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EXPLORATORY ROLES OF EQUAL ACCESS TO QUALITY TECHNICAL VOCATIONAL EDUCATION AND TRAINING (TVET) WITH PUBLIC PRIVATE PARTNERSHIP (PPP) FOR IMPROVING ECONOMIC STABILITY TOWARDS SUSTAINABLE NIGERIA'S INDUSTRIALIZATION

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Abstract
The objective of this paper is to examine how Nigeria can recover from its economic recession through Private Public Partnership (PPP), as a policy option, in her efforts towards sustainable economic growth through Vocational-Technical Education and Training. Public Private Partnership is a contractual arrangement which is formed between public and private sector partners which involve the private sector in the development, financing, ownership, and/or operation of a public facility or service. In such a partnership, public and private resources are pooled and responsibilities divided so that the partners' efforts are complementary. In general, PPP refers to a form of cooperation between public authorities and the private sector to finance, construct, renovate, manage, operate or maintain infrastructure or service. At their core, all PPP involve some form of risk-sharing between the public and private sector to provide the infrastructure or service. PPP applies to medium to long-term management contracts with investment requirements which may include funding, planning, building, operation, maintenance and divestiture.

Keywords: Private Public Partnership (PPP), Vocational Technical Education and Training (TVET)

Introduction

Nigeria is one of the most populated countries in the world with a total number of over 186 million people (Census 2016). African economic landscape recently witnessed a change in leadership, with Nigeria taking the lead after abasing of its economy. This, no doubt, is a welcome development because Nigeria not only has the largest economy in the West African sub-region and the most populous black nation with a population of 186 million people as estimated in 2016, Nigeria is also the sixth largest producer of oil in the world. Bloomberg republished its report suggesting that South Africa took over from Nigeria as Africa largest economy, however, the question is that how can Nigeria regain its leadership as the largest economy in the West African sub-region.

With today's global development, Vocational and Technical Education is playing a major role in humankind development. As Ekpenyong (2011) said, UNESCO defines Vocational Education as 'the education designed to prepare skilled personnel at lower levels of qualification for one or a group of occupations, trades or jobs.' Members in traditional societies also run an apprenticeship system of Vocational training so that job orientation will be guaranteed (Okoh, 2000). Given the above, Vocational training and Technical education are rapidly receiving public attention worldwide (UNESCO, 2010). The role of Technical and Vocational Education needs awareness in economic growth and national development which have reduced within the international donor community and African countries since the beginning of the new millennium (George 2012). This means that in poverty reduction and its orientation towards the world of work, African governments have shown increasing importance to TVET. In light of that, TVET can also respond to the various needs of learners training from different academic statuses and social-economic and prepare them for sustainable livelihood and gainful employment that can be given at various levels of sophistication (George 2012). For the technological achievement and advancement of any country, TVET plays a very important role. At the same time, the concept of technical education, the structure of education and scope has changed since its inception, as a part of the overall educational system, in both prominence and complexity since it has increased. With all that in mind, females are lagging in terms of vocational and technical education which is one of the aspects that will warrant women to play their role in the social and economic development of a nation. Garuba (2004) opined that education generally plays a critical role in the life of humans because it presents a solid vehicle for human transformation and empowerment of individuals and society. The females should be empowered with vocational skills to transform themselves as Vocational education, in particular, is an instrument of empowerment that seeks to provide the adults with the skills required for sound social living.

Role of TVET in Economic Instability, Public-Private Partnership

Technical education is the theoretical vocational preparation of students for jobs involving applied science and modern technology; compared to vocational education (which focuses on the actual attainment of proficiency in manual skills (Tripney, Newman, Hovish, and Brown 2012). Technical education emphasises the understanding of basic principles of science and mathematics and their practical applications; delivered at upper secondary and lower tertiary levels to prepare students for occupations that are classified above the skilled crafts but below the scientific or engineering professions (Tripney et-el 2012).

Vocational education is an organized activity designed to bring about learning as preparation for jobs in designated (manual or practical) trades or occupations usually, non-theoretical and focused on the actual attainment of proficiency in manual skills. It is usually considered as part of the formal education system thereby falling under the responsibility of the Ministry of Education (Tripney et al., 2012). They further stated that vocational training prepares learners for jobs that are related to a specific trade or occupation. On-the-job training refers to workplace-based training that uses real jobs as a basis for instruction and practical purposes while apprenticeship training combines on-the-job training for a highly skilled craft or trade (from someone who is already skilled in the field) with academic/theoretical instruction; also called dual-training programmes (Tripney et al., 2012).

