



GATS and Higher Education in Nigeria: A Preliminary Investigation of the Indicative Patterns of Consumption Abroad by Nigerians

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Abstract

This article presents some preliminary evidence on the existence and magnitude of consumption abroad and the type of trade in higher education, using a combination of advertisement survey data by Nigerians during 2001-2006 and secondary data on Nigerians enrolled in universities outside the country. We found that higher education consumption abroad is increasing without explicit regulation by Nigeria's regulatory bodies. The findings also point to the development of a market for local recruiting agencies and the need for regulation not only for quality control but also to avoid collusion between local students recruiting agencies, foreign higher education providers and foreign embassies. The study therefore proposes the setting up of a technical committee to advise on issues concerning negotiations on higher education during the WTO rounds and also provide a clear framework on the process and dynamics of the trade for the benefit of the citizens and the country.

Résumé

Faisant usage d'une combinaison de données générées par le recensement de publicités au Nigéria entre 2001 et 2006 et de données secondaires sur les Nigériens inscrits dans les universités situées hors du pays, cette étude présente quelques preuves sur l'existence et la magnitude des inscriptions à l'extérieur et du type d'échange dans l'éducation supérieure. Nous avons

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trouvé que les inscriptions pour l'éducation supérieure à l'étranger ont augmenté sans une régulation explicite des organes régulateurs du Nigeria. L'étude montre qu'il y a un développement dans le marché local des agences de recrutement et un besoin de régulation, non seulement pour assurer un contrôle de qualité, mais aussi pour éviter des collusions entre les étudiants locaux, les agences de recrutement, les institutions académiques de l'extérieur et les ambassades. Par conséquent, l'étude propose la mise sur pied d'un comité technique pour donner des conseils sur les questions qui concernent les négociations sur l'éducation supérieure durant les rencontres de l'OMC, mais aussi pour jeter les bases claires du processus et des dynamiques d'échanges au bénéfice des citoyens et du pays.

Introduction

Policymakers and stakeholders in the education sector are increasingly becoming aware of the General Agreement on Trade in Services (GATS) of the World Trade Organisation (WTO), particularly its risks and benefits as well as potential opportunities. This is revealed by active speculation on different countries' negotiating positions for increased liberalization of trade in education services in the ongoing Doha round. The implication of including education services in GATS created much concern and debates among various stakeholders in the education sector (Knight 2003). Antagonists pointed out the potential threat posed by GATS to national autonomy to regulate higher education, the value of education as a social good, quality assurance, social equity and wider access (Altbach 2001). They underscore the limited capacity of public and private educational institutions in developing countries to withstand competition from trans-national corporate providers, the weakness of national frameworks for regulating cross-border providers, the risk of diminishing the role of the state both as a provider and controller, as well as the risk of trading off education for some perceived benefits in another sector (Altbach 2001). Commercialisation and trade of higher education is identified as a critical issue by the Association of African Universities (Sawyer 2002).

Proponents, mostly trade experts and educators, note that international mobility of students, teachers, education and training programmes has been happening for a very long time, and that the prospect of expanding import and export of education services is a key advantage of putting the sector within the framework of GATS. Despite the fears of opponents, the inclusion of education under the GATS should provide new opportunities and benefits, especially in terms of diversifying educational suppliers and enhancing access, introducing innovative ways of programme delivery, building capacity through cooperative linkage and partnerships, and enhancing economic growth through in-

creased trade. Some have also argued that GATS could play a useful role in helping achieve greater market openness concerning activities ancillary to education, such as quality assessment and testing, and in ensuring appropriate and adequate regulatory measures in this area (Suave 2002). In particular, GATS application to developing countries is flexible as it takes note of their limited capacities. In any case, the growth of international market for higher education services would continue in the short and medium term, regardless of the outcome of WTO negotiations on trade in services by different countries (Larsen 2003), since trade in higher education services has always existed and the political, economic and technological factors that have driven this expansion over the past decade will continue to act as an engine for its growth.

In Nigeria, higher education embraces all institutions offering post-secondary education such as the universities, polytechnics and colleges of education. Universities are sub-grouped into specialized areas like technology, education, and so on. There are 75 universities: 63 conventional; 9 for science and technology (S&T); and 3 for agriculture. There are 23 private universities and over 300 applications in waiting (*Guardian*, October 13, 2005). The state funds the public universities, while private universities rely mainly on income from tuition fees. The country's higher education regulatory framework is drawn from the constitution and operationalized through government policies. Under these, specific standards are set and there are agencies for quality control. There are also bodies of universities that use various methods for quality and evaluation to moderate these institutions' activities. Trans-national provision of education is mainly through consumption abroad, a commercial presence and cross border provision. So far, Nigeria has not received a request to liberalize its higher education sector system though the country has offered to liberalize in accordance with GATS principles. There has been no national debate on trans-national provision of higher education but it remains to be seen if the benefits of imports of higher education would surpass costs (Falase 2004).

Given the controversy surrounding the appropriateness of inclusion of education services in the GATS, this article assesses the new trend in studying abroad by Nigerians. It presents some preliminary evidence on the patterns and trends of higher education imports in Nigeria and their implication for the GATS schedule of commitment in the ongoing Doha round. The article covers mainly the consumption abroad of higher education by Nigerian students, largely due to the role which higher education plays, as a class of educational services, directly involved in the education, training and retraining of professionals. The analysis focuses on the period 2001-2006.

