

Islamic Finance Instruments as Alternative Financing to Sustainable Higher Education in Nigeria

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Abstract

Education is a vital tool for national growth and development. Higher education institutions provide the nation with skilled manpower needed to attain holistic development. Despite the roles played by higher education institutions in nation building, these institutions are at the edge of collapse as a result of poor funding. Government fund is not adequate to meet needs of students and higher education institutions. Several options like internal sources, government supports, use of tuition fees and a host of others have been provided but all yield little result. In order to find a lasting solution to the persisting financial problem facing higher education in the country, this paper presents the Islamic finance products as an alternative measure to sustainable higher education financing in Nigeria. It adopted a qualitative case study approach. Interview was conducted on eight experts including shariah experts, lecturers and educational administrators. At the end, the research study proposed that *sukuk* (bond), *waqf* (endowment) and *zakat* (charity) should be used for providing facilities and support to higher education institutions in the area of research, provision of educational facilities, building of hostels for indigent students, payment of salary, provision of scholarship to students from poor background and a host of others. To achieve these, government, policy planners and leaders in higher education institutions in Nigeria must ensure collaboration with private investors, philanthropists, industries, *zakat* and endowment foundations and experts in Islamic

finance to provide a lasting solution to the poor funding of higher education in the country.

Keyword: Islamic finance instrument, sustainable, higher education, financing

Introduction

The principal institutional mechanism for developing human skills and knowledge is the formal educational system. Education has been adjudged to be a vital tool for individual and societal development (Turkkahraman, 2012). It provides nation with needed human capital, skilled personnel and expatriate needed to attain holistic development and eradication of illiteracy. Through education, human can integrate into their changing societies and relate well among themselves (Obasanjo, 2012). The contribution of education is not limited to social, economic and political development but also enhance individual with requisite knowledge and skills for self-actualization and capacity building (Ajayi & Afolabi, 2009). An educated and trained personnel provides the society with human capital as a result of his income which represents not only his earnings but also his potentials for further achievement.

Higher education has been adjudged to be a major determinant of economic growth and development in any nation. It is responsible for providing and improving innovation and technology in the society (Kruss et al, 2015). It provides opportunities to both private and public sectors by providing them with required skilled personnel needed for sustainable

development (Bloom, et al., 2006). International community has also realized the importance of higher education to national development and therefore recognized higher learning institutions as essential factor for sustainable development. This made the Commission for Africa advice African governments to increase their investment in higher education (Bloom et al, 2006). To attain full development of human personality and attain quality output from higher education sector, adequate and sustainable funding is sine qua-non. Uwameiye (2014) suggested that in order to meet up with the global challenges in the 21st century, higher education institutions in Nigeria must re-direct their attention to proper planning, funding, infrastructural development, personnel management, curriculum development, innovations, research, provision of functional education and de-politicization of education. The rationale for this is to ensure that such fund will trigger development in the education sector and bring out the best practices in school management.

However, in spite of the importance of education and higher education to national development, the sector still suffers from poor funding. The continuous failing standard of education in Nigeria accounts for the high rate of immorality, corruption and instability in the country (Orji & Job, 2013). These occur as a result of poor funding of the education sector (Uwameiye, 2014). The sector which is assumed to improve and inculcate moral value, national integration and diversity, knowledge and values into the young generation is poorly funded by the government. Funding has posed a great threat to the attainment of the goals of higher education in Nigeria (Duze, 2011). Effects of poor funding shows in low quality of instruction, poor learning environment, brain-drain, continuous strike action by staff of higher learning institutions and poor infrastructure (Aiyamenkhue, 2011; Ohanisi, 2007). In order to address this situation of poor funding, this research study provides Islamic finance instruments as an alternative to higher education financing in Nigeria and

enlightens government, higher education leaders and policy makers on the benefits of the Islamic finance models as a way out of the present economic and financial crisis that is facing the country at this crucial time.