Training manpower in applied science, technology and commerce at sub-professional grades is vigorous and necessary. Nwadini (2011) stated that training is a process of learning geared towards the acquisition of skills by the trainee from a trainer. Thus, this process of skills acquisition could be formal or informal in a non-formal setting. Training manpower is carried out formally in institutions offering technical vocational education and training (TVET). Training in TVET also provides entrepreneurial, technical and vocational job-specific skills for self-reliance, and agricultural, industrial, commercial and economic development. TVET refers to a range of learning experiences that are relevant to the world of work. It is education that is mainly lead participants to acquire the practical skills, know-how and understanding, and necessary for employment in a particular occupation, trade or group of occupations (Atchoarena and Delluc, 2001). Technical Vocational Education and Training (TVET) play a critical role in national development. One of the most important features of TVET is its orientation towards the world of work and the emphasis of its curriculum on the acquisition of employable skills (Bureau of the conference of Ministers of Education of the African Union AU, 2007). This implies that TVET is packaged and structured to impart skills necessary for the emergence of an entrepreneurial labour force that could encourage wealth generation in the African environment and not just alleviate poverty but eradicate it all. TVET can be delivered at different levels of sophistication (AU, 2007). This goes to say that, TVET provides for varied training needs of learners that have different academic and socioeconomic backgrounds such as the Technical graduate, and prepares them for self or gainful employment. It offers practical instruction that gives learners specific occupational skills (Dike, 2009).

Economic Recession in Nigeria

The National Bureau of Economic Research (NBER) defined a recession as a significant decline in economic activity spread across the economy, lasting more than a few months, normally visible in a real gross domestic product (GDP), real income, employment, industrial production and wholesale-retail sales among others (Noko, 2016). Economic recession can also be viewed as a negative real GDP growth rate for two consecutive quarters (say first and second quarters) judging by the above definition, Nigeria is experiencing great difficulties in her economy currently, since her first and second-quarter growth in 2016 are -0.36% and -1.5%. Although, the second definition at times might be misleading because recession can quietly begin before the quarterly Gross Domestic Product reports are out. Furthermore, theoretically, Nigeria is out of recession but it cannot say that it has conquered recession because of the positive value and little changes in the economy with a 0.8% growth rate.

Causes of Economic Recession in Nigeria

Noko, (2016) highlighted the following as causes of economic recession in Nigeria which include;

Poor Economic Planning: poor economic planning and no concrete implementation of her economic planning is the major cause of Nigeria recession-budget delay, exchange rate policy among others. The government has proclaimed the usual generalities that every government indulges itself in about diversifying the economy, improving the manufacturing/mining sector, raising agricultural output and encouraging foreign investment among others. Yes, The Federal Government has been urged to partner with the private sector for private capital to get the country out of recession and for sustainable growth.

No doubt, the government has taken some steps like the elimination of dollar purchase privilege for importers of 40 items such as rice, cement, toothpicks, private planes, poultry, meats, margarine, wheelbarrows, textiles and soaps among others. The government has on the other hand caused serious poverty in the land by itself. For example, the government through her policy widen the gap between the rich and poor creating more economic hardship among the citizens. Now it has been proposed that the government will go for borrowing from the foreign country of about 5.5 billion dollars to complete the current budget of 2017.

High Inflation Rate: the government banning the importation of certain essential agricultural products such as rice without considering the gestation period is an error. Removal of the fuel subsidy shouldn't be simultaneous with the banning of these agricultural products (Noko, 2016). Major causes of inflation; speculation in the stock market due to budget delay, rise in domestic price due to subsidy removal, fall in the global crude oil price deteriorating Nigeria exchange rate, almost the household price skyrocket.

High-Interest Rate: the interest rate is between 26.77-27% is extremely high for investors. This high-interest rate is discouraging investors. The poor investment culminates into the high rate of unemployment in the country, reduction in aggregate demand, especially from the households.

High Taxation: It is only in Nigeria that the government charges a high tax rate during the economic recession. Small businesses are slaughtered with interest rates. Both high interest and tax rate has lowered Nigeria demand.