Higher Education in Nigeria

Higher education in Nigeria refers to educational opportunities for further studies after secondary education. Nigeria provides such educational opportunity through three main types of tertiary institutions. These are the universities, the polytechnics and the colleges of education. The origin of Nigeria's higher education system dates back to 1934 when the colonial government established Yaba Higher College which eventually suffered from high dropout rates leading to the government setting up a commission in 1943 to seek advice on the higher education requirement in the country. The University College, Ibadan, was founded in 1948 to offer degrees jointly with the University of London and remained Nigeria's only university until independence in 1960. The number of universities in Nigeria has since grown such that by 2005 there were 75 universities. Ownership of universities has also altered to include private entrepreneurs, and federal and state governments to particularly reflect the 1999 constitutional provision of the restoration of higher education on the concurrent legislative list which allows the federal and state governments as well as private individuals and corporate bodies the opportunities to provide higher education services. The liberalization of the education sector has not merely enhanced the expansion of university education opportunities, it has solidly established a reasonable foundation in all areas of disciplines, namely the humanities, sciences, medicines and technology such that by the end of 2007, there were 93 universities offering most of these courses in Nigeria (Table 1). Apart from the federal, state and private universities, there are four national specialized universities, one military university and one National Open University. Even with the rapid growth of universities in the country, enrolment in the universities has also risen considerably with close to a million students enrolled in all the universities in Nigeria by 2008.

Table 1: Profile of University Education in Nigeria

	2002	2003	2004	2005	2006	2007	2008
Students in University	444,949	606,104	727,408	724,856	810,132	92,765	40,969
Teachers in University	18,426	22,046	23,871	23,535	26,321	n/a	n/a
Number of University	57	59	63	80	83	93	n/a

Source: Compiled from JAMB Records, Research and Monitoring/Evaluation Department 2008.

Despite this, it is revealed that the problems of higher education in Nigeria are both supply and demand related. On the supply side, there is inadequate supply capacity manifested in insufficient number of spaces for prospective students, partly caused by free tuition in all federal government institutions that brought about university admission/enrolment rationing through competitive examinations conducted by the Joint Admission Matriculation Boards (JAMB) for all prospective students seeking admission into the various universities. Table 2 presents university placement rates in Nigeria between 1978 and 2006. The demand for university education in Nigeria has risen over the years and the inability of supply to keep pace with this increase created substantial unmet demand.

Since the 1978/79 session when the Joint Admission Matriculations Board (JAMB) was established, the admission rates by JAMB have never been above 20 per cent of those seeking admissions except in the 2006/2007 session, suggesting that there is a rejection rate of more than 80 per cent. The implication is that domestic private and foreign providers can bridge the gap and make admission opportunities available for students who could not be admitted into highly subsidised federal and state university places. Local universities respond to the excess demand for higher education by over-admitting and subsequently have over-stretched available facilities. Many private universities were also established in order to mop up the excess demand; but given the exorbitant unsubsidised school fees which only a few Nigerian parents can afford, they have only scratched the surface of the problem. But the eventual cost of university education abroad is far more than those incurred by parents in local private universities.

Due to the continued widespread of excess candidates seeking admissions into the local universities, foreign universities provide worthwhile alternatives. Studies such as Sawyerr (2002) and Olaniyan (2001) suggest that in addition to excess demand, Nigerian universities, and in fact African universities, are faced with a plethora of problems that reduced the quality of education provided in such universities. The problems observed in the Nigerian education sector include inadequate financing, leading to incessant strike actions and subsequent delay in students' completion of studies; insufficient and irrelevant learning materials, including old and outdated equipment, books and journals; inflexible managerial structures; poor planning for enrolment expansion and outdated curricula which trigger increasing discontent from many parents and prospective students who respond by looking beyond Nigeria's shores to demand higher education. Coupled with above is the inadequate access given by the number of available spaces for prospective students relative to the number seeking admission.

Table 2: Placement Rates of Undergraduate Admissions into Nigerian Universities

Session	Number of Applicants	Number of Placement in First Degree by JAMB	Percentage of Placement
1978/1979	114,397	14,417	12.6
1979/1980	114,801	17,729	15.4
1980/1981	145,567	24,191	16.6
1984/1985	191,583	27,482	14.3
1990/1991	289,572	48,168	16.6
1995/1996	487,029	84,743	17.4
1996/1997	472,362	76,430	16.3
1997/1998	419,807	72,791	17.3
2000/2001	550,399	60,718	11.0
2001/2002	828,214	78,416	9.5
2002/2003	828,334	83,405	10.1
2003/2004	851,604	91,280	10.7
2004/2005	913,559	92,103	10.1
2006/2007	526,281	128,292	24.4

Source: Compiled from JAMB Records, Research and Monitoring/ Evaluation Department 2001 and 2008

Evidence of the rising demand for higher education abroad is presented in Table 3 which indicates that Nigeria belongs to the top twenty-five countries of origin of global international students, coming before such countries as Malaysia, Pakistan and Russia. Nigeria maintained the twentieth position in both 2008/09 and 2009/10 academic years. Though the country's share of global international study was only one percent in 2009/10, Nigerian students' demand for higher education abroad rose by five per cent in contrast to the negative growth rates for the majority of countries in the top twenty five, implying a great potential for future demand from Nigeria.

