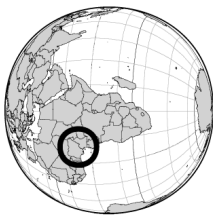
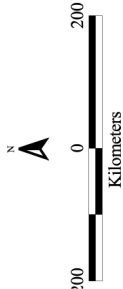


Federal Republic of Nigeria

Capital: Abuja
Population: 146.2 Million
(2008 est.)



Boundaries and place names are representative only and do not imply any official endorsement.



Sources: ESRI Ltd, CIA World Factbook



Federal Republic of Nigeria

HABU GALADIMA

The dream of many Nigerians is to have strong, democratic local government, but nearly three decades of military rule had serious consequences for local government in Nigeria. Apart from alienating people from local government, military rule also entrenched mediocrity and a lack of accountability and transparency in local governance. Local government has become neither a local nor a governance entity; instead, it has become almost a parastatal of state governments. There is hardly a sense of ownership of local government by local residents.

This chapter examines the role and place of local governments in the Nigerian federation and explores their relationship with the other orders of government, as well as their impact on Nigeria's federal system. The relationship between local governments and the other orders of government currently favours the states and the federal government to the extent that it has been difficult for local governments to respond positively to local demands. The chapter also examines the historical development of local government and its structures, functions, and finances. The chapter concludes that unless a number of measures are put in place to empower local governments, they may not be able to carry out their constitutional responsibilities.

The Federal Republic of Nigeria is located in West Africa, bordering the Gulf of Guinea, between Benin and Cameroon, and covers a land area of 910,768 square kilometres. With a population of about 140 million, it is not only Africa's most populous state but also one of the largest federations in the world.

Nigeria has more than 389 distinctive ethnic groups.¹ However, the most populous and politically influential groups are the Hausa and Fulani (29% of the population), Yoruba (21%), Igbo (Ibo) (18%), Ijaw (10%), Kanuri (4%), Ibibio (3.5%), and Tiv (2.5%). English is the country's official language. Nigeria is also religiously diverse. With Muslims constituting 50% of the population and Christians 40%, and with only 10% of the population

practising the African traditional religion, Nigeria is home to sub-Saharan Africa's largest number of Muslims and Christians.² Twelve of Nigeria's states in the North of the country, which is dominated by Sunni Muslims, have adopted Islamic *sharia* (law) since 1999. This ethnic and religious diversity accounts for the multitude of religious, ethnic, and political fault lines that periodically erupt into communal violence.³

Nigeria's gross domestic product (GDP) was US\$132.9 billion in 2005. This was a 5.6% increase over 2004. It is expected that a GDP growth of around 5.5% will be recorded for 2007.⁴ In the past two decades, oil has supplied more than 90% of Nigeria's export earnings and more than 80% of federal government revenue.⁵ In 2000 Nigeria was spending less than 1% of GDP on health and less than 1% on education, but more than 2.5% on payment of foreign debts. Nigeria's external debt at the end of 2004 grew to almost US\$36 billion. Its debt-servicing problems began around 1985 when the government's total external debt to all creditors amounted to US\$19 billion. Since then, the government has paid creditors more than \$35 billion while borrowing less than US\$15 billion. In 2005 Nigeria's external debt (bilateral and multilateral) was an estimated US\$37.5 billion, but at midyear, Nigeria and a group of international creditors, known as the Paris Club, proposed a first-ever buyback at a discount, which cancelled all of Nigeria's US\$18 billion of bilateral debt to the creditors in exchange for a cash payment of roughly US\$12 billion. Nonbilateral debt owed to multilateral development banks and commercial banks was not affected by the agreement. Despite the country's oil wealth, its basic social indicators place it among the world's twenty poorest countries. Seven out of ten Nigerians live on less than US\$1 per day.⁶ There are fears that the country will not be able to meet the targets set by the United Nations Millennium Development Goals, which call for halving poverty by 2015.

Nigeria is a product of British conquest and colonialism.⁷ With the completion of the British Conquest in 1903 and the amalgamation of the Protectorates of Northern and Southern Nigeria into the Colony and Protectorate of Nigeria in 1914, the country was brought under the unified administrative control of Britain, and Nigeria's identity took its geographic form. This amalgamation of territories, each with a distinct culture and history, had severe and complex implications. The country became ethnically heterogeneous and culturally diverse, making federalism a political imperative. In 1954 Nigeria formally adopted federalism as a mechanism to guarantee "self-rule" and "shared-rule."⁸ Nigeria became independent in 1960, and in 1963 it adopted a republican constitution with a tripartite structure made up of the federal, state, and local governments.

The military abolished the parliamentary system and replaced it with military rule on 15 January 1966. Nigeria has been ruled by the military for approximately twenty-eight of the forty-nine years since independence.

Between 1966 and 1999 the military intervened three times to eliminate democratic institutions. During the periods of military rule, five separate transitions to civil rule were planned. Of these, only two resulted in a transfer of power to civilian rule – in 1979 and 1999. The country has been making strides toward democracy since 1999 but not without some intermittent turbulence.

Nigeria has a multiparty system with fifty registered political parties. Since 1999 the most dominant parties have been the Peoples Democratic Party (PDP), the Action Congress (AC), and the All Nigeria's Peoples' Party (ANPP). The PDP won the presidential elections in 1999, 2003, and 2007. It has enjoyed dominance in the Senate and the House of Representatives since 1999. No party has been able to alternate power with the ruling party (PDP). However, for the first time since independence, there was a successful handover of power from one civilian government to another on 29 May 2007. After serving two four-year terms, General Olusegun Obasanjo stepped down as the presidential flag bearer of the PDP due to very strong opposition to his attempt to continue as president for a third term. Umaru Musa Yar'adua, a member of his party, was eventually elected president. The election, however, was characterized by widespread irregularities, including inflated vote returns, ballot-box stuffing, altered results, and disenfranchisement of voters, as well as by administrative problems, such as late delivery of voting materials to a large number of polling stations, intimidation of voters and electoral officers by hired political thugs, and violence, among many others. The election result was challenged at the electoral tribunal by the opposition parties. However, Yar'adua was sworn in as president on 29 May 2007, and the country still awaits the verdict of the electoral tribunal. Despite occasional political turbulence, Nigeria has experienced a stable system of government over the past ten years.