Research Questions

The following questions will guide this research study:

- 1. How do experts perceive the Islamic finance instruments?*
- 2. What are the benefits Nigerians can derive from Islamic finance instruments?*
- 3. What should be the roles of the government, educational administrators and education policy makers in ensuring sustainable higher education financing using the Islamic finance instruments?*

Conceptual Framework

Islamic finance instruments are those instruments that are based on Islamic principles and divine guidelines. These instruments are not based on man-made laws rather divine laws which aim at ensuring a peaceful co-existence among mankind (ISRA, 2011). For the purpose of this study, three Islamic finance instruments will be examined. They are *sukuk* (bond), *waqf* (endowment) and *zakat* (charity). These three products can be used in financing higher education in developing countries like Nigeria. The diagram below shows how these Islamic finance products can be used in financing higher education.

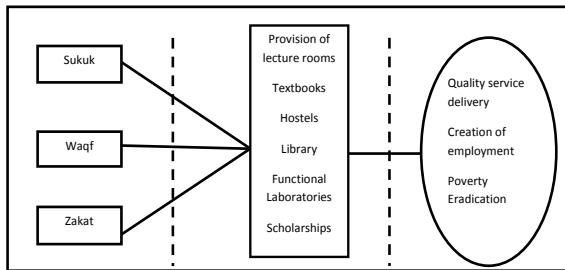


Figure 1: Conceptual Framework of this study.

The conceptual framework in Figure 1 above shows that input-process and output of Islamic finance in higher education. The input consists of *sukuk*, *waqf* and *zakat*. *Sukuk* can be subscribed to by both Muslims and Non-Muslims (provided they do not wage war against Islam). Money will be raised by these people in form of bond which will be used in providing capital projects in higher learning institutions like Universities, Polytechnics and Colleges of Education in the country. These capital projects will be provided in form of partnership with the government and various higher learning institutions. These capital projects include provision of functional laboratories for research, hostel accommodation, resource centres and so on. These will definitely generate fund to the institutions as industries will partner with universities and prefer to make use of their laboratories for their research. Once big companies are patronizing universities laboratories for research, students from such universities will be exposed to research going on in the industry. This implies that students will be learning and know about what is happening in industry right from their university. Upon successful completion of their degrees or programs, such students will be employed by the industries they had participated in their research because these students were part of the company. One of the wisdom behind the Islamic bond is that it will encourage funding of big projects while investors will not be treated with distrust (Hasan,2012). If this is executed in Nigerian higher learning institutions, the investors will not want the project to collapse and will ensure maximum usage and patronage which will at the end results into production of cut-edge research on our higher learning institutions.

In addition, *Waqf* is another Islamic finance instrument which can be used in financing education in Nigeria (ISRA,2011). It is Islamic endowment fund. This money must be generated from halal (lawful sources) alone. *Waqf* can be used to support education provided the basic requirements of *waqf* are met and guidelines are followed accordingly. General *waqf* and family *waqf* can be used in providing hostel facilities and scholarship for students. For example, a wealthy man can build a house and give it to the university in form of endowment to be used as hostel for a period of ten years. During this period, the university will charge little accommodation fee for hostel. With this, universities will generate more funds, students will have access to well-furnished accommodation will less money and it will facilitate effective learning. Similarly, wealthy people can use family *waqf* to sponsor their children and relatives education. Once they are doing this, the rate of assistance needed by students will be reduced. It will also allow the government to concentrate on students from poor families who do not have someone to support or assist them.

Zakat is another Islamic finance instrument which can be used in financing education. *Zakat* is only payable by selected Muslims (those who are wealthy). The money generated from *zakat* can also be used to finance education of Muslim students, orphans (irrespective of their religions), providing support to special students in form of wheel chair, braille machine for teaching special students, providing scholarship for the needy, provision of valuable books in the university libraries, payment of teachers' salaries and so on. The focus of *zakat* is to ensure re-distribution of wealthy and eradicate poverty in the society (Senturk, 2007). If *Zakat* is paid by the rich, the poor will definitely benefit because they will use the money realized from *zakat* to take care of learning and promote positive attitude toward acquiring knowledge. In summary, these three Islamic finance products are found useful in financing higher education most especially in developing countries like

Nigeria. If these Islamic instruments are implemented, they will result into ensuring quality service delivery in our various higher learning institutions. Also, the culture of research will be promoted in our institutions and our universities will join world ranking. Furthermore, with these funding models, Nigerian universities will attract more students from other African countries as the country is seen as Giant of Africa and the economy will become great again. Poverty alleviation programs of the government which has been difficult to achieve for over 20 years will be eradicated immediately because graduates will be exposed to how to create employment for themselves right from their universities.