Table 3: Top 25 Places of Origin of International Students,
2008/09-2009/10

Rank	Place of Origin	2008/09	2009/10	2009/10	% Change
	World Total	671,616	690,923	100	2.9
1	China	98,235	127,628	18.50	29.9
2	India	103,260	104,897	15.20	1.6
3	South Korea	75,065	72,153	10.40	-3.9
4	Canada	29,697	28,145	4.10	-5.2
5	Taiwan	28,065	26,685	3.90	-4.9
6	Japan	29,264	24,842	3.60	-15.1
7	Saudi Arabia	12,661	15,810	2.30	24.9
8	Mexico	14,850	13,450	1.90	-9.4
9	Vietnam	12,823	13,112	1.90	2.3
10	Turkey	12,148	12,397	1.80	2
11	Nepal	11,581	11,233	1.60	-3
12	Germany	9,679	9,548	1.40	-1.4
13	United Kingdom	8,701	8,861	1.30	1.8
14	Brazil	8,767	8,786	1.30	0.2
15	Thailand	8,736	8,531	1.20	-2.3
16	Hong Kong	8,329	8,034	1.20	-3.5
17	France	7,421	7,716	1.10	4
18	Indonesia	7,509	6,943	1.00	-7.5
19	Colombia	7,013	6,920	1.00	-1.3
20	Nigeria	6,256	6,568	1.00	5
21	Malaysia	5,942	6,190	0.90	4.2
22	Kenya	5,877	5,384	0.80	-8.4
23	Pakistan	5,298	5,222	0.80	-1.4
24	Venezuela	4,678	4,958	0.70	6
25	Russia	4,908	4,827	0.70	-1.7

Source: Institute of International Education accessed at <http://www.iie.org/en/Research-and-Publications/Open-Doors/Data/International-Students/Leading-Places-of-Origin/2008-10> on 28 December 2010.

Data on study migration obtained from the Higher Education Statistics Agency of the United Kingdom indicates that the number of Nigerian study migrants could be higher than revealed in Table 4. That source of data shows that Nigeria ranks third in the top ten non-EU countries of domicile in 2008/09 for higher education students in UK higher education institutions. In addition to this ranking, the growth rate is quite phenomenal, at 22 per cent, the number of students having risen from 11,785 students to 14,380 between 2007/08 and

2008/09 academic years. The disparity between these sources of data notwithstanding, the fact that Nigerians are increasingly studying abroad is indubitable; additional analysis of this trend is provided in the data analysis section of the paper.

Table 4: Top Ten Non-EU Countries of Domicile in 2008/09 for HE Students in UK Higher Education Institutions

Country of domicile	2007/08	2008/09	% change
China	5,355	7,035	.70
India	5,905	4,065	1.50
Nigeria	1,785	4,380	2.00
United States	3,905	4,345	.20
Malaysia	1,730	2,695	.30
Pakistan	305	610	.30
Hong Kong	700	600	1.00
Canada	005	5,350	.90
Taiwan	615	5,235	6.80
Saudi Arabia	535	5,205	7.20
Total non-EU domicile	29,640	51,310	.40

Source: HESA, Students in Higher Education Institutions 2007/08, 2008/09 sourced at http://www.hesa.ac.uk/index.php?option=com_content&task=view&id=1666&Itemid=161 on 28 December 2010.

Regulatory Bodies of Higher Education in Nigeria

The Federal Government of Nigeria has the right to control quality by three agencies. These agencies may standardize operational mechanisms of the system of the admission procedure; and supervise course contents and number of units of core and elective courses that can qualify a student for degree or certificate from any of the three units of the higher educational system. The agencies include the National Universities Commission (NUC) which is the supervising and accrediting agency of all universities in Nigeria, the Joint Admission Matriculation Board which is in charge of entrance and matriculation examinations into all the country's tertiary institutions. The third agency is the Committee of Vice-Chancellors (CVC). These federal agencies' quality control functions are manifested through accreditation of courses, recommendation of the establishment of new tertiary institutions, no matter the ownership status, and periodic inspection of operational mechanisms of the institutions as well as maintaining a balance in government policies. The agencies are additionally responsible for the allocation of federal government funds to institutions owned by the federal government, and made available through the Federal Ministry of Education. While private and sub-national universities have their own sources of financing, they remain subject to federal government agencies for the regulation and control of the quality of education.

In addition to these formal bodies, universities also enjoy the benefit of complementary arrangements for exchanging ideas on university administration and standards through the Committee of Vice-Chancellors (CVC), which harmonises the perceptions and policies of university managements and advises the federal government on related policy issues and implications. The admission process in all tertiary institutions is handled by the Joint Admission Matriculation Board (JAMB) which retains the mandate to harmonize student admissions to higher institutions in Nigeria through the conduct of the Unified Tertiary Matriculation Examinations (UTME) and through the streamlining of the qualification requirements for all potential entrants. But universities are the one that select the candidates and forward their nominations to JAMB for the issuance of admission letters. Up till 2010, University Matriculations Examinations were held separately for universities and other higher institutions, before the policy was changed to allow JAMB hold a single Unified Matriculations Examinations for students seeking admission. In addition to passing the examinations conducted by JAMB, each tertiary institution conducts further selection (Post-JAMB) test on the applicants before making final selections of those to be admitted. This is aimed at further strengthening the admission process to the universities.

