Political economy of financing education at sub national level in Nigeria: Trends, achievements, gaps and challenges

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Abstract
This paper provides how democratic regime at the sub-national level in Nigeria seeks to achieve the UNESCO’s recommendation of 26% budgetary allocation in the education sector. Using Gaidam’s regime in Yobe state from 2009-2015, it utilised interview discussions with Key Democratic Stakeholders and document analysis to showcase the state government’s budgetary process and the socio-economic and political challenges incurred towards achieving the UNESCO’s recommendation. The finding specifically shows that although the 2015 20% budgetary allocation to education sector did not yet reach 26%, yearly progression from 2009 (17%) to 2015 (20%) indicates political commitment in meeting the UNESCO’s recommendation. Beyond the financial commitment for education infrastructures, facilities and utilities, the regime had also implemented the much sought after teacher’s salary scale. It also maintained regular and timely payment of teacher’s salary, their promotions and training, and regular and timely payment of scholarship to students. However, non-full implementation of budgets and delays in the release of the approved fund were evident. Similarly, previous neglect of financing education and poor internally generated revenue, misallocation, mismanagement, and Boko Haram insurgency have added to the existing financial challenges in the sector. Hence, adequate funding is required in order to achieve qualitative and functional education systems.

Keywords: Education Finance; Budget; Development; State Government; Yobe State; Nigeria

1. Introduction

For a long time education has been an important driver of social, economic, political, technological transformation and development of any society (Akiri, 2014; Chatterji et al., 2015; Mgaiwa and Poncian, 2016). It is this relevance that influences public investment in education development that is becoming much more important (Abbas et al., 2017; Chatterji et al., 2015; Socci et al., 2015), particularly for developing nations and democracies. Over the years, many scholars have shown that there is positive correlation between public spending on education and the quality of education and its overall outcome in developing nations and democracies (Abbas et al., 2017; Haddad et al., 2016; Senadza and Hodey, 2015; Socci et al., 2015). It should be noted however that education provision and its development at every societal level is capital intensive (Mgaiwa and Poncian, 2016; World Bank Governance Report, 2015) which requires financial commitment of education managers, administrators and other partners (Nwakpa, 2016, UNESCO, 2015; WBG, 2015). In essence, in order to provide any qualitative and functional education, the issue of financing cannot be over emphasized (Abbas et al., 2017; Nwakpa, 2016) which could rest on “government, communities, organisations, individuals or on each of the above working together” (Akiri, 2014:1).

It is therefore not surprising that countries across the world have been financially investing in their education development. In fact, this political commitment point to the fact that the quality of education remains an important ingredient towards achieving socio-economic growth, development, raising incomes, poverty reduction and overall wellbeing of the society (Abbas et al., 2017; Haddad et al., 2016; Senadza and Hodey, 2015; Socci et al., 2015). Although there have been significant improvements in education systems and its development across the globe, the issue of financing education development in some countries still remains problematic (UNESCO, 2015; WBG, 2015). In the case of Africa like most developing nations the magnitude of spending on education is even justified to the number of human resources, facilities maintenance, feeding pupils and students, salaries of teachers and essential staff which are important considerations towards achieving education development (Akiri, 2014; Haddad et al., 2016; Senadza and Hodey, 2015; UNESCO, 2015). It is in this regard that UNESCO and other development bodies hope that countries spend at least 26% of their annual budgetary allocation specifically for the development of education sector.

Interestingly, in Nigeria like in the common practice across the globe, the national government envisages to provide sufficient finances through its budgetary allocation process (federal, state and local governments) through partnerships with private sector and the non-governmental organisations. Expectedly, these resources would enable the day to day running of the education programmes and activities. In essence, the availability and utilisation of the financial resource will determine the success or otherwise of education development (Abbas et al., 2017; Nwakpa, 2016). More interesting is that Nigeria is a federation of 36 states and the federal capital territory which means that although each state government receives huge funding from the federation allocation, it runs its separate financial and budget system based on priority spending detached from the national government (WBG, 2015). Politically, administratively and legally, since the return of democracy in Nigeria in 1999, most of the nation’s education development objectives including financing have been shortlisted under the nation’s concurrent legislative list; meaning it is the collective responsibility of national and sub-national levels to finance education development at their various levels.
While there have been various efforts by the successive regime at various levels to finance education in Nigeria, the current state of education development in the country is much to be desired (Nwakpa, 2016; WBG, 2015). With just above 8% of national budget allocation to the entire education sector, this amount is inadequate to transform the education sector to meet Nigeria’s human capital needs (WBG, 2015). More worrisome in Yobe state described as one of the most educationally disadvantaged states, a 2008 State Economic Summit also identified poor financing and budget allocation as a major challenge leading to poor education infrastructure and facilities; lower pay for education providers, among others (Ngama, Bunu and Shettima, 2009). In Yobe like in most Nigerian states, these problems and deficiencies have therefore continued to negatively affect the education system and its overall development with negative consequences on the society at large (Abbas et al., 2017; Ngama et al., 2009). It became justifiable that when Governor Gaidam came in to power in 2009 in the state, as part of the regime's priority agenda in education development, its intention was to allocate resources towards achieving the UNESCO’s recommendation of 26% allocation to education sector through yearly budgetary allocation (Abbas et al., 2017). In democratic Yobe state, this strategic effort is particularly important as records have shown that in 2009, the allocation to education in Yobe state falls far below the recommended at least based on UNESCO’s standard (Abbas et al., 2017; Ngama et al., 2009).