Literature Review

Sources of financing higher education in Nigeria

The following are some of the main sources of financing higher education in Nigeria:

Government: The government is the major provider of education fund in the public higher institutions in Nigeria. Being the major provider of fund, the sector is affected which the political interplay in the country. This implies that government can not only allocate any portion of the budget to education. As Adeyemi (2011) observed that since the government is the major provider of education fund, it has not adhere to the UNESCO recommendation of minimum allocation of 26% of annual budget to education. Only 17% has been the highest portion of the budget allocated to education sector since inception. Lack of accountability by the government has caused setback to funding of education in Nigeria (Nwoko, 2015).

Tuition Fee: This is another source of generating fund in Nigerian higher learning institutions. Students admitted into post-secondary institutions in Nigeria will pay some amount of money as tuition fee. This money is used in supporting and providing basic amenities in various higher institutions. It is

worthy to note that the tuition fee contribute a small portion of the fund required by higher learning institutions as most institutions look up to government support for survival.

Internally Generated Revenue: Higher learning institutions like universities in Nigeria have been fully authorized by government to look inward and try to generate some money through their facilities and properties. Some universities have supermarkets, shops, buildings and complexes which were rented out to corporate organizations for specific period of time and agreed terms. Internally Generated Revenue has a lot of importance to universities management if it is properly and effectively managed (Onuoha, 2013)

Sustainable Educational Financing

Sustainable education financing is essential in developing countries like Nigeria where the education sector is retrogressing due to poor funding. In order to realize the goals of higher education and make education respond to the need of the society and the nation as a whole, sustainable funding must be given adequate attention by all stakeholders (Nwoko, 2015; Adeyemi, 2011). Therefore, the United Nations Education, Scientific and Cultural Organisation recommend adequate funding of education at all levels and call for public-private participation and collaboration in ensuring sustainable funding of higher education as a way of improving qualitative research, promoting effective teaching and learning and enhancing scholarship. All these will help in making education achieve the aims for which it is set for.

Alternative Finance Model

Here, we present the Islamic finance model as an alternative measure for enhancing sustainable higher education in Nigeria. Although this model can be applied by all countries irrespective of your religion, race and tribe. The Islamic finance is based on divine rules and regulations which are laid down by

God on how the economic, social, political and cultural aspects of human life should be governed (Askari et al., 2010). It is a system based on piety, morality, spirituality, equity, trust, fairness and justice (Iqbal & Mirakhor, 2007). According to Hasan (2011), the Islamic finance instruments are financial system based on the Islamic world view which does not allow any form of *zulm* (injustice like cheating, collecting *riba*, oppression and maltreating people). It is a practice which is completely different from the conventional financial practices. It differs from the conventional practices because it does not allow interest, oppression and other vices (Abdul Rahman, 2012).

Objectives of Islamic finance include: eradication of usury (*riba*), avoidance of gambling and ambiguity, prohibition of forbidden acts, avoidance of injustice and oppression, introduction of safety measures for the benefit of the poor, needy and society, upholding moral and ethical values based on public interest and upholding principles on Islamic contract (Tajudin, 2010). For the purpose of this research study, the researchers will explore the use of *sukuk* (bond), *waqf* (endowment) and *zakat* (charity) as alternative strategy to financing higher learning institutions in Nigeria.

Sukuk is usually translated as Islamic bond which provides alternative funding opportunities to government and corporate establishments. It is a certificate that represents the holder's proportionate ownership in an undivided part of the underlying asset, where the holder assumes all risks and obligations to such asset (Iqbal & Mirakhor, 2007). In summary, *Sukuk* refers to a certificate which represents the value of an asset (International Shariah Research Academy for Islamic Finance, 2011).