Nigeria's political structure is similar to that of the United States. It is a federation of thirty-six states with a Federal Capital Territory, which includes the capital city, Abuja, along with 774 local governments, namely 768 local government authorities (LGAs) and 6 area councils in the Federal Capital Territory. Nigeria has a presidential system of government with its attendant separation of powers as well as checks and balances.

The executive consists of a president who is elected directly by the people and is restricted to serving no more than two four-year terms of office. The president appoints a cabinet, known as the Federal Executive Council (FEC), subject to the approval of the Senate. The FEC must be drawn from all states of the federation to provide it with a federal character. Members of the FEC may not serve concurrently as members of the National Assembly, and legislators must resign elected office in the legislature to take up positions in the executive.

There is a legislative assembly called the National Assembly. It is bicameral, comprising the Senate, which has 109 members (three from each of the thirty-six states and one from the Federal Capital Territory), and the House of Representatives, with 360 members. Members of the National Assembly are elected directly by the electorate for a four-year term. In contrast, local government chairpersons and councillors are elected for a three-year term.

The Nigerian legal system is complex, having several subsystems. English common law is applied in the state courts, and there are also Islamic and customary law courts.

At least in terms of the Constitution, the federal and state governments are held accountable to citizens in a system of separation of powers that guarantees legislative oversight. The legislatures have sufficient powers to assist them in the process. They supervise the collection of public revenues and spending. Governments must submit their annual budgets for scrutiny (and public participation) to the relevant legislature at the various levels. Although the implementation of the budgets is not adhered to strictly, they are still the governments' key policy documents and a reference point for citizens. The year-end report is a government's key accountability document, showing compliance with the levels of revenue and expenditure authorized by the legislature in the budget.

Only recently, a Freedom of Information Bill was passed in order to promote more openness and accountability to citizens. There is also the Bureau of Budget Implementation, Monitoring and Price Intelligence (BBIM&PI), which seeks to ensure that all procurements and contracts undertaken by a government comply with the principles of openness, transparency, accountability, competition, cost effectiveness, and value for money.

HISTORY, STRUCTURES, AND INSTITUTIONS OF LOCAL GOVERNMENT

Local government is constitutionally enshrined as the third order of government after the federal and the state governments. Its history and development, however, have been variegated. Like most institutions of government in many countries that were former colonies, the present system of local government has its roots in the colonial experience. In colonial times, the local government system was modelled on the British one.⁹ The Native Authority Ordinance of 1916, the first national legislation on local government administration, gave the governor general the authority to appoint a Native authority over any part of the country, thus establishing a system of local government known as Native Administration.¹⁰ With this enactment, the colonial administration could do away with systems employed by the precolonial states, monarchies, and communities.

The British, under the Native Authority Ordinance, utilized aspects of the traditional rulership structures peculiar to each area when they realized that they needed to maintain the indigenous traditional institutions and their rulers in order to gain effective control of the communities under Native authority.¹¹ This was referred to as the “indirect rule” system, which required that administration be carried out through traditional rulers and institutions. In areas where monarchical structures did not exist, especially among the Igbo people, the colonial officers created “warrant chiefs” in order to perfect the indirect rule on which the system of Native authority rested.¹²

The enactment of a second Native Authority Ordinance in 1933 gave further regulatory powers to the Native authorities to include the monitoring of migration, movement of livestock, bush burning, and registration of births and deaths within their areas of competence. Whereas the first Native Authority Ordinance recognized traditional rulers as Native authorities, the 1933 law enhanced the duties of the local authorities, although only for those traditional leaders recognized by the colonial administration.

By 1946 the country had been restructured into three regions, and legal authority over local administration had been transferred to the regions. In the years 1950–55, the first largely elected local government councils based on the British Westminster model emerged in Lagos and the former Eastern and Western regions. Some changes were also effected in the Northern region through the Native Authority Law of 1954.

After independence, there was a decline in the prestige and responsibilities of local authorities. Under the parliamentary system of the First Republic (1963–66), local government was strictly within the exclusive purview of the regional governments, and each regional house of assembly promulgated local government laws, which they modified from time to time in light of experience gained in their implementation. The main idea was that local government should be truly local and be tailored to meet local conditions and the social, cultural, and other peculiarities of the area.

Following the military takeover of power in 1966, critical developments occurred within local administration, beginning with the restructuring of the country into twelve states in 1967. Indeed, the creation and dissolution of local councils became the responsibility of the military governors. Between 1969 and 1971, following public criticism of the local government councils (focusing mainly on the abuse of political office by officials of the local administrations), the state governments introduced reforms in their councils designed to deal with the complaints. This involved taking over the local constabulary, courts, and prisons and subsuming them under the newly created national police, judicial, and prison systems.

On 19 August 1976 the Murtala/Obasanjo military regime constituted the Local Government Reform Committee. The military government decided to

reorganize local government in order to enhance decentralization as part of the planned transition to civilian rule.¹³ The program for decentralization assigned local functions on the principle of subsidiarity, seeking to vest responsibility for services in the government closest to the point of consumption and to supply financial resources for providing them. In 1976 major changes occurred with the introduction of a uniform local government system.¹⁴ Although the states retained powers to enact laws for local government administration, they were compelled to adhere to uniform guidelines under the Guidelines for Local Government Reform set by the federal military government. The guidelines introduced a uniform structure, and uniform revenue-source and personnel-management systems, across the country. The 1976 local government reforms represent a watershed in the history of the evolution of the local government system in Nigeria.¹⁵ The military handed back power to a civilian government in 1979 with a constitution modelled on the Constitution of the United States of America.

The 1979 Constitution gave the government of every state the responsibility to ensure the existence of democratically elected local government councils under a law enacted by the state house of assembly providing for the establishment, structure, composition, finance, and functions of such councils,¹⁶ despite the uniform local government system introduced in 1976. During the Alhaji Shehu Shagari regime (1979–83), this constitutional provision was neglected; no elections were held, and sole administrators were appointed. During this period, many state governments sacked the local government officials and replaced them with their protégés, while the recognized local government establishment process was subverted, leading to a proliferation of local governments, with the number doubling from 301 to 600.¹⁷ In addition, local governments had their statutory funding sources reduced as many state governments took over taxes or revenue-yielding activities that were constitutionally the preserve of the local councils.