Although there is evidence of public spending such as the percentage of GDP on education towards improving quality of education, such studies on public resource allocation to education demonstrates mixed results (Haddad et al., 2016). Similarly, there is rare evidence on the effectiveness of public financing on education outcomes in Sub Saharan Africa (SSA) (Senadza and Hodey, 2015), especially at the sub national levels. Previous studies have shown that in India, Brasil and Nigeria like in most developing nations, the responsibility of education financing is also saddled by state governments (Abbas et al., 2017; Carson et al., 2015; Chatterji et al., 2015; WBG, 2015). Although this measure intends to promote education decentralisation by democratic regimes through the constitutional provisions, the sub national governments financial responsibilities and functions are contentious, confusing and conflicting (Abbas et al., 2017; Carson et al., 2015). Since the state governments are also responsible for financing education, Carson et al. (2015) suggest that their regime's financial allocation may vary according to priorities. This paper, therefore, sought to provide how democratic regimes at sub-national levels finance education development that is currently scant. Through the perspectives of democratic stakeholders in Yobe state, Gaidam’s regime from 2009-2015 is assessed focusing on budget trends, achievements, gaps and challenges within a political economy framework.

2. Study area and methods

2.1. Study setting

Located in North Eastern region of Nigeria, Yobe state is carved out of old Borno state on 27th August 1991. Situated within the latitude and longitude 11o N and 13.50 E respectively the state has 47,153 km2 total land area. Yobe’s current population based on the projected 3.2% growth rate per annum is 3.5 million with
under5 children constituting about 20% of the population (NBS, 2010). The state with 70% rural population has 12% and 32% female and male literacy rate respectively (NPC and ICF Macro, 2008). Islam is the predominant religion of the population with Fulani, Kanuri, Hausa, Bade, Ngizim, Kare-Kare, Bolewa and Ngamo as the major ethnic groups in the state. In terms of economic activities subsistence farming, commerce and trade are the major occupations of the citizens. In Yobe state like in all the federal states in Nigeria, financing education development is done through budgetary allocation and joint funding by federal, state and local government, nongovernmental organizations and the private sector.

2.2. Research design

Although a general research methodology has been provided for the assessment of Gaidam regime's social welfare performance in achieving democratic consolidation in Yobe state, Nigeria, 2009-2015 by Abbas and Ku Samsu (2017), in this paper, the emphasis is on the expanded qualitative research methodology for financing education development alone in the state. To understand the regime’s efforts and challenges in financing education development through the political economic framework in the state, this study, therefore, utilised qualitative research approaches to offer in depth views of democratic and education stakeholders in their most real life context considered appropriate for this study.

2.3. Informant’s selection

The purposive sampling technique was utilised where 28 informants were selected from 5 categories of stakeholders. First, politicians including the governor, commissioners, legislators and opposition politicians were selected. Second, senior administrators: permanent secretaries, executive secretaries and directors in Yobe State Ministries of Education (SMoE), Budget and Economic Planning (SMoBEP) and Finance (SMoF) were selected. Third, education providers were selected including school administrators (principals and head masters) and senior teachers. Fourth, the local civil society included heads of education related labour unions and stakeholders such as the Academic Staff Union of Universities (ASUU), National Union of Teachers (NUT); and Parent Teachers Association (PTA). Fifth, an international development partner who heads the United Nations Children’s Education Fund (UNICEF) in the state was also involved. Generally, these key stakeholders have in most cases influenced, observed or participated in education development in Yobe state hence their involvement in the study (Abbas and Samsu, 2017). The number and categories of informants who participated in the study were summarised in Table 1 below.