There are four broad classifications of *sukuk* based on namely: sales based *sukuk*, lease-based *sukuk*, partnership *sukuk* and agency-based *sukuk*. This can be represented in figure 2.

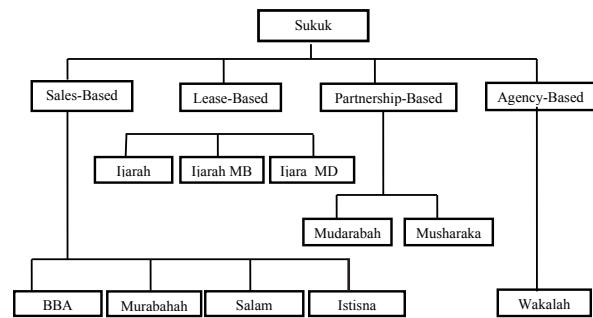


Figure 2: Sukuk Structure. (Source: ISRA, 2011, p. 399)

Sales-based *sukuk* has four main branches which include: Bay Bithaman Ajil (BBA), *Murabahah*, *Salam* and *Istisna*. Lease-based *suskuk* has three which are *Ijarah*, *Ijarah Muntahiyah Bittamilik* and *Ijarah Mawufah fi Dhimmah*. The partnership-based *sukuk* with the *Mudarabah* and *Musharakah* implies a partnership and collaboration between two parties. Under the *Mudarabah* of the partnership-based, the investors are regarded as a silent partner (also called *rab al-mal*) while the party who make use of the fund contributed is the working partner (also known as *Mudarib*). It is worthy to note that here, the silent partner does not participate in the management of the business or project except to provide fund or part of the fund. Here, the profit from the investment will be shared based on agreed terms and conditions entered into by the parties involved. The agency-based consists of *Wakalah*.

Waqf was derived from *waqafa* which means to hold, prohibit or confine. It involves holding of property and preserving it for the continue derivation of certain benefits without consuming or disposing the property (Hasan, 2011). Basically, *waqf* refers to endowment fund. There are four pillars or branches of *waqf* namely: *Waqif* (the endower), *Mawquf* (asset to be endowed) *Mawquf alayh* (beneficiary) and *Sighah* (contractual agreement). Hasan (2011) maintained that the *Waqif* must be sane, mature, free, may either be a Muslim or not (but the non-Muslim must not wage war against Islam and must follow the principle of trust, open-mindedness). He must also have legal ownership of property which is genuine for creating *waqf* (ISRA, 2011). *Waqf* can also be

classified into two major categories namely: *Waqf Amm* (General Waqf) and *Waqf Khass* (Special or specific Waqf). *Waqf* asset can be any of the following: *Waqf al-Aqar* (Immovable asset), *waqf al Manqul* (movable asset) *waqf al-Musha* (shared ownership asset), *waqf haqq al-irtifaq* (right of enjoyment of properties), *waqf al-iqta'at* (reserved land) and *waqf al-irsad* (government land under waqf).

Zakat is the third pillar of Islam. The word zakat has various meanings among which include: purification, increment, prosperity. These can be proved with different evidences from the Holy Quran thus:

“He has indeed prospered, he who purifies himself” (Quran 91: 9)

“Prosperous indeed are those who purify themselves” (Quran 87:14)

In addition, hadith 2 of Imam *An-Nawawi's* collection states that zakat is a pillar of Islam.

“On the authority of Umar (may Allah be pleased with him) who said: “While we were one day sitting with the Messenger of Allah (peace be upon him), there appeared before us a man dressed in extremely white clothes and with very black hair. No traces of journeying were visible on him, and none of us knew him. He sat down close to the Prophet (peace be upon him), rested his knee against his thighs, and said, O Muhammed! Inform me about Islam?”. The Messenger(peace be upon him) said “Islam is that you should testify that there is no deity except Allah and that Muhammed is His Messenger, that you should perform solat, pay zakat, fast during Ramadan and perform Hajj to the House of Allah, if you are able to do so”. The man said, “You have spoken the truth”. We were astonished at his questioning him (the Messenger) and telling him that he was right....(Reported by Bukhari & Muslim)”.