Following the concerns raised by these developments, the regime of General Muhammadu Buhari (1983–84) established a Committee on the Review of Local Government Administration in 1984, which upheld the objects of the 1976 reforms.¹⁸ Implementation of the recommendations of this committee saw the direct transfer of revenue allocations from the central government to the local governments in order to prevent interference in the allocations by the states. However, there were no elections, and the local governments continued with the system of sole administrators.

During the Ibrahim Babangida military regime (1984–92), certain reforms were introduced to ensure local government autonomy. In 1988 the federal government abolished the state ministries of local government and replaced them with departments or bureaus of local government matters within the deputy governors' offices. These bureaus were to serve as information

clearinghouses for local governments as well as to render technical assistance to them. By 1991, during the Babangida regime, a federal law on local government was promulgated, the Basic Constitutional and Transitional Provision Amendment Decree No. 23. This was a significant development because it affirmed local government administration as an autonomous financial unit within the federal system. A system of direct remittance of local government statutory allocations from the Federation Account was then introduced. This increased the share of the distributable pool for local governments in the Federation Account, first from 10% to 15% and then to 20% in 1992. This was the first system of direct allocation of funds to local councils.

The administration of General Babangida realized that despite the protection and autonomy granted to local governments by the 1979 Constitution, the states intruded incessantly on the affairs of the local governments and rendered them impotent (a practice that has yet to change). Notably, during the military era, there were no legal, identifiable, and objective criteria used in creating local government councils, resulting in an imbalance in favour of the northern part of the country. The size of the funds allocated to states for local governments depends on the number of local governments in a state. The politics of imbalance come to the fore when one region of the country has more local governments than another without clear justification. The issue can be illustrated with reference to Kano in the northwest of Nigeria, which has a population of 9.4 million and forty-four local government areas, and Lagos State in southwest Nigeria, which has a population of 9.1 million and only twenty local government areas. The more local governments a state has, the more the state draws from the national revenue. This has created serious disharmony, resulting in agitation for the creation of more local governments to correct the imbalance.

The number of local government areas has risen steadily: from 99 in 1970 to 301 in 1979; then to 781 (1981) before reverting back to 301 (1984); followed by increases to 449 (1987), to 500 (1991), and then to the 774 currently listed in the Constitution. Yet the demand for the creation of more local governments has not abated. The increase to the current 774 was made arbitrarily by the central government during military rule, which did not respect the jurisdiction of the state governments.

The history of local government has been characterized by inconsistent policy, which has given rise to conflicting reforms in the local government system.¹⁹ Much of the confusion has resulted from trying to find the proper mix between the British system of local administration bequeathed to the country and the American presidential system preferred by successive military regimes.

The local government council is the only local government institution recognized in the Constitution. The 774 local government areas recognized in the Constitution vary in size and importance. The smallest of

them is Kolokuma/Opokuma in Bayelsa State with a population of 46,877; the largest is Ajeromi/Ifelodun in Lagos State with a population of 593,561. The average population of a local government area is 115,000, with area councils in the Federal Capital Territory residing over populations ranging in size from 21,081 to 196,021.

Given the proliferation of local governments in the past, the creation of new local governments has been made very cumbersome. Although the creation and establishment of local governments are functions of the state, authority for their recognition is given to the National Assembly. A new local government is established when a state house of assembly passes a bill for the purpose of establishing a local government area.²⁰ A request for the establishment of the local government has to be supported by at least a two-thirds majority of the members of the state house of assembly and the local government councils representing the area demanding the creation.²¹ A proposal for the creation of the local government area has thereafter to be approved in a referendum by at least a two-thirds majority of the people in the area where the demand for the proposed local government originated.²² The result of the referendum must then be approved by a majority of all the local government councils in the state by a simple majority in each council. The result of the referendum is finally approved by a resolution passed by a two-thirds majority of members of the federal House of Assembly. At this stage, the state house of assembly would make a law creating the local government area. After the creation of a new local government area, the federal House of Assembly must also make financial provision for it.²³ This process shows that local authorities and communities exercise some control over the demarcation of boundaries by the requirement of a referendum supported by at least a two-thirds majority of the affected people of the local government area and also by a two-thirds majority of their elected representatives.

The establishment of local governments has become a contentious issue. The dispute has raged over which order of government has the power to establish new local governments, given that the federal government, by an act of the National Assembly, is required to make the necessary provisions with respect to the names of the local government areas.²⁴ The states claimed, by virtue of the Constitution,²⁵ the right to create new local governments, but the federal government thinks otherwise. The Supreme Court's decision in the landmark case between the Lagos State government and the federal government over the former's exercise of local government creation and the withholding of funds by the federal government settled the point. The Supreme Court ruled that the Lagos State government's law²⁶ creating new local government areas was unquestionably constitutional and valid because the law complied with Sections 7(1) and 8(3) of the Constitution.²⁷ The court pointed out that the only reservation was

that the newly created local governments are left in abeyance until after the enactment of a constitutional amendment by the National Assembly pursuant to the provisions of the Constitution.²⁸ The court also affirmed that the National Assembly's power to legislate on local government was limited to the local governments (i.e., area councils) within the Federal Capital Territory. The Supreme Court further ruled that, once a local government has been established, the federal government has no powers to withhold the funds due to another order of government.²⁹

Like many other federations, Nigeria has a Federal Capital Territory at Abuja, which is accorded the same status as a state.³⁰ The city was created after the decision to move the capital from Lagos in the South to the centre of the country in 1976. The seat of government was finally moved to Abuja in 1991. Growing every day, the Federal Capital Territory has a current population of well over 5 million. It has six area councils, which are funded principally from the Federation Account. The National Assembly also makes laws on the establishment, structure, and finances of the councils, just as the state houses of assembly do in respect of the local governments in the states. The area councils are elected for a three-year term.

In Nigeria local governments are all multipurpose authorities. However, there is a gradual evolution toward multilayered local government structures. A number of states have created new local authorities called "development areas" but have not yet succeeded in getting the National Assembly to give effect to these new local institutions by legislative amendment, pursuant to Section 8(3) of the Constitution. Development areas in many states have emerged as a result of the difficult process of creating new local government areas. With the return of civilian rule in 1999, a number of states decided to yield to the demands for the creation of more local governments. Following the failure to obtain the necessary approval for the creation of new local governments from the National Assembly, the newly created "local government areas" were tactically converted into development areas. Unrecognized by the Constitution, they are administrative units with some decentralized local government powers and functions that enable them to enhance rural development without replicating the physical, technical, and administrative profiles of a local government council.