2.4. Data collection

Interviews with stakeholders and analysis of data from Yobe State Auditor General’s Annual Report on an annual budget from 2009 to 2015 were utilised. The interviews were carried out in Yobe state Nigeria between May and September 2016. The interviews which lasted about 25-80 minutes at the informant’s offices or convenience places explored the regime’s efforts in financing education development and its challenges within the political economic context. With the consent of the informants, the interviews were
recorded with a digital recorder to ensure verbatim of statements and accuracy of the data generated from informants. The transcripts were later followed by emails and phone calls for member checking. For other documents, the Yobe Socio-Economic Reform Agenda (YOSERA) Versions II and III (2008-2015); some selected speeches of Governor Gaidam related to education development and education finance (2009-2015); the Yobe State Education Sector Medium Term Expenditure Framework (MTEF) (2014) and the recent situational report on the impact of Boko Haram insurgency (2016) in Yobe state were also utilised.

Table 1. Categories of informants

<table>
<thead>
<tr>
<th>Category</th>
<th>Number of informants</th>
<th>Description of informants</th>
</tr>
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<tbody>
<tr>
<td>Politicians</td>
<td>6</td>
<td>Ruling party &amp; opposition members</td>
</tr>
<tr>
<td>Senior administrators</td>
<td>9</td>
<td>SMoE, SMoBEP, SMoF</td>
</tr>
<tr>
<td>Education providers</td>
<td>6</td>
<td>School administrators and teachers</td>
</tr>
<tr>
<td>Local civil society</td>
<td>6</td>
<td>Professionals &amp; non-professional bodies</td>
</tr>
<tr>
<td>Development partner</td>
<td>1</td>
<td>International (UNICEF)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>28</strong></td>
<td><strong>Key Stakeholders</strong></td>
</tr>
</tbody>
</table>

Source: Field survey, 2016

2.5. Data analysis

The thematic content analysis of qualitative research was utilised where transcription, coding and themes were achieved on informant’s interview transcripts and notes. To achieve the measurement credence in the paper, the issues on sources and spending, budget trends and achievements, efficiency and accountability issues as has been advocated by UNESCO were used. Economically, it is an important indicator because economic factors such as the availability or otherwise of economic resources may pose budget constraints while the government is making such resource allocation (Chatterji et al., 2015). Political factors such as ideology and nature of the regime’s political commitment and determination serve as the important determinants of public spending on education development (Chatterji et al., 2015). Beside the mentioned, other socio-economic and political determinants that influence government decisions were also addressed. As can be seen in the results and discussions chapter, this analytical framework helped in identifying patterns and relationships of themes in the analysis and discussion of the key findings of this paper.

3. Results and discussions

The interview data supported by document evidence reported in the current paper provides the description and analysis of the regime’s efforts in financing education development from 2009-2015 in Yobe state. Generally, although there are convergence and divergence of opinion among informants, it becomes eminent for the regime to make political and economic calculations to arrive at the best decision on financing education development at the state government level. In this regard, significant themes emerged from the data. Generally, they reflect "trends in education financing (budget requirement, trend in budget allocation
and budgeted versus actual spending); achievements (prioritisation of education financing, implementation of TSS, regular and timely payment of teacher’s salary, and massive promotion of school teachers), and education funding gaps and challenges (previous neglect of financing education, decline in monthly grants and poor Internally Generated Revenue (IGR), misallocation, mismanagement and insecurity).” The trend in education financing is first presented then followed by subsequent themes from 3.1 to 3.3.

3.1. Trends in education financing

3.1.1. Budget requirement

For the education sector, financial investment under this regime in Yobe state over the years has been declared in its priority agenda (Abbas et al., 2017). Advancing this position, most informants advanced that the regime’s intention to allocate more financial resources to education development was aimed at achieving the UNESCO’s 26% allocation target through its annual budget. This ruling party politician provides the motivation of the regime for taking this position.

When we assumed the mantle of leadership, we realised that the allocation to the education sector over the years fails short of its financial demands. Generally, education development being capital intensive in nature, in our strategic education development plans we aimed at the UNESCO’s 26% recommended an allocation to the sector to redress the poor financial situation for the betterment of educational system in the state (Politician).

While advancing similar opinion as the informant above, this head of teachers union in the state explains its relevance.