Based on the evidences on zakat, Islam provides that whoever is to pay zakat must be a Muslim,

free of any constraint like debt, sane, mature and wealthy(Senturk, 2007;). This shows that zakat is not compulsory on children, the poor or needy. Furthermore, Allah stated those who are eligible to pay *Zakat* in the Holy Quran and those who are eligible to receive it. The recipients of zakat are listed in the verse below:

“Alms are only for the poor and the needy, and those who collect them and for those whose heart are to be reconciled, and for the ransom of captives and debtors and for the way of Allah and for wayfarers” (Quran 9: 60)

Taking a critical look at the verse above, students studying in higher institutions are eligible to collect zakat as a form of assistance on their study and relief to their poor parents. It also reveals that zakat can be used to settle staff debt, assist the needy, provide amenities and other social responsibilities (Qaradawi, 2000).

Benefits of Islamic Finance Instruments to Nigeria Educational System

Sukuk which is Islamic bond can be used in raising fund for capital projects (ISRA, 2011). This can be done in collaboration with members of the public. *Waqf* on the other hand can be used by non-profit organization like universities in providing social facilities that will enhance development (Alias, 2015). It can also be used in providing support to educational programmes and activities (Abdul Aziz et al., 2013). Academic institutions as a non-profit sector of the economy can benefit from *waqf* fund through provision of social amenities which will help to improve the well-being of people within and around the community as a way of reducing poverty and suffering of members of the community (Raimi, 2015;) as a way of improving social facilities *Cash waqf* on the other hand can be used to support indigent students education (Ahmad & Hassan, 2015) In addition, zakat brings man closer to his Creator, purifies his wealth, promotes love and mercy to the entire society, prevents hoarding of wealth, prevents wasteful spending, ensures

redistribution of wealth, bridges the gap between the rich and poor, delivers people from material slavery, ensures societal reformation, speedy economic development, provision of social amenities and serves as a form of expiation of sins (Senturk, 2006; Mannan, 2000)

Roles of Leadership and Policy Makers in Sustainable Higher Education Financing

Policy makers and higher education leaders must provide adequate support for financing higher education by ensuring that a large part of the annual budget is allocated to education sector. The falling standard and failure of the sector is attributed mostly to poor funding of education sector across all levels (Uwameiye, 2014; Duze, 2011). Also, government and the Ministry of Education should make sure that there is even distribution of limited educational resources. Unlike what was observed in the allocation of fund to educational institutions where a lot of inconsistencies, disparities and irregularities were noticed (Asaju, 2015). In the past there use to be a wide margin between amount allocated and amount received. Furthermore, commitment of policy makers and school leaders is very important in achieving educational goals and improving quality of teachers and students (Shen et al., 2010). Therefore, government and academic leaders must give their utmost commitment to reducing the problem of poor funding of education in Nigeria. Furthermore, policy makers and higher education leaders must improvise, source for the right people to take the task, set the right structure, support the structure and ensure its sustainability as a way of achieving set goals of higher education (Shah at al., 2012).

Methodology

Research Design: This research adopted qualitative case study research design. It involves collecting data from a natural setting, using the researcher as the key instrument for data collection, use of variate data, use of inductive and deductive data analysis, flexibility

and originality of information (Creswell, 2014; Marshall & Rosman, 2011).

Population, sample and sampling technique: The population for this study consists of experts including: financial experts, Islamic finance experts, lawyers, economics, lecturers, educational planners and administrators in Nigeria. Therefore, the researchers used purposeful sampling technique in drawing respondents in this study. In this technique, only those who are qualified and eligible will be used (Neuman, 2014; Emmel, 2013). Letter of participation was sent to ten respondents out which only eight gave their consent to take part in the study. Since the eight expert meet our target, we decided to use them in this study. These eight experts consist of 2 finance experts/economist, 2 lecturers, 2 Islamic finance specialist and 2 educational planners. The criteria for selecting these respondents is that they are all involved in policy formulation, finance and educational development in Nigeria.