Metropolitan governance is yet undeveloped in Nigeria. Major cities, like Ibadan, are served by a number of local governments with no consolidated responsibility for metropolitan governance.³¹ However, metropolitan governance is now getting on the country's agenda as local governments face the challenges of large conurbations with very little resources. Since early 2000 new forms of city-suburban cooperation, coordination, region-wide spatial planning, and metropolitan institutional organization have been promoted, especially in Lagos, where local jurisdictions of twenty local government councils frequently divide rather than

unify the urban area. Lagos is one of the fastest growing cities in the world. Its status as the first capital city of Nigeria, its access to the sea, and its role as the home of the biggest international airport in Nigeria have made Lagos the commercial and industrial hub of Nigeria. About 65% of Nigeria's commercial activities are located in Lagos, which has well over 2,000 industries, and all financial institutions in Nigeria either have their headquarters in Lagos or are represented there.

The total area of Lagos is 787 square kilometres, of which only 614 square kilometres is land.³² According to the official 2006 census, the population of Lagos stood at about 9.1 million, making it Nigeria's most populous city. A parallel census, conducted by Lagos State in collaboration with the National Population Commission, put Lagos's population at more than 17.5 million. The World Bank household survey, done in collaboration with the Lagos State Office of Statistics in 2006, showed that the average household size was 6, not the 4.9 that was used by the National Population Commission.

Lagos State is made up of five administrative divisions, namely Lagos (Eko), Ikeja (Lagos West), Ikorodu, Epe, and Badagry (Lagos East). The divisions are further divided into twenty local government areas in order to enhance governance, development, and participatory democracy. These twenty local governments will participate in the Lagos Mega-City Metropolitan Development Authority but still retain their status as local governments. Lagos has been striving, along with the local governments in its area, to build a Lagos mega-city authority to make Lagos City more competitive in the global marketplace. On 14 February 2007 the federal government approved a draft bill for the establishment of the Lagos Mega-City Development Authority (LMCDA). This body will be funded by a private-public partnership. The public aspect of the funding will be by tripartite agreement, with the federal government contributing 45%, Lagos State 40%, and Ogun State 15%. The bill focuses on the establishment of the LMCDA, its governing board, administration, appointments, and funding, among many others. The LMCDA is expected to be multipurpose, to concentrate on the provision and maintenance of infrastructure in Lagos State, and to administer common services. There are no metropolitan councils yet, but plans are under way.

Traditional forms of government no longer play a direct role in governance. In the precolonial era, traditional rulers exercised effective powers in their domains. During the colonial period, traditional rulers became the instrument for enforcing British colonial policies, collecting taxes and levies, and procuring able-bodied men for forced labour services.³³ The framers of Nigeria's 1979 Constitution thought they had resolved the debate by denying traditional rulers any formal political role in the new Constitution.³⁴ This was in sharp contrast to the 1963 Constitution, which created a legislative chamber for chiefs in each region. Following the practice initiated by the architects

of the 1979 Constitution, the framers of the 1989 and 1995 constitutions did not provide any meaningful political role for traditional rulers. The 1999 Constitution did not accord any constitutional recognition to the traditional rulers. Despite the spirited denial of formal political roles to traditional rulers in the four most recent constitutions, traditional rulers continue to exercise enormous power and influence over the lives and well-being of millions of Nigerians. Indeed, they have been allocated 5% of local government's total revenue for the upkeep of traditional institutions, which play advisory roles and are still seen as very important vehicles in the maintenance of peace and order in their respective domains.³⁵

CONSTITUTIONAL RECOGNITION OF LOCAL GOVERNMENT

The constitutional recognition of local government has been a slow process. The 1954, 1960, and 1963 constitutions merely listed local government as a sphere of competence of the states. It was the 1979 Constitution that specifically mentioned local government as a guaranteed third order of government. The 1989 Constitution, which never came into effect, contained provisions similar to those in the 1979 Constitution and even went further to provide that federal statutory allocations be made directly to the local governments. The rationale for the constitutional recognition has been the need to make it obligatory for a state government to ensure the existence of democratically elected local governments and to protect them from arbitrary state action.

The 1999 Constitution reaffirmed the basic principles of the 1989 inoperative Constitution. Section 7(1) guarantees the existence of democratically elected local government councils as follows: "The system of local government by democratically elected local government councils is under this Constitution guaranteed; and accordingly, the Government of every State shall, subject to Section 8 of this Constitution, ensure their existence under a Law which provides for the establishment, structure, composition, finance and functions of such councils."³⁶

Section 3(6) provides that there "shall be 768 local government areas" and "six area councils" for the Capital Territory, as listed in Parts I and II of the First Schedule, respectively. Over each local government area, a local government council exercises jurisdiction.³⁷ The listing of the 774 local government areas by name is further constitutional recognition of each local council.

The Constitution lists the powers of local governments in Section 7(2). Some of the powers are "participatory" (i.e., participating in the activities of the state government), whereas others are "exclusive" to local government. The Constitution also provides that the local governments share in the public revenue in the Federal Distributable Pool Account.³⁸

The Constitution further allocates original taxing powers to local governments, but these are limited to matters within their legal and administrative jurisdictions, such as licences and fees for television and wireless radio, market and trading licences and fees, car-parking fees, and advertising fees. The Fourth Schedule lists, as one of the main functions of local governments, the power to assess privately owned homes or tenements for the purposes of levying rates, as prescribed by the state legislative assembly.³⁹ Although local governments may collect rates,⁴⁰ in reality they are set and collected by the state.

The institutional arrangement of local government is not governed by the Constitution but by legislation enacted by the state legislative assemblies. All local governments are accorded the same constitutional recognition. The only special status accorded is that of the area councils in the Federal Capital Territory, which fall under the jurisdiction of the National Assembly. It is the federal House of Representatives that approves their budgets.

These provisions provided limited protection for local self-government. The Constitution does not guarantee the autonomy of local governments other than the system of democratically elected local government councils. The local governments are thus at the mercy of their respective states. State governments determine the extent of autonomy they wish to grant local government councils. Local governments are tightly controlled and subordinated by state governors. However, viewed more broadly, the constitutional recognition of local government has shielded it to some extent from excessive exposure to the states. Otherwise, there would be a total absence of local self-government.