I am aware that the regime has given proper consideration in budget allocation in the education sector to achieve the UNICEF standard of 26% budget allocation. In my view, this is a step in the right direction for education development in a state with poor education indices. If well utilised, the resources are expected to make the sector meet her financial requirement (Local civil society member).

Beyond the views expressed by informants, YOSERA document also revealed similar intentions. Further evidence showed that in Yobe state earlier budget allocation and expenditure on education development fail far below the recommended UNESCO’s standard. Consequently, this shortfall is more worrisome as the availability or otherwise of such resources will affect factors related to the educational performance of students and pupils such as text books, clean water points, toilet facilities, available teachers, and classrooms among several others (Carson et al., 2015). In fact since education provision and its development at every societal level is capital intensive (Mgaiwa and Poncian, 2016; WBG, 2015) the regime’s intention to increase financial resource allocation is important for the realisation of its development objectives in the current democratic process (Abbas et al., 2017). Importantly, adequate budget and financial allocation are needed to reinvigorate the education sector not only for making significant progress in achieving MDGs but also as a
fundamental and critical element for the future of the young state. In recent times, no society can integrate into the globalised world without making an adequate financial investment in its education sector.

3.1.2. Trends in budget allocation

Although education financing in Yobe like in other states across Nigeria is derived from different sources (federal, state, LGAs, counterpart funds and special interventions, etc), informants shared that the largest proportion of education financing comes from public finance usually through the annual budget system. Hence, for the purpose of this paper, only a narrowed analysis on the Yobe state’s educational investment and financial expenditure was therefore undertaken. To analyse this trend clearly the state's budget performance was therefore considered as it remained the major source of educational financing in Nigeria and Yobe state in particular. To illustrate the education budget allocation and performance in the state over the years, available data from Yobe State Auditor General’s Annual Reports (YBAGAR), 2009-2015 was utilised as indicated in Figure 1 below.

![Figure 1. Education sector budget trend in Yobe state from 2009-2015 (Source: The Yobe State Auditor General’s Annual Reports, 2009-2015)](image_url)

As can be observed in Figure 1 above, under this regime, the education sector in Yobe state has enjoyed increasing trends in budgetary allocation and performance. For instance, from the overall average from 2009 to 2015, out of the 535 Billion Naira budgeted for socio-economic development in the state, about 18.2% of such budget estimates were allocated to the education sector (Figure 1). It also shows gradual but consistent yearly budgetary allocation increase from 17% in 2009 to 20% in 2015 (Figure 1). As observed, the progression indicates the regime’s political commitment from a pledge to reality in meeting the UNESCO’s 26% recommendation on budgetary allocation to the sector. Interestingly, although public expenditure on education may vary across states in developing countries with richer ones spending more than poorer
(Chatterji et al., 2015; WBG, 2015) the case of Yobe state depicts a different stand. Surprisingly, with 20% of its budgetary allocation in 2015 to education development indicate that although a poor state, its current position in terms of budget allocation to the sector in Nigeria supersedes many richer states. Although the 2015 allocation is yet to attain the UNESECO’s 26% recommendation allocation to the sector, the current allocation simply portrays that the regime may likely achieve its targets if this momentum is maintained.

3.1.3. Budgeted versus actual spending

From 2009–2015, out of the 97.9 Billion Naira allocated for education sector about 67.7 Billion Naira (69.2%) was released (Figure 1). This indicates a good budget implementation as the variance between the budgeted and actual spending on education development is considered high. This is a radical departure from most federal states in Nigeria. It should, however, be noted that although the performance of the budget is beyond average pass mark, such unutilised fund amounting to 30.2 Billion Naira if released and spent would have helped in achieving the regime’s education development objectives. This will, in turn, improve its education and overall socio-economic development agenda of the state. This signifies that effective utilisation of such allocation remains an important indicator as economic factors evident in some budget pose constraints that affect government while making such resource allocation (Chatterji et al., 2015). In essence, in order to develop education, it requires the proper utilisation of available resources to acquire labour and materials. This also separates the gap between political will such as pledges in the budget to delivering financial commitment such as the budget implementation in the education sector.

3.2. Achievements

3.2.1. Prioritisation of education financing

With 20% as at 2015, the trend of budgetary allocation to the education sector in Yobe state over the years seems to suggest that the regime had prioritised education financing despite various challenges towards achieving the UNESCO's standards. As earlier indicated although a poor state with low IGR and federal allocation its current position in Nigeria’s trend of education financing (budget allocation) supersedes many richer states. To understand the justification for this bold step by the regime, this teacher’s union leader in Yobe state expressed his view:

The amount spent on the three levels of education in Yobe state especially if you look at the renovation and reconstruction of schools, you will see that there is a need for adequate funding for such development to take place. Also, the state, for example, has 8 tertiary institutions and the government must make up to its duties and responsibilities to meet standard requirement for these educational institutions (Local civil society member).