Literature Review

Education Services and Trade in Education

The GATS aims at expanding trade in services, opening markets and facilitating economic growth. Its goals for higher education as a service include removing restrictions on market access and barriers to competition (Bennavides 2005). Once a nation becomes a signatory to GATS it is subject to the general obligations of this agreement and it makes specific commitments regarding market access and national treatment in specific sectors such as education. There are costs to non-participation in the GATS. A country outside the agreement risks not having equal access to certain markets and thus loses favourable access to markets in critical export areas (Mihyo 2004) since the signatories generally agree to abide by the basic obligations of the GATS (for example, most-favoured-nation treatment, transparency) and make market access and national treatment commitments for specific sectors to eliminate or reduce services trade-restricting regulations. There is a hierarchy of obligations with general obligations applying to all members, followed by commitments specified by each member. These specific commitments serve as the basis for subsequent negotiations between member countries that are signatories to the GATS (Knight 2003).

Trade in education services is usually interpreted by educators as a subset of cross border education, and for the most part is described as those activities that possess commercial or for-profit characteristics (Knight 2004). Cross border education is a term that educators use to capture wide-ranging educational activities that form part of international academic linkages and agreements, international development/aid projects and international commercial trade initiatives (Suave 2002). This interpretation is much narrower than the one used by trade economists. From their perspective, even if a cross border education activity is seen to be non-commercial in purpose – for instance, a development assistance project or the exchange of students or professors for a semester – there is still export value in a country's balance of payments from accommodation, living and travel expenses and therefore there are commercial implications (Larsen and Vincent-Lancrin 2002).

There are controversies about the comparative benefits of negotiating higher education services within the WTO framework, both among developed and developing countries. Larsen et al. (2002) pointed out that even developed countries have been noticeably reluctant to make proposals for further liberalization of trade in educational services. This is due to the concerns for many potential threats posed to cultural values and national traditions by trade liberalization in educational services. This view was supported by Ginsburg et al. (2003) who argued that higher education institutions in both Chile and Romania are much more vulnerable to foreign influence/domination, although they also have somewhat greater opportunities to broaden their role in the global 'business' of higher education.

Education services are commonly defined and identified in five main categories based on the traditional structure of the sector and the United Nations Provisional Central Product Classification (CPC) used by most GATS parties. These categories are primary education services, secondary education services and higher education services which in turn include one sub-classification that relates to the teaching of practical skills in post-secondary education and the other that deals with more theoretical educational services provided by universities, colleges and specialized professional schools. The other main classifications are adult education, encompassing all education services that are not provided in regular school and university systems, and the 'other' education services which include anything not mentioned elsewhere, with the exception of recreational matters. The WTO/GATS also identified four main modes of trade in education services that receive legal protection through GATS (Mihyo 2004). These are cross border supply, consumption abroad, commercial presence and presence of natural persons. Cross border supply refers to the provision of education services where the services cross a country's border while consumption abroad refers to the situation where consumers or their property

move into another country of supply to consume the education service. Where the service provider establishes commercial facilities in another country in order to render the service, such service provision is classified as commercial presence while the presence of natural persons refers to a temporary movement of persons to another country to provide education service.

Consumption abroad is manifested mostly in the mobility of students whose magnitude and potential are clear from the fact that there were approximately two million international students worldwide in 2003, with the United States hosting nearly a third of this number. Bohm (2003) estimated that the total number of international students will be about eight million in 2025. This is confirmed by a recent study which also suggests that individual institutions and national governments are looking to differentiate themselves from their competitors by developing and implementing targeted recruitment strategies to attract the growing number of prospective students seeking higher education outside their country of origin (Verbik and Lasanowski 2007). The burgeoning trend of consumption abroad of educational services clearly has its pull factors, including employment and residency opportunities, the quality of the education, accessibility as well as government promotional activities in the destination countries. Mazzarol and Soutar (2002) examined the factors motivating international student choice of the host country which are described as a variety of 'economic and social forces' within the home and host countries. The paper by Maringe, F. and S. Carter, (2007) aimed to explore the decision making and experience of African students in UK HE and provided hypotheses for re-conceptualizing these processes. It found that African students come to study in England on the promise of getting a truly international HE experience.

According to Vo et al. (2009), pull factors which students take into consideration for deciding on their host countries and institutions are geographic location, weather, culture, and the economic and social position of the country such as living cost and the education system which includes language used, courses offered, perceived image, communication and cooperation; and recommendations are factors influencing the choices of a student's decision on the destination for studying abroad. The push factors include promotion and encouragement to students offered by the personal development through intercultural communication, practising language skills and travelling. Eder et al. (2010) identified three push factors (personal growth, language and career) and three pull factors (college issues, physical geography and US culture) as the main determinants of the choice of country and institution to study, with personal growth and college issues being the most important push and pull factors respectively. It is noteworthy that many analyses of international mobility of students do not link student movement to the GATS but to the general migration literature.