GOVERNANCE ROLE OF LOCAL GOVERNMENT

The allocation of local government powers is constitutionally entrenched and symmetrical. As noted above, the Constitution has set out the functions of local government to include joint or shared responsibilities with the state. These responsibilities entail participating in state functions in the following matters: the provision and maintenance of primary, adult, and vocational education; the development of agriculture and natural resources, other than the exploitation of minerals; the provision and maintenance of health services; and any other functions that the state house of assembly may assign to local government councils.⁴¹ Local governments are also expected to participate in the economic planning process of their state through membership in state economic planning boards, which most states are yet to establish. These “participatory” functions have created confusion in the respective mandates and responsibilities of the two orders of government. Although local governments’ role in economic development planning is to make recommendations to a state’s agency for economic planning, their roles are not clearly

specified in respect of primary education, health, and agricultural development. The result has been that the state governments have principal responsibility for basic services, with the extent of local government participation in the execution of these responsibilities determined at the discretion of individual state governments. The constitutional existence of state discretion has led to disparities in the extent to which local governments' responsibility for services is effectively decentralized, as well as in the degree of autonomy afforded to local governments, both within and across states. In many cases, they function as mere administrative extensions of state governments.

In the face of such constitutional ambiguity, the participatory functions have caused confusion, as there are unclear assignments of responsibility for service delivery. The local governments have unclear mandates with respect to key local functions such as local development planning, primary education, health services, and the development of agriculture and natural resources. This has negatively affected service delivery. With such unclear mandates, local governments have had an uphill task resisting state interference in local functions. The fact that key social services are the shared responsibility of states and local governments also poses funding and organizational problems. State governments lay down policy and exercise administrative controls over the quality and quantity of services to be delivered but leave the funding thereof to local governments.⁴²

The second list of exclusive activities set out by the Constitution includes establishment and maintenance of cemeteries, burial grounds, and homes for the destitute or infirm; establishment, maintenance, and regulation of slaughterhouses, markets, and motor parks; construction and maintenance of roads, streets, street lighting, parks, and gardens; and provision and maintenance of public conveniences, sewage, and refuse disposal. Their functions further include the control and regulation of outdoor advertising and hoarding; shops and kiosks; restaurants, bakeries and other places for the sale of food to the public, and laundries; and licensing, regulation, and control of the sale of liquor.⁴³ On the face of it, local government is not loaded with the big traditional functions (e.g., water, power, roads, health, and education); these are mostly shared with the state governments.

Local governments have limited internal administrative autonomy over the hiring and firing of personnel. Staffing is the joint responsibility of local governments and the State Local Government Service Commission, whose members are appointed by the state government. The responsibilities for junior staff (levels 01 to 06), including discipline, have been delegated to local governments. The councils directly recruit and promote junior staff, subject to the approval of the Local Government Service Commission, a state-appointed statutory body. Both of these commissions have the responsibility to recruit, promote, transfer, train/develop, and discipline senior staff (level 07 and above) on application by a local government council. After appointment of

the senior staff, the Local Government Service Commission rotates them every three to five years among the various local governments, with promotion based on merit and seniority. Notably, the local government service commissions, despite seeking to work professionally, are nevertheless under the political influence of the state governments that appoint them.

This split personnel system is fraught with many challenges. Senior personnel are posted for terms of three to five years at a time in a system of rotation. Although this enables remote rural areas to obtain a fair amount of qualified staff, it gives local governments little control over their key staff.⁴⁴ Salary scales of local government staff are tied to those of the civil service of the state within which they serve, with the same pay and allowances, irrespective of the revenue base of the local government.

Local government expenditure was 14% of total government expenditure in 2005, whereas that for the states was 31.8% and for the federal government 54.1%.⁴⁵ Although the percentage of expenditure of local government has remained relatively constant since 1999, state expenditure grew during this period at the expense of the federal government. Overall, local government's expenditure increased from 1.8% of GDP in 1999 to 4.6% in 2005, and its share of subnational expenditure increased from 36% to 44%.⁴⁶ Although the consolidated expenditure of the local government councils in 2006 rose to N665.8 billion (US\$5.4 billion), an increase of 6.3% from 2005, it translated into only 13.2% of the total expenditure, relative to the other orders of government.⁴⁷ Current expenditure accounted for 59.8% of the total budget. Capital expenditure, at N267.7 billion (US\$2.2 billion), was 25.4% higher than the level recorded in 2005. The three main categories of expenditure have consistently been health personnel, personnel and administration, and capital projects.⁴⁸

The size of the local government bureaucracy is about 620,000 persons across Nigeria, whereas the states have 540,000 and the federal government 1,107,497 employees, respectively.⁴⁹ The size of the local government bureaucracy may not be a true reflection of the reality because there are "ghost" employees (nonexistent staff) on the payrolls of the local governments.

The entrenchment of democratic rule in 1999 has not yet shown any remarkable transformation in the nature of local government. Local government has not been able to facilitate participatory governance at the grassroots level because it has been controlled by elites who are not accountable to the people. They have turned local government into a citadel of corruption that has defied ownership and control by the local people. The meddlesomeness of the other orders of government has further complicated the situation of local government. What is surprising, however, is that, despite the alienation of local government from the majority of the people, there has been agitation for increases in both the number and the finances of local governments.

Political Institutions of Local Government

Local governments in Nigeria have a presidential system of government with two separate political institutions: the legislative council and the executive council.⁵⁰ The legislative council is composed of elected councillors with a speaker or leader, a clerk, and all the apparatus of a legislature. The clerk (a senior civil servant) of the legislative council manages the activities of the council.⁵¹ The legislative arm is usually statutorily charged with the functions of lawmaking; approving, and possibly amending, the annual budget, subject to the chairperson's vote, which can be overridden by a two-thirds majority of the councillors; vetting and monitoring the implementation of projects and programs in the council's annual budget; examining and debating the monthly statement of income and expenditure rendered to it by the executive arm; impeaching, in accordance with the Constitution, the council chairperson who has committed an impeachable offence; advising, consulting, and liaising with the chairperson who is the head of the executive arm of the local council; and performing such other functions as may be assigned to it by its state house of assembly.