Based on this, the availability of such financial resources will ensure factors related to education performance of students and pupils such as text books, clean water points, toilet facilities, available teachers, and classrooms are available (Carson et al., 2015). In essence, more public spending on an educationally
disadvantaged state like Yobe may increase the quality of education outcomes in such societies (Carson et al., 2015; Chatterji et al., 2015; Haddad et al., 2016). Similarly, Haddad et al. (2016) had shown that the magnitude of spending on education in developing nations is even more justified to the number of human resources, facilities maintenance, feeding pupils and students, salaries of teachers and essential staff which are all important considerations in achieving education development. In this regard, the prioritisation of such allocation is therefore not surprising but justified as resources are needed in the state to develop its education sector that is already left far behind its counterparts in Nigeria.

3.2.2. Implementation of teacher salary scale (TSS)

In addition to the financial commitment for the development of education infrastructures, facilities and other utilities, informant's opinions suggest that the regime had also prioritised the educator’s welfare. These efforts include the regime’s implementation of the latest TSS, regular and timely payment of teacher’s monthly salary, promotions of teachers and their training, regular and timely payment of scholarship to students of the state both within and outside the country. Its noteworthy that the implementation of TSS remains a significant achievement for this regime as many federal states in Nigeria even richer than Yobe are not able or rather failed to implement TSS due to its supposed huge financial implication on state government. To illustrate this point, this education activist and a teacher’s union leaders shared its importance:

*By the government’s adoption of TSS much earlier than even most richer states in Nigeria, the salaries of school teachers were enhanced better than other regular civil servants in Yobe state. We are impressed by the regime’s effort especially in view of the poor revenue of the state. Most of our members (teachers) are happy with TSS implementation and this will impact on overall education development in Yobe state (Local civil society member).*

The fact that this regime had implemented TSS earlier than the majority of the federal states in Nigeria despite its little resources indicates the regime’s political commitment in fulfilling its mandates. It also portrays that although costly the teacher’s new salary is higher when compared with regular civil servants in the state. This finding is in contrast with some developing nations like India where teachers earn less than their counterparts in regular civil service or teachers in private schools (Carson et al., 2015). With this development, it is expected that the high salary may influence the number of qualified teachers to be interested in the job and be employed and thus affect the overall teacher/student ratio needed for development of the education sector (Carson et al., 2015). Although this achievement is plausible the state government will, on the other hand, continue to contend with the burden of the huge salary of teachers among other entitlements as well as the maintenance of other utilities needed for the day to day running of the education sector.

3.2.3. Regular and timely payment of teacher’s salary

The regular and timely payment of teacher's salary over the years in the state is another achievement of the regime, especially when compared with others in Nigeria. This position seems relevant as uninterrupted
payment of salaries of teachers as failed by many other states in Nigeria ensured that teachers continued to
teach and provide guidance to school children. It becomes much more relevant as several states in Nigeria
during the period under study have failed to pay the teachers’ salaries for almost a year in some cases. As a
result, it is a common knowledge that in some states, schools have been closed down as their state
governments have failed to live up to such responsibility which continues to damage the already poor status
of the nation’s educational development. While the failure of some state governments to pay salaries
regularly and timely over time is not evident in Yobe state, this teacher reported the negative effects of the
failure by other state governments:

> Teachers in some states in the country have embarked on a strike and are holding a prayer
> session for God to intervene in their current situation. In most of these states, teachers were not
> being paid their salaries for months leading to hardships and deaths of colleagues as some
> teachers cannot even take care of their families (Education provider).

3.2.4. Massive promotion of school teachers

Under this democratic regime, this effort is considered as a way of motivating and encouraging educators due
to its financial and economic benefits. To appreciate this achievement, a teacher’s union leader shared his
view with specific figures in different sectors of basic education:

> It is recorded, for the past 8 to 9 years; there were no promotions for teachers until 2014.
> Recently, the government through working with our committee members promoted over 6000
> teachers in primary schools, 2000 teachers in secondary school (TSB) and over 1000 teachers in
> (STB). I honestly believe that this is a good motivation that gives courage to our teachers
> towards giving the government their full support in achieving its programmes and policies in the
> education sector (Local civil society member).