Policy Conflict: The Economic policies appear conflicting. Why? High-interest rates, high tax rates are tight monetary policy measures. But the government told the public it is adopting an expansionary policy-budget deficit.

Concept of Private Public Partnership

In a critical analysis of PPP, Marcus, A'sesan and Iwu (2015) technically perceive the concept as:

> *"contractual arrangements between the public sector and the private sector to achieve well-defined and shared objectives in a well-managed cost-effective, efficient and sustainable manner"*

According to the National Council for Public-Private Partnerships (2012), a PPP is defined as a contractual agreement between a public agency (federal, state or local) and a private sector entity. Through this agreement, the skills and assets of each sector (public and private) are shared in delivering a service or facility for the use of the general public. In addition to the sharing of resources, each party shares in the risks and rewards potential in the delivery of the service and/or facility.

Public-Private Partnership can also be described as an agreement between governments and private sector firms for the provision of public infrastructure, facilities and services. It is a contractual arrangement formed between public and private sector partners which require the private sector to invest in the development, financing, ownership, and operation of a public utility or service and responsibilities shared so that the partners' efforts are complementary. The private partner may contribute substantial cash or equity in the project and the public sector may also contribute but ultimately gains access to new revenue or service delivery capacity. It also refers to a form of cooperation between public agencies and the private sector to finance, design, build/construct, renovate, manage, operate or maintain an infrastructure or service utility that involves some form of risk-sharing. Egbewole (2011) believed that the allocation of sizable and, at times significant, elements of risk to the private partner is essential in distinguishing the PPP from the more traditional public sector model of public service delivery. There are two basic forms of PPP: contractual and institutional. Although institutional PPP has been quite successful in some circumstances, particularly in countries with well-developed institutional and regulatory capacities, contractual PPP is significantly more common, especially in developing economies.

While there is no universal consensus about the definition of public-private partnerships, the following elements typically characterize a PPP: The infrastructure or service is funded, in whole or in part, by the private partner. Risks are distributed between the public partner and private partner and are allocated to the party best positioned to manage each risk. PPP is a complex structure that involves multiple parties and relatively high transaction costs. PPP is a procurement tool where the focus is payment for the successful delivery of services (the performance risk is transferred to the private partner).

Oyedele (2013) identified the essential Features of PPP as follows;

1. The Legal Framework must be sound because of the different objectives of the parties.
2. There must be efficient and effective costing. The costing must take into consideration all the risks involved.
3. The source of finance must be assured, accessible and sustainable.
4. Both parties must have technical knowledge of the infrastructure being developed though it may be at different levels.
5. It must be based on value for money
6. Must be economical, efficient and effective.

Farlam (2005) suggests that PPPs bring business efficiency and effectiveness to public sector service delivery and avoid the politically volatile factor of full privatization of public utilities. They allow governments to retain ownership while contracting the private sector firm to carry out a specific function such as designing, building, maintaining and operating infrastructures like roads, bridges and ports, or providing basic services like health, water, waste disposal and electricity. The government earns income by leasing public-owned properties or pays the private firm for improved infrastructure and efficient service delivery. The private sector may also get paid by consumers for using such utility. IOB (2013), asserted that PPPs can be commissioned for (or any combination of) financial, developmental, efficiency, ideological and political reasons.

Financial reasons (risk diversification): PPP may be implemented because the government doesn't have enough resources to carry out transformation alone. Risk diversification can also be a motive to implement PPP because it encourages investment in industries that would otherwise not have been carried out because of the high product/market risks.

Development reasons: the realization of Sustainable Development Goals (SDGs), Vision 2030, or certain international standards is another reason to implement PPP.

Efficiency reasons: this can be viewed from two angles; market failure and government failure.

1. Market failure means that private firms fail to innovate and ensure continuous improvement in product and process development because this is not profitable for them.
2. Government failure means that the government fails to secure accountability between decision-makers and industry/economic players.

Ideological/political reasons: the changes that occur in the socio-political and industry climate sometimes encourage PPP interventions, especially where the project is internationally funded. Also for political reasons, the government may support economic liberalization and fewer state interventions.

