

## **Investment in Education: A Panacea for National Economic Vibrancy**

**Ezekiel O. Akpan**

*Department of Vocational Education, University of Uyo, Uyo-Nigeria*

**Allen Anthony Ozuruoke**

*School of Business Education, Federal College of Education(Technical), Omoku –Nigeria*

**Doi:10.5901/mjss.2012.v3n13p38**

### **Abstract**

*This paper introduces the issue at stake here by highlighting on the meaning of investment in Education using dictionary definition. It expresses the bodies that ought to be involved and be responsible in investing and financing Education in Nigeria to give it the right boost. The paper further talk about the funding administration and planning of investment in education sectors presented in a table and how this will culminate to economic vibrancy when all the areas that need to be taken care of through such investments are considered appropriately and recommended fore herein. This work is concluded by reiterating that the right fund should be invested through the right process on the right programme level area such as for equipment, facilities, and personnel as to achieve the desired national economic vibrancy.*

**Keywords :** Investments, National economy, Education

---

### **Introduction**

The Longman Dictionary of Contemporary English has investment as “The money that people or organization has put into a accompany or business or bank in order to get a profit or to make a business activity successful.It has been generally accepted that education is a veritable instrument for socio-economic development of nations Amahua (2010). To Okafor (1981) Education is a process of the development of potentialities of the individual and their maximum activation when necessary according to right reason and to achieve thereby his perfect self fulfillment.

Investment in education therefore is putting money into the development of potentialities of the individual and their maximum activation to get profit or make them successful. The National Policy on Education in ‘The Road Map to Nigerian Education System 2009’, has it that ‘education in Nigeria is no more a private enterprises, but a huge Government venture that has witnessed a progressive evolution of Government’s complete and dynamic intervention and active participation’. This document further has it that ‘the Federal Government of Nigeria has adopted education as an instrument par excellence for effecting national development. It is only natural then that government should clarify the philosophy and objectives that underlie its current massive investment in education, and spell out in clear unequivocal terms the policies that guide government’s educational efforts’.

It further stated that it is Government's wish that any existing contradictions, ambiguities, and lack of uniformity in educational practices in the different parts of the Federation should be removed to ensure an even and orderly development of the country.

Government has also stated that for the benefit of all citizens the country's educational goal in terms of its relevance to the need of the individual as well as in terms of the kind of society desired in relation to the environment and the realities of the modern world and rapid social changes should be clearly set out. In view of these facts it became imperative that investment in education in Nigeria should be paramount no matter how expensive it might seem. It is government's intention that the far-reaching recommendations set out in twelve sections of this document should start to transform all aspects of the nation's life without delay. Government has therefore set up a National Education Policy Implementation Committee which translated the policy into a workable blueprint that will guide the bodies whose duty it is to implement educational policy, and will also develop a monitoring system of the progress of the planned educational evolution to ensure that infrastructures are prepared and bottle-necks removed.

Since education is a dynamic instrument of change, there is therefore the need the processes, methods and all associated with education to be constantly reviewed to ensure its adequacy and continued relevance to national needs and objectives.

### **The Need for Investment**

Since a National policy on education is a way of achieving part of its national objectives that can be achieved using education as a tool, no policy on investment on education can be formulated without first identifying the overall philosophy and objectives of the Nation. The five main national objectives of Nigeria as stated in the Second National Development Plan, and endorsed as the necessary foundation for the National policy on Education, are the building of: A free and democratic society; A just and egalitarian society; A united, strong and self-reliant nation; A great and dynamic economy; and A land of bright and full opportunities for all citizens

Nigeria's philosophy of education, therefore, is based on the integration of the individual into a sound and effective citizen and equal education opportunities for all citizens of the nation at the primary, secondary and tertiary levels, both inside and outside the formal school system. In consequence, the quality of instructions at all levels have to be oriented towards inculcating values such as:- Respect for the worth and dignity of the individuals; Faith in man's ability to make decisions; Moral and spiritual values in inter-personal and human relations; Shared responsibility for the common good of society; Promotion of the emotional, physical and psychological health of all. For the philosophy to be in harmony with Nigeria's objectives, it has to be geared towards self-realization, better human relationship, individual and a national efficiency, effective citizenship, national consciousness, national unity, as well as towards social, cultural, economic, political, scientific and technological progress.