The executive arm consists of the chairperson, vice chairperson, secretary, supervisory councillors, and advisers. The chairperson, who is the chief executive, is directly elected by the people and appoints the secretary and supervisory councillors. The supervisory councillors oversee the departments in the local government. The director of General Services and Administration, the secretary, and the local government auditor are also members of the executive council. The chairperson, secretary, and the supervisory councillors are not members of the legislative council. The chairperson is entrusted with the task of ensuring that the administration complies fully with the checks and balances spelled out in existing guidelines and with the financial regulations governing receipts and disbursement of public funds. He is liable for any breach thereof.⁵²

The cost of managing these political institutions appears to be very high, in that it constitutes a large proportion of local government expenditure and is a drain on the meagre resources of local government.

Citizens are not directly involved in the planning process of the local government council. The chairperson, with some support from individual councillors, usually makes the key decisions on community priorities.⁵³ Occasionally, the chairperson consults with community-based institutions, such as traditional institutions, the Community Development Association (CDA), and other interest groups. These institutions may make contributions toward grassroots development, especially in areas of information dissemination, resources mobilization, public accountability, and delivery of public goods and services.

FINANCING LOCAL GOVERNMENT

Local government raises very limited own-source revenue and is dependent on transfers from the federal and state governments for the bulk of its revenue.⁵⁴ As noted above, local governments have limited constitutionally entrenched revenue-raising powers. Their taxing powers include shop and kiosk rates; tenement rates; liquor licence fees; slaughter-slab fees; marriage, birth, and death registration fees; market taxes; motor park levies; nonmotorized vehicle fees; cattle tax; and radio and television licences; among others.⁵⁵ The tax-mobilization capacity of local government is very weak. In practice, only one tax source (i.e., market licences and fees) is exploited by local government. Property taxes and tenement rates, although considered potentially high-yielding revenue sources, have been exploited only by a handful of local governments. Reasons for this limited utilization range from statutory problems in obtaining the necessary enabling state legislation to technical problems with valuation and assessment. Lack of enforcement of the provisions of the tax laws, due to either ignorance or low commitment, is also partly responsible.⁵⁶

Local governments are allowed to borrow and even float bonds. Local governments are encouraged to raise additional financing (where needed) through the capital markets for projects that will achieve economic and infrastructural development in their areas. However, borrowing cannot take place without the authority of the state government, which guarantees the debt.⁵⁷ The incidence of borrowing has thus been low.

The self-generated revenue efforts of local government councils have also been declining. In 1993 local governments were able to internally raise about 5.2% of their annual revenue. The internal revenue increased to 9.3% of total current revenue in 1996 but plummeted to 4.8% in 2004, 3.6% in 2005, and 3.4% in 2006. On average, between 1999 and 2006, only 4% of revenue was generated internally. This figure conceals great differences between states. The local governments in Kogi State, which are mainly rural, and in Lagos State, which are basically urban, illustrate the differences. Local governments in Kogi are 99% dependent on statutory transfers, whereas local governments in Lagos State raise about 8% of their revenues from internal sources. Although this is about the highest in the country, it is still inadequate to cover current expenditure, such as overhead and personnel costs, let alone capital and development expenditures that will ultimately have a direct impact on the well-being of the citizens.⁵⁸

Obviously, there is a wide gap between the assigned duties and functions of local government and internal revenue. Sizable vertical imbalances must thus be met through intergovernmental transfers (i.e., tax sharing and grants). The external sources of local governments' revenue are the statutory allocation from the Federation Account, a share of the valued-added

tax (VAT), 10% of state governments' internally generated revenues, and block and conditional grants from the federation and the states. Prior to the introduction of the VAT in 1994, the state and local governments relied heavily on their share of the Federation Account, which in turn depended on developments in the international petroleum market, as oil revenue contributed most to the national purse. The implication for local government was that this arrangement introduced a dependence syndrome in local government's revenue-generation effort.⁵⁹

The Constitution requires that all revenue accruing to the federal government be paid into the Federation Account, which in turn must be distributed among the federal and state governments and the local governments in each state.⁶⁰ The president, upon receiving advice from the Revenue Mobilization Allocation and Fiscal Commission (RMAFC), an advisory body on intergovernmental fiscal relations, must table before the National Assembly proposals for revenue allocation from the Federation Account. The National Assembly finally determines the formula for allocating the funds and must do so taking into account various allocation principles, especially population size, equality of states, internal revenue generation, land mass and terrain, and population density.⁶¹ In addition, the formula has been made more concrete with respect to the principle of derivation in favour of those states whose natural resources have been exploited; they may not receive less than 13% of the revenue accruing to the Federation Account directly from any natural resources exploited in those states.

The allocation of the Federal Account among the three orders of government is a highly contested area. A 2002 Supreme Court decision eliminated the discretionary practice of deducting revenue before it was paid into the Federal Account, thereby increasing the amount to be distributed to states and local governments.⁶² In that decision, the court also determined that the seaward boundary of the coastal states, for the purpose of calculating the amount of revenue accruing to the Federation Account directly from any natural resources derived from a state, was the highwater mark. After this decision, President Olusegun Obasanjo amended the revenue-sharing formula using an executive order, increasing the federal government's share of the Federation Account from 48.5% to 56%, thus leaving the states and local governments to share 44% – that is, 24% for the state governments and 20% for the local governments.

There were several dissenting voices, the loudest coming from the Revenue Mobilization and Fiscal Commission, which saw the entire action as unconstitutional and, therefore, illegal. The federal government was thus forced to reduce its allocation. Under the current formula, the federal government still receives the lion's share (52.68%) of the allocation, whereas the state governments and the local governments receive 26.72% and 20.6%, respectively.⁶³ Since the return to democracy, the

more rigid application of the formula has meant that the actual distribution of the Federal Account has seen a large actual increase in local government's share, from 11.7% in 1999 to 18.3% in 2005.⁶⁴

The VAT constitutes an additional source of revenue for local governments in addition to the Federation Account. The VAT is a federal tax collected nationwide by the federal Inland Revenue Service and distributed on the basis of a 15:50:35 proportion to the federal government, states, and local governments, respectively.⁶⁵ The federal government then makes allocations horizontally among the states and local governments on the basis of equality (50%), population (30%), and derivation (20%).⁶⁶