Public-Private- Partnership Types and Their Operational Framework

Admittedly, the PPP model relates to a combination of two sectors probably with inconsistent goals. For example, the public sectoral goal focuses on efficient delivery of services to the populace with or without profit. However, that of the private sector operator relates to profit maximization under any circumstance. In recognition of these conflicting goals, two issues become necessary for clarification to make the model desirably effective, particularly, in the industrial sector. The two issues relate to:

1. The type of applicable PPP suitable for industrial development;
2. The appropriate operational framework for effective cooperative working arrangement.

According to Marcus, et al.(2015) PPP is suitable for all types of infrastructural projects. What needs to be done is to ensure that all the success factors responsible for successful implementations of PPPs are well structured in a way that their optimum performance can be. Marcus, et al. (2015) observe that PPP regulation exists within ever-changing social and economic conditions, and therefore, it must be both adaptable and predictable at the same time. World Bank as cited in Marcus, et al.(2015) suggested that the best way to avoid getting poorly performing PPP regulatory systems is to subject them to ongoing and periodic reviews to make sure they are fully functional and reflective of social and economic realities and help to achieve the government's objectives.

The Role of Private Public Partnership in Sustainable Economic Recovery in Nigeria

Public-private partnership as earlier stated involves a contract between a public sector authority and a private party, in which the private party provides a public service or infrastructure and assumes the substantial financial, technical and operational risk in the project. A typical example of PPP is a hospital building financed and constructed by a private developer and then leased to the hospital authority. The private developer then acts as landlord, providing housekeeping and other non-medical services while the hospital itself provides medical services (Barlow, Roehrich and Wright, 2013). This can also be transformed or occur in terms of sustainable economic recovery in Nigeria. A key motivation for governments considering PPPs is the possibility of bringing in new sources of financing for funding public infrastructure, services and needs (Barlow and Wright, 2010). Vice President, Professor Yemi Osinbajo, said that Nigeria's economic growth can only be achieved and sustained if left in the hands of the private sector to drive (Vanguard, 2017). This came as the Organised Private Sector, OPS, listed the challenges facing the economy as well as ways to overcome them. Osinbajo maintained that the main focus of the federal government economic plan is the sustenance of the robust private sector partnership. Indeed, it is the government strong belief that sustainable economic growth is only possible if it is private sector-led and great attention has been paid as it will possibly find in sustaining private sector leadership especially in the plan of economic recovery and growth plan 2017. Numerous challenges are confronting the Nigerian economy which includes; policy environment; low investment in agriculture and agro-allied businesses; prohibitive gas pricing for industrial users and wrong classification as commercial users; multiple levies by government agencies on same sales promotion; and invasion of premises of members to collect taxes, access to foreign exchange; diversification of the economy and resource-based industrialization; long term funding; EU/ECOWAS Economic Partnership Agreement; patronage of Made-in-Nigeria products and enforcement of the Procurement Act; and collapse of basic infrastructural facilities. The private-public partnership is an opportunity for Nigeria to rediscover its value as the African largest economy as it would significantly improve the economy while strengthening the relationship between the private sector and government (Vanguard Newspaper, 2017). More so, the following can also be viewed as the roles played by PPPs, thus;

1. It introduces private sector technology and innovation in providing better public services through improved operational efficiency.
2. They impose budgetary certainty by setting present and future costs of infrastructure projects over time.
3. Creating diversification in the economy by making the country more competitive in terms of its facilitating infrastructure base as well as giving a boost to its business and industry associated with infrastructure development (such as construction, equipment, support services)
4. Extracting long-term value for money through appropriate risk transfer to the private sector over the life of the project from design/construction to operations/maintenance.

Conclusion

PPP can enhance the sustainability of Nigerian economic recovery through value-for-money project assessments and improved delivery performance. A key motivation for governments considering public-private partnerships as a means towards economic recovery in Nigeria is the possibility of bringing in new sources of financing for funding public infrastructure and service needs. To succeed as a nation and maintain economic growth, there is a need to improve infrastructural provision, there must be the sincerity of purpose on the part of the parties involved in the contracts. A robust transparent evaluation mechanism should be provided to ensure that PPP programmes are delivering services and/or value for money and the Government should see it as a legacy to bequeath to the citizens. There should also be a process of balancing the type of projects being executed with attendant impacts on the economy; which will go a long way in adding value to the economic well-being of the citizens of the country.

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