Educational investments in Nigeria should therefore aim at: inculcation of national consciousness and national unity; the right type of values and attitude for the survival of the individual and the Nigeria society; training of the mind in the understanding of the world around; and acquisition of appropriate skills, abilities and competences both mental and physical as equipment for the individuals to live in and contribute to the development of his society

## Financing Investment in Nigerian Education

Education is an expensive social service and requires adequate financial provision. Investment in education should be taken as a matter of necessity by tier of government; Multinational companies; Financial institutions such as banks and insurance companies; highly financial blessed individuals philanthropists; the large and prosperous Religious bodies and other institutions for a successful implementation of the education programmes at all recognized levels.

The ultimate objective should be to make education affordable or free at all levels. The financing of education should be a joint responsibility of the federal state and local government in addition to such other bodies mentioned above. The importance of science, technical and commercial education and the need to relate all educational programmes to industry and societal demand is very necessary. Formulae for collaboration and joint responsibility, such as is already being carried out in schemes like the industrial training fund (ITF) should be designed for sharing cost burden between the public and private sectors.

## Investment Funding Responsibilities

Attention should be given here to the draft special report of the comprehensive education sector situation analysis carried out by the Federal Ministry of Education in 2006 as presented in the National Action Plan to meet the 2015 timeline of Education For All and Nigerian vision 20,2020 education targets. The sector analysis was based on policy, structure/governance, infrastructure, deployment of ICT, academic achievement, monitoring inspection, quality of curriculum, teacher quality and supply, funding and equity issues. The Table here below explains this better:

**Table:1 Showing funding Situation Analysis of Nigerian Education Sector**

Education Sectors For Investment Funding		A	B	C	D	Funding	F
		Total Score 50	Curriculum Quality	Teacher Qulty & Supply	Academic Achieve't		
1	ECCD	07	1		1		0
2	PRIMARY	22	5		1		1
3	NON FORMAL	09	1		1		1
4	SECONDARY	18	1		1		1
5	SPECIAL NEED	07	1		0		0
6	TERTIARY	20	1		1		1

**Adapted from FRN (2006)**

The Nigerian Federal Government and all other bodies herein suggested, should invest adequate fund for basic infrastructure, deployment of ICT, academic achievement, monitoring inspection, quality of curriculum, teacher quality and supply, funding and equity issues. Aim the investment to meet all costs relating to standard maintenance and supervision of facilities and ensure quality service delivery in all the identified sectors of education; Such investment should be to establish and adequately fund a national specialized resource centre to serve as a research and information base for all the various levels of educational system and for manpower regular participation in all level considering also related conferences, workshops seminars etc.

The state government should channel investment towards ensuring friendly atmosphere through the provision of related educational infrastructures that will enhance learning and stimulate interests and environmental friendliness for all. The state should also invest on recurrent expenditures relating to operation and maintenance of publicly owned facilities. Considering the provision of at least one meal for the children while in school is also necessary. The Local government should focus its educational investment on the area of funding the training requirement of Caregivers and teachers at the early educational levels for children, considers investments in the health sectors for these children and provision of crèches, Day Care-Centers as required in the local communities.

Other bodies as mentioned earlier should focus investments in education into sources that can support crèche, Day-Care Centers and Nursery schools established to complement government efforts. Other forms of investments could be;- Donation in cash and kind by Civil Society (NGOs CBOs), Religious Organizations, Philanthropists, Local Committee, Organizations, Private Companies Grants and Loans from Internal and International Development Partners.

Investment projection of what should be required at each level of education activities based on the needs including the personnel salaries and allowances, infrastructural facilities, playing equipment and materials, training, inspection and supervision. A financial plan specifying the detail requirement and the sources of funds vis-à-vis the integrated strategic investment approach should be drawn up.