McMahon (1992), and Mazzarol and Soutar (2002) argued that the decision to attend universities abroad results from a combination of push and pull factors. Push factors operate within the source country and initiate the student's decision to undertake international study while pull factors operate within a host country to make that country relatively attractive to international students. Within the context of educational decision making in a pull-push model, Davidson and Wang (2008) opined that the drivers of desire to pursue an international education include the quest to gain a better understanding of Western culture, the belief and the perception that an overseas course may be superior quality-wise, the increasing difficulty of entering a home-based university, the associated intent to migrate, and sometimes the non-availability of the course at home. Mazzarol and Soutar (2002) noted that the key driver for international flows of students from Asia and Africa has been difficulties associated with access to higher education. As demand often exceeds supply capacity by far, the local entry requirements are often set too high and this may force students to seek higher education services abroad. All these drivers constitute the push factors as they encourage students to pursue their education elsewhere (i.e. overseas).

Li and Bray (2007) believed that economic globalization and higher education internalization should be considered as part of the macro considerations behind international student mobility. Given that both globalization and internationalization are dynamic processes, they are often linked to different effects in different societies. The pursuit of higher education overseas is seen as opportunities arising from globalization and internationalization of education. In the case of students in the Third World countries seeking admission overseas in developed and advanced societies, the poor quality of the education system at home, followed by a long litany of complaints that stem from a single source, under-funding, are prominent factors behind preference for overseas education. Overcrowding arising from paucity of facilities has equally been identified as one of the push factors.

Conversely, the pull factors revolve around attractions located at the host countries. Such factors include advanced research facilities, congenial socio-economic and political environments, and the prospect of multinational classmates. Mpinganjira (2009) argued that the international student market has become highly competitive globally of late. This has to do with the fact that international education contributes greatly to a country's social, cultural, intellectual as well as economic engagement with the world. It has become the tradition that many host countries do have national bodies, often supported by government and educational institutions, with the sole aim of promoting the nation's education and research capabilities internationally. Bourke (2000) revealed that such agencies organize educational trade fairs in key target mar-

kets, operate advice and information centres and produce national guides on higher education opportunities in their countries. Notable examples of such bodies include the International Education Association of South Africa (IEASA), the British Council for the UK, Aus-trade for Australia and the International Educational Board of Ireland (IEBI).

Beyond supply conditions that constitute push factors, McMahom (1992) found that the flow of students abroad is related among other factors to the relative sizes of the students' home economy compared to the host countries with most students going for countries more economically developed than theirs. Personal benefits which may include learning or practising foreign languages; learning about new cultures; the need to broaden personal experience or be independent; enhanced career prospects and status implied in studying abroad are identified by Krzaklewska and Krupnik (2005) as part of the pull factors. Other pull factors according to McMahom (1992) are the economic link between home and host countries, the availability of scholarships from host nations, and political and cultural links between home and host countries.

GATS Negotiation Process and Nigeria's Position

The Doha round of negotiations was launched in 2000. Although Nigeria made commitments in four sectors, including telecommunication services, financial services, tourism and transport in the Uruguay round, none was made for education services (Bankole 2002). Even then, there are possibilities of proposals for education services in the future. This is not surprising as education is one of the least committed sectors (Knight 2004). Only 44 countries scheduled commitments in education and 21 (counting the EU as one) of these included commitments to higher education of which three are African (WTO 2007). Some countries such as Congo, Lesotho, Jamaica and Sierra Leone made full unconditional commitments in higher education, perhaps with the intent of encouraging foreign providers to help develop their educational systems (Knight 2003).

Only four (USA, New Zealand, Australia and Japan) of the 21 countries with higher education commitments have submitted a negotiating proposal outlining their interests and issues in the Doha round. The four proposals underscore the need for governments to retain their sovereign right to determine their own domestic educational policy, a right confirmed in the provisions of the WTO. Australia believes that governments must retain their sovereign right to determine their own domestic funding and regulatory policies and measure. New Zealand claims that the reduction of barriers to trade in education does not equate to erosion of core public education systems and standards. The US proposal envisions that private education and training will continue to supplement, not displace, public education systems. Finally, Japan suggests that any

measure in the education services sector should be considered with primary interest in maintaining and improving quality (Nyborg 2002).

In terms of specific commitments, the European Union included higher education in its schedule with clear limitations on all modes of trade except consumption abroad, which generally means foreign fee paying students. Under mounting public pressure, the European Union Trade Commissioner indicated in 2003 that the European Union would not further commit Europe's health and education sectors in the GATS (European Union, Press Release 2003). The United States has commitments in its 1994 schedule in adult education services and other services. Australia's commitment for higher education covers provision of private tertiary education services, including university level. Australia and New Zealand, which both had commitments in education services in their 1994 schedules, have not further extended their commitments in that sector in the Doha round. Japan, for its part, offers to make commitments on 'adult educational services' and 'other education services' in general, where in the past it has only made commitments with respect to 'foreign language tuition services for adults'.