This position is not surprising as Buron and Lassibille (2016) had earlier advanced that the nature of
teacher’s salary earnings and promotion benefits effects their job satisfaction. Some previous studies have
also shown that financial incentives such as higher salary and promotion have been used to impact changes
in the behaviours and preferences of education providers such as school teachers (Buron and Lassibille,
2016). Although this remains an important factor to determine teacher’s commitment to attend classes
regularly, other collective factors play even more impotent roles. For instance, beyond the level of the wage,
the nature of job contract (permanent or temporary), a distance of schools and monitoring and evaluation
system are other important factors relevant in encouraging teacher’s attendance in school. In addition to
these key achievements, the regime has been regularly paying scholarship for students studying both within
and outside the country; timely payment of national qualifying examinations fees for Yobe state indigene
students annually conducted by West African Examination (WAEC) and National Examination Council
(NECO). Overall, these financial commitments are good indicators of improving education development.
3.3. Education funding gaps and challenges

Over the years various obstacles and challenges have continued to face education financing under this regime. In the budgeting process, the main issues as explained earlier include some loopholes such as non-full implementation, delays in the release of approved fund and the financial implications of the heavy teachers’ salaries on the state government. Also, closely related key challenges include the previous neglect of financing education, the decline in grants and poor IGR, misallocation, mismanagement, and insecurity. These main issues are discussed in the subsequent sub-headings.

3.3.1. Previous neglect of financing education

Funding gap as revealed by some informants is part of the cause of the current challenge of financing education development in the state. They advanced that in most cases, the financial responsibilities of the previous governments for a long time have been left unattended and thus its current accumulations in the education sector. This former principal and now university lecturer explains.

*First, you have to understand that in Yobe state we have compounded problems over the years since its creation. In my view, the problems the current regime is facing are inherited funding gaps that were compounded for a very long period of time. With the current financial challenges, the financial demands of the education sector could not be addressed overnight as it requires rigorous policies and decisions (Local civil society member).*

Being an educationally disadvantaged state in the country, informants argued that the efforts and contribution of the federal government in developing the education system in Yobe state is not impressive. For instance, while the federal government in making effort to bridge the funding gap through counterpart fund and special interventions, such allocations are hardly enough to equalize the special needed resources in Yobe state to develop its backward education sector. This is more worrisome, as there seems to be continued widening geo-political disparities among various educationally developed and underdeveloped states in the country. Based on this position, since Yobe like some other states are rated and considered educationally disadvantaged states nationally; there should have been a special intervention financially for addressing the challenge. In fact, this poor funding of the education sector explains why Yobe state has continued to be in the league of educationally disadvantaged states in Nigeria despite the current regime’s efforts.

Unsurprisingly, it is also due to this lack of sustainable financial commitment from the previous state and federal governments that the current burden of education development in the state is unbearable for this regime alone. Importantly, since education is an expensive and capital intensive social service (Mgaiwa and Poncian, 2016; WBG, 2015), this regime and future ones may continue to face myriads of financial difficulties in discharging its educational mandates and responsibilities. It should, however, be noted that this funding gap is not peculiar to Yobe state in particular as the budget allocation for education development in Nigeria is inadequate to transform this sector towards meeting the nation’s human capital needs (WBG, 2015). Although public expenditure on education development has been considered lower in most SSA countries
especially if compared with other regions of the globe (Senadza and Hodey, 2015), this means that both national and sub national governments in Nigeria must put more efforts to address the current challenge.

3.3.2. Decline in monthly grants and poor IGR

Yobe is one of the several states heavily reliant on the federal government through monthly federal allocation to discharge its educational and other social welfare services. The implication is that the nature of such federal allocation may affect the education sector and its overall impact on socio-economic development. In fact, finance for education like other developmental issues largely depends on federal revenue in Nigeria (WBG, 2015). Therefore, the ability of the state governments including Yobe to finance education development is linked to the availability or otherwise of revenue from the national government’s coffers. Relating to this scenario in Yobe state, this Director in the SMoF explains.

Given that the large chunk of our national revenue depends mostly on oil sales at the global market, any factor that affects oil prices globally affects our monthly allocation from the federal account. In Yobe state like in most states in Nigeria, this situation also affects education financing (Senior administrator).

The above opinion shared by the Director in the SMoF is similarly shared by a top legislator in the state as shown below.

At a time when peace is returning then the global economic situation became very bleak. Oil prices fail and Nigeria’s major source of income is oil and the money that goes to state governments from federation account fails significantly. This led to many states now unable to pay even workers’ salaries not to talk about executing key developmental programmes such as in the education sector (Politician).