### **Administration and Planning of Investment in Education**

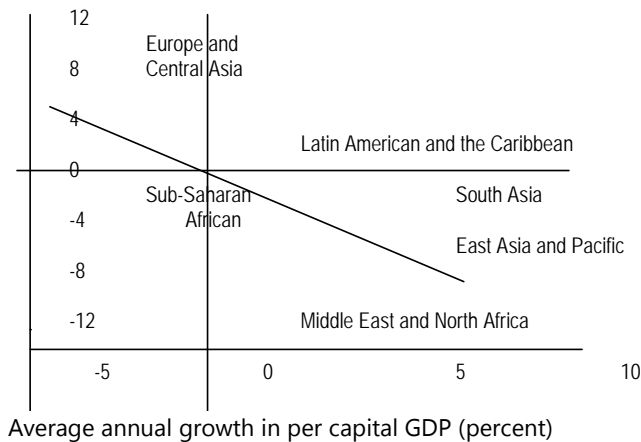
The success of investment on any system of education is hinged on proper planning, efficient administration and adequate financing. Investment planning and administration includes organization and structure, proprietorship and control, inspection and supervision of the educational system ie the schools.

School systems, and consequently their management and day-to-day administration should grow out of the life and social ethos of the community which they serve: consequently the administrative machinery for the national education system should be based on some cardinal principles such as: Intimate and direct participation and involvement at the level, of the administration and management of the educational system school. Effective lines of communication should exist between the immediate community and the state and national machinery for policy formulated and implementation. A devotion of functions whereby the management of the educational system should be placed in the hands of zonal school boards management. The co-ordination, planning, financing, and direction of the total educational effort within the state should be placed in the hands of the State Ministry, Department or Directorate for Education. Again the integration of educational development and policy with national objectives and programmes should be made the responsibility of a Federal Ministry, Department or Directorate of Education.

Global view also has it that conventional wisdom has it that economics growth is the key to a successful poverty reduction strategy. This is well articulated in the 2000-2001 World Development report

Societal growth and poverty reduction for economic vibrancy over the various regions in the globe is highly influenced by investment in education. The Figure below attests to this.

**Fig.3** Economic Growth and Poverty Reduction by Region 1980-2000



(Source Adapted from World Bank 2001 Fig.3.3)

For these functions to be discharged efficiently, a cadre of staff should be provided in adequate numbers and quality at the different operational level in the local, state, and federal as well as in all the private institutions. Financial investment should be adequate to cater for both personnel, equipment and facilities as may be demanded by all the educational sectors, be it science, technical, vocational or commercial.

### Funding Investment in Nigerian Education

Education has been recognized and adopted as a tool par excellence for individual, communal and national development and investment can not be overemphasized. The subscription of education for all, the millennium development goals, the national economic empowerment and development strategy ad mist others are cases in point that will invariably reinstate economic vibrancy

Funds for our purpose mean the sum of money available for educational programmes. Educational fund therefore means the sum of money allocated to education sector. The financial problem of any country affects the implementation of any policies since the implementation of policy depends on the financial resources available for implementing them

Evidence abound that Nigeria's educational sector is grossly under funded over the years. This under funding of education adversely affects the status of all other critical success factors impacting or determining the performance of the sector in terms of the quality of the product of education.

The issue of funding education has been a recurrent one in the history of Nigeria's educational system (Amahua 2004). Records shows that Nigeria allocates less than 10 percent of her annual budget to education in spite of the ram shackled state of the Nigerian education system and the

wealth of the nation. Iganiga and Ogieriakhi (2008) confirmed this unreasonable allocation when they stated that “total federal government allocation to education sector average 8 percent from 1980 to 2008”. This trend of the share of education in total federal expenditure does not suggest any serious effort by the government to shift financial resources allocation to education to improve its lot. The allocation is for below the United Nation (UNO’S) prescription that a minimum of 26 percent of annual budget of the developing countries be allocated to funding of education All this indicate gross under funding of Nigerian’s educational sector by the federal government. Agbem (1997), also affirms the nation’s non compliance to the UNOs recommendation on budgetary allocation to science and technology education