Instrumentation and Validation: The instrument used in this study is a semi-structured interview protocol. This instrument was developed by the researcher. After developing the instrument, it was subjected to expert review. Four different experts in Islamic finance and education validated this instrument before it was administered to respondents. Hence, its validity was assured.

Administration of the Instrument: The interview protocol consists of eight questions which centers on the topic of this research study. The researchers told the respondents to fix any convenient time and place for the interview and the respondents were met at their convenient zones.

Method of Data Analysis: Interview method was used for collecting data from selected respondents and experts. The interview lasted for 55 minutes with each respondent. Denzin and Lincoln (2003) conceived interview method as a form conversation between the interviewer and interviewee in which questions about a particular phenomenon are being asked. The essence of the

interview is to seek the perception of informants or respondents about the phenomenon under investigation (Creswell, 2014). The interview session was conducted and responses from the informants were recorded with a tape recorder. Later, the recorded information were transcribed and coded. Themes were generated from the information provided by these respondents. At the end, emergent themes generated from the interview will be discussed in detail in finding and discussion section.

Findings and Discussion

How experts perceived Islamic finance instruments

Divine guidance: Respondents viewed Islamic finance instruments as a system based on Allah's guidance which prohibits usury, oppression, gambling and others with the aim of making life comfortable for entire people in the society irrespective of their religion. This is evidence in the statement of the respondents as stated below:

“Islamic finance instruments deal with creating charity, alleviating poverty and re-distribution of wealth in a Godly manner” (R1)

“To me I see Islamic finance instruments as channels and tools guided by Islamic laws and principles” (R2)

“Islamic finance instruments are packages meant for stimulating economic, financial and educational development based on Islamic principles” (R4).

“This system is not man-made. Therefore, it is a perfect system which was designed to suit human needs and aims at solving their social, economic, political and spiritual needs” (R8)

Corrupt-free/injustice-free system: Experts further argued that the Islamic finance instruments are not based on corruption or injustice system. Rather, these instruments aim at ensuring a corrupt-free environment, fairness

and equality in human society. These are evident in the statement of the respondents below:

“Islamic finance instruments ensure abolition of riba (usury), gambling and other illicit acts so that life can be easy for people” (R3)

“In Islam, contributions, support and assistance must come from a pure source” (R8)

...this helps to fight against corruption and corrupt-practices in our society. Since, thieves, drug barons and their allies cannot participate, the sources are clean and are meant to be utilize for clean paths like educating the youth and providing social amenities” (R6)

These views were supported by the definition provided by Askari et al.(2010) when they conceived Islamic finance as a system based on divine rules and regulations which are laid down by Allah on how the economic, social, political and cultural aspects of human life should be governed . Also, it corroborates with position of Hasan(2011) who opined that Islamic finance instruments are financial system based on the Islamic world view which does not allow any form of *zulm* (injustice like cheating, collecting *riba*, oppression and maltreatment of people). *Benefits Nigerians Can Derive from Islamic Finance Instruments*

Provision of more teaching and learning facilities: Respondents agreed that the Islamic finance instruments can be used in providing more teaching and learning facilities like more hostels for students, lecture theatre, laboratories, good water system, projectors in lecture rooms, language laboratories, textbooks, recreation centers and other amenities that can improve effective teaching and learning. The responses below support these.

“Yes, I belief Islamic finance instruments can be used to provide trust or foundation that will support higher institutions in getting state of art infrastructure, provision of furniture, building more offices for some of our lecturers, building

more hostels and providing portable water to our students because all these are insufficient in my university”(R1)

“Sukuk(bond) can be used by government and university management in providing educational facilities, teaching and learning materials. Also, Qordan Hassan (benevolent loan) can also be provided to higher institutions in our country as a form of relief to them” (R5)

“Zakat as an instrument aims at reducing human stress and make life meaningful. It can be used in providing hostels for poor students in our universities” (R8)

Scholarship: Three of the respondents argued that Islamic finance instruments can be used to provide scholarship for indigent students and contained in the statement below:

“A lot of brilliant students have stopped schooling due to lack of financial support. If there is financial assistance to support them in form of interest free loan and scholarship, they wouldn't have taken such drastic decision. Therefore, the Islamic method could be used in giving scholarship and financial assistance to brilliant students” (R3)

“Sukuk is used to provide financial assistance in form of full scholarship to support orphans' education in our country. So is the zakat. These will make them forget about their status and give them equal right like others.” (R4)

“.... this divine method can assist in providing scholarship to student from poor families sincerely without any form of stress as against the political scholarship and assistance that we use to see in Nigeria. To me, I know that the scholarship that will be provided by zakat and waqf are meant for the students of poor and needy parents not children of the rich” (R7)

Reducing the imbalances in our society: These Islamic finance instruments also aims at reducing the inconsistencies and imbalances in our society. Since there are classes in human society,

these instruments aim at reducing the gap by ensuring that everyone irrespective of their class has access to good life and opportunity. This is entrenched in the statement below:

“You see, these Islamic instrument is good for developing countries like ours. Once we imbibe the model, there will be a close gap between the rich and poor” (R8)

“Once we have good system of education based on Islamic model of financing, everyone competent, qualified and fit will be able to study in any university without stress. This is what Islamic finance model is all about” (R5)

It can be deduced from the responses above that the Islamic finance instrument will help to reform our higher education institutions, assist students' learning and make ease the stress of academic and non-academic staff in our various higher education institutions. These views are in agreement with findings of Abdul Aziz et al. (2013) who argued that the *waqf* can be used in enhancing and achieving sustainable education. In addition, academic institutions as a non-profit sector of the economy can benefit from *waqf* fund through provision of social amenities which will help to improve the well-being of people within and around the community by reducing poverty and suffering of members of the community (Raimi, 2015). The Holy Quran supports these statements thus:

“Alms are only for the poor and the needy, and those who collect them and for those whose heart are to be reconciled, and for the ransom of captives and debtors and for the way of Allah (God) and for wayfarers”(Quran 9: 60).

Roles of the stakeholders in adopting the Islamic finance instruments

On the roles of government and higher education leadership, respondents identified, legal support, awareness, due process and collaboration as their roles in ensuring sustainable higher education financing in Nigeria. These are discussed briefly

below:

Legal support: Respondents maintained that for any measure to be sustained, the government must adopt it and give it a legal backing.

“To me, what I think the government can do to ensure sustainable higher education financing using these instruments is to make legal and constitutional framework for it” (R1)

“Government must back these instruments by law. Although, the constitution of the country supports some of them but are not put into effective use or abandoned. I think its high time the government support any measure that can save the country provided it is clear, free of ambiguity and constitutional” (R5)

Awareness: People need to know about the beauty of these models or instruments should be informed irrespective of their religion. The Islamic financial instrument is applicable to all. It is actually not aim at catering for the Muslims alone but the entire society. Orientation and misconception in the minds of people about the Islamic models must also be changed through campaign and advert placement. This is the position of respondents 2, 7 and 8 below:

“Well, I think the government and educational policy makers can make adequate awareness on the Islamic model. These instruments aim at solving societal problems. It only came through Islam. If other religion has a better suggestion to me I think it will be a welcoming idea” (R2)

“The most important thing is that we need awareness on any standard, sincere and sustainable measure that can bring us of this mess. I belief Islam has a way out. Only that we need to inform the philanthropist, tell them their gain from the deal and encouraged them to participate for the sake of young generation” (R7)

“To me, I think members of the public need to know the importance of these instruments. These financial instruments do not imply that non-

Muslim will change their religion. It rather aims at catering for human needs. So, information is necessary. (R8)

Due Process: Respondents identified following the due process as laid down by God and supported by the constitution of the country as the major role of higher education leaders. Due process involves trustworthiness, sincerity, honesty, good deal and transparency.

“Honesty and transparency are key factors in business transaction. So, corporate bodies, philanthropist and members of the public must observe these traits in government and universities management before they follow them and render support” (R6).