This opinion generally portrays that since the large chunk of the revenue depends on oil revenue in Nigeria (WBG, 2015), education financing like other developmental programmes is therefore affected even at the state level. This case is not peculiar to Nigeria or Yobe state in particular as in recent years due to the financial crisis that led to the economic recession, even the United States federal government budget has “experienced contraction in revenues and rising public spending levels” leading to huge budget deficits (Socci et al., 2015). As a way of addressing this kind of challenge, these scholars suggest that budget should focus on change production in “human capital related services” (Socci et al., 2015) such as education development. Beyond the global financial crisis due to fall in oil prices, another major challenge in Yobe state is the lack of any noticeable IGR as explained by this legislator.

Poor local revenue is one of the major problems facing the state over time. More worrisome is even the fact that insurgency had greatly affected our potentials to generate better local revenues because most of our markets were closed down for about three to four years. In fact,
without business activities taking place in these markets it simply means no revenue from such sources (Politician).

The effect of this poor revenue simply means that although the regime over the years had made progress in terms of budget allocation to the sector despite evident challenges, the current poor local revenue will continue to negatively affect the state's budget and finance in its education and development drive. The point raised concern on why such huge responsibility of education development is left at the mercy of state governments despite its prevailing importance in the socio-economic development of any political society. Although the measure was intended to promote education decentralisation as provided by the constitutions, the financial responsibilities of federal and state governments remain contentious, confusing and sometimes conflicting (Akiri, 2014; Carson et al., 2015). In the case of Yobe state, with poor allocation and low IGR, the federal government should have therefore come up with special interventions for some specific educationally disadvantaged states rather than the current uniform trend.

3.3.3. Misallocation

Misallocation of financial resource is reported as another reason for the regime's insufficient education finance. Although some informants as indicated earlier have advanced poor revenue as one reason for insufficient allocation for education development in the state over the years this position was however criticised by especially opposition party members. In one example, this former minister queried.

True, there is a recession but the recession is just within the last 18 month. Before the recession, there was buoyant economy nationwide. What has the government been doing with the resources then? My view is that the prioritisation of such allocation to key sectors like education should have been the answer to this shortfall in revenue (Politician).

To justify above position the opposition informant argued that road infrastructure development through preferred financing cannot take precedence over basic social services such as the provision of education in the state. Although there is an appreciable difference of budget allocation to education by the regime over other socio-economic sectors such as health, agriculture and water resources among several others in the state, it seems quite below that of the road development sector. This suggests that the current financial allocation to the education sector by this regime should have been superior to even road development sector in view of its relevance in achieving socio-economic development that comes with “direct, indirect and induced effects” (Socci et al., 2015). The emphasis according to Socci et al. (2015) is that the expenditure by the regime should be on a “balanced budget policies” that increases the level of capital on human investment and social wellbeing such as preferred investment in the areas of education and healthcare.

3.3.4. Mismanagement

Some informants reported forms of corrupt activities involving the government’s officials through connivance with contractors which continued to lead to siphoning of portions of the finance allocated for the
development of the education sector. One opposition politician gave inflated contracts to the State Universal Basic Education Board (SUBEB) as an example of such acts.

Most contracts awarded and executed in SUBEB are inflated or over bloated and are mostly shared according to percentages of government's employees and contractors. Everyone has his own share of the corrupt proceeds. In my view, that is, for example, the major reason why most of the building projects in our current primary and junior secondary schools are either sub-standard or lacking basic facilities (Politician).

While some studies found no evidence that corruption affects expenditure on education of some state governments in India (Chatterji et al., 2015), this study found that corruption, as reported above, had led to financial leakages and poor quality of education infrastructure and facilities in the state. Similarly, another study had found that such poor allocation of resources by government, its inefficient utilisation of the allocated and its diversion in to private use by government officials remains a major challenge affecting financial management in schools and education development (Nwakpa, 2016). Again, other management challenges include the delay and untimely release of approved funds attributed to the slow pace of release of funds by the SMoF. While this problem evidently exists it does not, however, suggest that educational activities and programmes are put on standstill in Yobe like in the case of some states but such delays continue to play a negative role in education development (Akiri, 2014). Generally, this insincerity and incompetency of the education managers negatively affect the implementation of specific time bound programmes of education development.