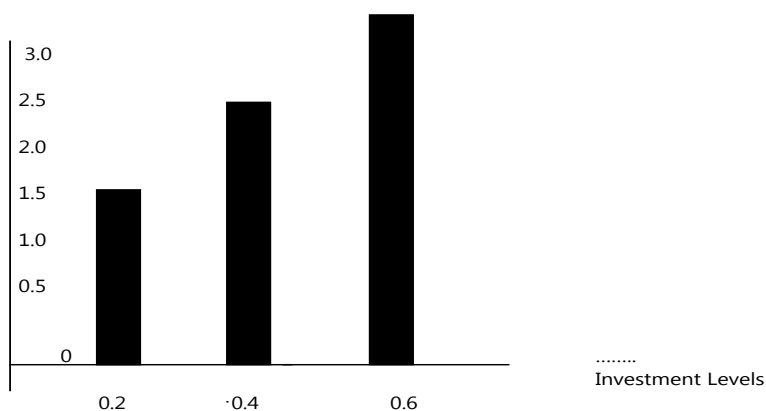
Similarly, Maduabum (1992) reports that science and technological education researches are poorly funded and laboratories are inadequate and ill-equipped. Also Olorutegbe (1997) points out cases of abandoned educational projects and innovations due to lack of funds. Furthermore, Ukeje (1978). Abackwueme (1982), Nwogu (1985), Olaitan (1980) in Amahua (2010) all affirmed the shortfall in educational funding. The list is inexhaustible. All these imply that the government of the federation pays lips service to science and technology education and that the nation’s commitment rarely on the documentary/paper provisions.

### Investment for Economic Vibrancy

The positive influence of economic growth through investment in education on poverty reduction is supported by several studies. Ghen and Revallion (2002) shows that economic growth is highly correlated with “absolute poverty” Historically too Europe and the United States, long term economic growth since the beginning of the nineteenth century reduced poverty in 180 years from levels near three-quarters of the population to under 15 percent in the United States and far less in other countries (Aassanini and Scarpetta, 2001)

As economics grow through positive investment, income distribution may change which in turn changes poverty rate over time

**Fig.3:** Average Annual Poverty Reduction with percent increase per Unit of Investment



(Source: Adopted from World Bank 2001 (fig.3-6

Economists have established that the quantity and quality of output is determined by the quantity and quality of the input factors. Furthermore, the availability of the input factors depends on the financial resources that are available to the producers. The producer in this case, is the educational institution producing the graduates who are expected to be of the right quality in terms of skills and competencies as graduates. Low quality input is a basic factor for low quality output hence, total quality management (TQM) paradigm demands that quality should be injected and allowed to permeate the entirety of any system that is desirous of excellence. This is particularly with regards to what goes in (investments) and what goes on (process/system) and what goes out of any enterprise (output/products). Therefore to achieve economic vibrancy, education requires the right quantity and quality of personnel and equipment or facilities which attracts investment in the following areas:-

### **Investment on Teachers and Supportive Staffs**

The academic personnel and the non academic staff in the educational institutions must be of the right quality and with well trained and qualified lecturers/teachers who are directly involved in the training process. Currently, most educational institutions lack the right quality of manpower for the education pedagogy. In the spirit of total quality management, the quality of any institutions workforce is the most critical success factor in addition to quality leadership at all levels of the institutions.

### **Investment on Facilities/Equipment**

Essentially, the aim to master subjects teaching is to achieve mastery of the skill which should be measured by the trainee's (students/pupils) ability to use the knowledge in solving problems. The teacher demonstrates and allows students to do it, while care is given to the weak ones. The current status of facilities and equipment in educational institutions indicate that relevant facilities, tools and equipment are in acute shortage and in some cases visibly exposed to practical orientation and as a result their acquisition of the expected knowledge and competencies will be hampered. Such students/pupils will lack the quality or competence expected of them when they graduate.