“One good thing in the Islamic model is that you cannot jump or abuse the law” (R4)

“Recipients here, do not need to lobby rather, they deserve to be treated well” (R8)

Collaboration: Government, higher education leaders and members of the public must come together to address the issue of poor funding and agree on terms and conditions of corrective measures.

“Government and institutions must reach out to members of the public for support and invest in the instruments” (R2)

“There should be a transparent synergy between government, universities management and private sectors on how they can judiciously implement the models provided by Islam if really we want to ensure sustainable higher education financing” (R8)

All these were supported by Shah et al. (2012) when they argued that government, policy makers and higher education leaders must improvise, source for the right people to take the task, set the right structure, support the structure and ensure its sustainability as a way of achieving set goals of higher education. They should also strive towards correcting

irregularities in education system in the country (Asaju, 2015).

Recommendations

In order to ensure sustainable higher education funding in Nigeria, the following measures must be ensured:

(i) Government must first understand that Islamic finance products is based on fairness and justice. Therefore, they must be ready to be just in implementing the Islamic finance products in education sector. Benefit of these products are meant for all irrespectively of gender, race, religion or social status.

(ii) Islamic finance products are not based on corruption or any form of cheating. So, parties that will be involved must be well taken care of based on agreed terms and conditions. These people must not be the corrupt people in the society or those that engaged in illegal businesses.

(iii) Government must partner with philanthropist in the areas of sukuk(bond) and waqf(endowment) and the outcome of these products must be diverted to research, provision of capital projects and providing support to students learning.

(iv) Policies must be developed on how the government will transact with different parties involved and parties must also agree to terms and conditions involved.

(v) Educational leaders must ensure that facilities provided are well taken care of and properly utilized for the purpose which they were provided.

(vi) Government must liaise with Muslims philanthropist and advise them to pay zakat. This zakat can be used to take care of some scholarships for indigent students.

(vii) The government of Nigeria should partner

with various zakat foundations in ensuring that they collect *zakat* and *sodaqah* from those who are eligible. They must also appeal to these foundations to divert large part of the zakat to education of citizens.

(viii) Government as policy makers must ensure that companies directed their social and corporate responsibilities to provision of facilities like good laboratories, research centers, computer laboratories, standard auditorium for higher education institutions in the country.

(ix) Apart from all these, government must increase its allocation to education sector. Most especially higher education. It must strive to ensure that there is no disparity between fund allocated and money redeemed to higher learning institutions.

(x) It must also ensure that all higher learning institutions give a transparent account of what is collected and what the fund was used for.

(xi) Graduates who have benefited from government scholarship, support and assistance must be encouraged to participate in the *waqf* (endowment) and *sadaqah* to their institutions. With this, they can recycle the fund released for scholarship.

(xii) Government should employ some experts on Islamic finance as staff in the Ministry of Education and allow them to work in the finance section of the Ministry. These people will assist in organizing, monitoring and generating fund through lawful means.

(xiii) University management must solicit support of philanthropist to participate in *waqf* by allowing the university to use proceed from their property for promoting effective teaching and learning activities.

(xiv) To effect this alternative model effectively, government and university management must be transparent in all their dealings. This will help to attract more investors, partners and donors.

(xv) The government must create public

enlightenment programme on this interest free and transparent model and explain its motive clearly to people so that there won't be any form of misconception.

(xvi) The government must take time to evaluate the *waqf* and *sukuk* policy introduced in the country. This will help them to take a better decision.

Conclusion

Education is crucial tool for attaining global and sustainable development. In order to achieve the goals of higher education in Nigeria, adequate and sustainable funding of higher education institutions is important. Islamic finance products are based on the tenets of Islam, principle of trust, honesty, fairness and free from all forms of illicit act. It is a divine means of funding a project in a transparent way. It allows the participation of non-Muslims, philanthropist and industries in the transaction because it operates open and transparent system. It also protects the dignity, value and money of various participants as a way of ensuring peace, security and sustainable development of education and human society. The Islamic finance product will be of great benefit to financing public higher education institutions in Nigeria as it will provide moral and financial support to students from poor and average families which will help to accelerate their academic development.

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