3.3.5. Insecurity

In Yobe state, the effects of insecurity on financial allocation to education sector remain evident as five years of Boko Haram terrorist activities witnessed many schools attacked and completely burnt down. To repair those damages it requires huge financial resources and thus adding to the existing financial challenges. To indicate the financial cost of rebuilding most of the destroyed infrastructure and the support provided for the war against terror by this regime, a top legislature explains:

From 2011 to date, the regime has spent over N12 billions on insecurity and this resource would have been used for other development of Yobe state. To support the security operations of the state government, the resource was basically used for the purchase of cars, allowances for the army, police and other paramilitary officers, etc. If the insecurity was not there, this resource would have been used for the development of our young state which was in dire need of basic amenities and infrastructures such as towards the development of education and health sectors (Politician).

The argument above was that resources that were supposed to be allocated to education and other key essentials social services were diverted to provide support for the security bodies. This is further an indication that without insurgency that covered the period of 2011-2015, more resources would have been
allocated and utilised to advance education service delivery which is badly needed in Yobe state. This seems a related phenomenon as reported in other conflict areas and situations. WDI (2014) revealed that as wars in the globe are witnessed, public spending on education was cut due to increased budget in defence. Such similar cases were also reported in Iraq (Diwakar, 2015). Although this remains a current trend, an international development partner working in the state expressed the need for the regime to further prioritise financing education development despite the current financial challenges:

*Considering the current devastation caused by the insurgents who were mostly uneducated, it should be a matter of priority for the government now to allocate even more resources. With proper funding, while there are children who missed the opportunity, but the ones that are coming up now must be given that chance to get a good education and develop the nation. In my view, this can only happen with appropriate funding in the sector (Development partner).*

In this context, the success and or failure in financing education development are both essential and consequential to sound socio-economic development and democratic governance. In the post insurgency period, the need for adequate financing for education development is even more needed because there are currently more orphans who are mostly school aged children that require special care. Since Yobe state remains at the lowest ebb of education development such kind of investment are more than ever needed. In fact, previous studies have shown that a state like Yobe with a large population of school aged children is more likely to spend on education than a state with an ageing population with the former likely to benefit from its future demographic dividends (Chatterji et al., 2015; Senadza and Hodey, 2015). This means that the higher the financial resource allocated by the regime through its budgets, the better its performance and outcome in education service delivery which is badly needed in the state ravaged by insecurity.

4. Conclusion

The purpose of this paper was to provide the political economy of education financing at the sub-national level in Nigeria as the country seeks to achieve the UNESCO’s 26% recommendation on budgetary allocation in the education sector. The finding provided how democratic regime of Governor Gaidam in Yobe state (2009-2015) utilised financial resources through the budgetary process. It also provided the social, economic and political challenges incurred in achieving the UNESCO’s recommended allocation in the sector. Although the 2015 budget allocation did not yet reach the recommended 26% allocation to the sector due to some challenges, the attainment of 20% of budget allocation by 2015 to the sector signifies that although a poor state, its current education financing position in Nigeria supersedes many richer ones. Overall, the successes present the positive side of proper funding expected to be achieved by the democratic regime in order to achieve qualitative and functional education systems. On the contrary, anything short of the standard funding requirement for the sector may as well negatively affect the education development with likely multiplier consequences and effects on the social, cultural, economic and political development of the state and the nation at large.
In order to achieve sustainable education development through proper financing, each stakeholder, therefore, has an important role to play. For a state like Yobe, described as an “educationally disadvantaged” further ravaged by Boko Haram insurgency concerned individuals, groups, communities, organisations and development bodies must work in collaboration to provide special intervention to finance its educational development. This is expected to address both short and long term plans and needs. To achieve this, policy makers must make emphasis on full implementation of budgets and timely release of approved funds. Similarly, policy makers must close the previous funding gap by improving internally generated revenue and address misallocation, mismanagement, and Boko Haram insurgency. Overall, adequate and sustainable funding in a peaceful and conducive social, economic and political environment is required in order to achieve qualitative and functional education systems in the state and the nation at large. Although this paper has mapped out the political economy of education financing at the sub-national level some limitations are observed. First, the budget data used only captured trends in allocations and variance in the allocation and actual spending in the state from 2009 to 2015. This suggests a limited time and coverage lags especially in a diverse country like Nigeria. Furthermore, although bringing to fore how democratic regimes at sub national levels utilises their financial resources provides a new insight on financing education, more could be investigated to ascertain its effects on selected educational development outcomes. Future studies could also focus on comparing the trends of budget allocation and financial performance between and among the federating states in Nigeria or elsewhere.

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