The provision of the right type and necessary equipment for business education handled by qualified teacher will obviously call for quality, Agomuo (1993). Uzoagulu (2009) in Amahua (2010) observed that the achievement of the objectives of education has largely been frustrated by lack of facilities and qualified personnel.

### **Investment on Research and Curricular Implementation**

To ensure that the output of our educational institutions possess the knowledge and competencies that would enable them meet the demand and expectations of economic vibrancy in the modern world of work, certain elements or methods should be injected and maintained in the entire educational process. These include participation in research work, appropriate curriculum and the teaching methods evaluated at reasonable intervals. Along with this are teachers update, projects, seminars, assignment, and counseling services. The application of better teaching methods and full implementation of the curriculum will reduce the number of graduates that will be classified as failures or half baked as a result of defective educational process.

Investment in this area should also provide for inspection that will ensure that the existing educational programme should be geared towards the need of the immediate socio-economic environment.

It is the contention of this paper that the issues examined above are the critical success factors which are the essential prerequisites that should be injected and maintained in the entire education investment process to ensure national economic vibrancy as they will ensure that the expected quality of candidates will only be turned out from a well investment educational system.

## **Conclusion**

The ultimate goal of the education programme is to equip the graduates with appropriate knowledge, and competencies that will enable them to meet the expectation and demand of the contemporary economic world. Achieving and maintaining economic vibrancy and excellence involves ensuring that only the right quality and quantity of the befitting and necessary factors are invested upon. In the education sector, these include investment on the right quality and quantity of personnel; and related programmes. There is also as recommended herein, the high need for facilities, equipment and infrastructures as well as the provision of adequate incentive for the staff and evaluating and supervising agents. With these, the economic vibrancy of a nation is highly ensured

## **Recommendations**

1. Measures that will enhance the admission of students that are at least of average academic ability should be adopted. The right caliber of students will obviously cope with the task in education thereby promoting quality of the graduates of the educational system.
2. The government and the suggested bodies herein should seriously improve the funding of investments in education in its budget as funding is the confluence of all other factors determining investment. Something more than that executed through the current Educational Trust Fund (ETF) because education is capital intensive but the bedrock of economic vibrancy.
3. Conducive teaching environment that includes incentives and motivational ingredients for teachers should be ensured at all time and at all levels of education
4. Quality teachers production for all level should be intensified to meet the required manpower in the classroom and for other administrative functions
5. Essential equipment and facilities should be made more than enough for all categories of learning and teaching.

## **References**

- Amahua, S. A. (2004), Enhancing Education Programme in Nigeria Colleges of Education. Expectations, Status and Improvement Strategies. *Journal of Business and General Education* (3:1) 136-144
- Amahua, S. A. (2010) Underfunding Education in Nigeria. The case of Research and Development for quality assurance in Business Education. *A Book of Reading Vol.1 No.10* –p184-189
- Akuezuilo, E. O. (1993) *Research Methodology and Statistic*, Awkwa, Nuel Cent. (Nig.) Publisher.
- Iganiga, B. O. and Ogieriakhi, S. (2000) *Democratic Governance and University Education: Nigerian Experience*. Unpublished Paper Presented at the National Association of Research Development Conference (FCE(T) Asaba, Delta State.



- Federal Republic of Nigeria; National Policy on Education Roadmap for Nigerian Education Sector; March 2009
- Federal Ministry of Education; The Development of Education National Report of Nigeria. The Forty-Eight Session of the International Conference on Education (ICE) SWITZERLAND 25-28 November 2008
- United Nation Organization (UNO) World Development Report (1995); 11(12).26
- Uzoagulu, A. (2009) Skill Development in Voc. & Tech. Edu. A Lead paper presented at the Annual Conference on Skill Development in Science and Technology development Research and Conference Unit F C E (T) Umuze
- World Bank 2002 World Development Report 2000/2001 Attacking Poverty New York Oxford University Press
- World Bank 2005 Poverty Reduction and Social Development in the Middle East and North Africa 1960-2000 Washington, DC. World Bank