In 2003 the revenue sources of local government were as follows: 78.7% from the Federation Account, 10.7% from the VAT, 3.3% from other grants, and 1.2% from a stabilization fund. The revenue contribution by states was an insignificant 0.6%, and that from own revenue was 5.5%.⁶⁷ According to figures published by the Nigerian Ministry of Finance, average total monthly allocations to the 774 local governments from the Federation Account rose from just under ₦8.2 billion (US\$84.5 million) to roughly ₦61.6 billion (US\$460 million) between 1999 and 2006, whereas Nigeria's state governments received more than ₦4.6 trillion (US\$35.6 billion) in federal allocations between May 1999 and August 2006.⁶⁸

Besides revenue sharing, the main mechanism for intergovernmental transfers takes the form of grants from either higher (i.e., federal or state) or lower (i.e., state or local) levels. There are general-purpose grants – unconditional transfers, generally aimed at addressing horizontal imbalances – and specific-purpose grants that carry conditions regarding the use of the funds and/or the performance to be achieved in the programs financed through them. Block grants fall between these two categories. They are earmarked to finance broad areas of expenditure, such as education, rather than specific programs. As indicated above, the level of grants is rather limited, and in 2003 it was no more than 4.5% of total revenue.

The Federal Capital Territory, not being a state, cannot partake in the revenue allocation from the Federation Account. Instead, the National Assembly determines the revenue to be allocated to the territory from the revenue of the federal government. The administration of the Federal Capital Territory also allocates 10% of the internally generated revenue to the area councils in line with the constitutional provisions applicable to states. In this regard, the Federal Capital Territory performs the duties of a state with respect to the area councils within its territory.

The states play a very limited role in intergovernmental transfers to local governments, although in terms of the Constitution each state is expected to pay to the local governments in its area of jurisdiction 10% of its own revenue (that is, excluding the sums received from the Federation Account)

on such terms and in such manner as may be prescribed by the National Assembly.⁶⁹ Many states do not implement this requirement.⁷⁰

The state governments exercise wide powers over the finances of local government. All amounts transferred from the Federation Account for local government are deposited into a State Joint Local Government Account, which must then be used for joint purposes as may be prescribed by the state or the National Assembly.⁷¹ However, the states must ensure that local governments receive their allocations on the basis of various factors, such as minimum responsibility of government (i.e., equality of local governments), population size, social development factors as reflected in primary school enrolment, internal revenue efforts, and the like. Akpan Ekpo points out that although the National Assembly prescribes the manner of payment of the Federation Account into the State Joint Local Government Account, the method of distribution to local governments is determined by each state's house of assembly.⁷²

Most state governments withhold a portion of the monthly paid allocations from the Federation Account in a nontransparent manner through frivolous deductions, a situation that has put some local councils in dire financial straits and undermined the idea of local self-governance.⁷³ For example, in Niger State there are about nine categories of deductions at source. These include a 5% deduction for a reserve fund, which is then used to finance state projects; a 0.5% deduction to finance matters of common interest to the local governments in the state, such as official vehicles for the traditional leaders in the North, the Emirs;⁷⁴ a further deduction of 5% for the Emirate councils in the respective local governments; a 1% deduction going to the Local Government Service Commission for training; a deduction of the total personnel emoluments of teaching and nonteaching staff from the State Joint Account into the State Universal Basic Education Board, as provided by law; a deduction of 15% of personnel emoluments of local government personnel into the State Local Government Pension Board; central deductions of the union dues of the Nigeria Union of Local Government Employees (NULGE) and the Medical and Allied Workers Union; and central deductions of federal taxes (PAYE). A World Bank study in 2005 found that the total amount withheld monthly by one state averaged 87.5% of the receipts to which the local governments were entitled.⁷⁵

In a measure to address the problem, the National Assembly passed the Monitoring of Revenue Allocation to Local Government Act in 2005, establishing the State Joint Local Government Account Allocation Committee. Its purpose is to oversee the prompt payment of the local governments' allocations from the Federation Account, as well as those from the states' own revenue to the state joint accounts and from there to the local governments.⁷⁶ Ekpo comments that the committee cannot detect divergences

between allocations to individual local governments from the Federation Account and their receipts from the state joint accounts because different principles are used for making these two sets of payments.⁷⁷

The states exercise extensive control over local government finances. Local budgets must pass through many levels of state government approval. Even after state approval, postbudget controls still impose further restrictions on what local governments can do. The state government also has direct administrative control over borrowing by local government.

The states and local governments still operate under an outdated set of financial regulatory instruments, principally the Finance (Control and Management) Act of 1958 and a set of detailed rules and guidelines.⁷⁸ According to the *Handbook on Local Government in Nigeria*,⁷⁹ the local government chairperson, as chief executive and accounting officer, faces periodic checks in order to ensure full adherence to the various regulations. It is statutorily required that all instructions relating to expenditures of public funds by the chairperson be in writing. In order to check excesses, a chairperson is prevented from signing vouchers and checks, a task performed by the heads of the Personnel Management Department and the Treasury. The chairperson is also responsible to the Public Accounts Committee of the council for all monies voted for each department and is personally liable for any maladministration. The chairperson should render monthly statements of income and expenditure and annual reports to the council for it to consider and debate in order to ensure accountability and enforce the performance ethics. The chairperson must also observe, and comply fully, with the checks and balances spelled out in the guidelines and financial regulations governing receipts and disbursement of public funds and other assets entrusted to his or her care and is liable for any breach thereof.

Despite clear arrangements for oversight, state government oversight is poor. There are numerous cases of financial mismanagement, misappropriation, recklessness, bloated contracts, invisible projects, violation of budgetary provisions, claims for nonexistent journeys, and massive fraud. Other forms of the mismanagement of council funds include overinvoicing for contracts, payment for jobs not executed at all, and raising multiple payment vouchers for jobs already paid for, among many others. Procurements have over the years been a major source of financial drain and corruption in local government. Corruption is perpetrated mainly through inflated contract bids and awards or through performance below specification resulting in low value for money. Instances of outright project abandonment are very common. Given the high level of corruption and financial mismanagement, it is not surprising that the finances of local councils are in dire straits and have always run into deficit.