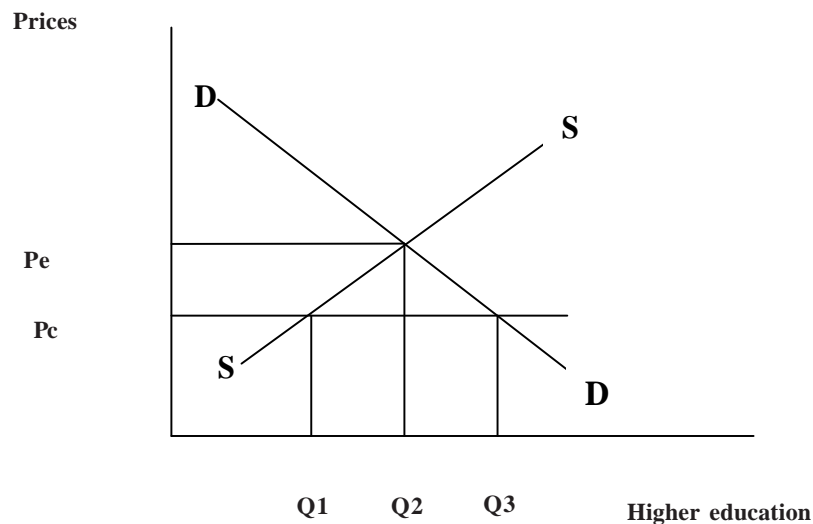
Schoole (2004) suggest that it would not be wise for African countries to embark on negotiation alone but rather through the use of regional and sub-regional initiatives, resources, expertise and plans to negotiate the best possible policies for the African continent without foregoing the role of the state in these processes. Nigeria did not schedule any sub-sectors of the education sector in its Uruguay Round of GATS commitments. However, given that it needs to offer some sectors for liberalization in the ongoing Doha round of negotiations to conform to the GATS principle of progressive liberalization, the country has offered to liberalize the commercially provided higher education sub-sector. This may have been as a result of the realization of the burgeoning trade in higher education services, particularly consumption abroad which this article analyses below.

Theoretical Framework

The theory of demand and supply is adopted to explain the demand for foreign higher education. The GATS framework states the mode of supply (cross border supply, consumption abroad, commercial presence and presence of natural person) which involves export supply and import demand for education services. In Nigeria, the regulatory body controls admissions based on the available infrastructure such that the NUC only admits a small proportion of qualified students. In other words, the government does not allow the market to adjust to a market-clearing price. Instead, the condition is that of maximum price legislation in the higher education market.

Figure 1 presents the demand and supply conditions under a price ceiling in an imperfect market for higher education in Nigeria. The graph indicates that in order to obtain equilibrium in the higher education market, quantity Q_2 spaces must be given by the local institutions at a fee of P_e . However, the government legislates a maximum school fee that could be charged by government institutions that corresponds to P_c in the graph. At the government price P_c which is lower than the market-clearing price P_e , applicants' demand for higher educational spaces is more than what government institutions can provide.

Figure 1: Demand and Supply of Higher Education Services under Government Low Pricing of Education



Applicants thus demand for quantity Q_3 at price P_c but government institutions can only supply Q_1 generating an excess demand for spaces in higher institutions. The normal adjustment to this disequilibrium that will be set in motion is an increase in price. Since price is not flexible, it constrains the number of spaces with the excess demand constituting the number of students rationed out of the system, and which provides enormous opportunity for domestic private and foreign higher education institutions. This is coupled with the willingness of the applicants to pay. This excess demand therefore stimulates consumption abroad for higher education.

Methodology and Analysis of Data

Methodology

This article provides a descriptive analysis of the market for consumption abroad as a key mode of supply under GATS framework. The data utilized were gathered through both primary sources, namely an advertisement survey which is found attractive for use in the market strategy assessment of foreign educational institutions on aggressive recruitment of Nigerian students, and secondary sources which are mainly OECD data on student study abroad. In the first source, essentially, data were collected from two newspapers that enjoy widespread circulation in Nigeria, namely *This Day* and *The Guardian* news papers. The results of the analysis are indicative since there are other newspapers that were not consulted and because advertisement placements are used to proxy demand for foreign higher education which in real sense is an 'invitation to treat' and not actual demand data. Nonetheless, the trend of demand for foreign higher education from the data generated from these two sources can be effectively assessed as many foreign academic institutions advertise for places in Nigerian newspapers while some engage agents to advertise and recruit students on their behalf.

In recent times, the British Council also assists British institutions to advertise and recruit students from Nigeria. Even at the British Council, data was said to be undergoing processing and not made available. The market strategy data focused on the number of foreign higher institutions placing advertisements either by themselves or through agents and the type of courses, degree or diploma or certificates that they offer. Data are analysed based on the GATS mode 2 of education services supply. Hence, an indication of consumption abroad by Nigerian students is measured by the growth of Nigerian Students enrolled in higher education institutions outside the country.

Analysis of Data

This section presents some evidences on the existence and magnitude of consumption abroad of higher education. The study first utilizes data from advertisement placements of foreign higher education providers to examine market strategies of foreign higher education institutions in enrolling Nigerian students. The study further provides evidence on the profile of consumption abroad by Nigerian students.

Market Strategies of Foreign Higher Education Institution

Many foreign providers of education source for students from Nigeria through advertising in newspapers either by themselves or through an agent that is

chosen to represent them. Table 5 presents the growth of the intention to engage Nigerian students by foreign higher education providers between 2001 and 2006.

