifting of the ban on the establishment of universities and urged private organizations and individuals to set up their own universities in the country. This process witnessed the commercialization and privatization of Nigerian Universities rather than deregulation. It marked the beginning of the privatization policy in the Nigerian Universities in the hope that government spending on universities would be reduced and overheads would be cut down while access for students would continue to be created.

## Reasons for the Deregulation of University Education

According to Ajayi and Ekundayo (2008), university education in Nigeria is being deregulated for the following reasons:

- Raising alternative ways of funding; Apart from the poor quality of graduates as a result of inadequate facilities, another reason for the involvement of private hands in the establishment and maintenance of university is the under funding of the university system. Over the years, the issue of funding has been generating a lot of controversies between the Academic Staff Union and the government. However, the presence of organizations and individuals in the university education is considered an alternative means of funding university education in the country.
- 2. Increase access to university education; Due to the perennial acute shortage of places in the public universities and the need to increase the number of enrolments, private hands are called upon to establish universities to accommodate the teaming number of youths yearning for university education in the country. The license given to private investors in university education is meant to address the issue of demand over supply (2005).
- 3. Improve the quality of University Education; the government is of the view that the establishment of private universities in the country will bring competition between the public and private universities in terms of facilities and instructional delivery to produce quality graduates. This is in line with the assertion of Okundayo, Solaju, Soyewo and Ilusanya (2013), that competition brings improved quality of educational inputs and outputs.
- 4. Irregular academic calendar; The incessant strike actions in the Nigerian public universities which have been paralyzing or disrupting academic activities over the years constitute a source of worry to the stakeholders in the system. Therefore, there is the need for the establishment of private universities which are less prone to disruption in their academic calendar.
- 5. Align with practices in the global world; it has been observed that in the developed and other developing countries of the world, both public

- and private sectors of the economy are involved in the provision and management of university education .So Nigeria has no choice but to bow to the global sentiment by allowing individuals and groups to pursue university education.
- 6. Addressing educational resource shortages; Most of the country's public universities have inadequate and outdated equipment, which invariably affects the quality of the product. Universities in Nigeria operate under unfavorable conditions, including overcrowding, outdated facilities, lack of laboratories and lack of teaching materials. All of this requires private sector involvement.

# Challenges of Deregulation of University Education in Nigeria.

Nigeria's deregulation of higher education is often criticized for a variety of reasons, including:

- One of the major issues with Nigeria's deregulation of universities is the exorbitant tuition fees charged by private universities. This situation exacerbates the problem of elitism in the Nigerian education system (Alani, 2005). It will be difficult for government leaders to get this excessive tuition problem under control. This is because private universities value profit.
- Creation of Inequalities among Nigerian Students; While it is clear that most public universities in Nigeria operate in adverse conditions- overcrowding and deteriorating facilities- private universities enjoy the splendor of small class size and adequate modern facilities (Utulu, 2001). This situation in turn could produce half- backed graduates at the public universities and a well trained graduates at the private universities. This inequalities created by deregulation is against the dictates of the National Policy on Education (FRN, 2004), which states "the provision of equal access to educational opportunities for all citizens of the country at the primary, secondary and tertiary levels". This problem of inequalities is in line with some of the reasons why Jacques (1999) asserted that deregulation of education must be rejected because;

- Children's rights are our collective responsibility and public education sits at the heart of democratic public policy;
- Public education contributes to the reduction of inequality, supports social cohesion and national progress; and
- A neo-liberal economic policy that dictates privatization or semi- privatization of education and reduces the state's financing and investment in public education marginalizes those children and adults living in poverty and reduces the quality of public education. Individuals are not equal in background and it is for this reason that education equity at the university level should be given a central role in the philosophy of egalitarianism.

Moreover, the education in the global economy stated that deregulation or commercialization of the education system carries a risk of inequality, discrimination and its deepening of the digital divide. Bako (2002) lamented that the formulation and implementation of policies just as deregulation, are haphazardly conceived, Hence deregulation of university is unjustifiable. Prospects of the Deregulation of University Education in Nigeria.

The universities in Nigeria have benefited from the introduction of the deregulation policy in other ways which include but not limited to increase students' admission into the tertiary institutions; improved infrastructural developments; improved business performances and efficiency; and employment opportunities as more Nigerians are working in the newly established universities.

Pro-university deregulation school of thought are of the opinion that deregulating the system will enhance its efficiency (Simbine, 2003). Deregulation according to the school of thought gives room for competition, which will eventually lead to quality productivity. With more players in the university system, there would be more rational and efficient allocation of resources in the short-run. According to Simbine (2003), the long-term effect is stabilization of production and operating costs, with concomitant increase and improvement in the quality and quantity of products for final economic consumption.

Deregulation will also provide the system with an alternative source of revenue rather than its usual

reliance on government supplies. This allows governments to direct limited resources to other needs.

Again, deregulation of the university system will pave the way for experienced entrepreneurs who can run a university with the same hands as running a private business. When you invest your personal money in college, you are obliged to ensure its success. This would lead to institutional streamlining to ensure that profit is made.

The adaptation of university education to the emerging demands of the global market can only be achieved by the private involvement in university education in Nigeria (Utulu, 2001). The private university system represents a unique experiment that will enhance human capital development in the country. In the area of maintaining standard, there is no doubt that private universities will adhere strictly to the Benchmark for the Minimum Academic Standard (BMAS), stipulated by the National University Commission. The deregulation of the higher education sector would not in any way lead to a situation where educational standard will be compromised. The role of the National University Commission is to monitor academic standard in Nigerian universities.

### Conclusion

Nigeria is currently witnessing a period during which education and professional development at the university level are in increasing demand and the cost of providing this education has continue to rise astronomically; costs that the government alone cannot shoulder (Oyebade, 2005). In addition to the global trend of deregulation practices in other countries, the deregulation of university education in Nigeria seems inevitable. Deregulation has worked in all sectors of the economy and the education sector is not an exception, especially higher education. However, while more private individuals and organizations are encouraged to establish, manage, and finance private universities, educational planners and administrators, as well as state and federal governments should, through appropriate channels ensure that educational standards are not compromised and Nigerians are not exploited. This is due to the strategic position the university occupies on the educational ladder.

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