Table 5: Advertisement Placement Made by Foreign or International Providers

Years	No. of Advertisement	Growth in No. of advertisements	No. of Advert by agents	No. of Advert by Agents with- out Specific Institution	No. of Self Advert
2001	28		20	2	6
2002	37	32.1	29	2	6
2003	40	8.1	35	3	2
2004	110	175.0	105	1	4
2005	320	190.9	287	12	21
2006	1214	279.4	673	287	254

Source: Computed from Advertisements in *The Guardian* and *This Day* Newspapers

The table shows that there has been a consistent growth in the number of advertisements for Nigerian studentship by foreign institutions, from a modest rate of 8.1 per cent in 2003 to 279.4 per cent in 2006. The growth in the advertisement placements reflects two things: one, foreign providers have realised the existence of a large market in Nigeria into which they can tap, and two, this recognition of a large market for Nigerian students is backed up by effective demand for which many foreign institutions are competing. In the same vein, while the number of foreign institutions engaging in this quest for Nigerian students is increasing, many of them engage agents within the country to assist in the recruitment of Nigerian students for their different institutions. There were 20 such agents in 2001, but by the end of 2006, more than 673 of such agents advertised for one or more foreign institutions. This represents about 300 per cent above the number of agents that operated in 2005. Most of the agents specifically represent higher institutions in the UK and the US. While it is rare for foreign higher institutions to advertise directly on their own for the admission of students, a few still followed the approach. By 2006, 89 institutions followed this method. UK institutions enjoy an added advantage because the British Council in Nigeria organizes regular education fairs where higher institutions in UK are introduced to students and recruitment conducted in many cases.

The number of institutions and their agents that advertised in Nigeria is indicated in Table 6. While only 26 foreign higher education institutions were identified in 2001, the number increased to 654 in 2006, representing an average annual increase of 71.2 per cent. Also in 2001, 15 local companies advertised on behalf of the 26 foreign higher education institutions. In 2006, though 654 foreign higher education institutions advertised to recruit Nigerian students, 89 engaged in self advertisement while others were represented by 172 local recruitment agents. This implies that more local agents are entering the business of recruiting students to move abroad for higher education. The most surprising issue is that international providers of education advertise their educational wares through representatives that are not part of the formal higher education system in Nigeria. Only one recently licensed private university could be identified out of the many local companies involved in the recruitment of students to foreign higher institutions. Lagos, the commercial capital of Nigeria accounts for more than 82.1 per cent of the location of local companies engaged in this market, reflecting some urban bias in the recruitment exercise. However, more agents are now springing up outside Lagos to include Abuja and other towns such that some agents now operate from virtually all the 36 states of Nigeria.

Table 6: Advertisement by Foreign/International Providers

Year	No of Institutions	No of Agent	No of Self
2001	26	15	6
2002	35	17	6
2003	37	16	2
2004	109	25	4
2005	308	53	21
2006	654	172	89

Source: Computed from adverts in *The Guardian* and *This Day* Newspapers.

The type of programmes advertised by the foreign higher education providers is indicated in Table 7 under the assumption that the courses for which Nigerians demand mostly generate the majority of advertisements. Hence, most of the adverts for recruitment are for postgraduate degrees and diplomas given that the two programmes (previously spelt 'program') accounted for more than 70 per cent of all the advertisements in 2006. This is not surprising in view of the cost associated with foreign study, suggesting that students worked for some time for post-bachelors degree in Nigeria before seeking higher degrees abroad.

Table 7: Type of Programmes Advertised by Foreign Providers

	2001	2002	2003	2004	2005	2006
First Degree/HND	8 (22.9)	13 (28.3)	9 (18.4)	41 (33.1)	90 (23.4)	199 (15.1)
Diploma	12 (34.3)	13 (28.3)	12 (24.5)	37 (29.8)	119 (31.0)	314 (23.9)
Professional Study	7 (20.0)	9 (19.6)	9 (18.4)	14 (11.3)	64 (16.7)	178 (13.5)
Post graduate	8 (22.9)	11 (23.9)	19 (38.8)	32 (25.4)	111 (28.9)	623 (47.4)
TOTAL	35 (100.0)	46 (100.0)	49 (100.0)	124 (100.0)	384 (100.0)	1314 (100.0)

Note: Percentages are in parenthesis.

Source: Computed from advertisements in *The Guardian* and *This Day* Newspapers

The UK appears to be the main destination for students recruited from Nigeria (Table 8). In 2006, UK institutions represented 68.8 per cent of educational institutions that advertised to recruit Nigerian students. The other countries that are important destinations of Nigerian students include the US and Canada as well as Eastern Europe. The proportion of consumption abroad by Nigerians in other African countries is low with an average of three per cent over the years. This may not be unconnected with the assumption that Nigerians believe that the best higher institutions are in the developed countries coupled with a somewhat widespread perception that it could also be a source of

Table 8: Preferred Countries of Students

Countries recruit to	2001	2002	2003	2004	2005	2006
USA and Canada	4 (14.3)	10 (27.0)	4 (10.0)	20 (18.2)	53 (16.6)	176 (13.4)
UK	15 (53.6)	17 (45.9)	16 (40.0)	74 (67.3)	192 (60.0)	904 (68.8)
Eastern Europe	3 (10.7)	8 (21.6)	14 (35.0)	3 (2.7)	33 (10.3)	62 (4.7)
Western Europe Excluding UK	2 (7.1)	0 (0.0)	1 (2.5)	6 (5.5)	16 (5.0)	84 (6.4)
Africa	1 (3.6)	1 (2.7)	2 (5.0)	4 (3.6)	10 (3.1)	42 (3.2)
Asia	0 (0.0)	0 (0.0)	1 (2.5)	1 (0.9)	6 (1.9)	21 (1.6)
Australia, NZ and Japan	3 (10.7)	1 (2.7)	2 (5.0)	2 (1.8)	10 (3.1)	25 (1.9)
TOTAL	28 (100.0)	37 (100.0)	40 (100.0)	110 (100.0)	320 (100.0)	1314 (100.0)

Note: Percentages are in parenthesis.

Source: Computed from advertisements in *The Guardian* and *This Day* Newspapers

assistance in migrating to developed countries after the completion of higher education. In essence, most of the local companies recruit students to the UK, US and Canada. Within Africa, South Africa is the preferred destination.

Consumption Abroad: Persistence and Trends

This study reveals that there is a growing number of Nigerians who are consuming higher education services abroad. This is not limited to a particular part of the world although Table 9 indicates that most of those students abroad are in the United Kingdom. It is important to note that in all the countries, consumption abroad has increased over the years from 14,495 students in 2004 to 23,322 in 2008. While enrolment in Nigerian universities has also increased over the years, Figure 1 reveals that the growth in consumption

Table 9: Number of Nigerians Enrolled in Higher Education Institutions in Selected Foreign Countries

Country	2004	2005	2006	2007	2008
Switzerland	26	27	25	34	39
Korea	6	13	11	21	24
Italy	92	91	120	158	142
Iceland	1	1	1	2	3
Ireland	-	-	-	-	183
Portugal	2	-	-	-	5
Slovak Republic	1	2	1	6	5
Poland	52	77	110	187	355
Norway	35	47	52	48	65
Japan	49	46	44	45	52
Czech Republic	20	23	21	25	28
Turkey	16	22	35	52	63
Austria	91	80	86	93	106
Finland	102	110	154	233	372
Hungary	85	107	174	201	
Greece	38	42	164	13	158
Germany	630	562	541	513	548
France	124	138	146	153	152
Spain	22	15	15	24	31
Sweden	69	102	229	333	362
Denmark	60	65	80	80	74
New Zealand	21	20	27	23	50
Netherlands	96	107	137	141	158
Belgium	208	192	206	162	171
Canada	582	-	1 098	1 212	1 806
United Kingdom	12,067	14,937	16,862	19,223	19,975
TOTAL	14,495	16,826	19,067	21,743	23,322

Source: HESA, Students in Higher Education Institutions sourced at http://www.hesa.ac.uk/index.php?option=com_content&task=view&id=1668&Itemid=161 on 28 December 2010.

abroad is higher than the growth in enrolment in local universities. While less than two per cent of all enrolments in universities by Nigerians are outside the country in 2004, they had increased to 2.42 per cent by 2008. With the slow growth in the number of available spaces for new entrants into universities in Nigeria, it is expected that more Nigerians will choose to study abroad for higher education.

Discussion and Conclusion

This article sought to unearth the implications for Nigeria's participation in WTO/GATS in the higher education sector by assessing the existence and magnitude of consumption abroad in higher education. Though Nigeria did not commit the higher education sector under GATS in the Uruguay round, its Doha initial offer in this sub-sector motivates the article's objectives. Constrained by limited data on actual student placement data, the article utilized an advertisement survey to assess the probable magnitude of international provision and of Nigerians' demand for higher education. Most local institutions/companies involved in recruiting students for foreign universities do not belong to Nigeria's formal higher education system and are reluctant to provide useful information for research for fear of consequent unfavourable legislation.

The analysis of advertisement data showed that consumption abroad in higher education may be rapidly growing as more students are recruited to the main traditional destinations such as the UK, US and Canada, as well as non-traditional countries such as South Africa and Australia. While some local recruiting firms have partnerships with foreign educational institutions, a sizable number have specific countries to which they recruit students. In addition, some foreign education institutions use more than one local recruiting agent to source for Nigerian students. This is confirmed by the data on the proportion of students that are registered in universities outside the country.

The article thus confirms that trade in higher education exists in an unnoticed way in Nigeria. Foreign higher education institutions have agents in Nigeria that serve as their representatives, which conduct interviews for prospective students in conjunction with their staff. The local agents also facilitate visa procurement by helping visa processing for students. In other words, the existence of foreign providers has the possibility of increasing the supply of higher education in Nigeria, thereby reducing the existing enrolment gap and creating a new market for recruiting students into foreign institutions. This form of trade in higher education is presently operated mostly by locally incorporated firms without explicit regulation of their activities, except for the foreign embassies whose behaviour in the issuance of visas to students constitutes the main restriction to this type of trade. While there may be no real need

to regulate local recruiting firms, threats of collusion between local recruiting firms, foreign institutions and embassies against students who seek admission into foreign institutions independently of the local recruiting agents may exist, as there have been cases of visa refusals despite payment of tuition fees. Nonetheless, there is a need to ensure that only recognized institutions in their home countries are allowed to recruit students from Nigeria since psychological and financial losses could arise from attending NUC-unaccredited foreign institutions.

The study also found that higher education consumption abroad is growing rapidly as Nigerians enrolled in universities outside Nigeria have increased over the years. This has implications for the country's trade and balance of payments both in the short and the long run. Nigeria's initial offer in higher education services in the Doha negotiations indicates a liberalized regime, but a technical committee to advise on issues concerning negotiations on higher education as well as issues relating to erecting the safeguards for the post-negotiations market access regime may be required to ensure adequate consumer interests and quality control. There is a greater need to embark on data generation on demand for foreign higher education by Nigerians, not only for proper education planning purposes, but also for negotiating bilateral and multilateral trade in education services.

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