In general, local self-government has not contributed to financial accountability and efficiency. The overreliance on federal transfers creates

conditions conducive to a lack of accountability, especially as people hardly pay taxes to the local authorities and are also unaware of the exact amounts that are transferred from the federal and state governments. The local population, therefore, does not hold the local governments accountable, either because it perceives them as having no financial power or because it is not as informed or vigilant about monitoring resources that arrive from sources outside the community. To enhance accountability, the federal Ministry of Finance now publishes all allocations to state and local governments on its website, as well as in major newspapers and news magazines in the country.⁸⁰ There are some indications that citizens are becoming more aware of local government finances and are starting to query maladministration.

SUPERVISION OF LOCAL GOVERNMENT

Local government is supervised mainly by the state government. It does this through a number of supervisory mechanisms. By law, the councils' planning processes, financial transactions, and building and construction projects are supervised by the state ministry or bureau for local government affairs. This ministry or bureau has local government inspectors who should routinely monitor performance, periodically visit local government areas, and submit reports to the state government. Based on the reports submitted by the inspectors to the governor, if a local government official is found to be corrupt or inefficient, he or she is recommended to the Local Government Service Commission for the necessary disciplinary action. If the local government chairperson is corrupt, he or she could be suspended or even be removed from office by the governor. In recent years, a number of local government officials have been disciplined and some chairpersons removed from the office by the state government.

The state government supervises, and sets standards for, the appointment, promotion, and discipline of local government employees through the Local Government Service Commission. It also establishes general guidelines for the appointment, promotion, and discipline of junior local government employees and serves as an appellate body for all petitions from local government in respect of appointment, promotion, and discipline. It also maintains up-to-date rolls and seniority lists for the entire Unified Local Government Service.

In terms of state law, the state houses of assembly must approve the budgets of the local governments as well as monitor their expenditures through committees of the state legislature and the reports of the state auditor general for local government, who is vested with the power to carry out, on a regular basis, the auditing of local governments' accounts.⁸¹ The state auditor general may sanction and fine any officer who contravenes

any sections of the guidelines governing offences and sanctions. To ensure effectiveness of audit functions, all local governments entering into contracts must include a clause enabling the state auditor general for local government to have access to sites for purposes of auditing or monitoring contract performance. Local governments must further render monthly returns of receipts and expenditure to the council and the state auditor general, with copies to the State Government Office, not later than the third week of the following month.

In some states, these procedures are complied with, but there are a number of cases where the state auditor general for local government conspires or collaborates with local officials to defraud the local governments. A recent study found that, despite clear arrangements for oversight, state government oversight is poor.⁸² A study in 2005 found that in many states, local governments were “rather casual and irregular about their fiscal reports and accounts.”⁸³ There was also no evidence that states consolidated these fiscal reports.

There is a clear need for local government to be supervised and monitored constantly, especially because many local government chairpersons appear to regard the local government budget as their personal fiefdom. The supervision has been weak and has not really reduced the level and incidence of local corruption. Through two anticorruption agencies – the Economic and Financial Crimes Commission and the Independent Corrupt Practices Commission – the federal government has started monitoring state and local government officials who cart away the meagre resources of local government and render grassroots governance ineffective.

Also at a political level, regular elections are no longer held when due, and local government caretaker committees are appointed by the governor. Overall, given the intrusive role of state government, local government does not enjoy autonomy to make its own laws, rules, and regulations, to formulate, execute, and evaluate its own plans, and to recruit, promote, develop, and discipline its own staff without interference from the state government.

INTERGOVERNMENTAL RELATIONS

Given the subordinate status of local government, intergovernmental relations between local governments and the other orders of government exhibit traits of the principal-agent model: the relationship is hierarchical with a top-down approach. Although the local governments exercise some degree of local discretion, they do not have any real independent powers. In exercising its powers, the federal government hardly consults with the local governments. When it consults with them at all, it does so usually for briefing and clarification of directives. This tradition was inherited from the long period of military rule, and local governments dare not complain

or oppose the decisions of the federal government. Even under the current democratic practice, the federal government in 2000 unilaterally purchased a fleet of Prado jeeps, estimated to cost N82 billion (US\$805 million), for the Nigeria Police Force for the enforcement of security in local government areas. The funds used for the purchase of these vehicles were deducted at source by the federal government from the local government share of the Federation Account, without the consent of the Association of Local Government of Nigeria (ALGON). This unilateral action of the federal government generated immense condemnation from the press and the general public, whereas few of the states and local governments publicly expressed disquiet over the development, although they regarded it as an interference in the affairs of local government by the centre.

Relations between the federal government and local governments thus have the appearance of being very cordial because of the "culture of silence" and compliance of local governments, no doubt inherited from the times of the military regimes. People still see the hierarchical pyramid relationship as normal. The federal government has chosen certain sectors, such as primary health and education, as national priorities, and it intervenes extensively in their delivery, largely through direct investments in infrastructure without any local government consultation. Some examples are the construction of schools by the federal government under the Universal Basic Education (UBE) program, the construction of primary health-care centres by the National Primary Health Care Development Agency (NPHCDA), and federal management of rural water schemes and borehole construction under the National Water Rehabilitation Project (NWRP). The lack of cooperation is evident in the structure of the UBE program. The first phase of this program consists of federal construction of new classrooms in each local government area. But there has been difficulty in getting the program off the ground because states have complained that they are not adequately consulted about the appropriate location of the construction sites. The states would prefer to oversee the contracts themselves. Supervisory committees have thus been established within the federal government and in each state, which will be responsible for ensuring the involvement of states and local government councils in selecting school sites, for the supervision of construction, and for certification of satisfactory completion. However, the problem of adequately maintaining and equipping these new schools and classrooms remains. From the responses of the different agencies involved in primary education, it appears that this could become a particularly thorny problem because no agency clearly accepts responsibility for these activities.

The interaction of local governments with the states is hierarchically structured and lopsided in favour of the states since local governments fall under direct state control. The states literally dictate policy to local governments

and control them. However, there are indications of some measure of cooperation. States have established joint planning boards for local governments, allowing local government participation in the economic planning and development of the local government areas. Overall, however, in the exercise of these powers, the state governments see themselves as prefects or masters of the local governments. The states issue directives and circulars to local governments without much consultation. On a number of occasions, local government chairpersons have been suspended or removed from office without explanation. Indeed, even elected local government councils have been dissolved in some states and administrators or caretaker committees appointed in their place without recourse to due process. State governments do not usually consult with the local governments before enacting laws that directly affect them. Local governments are seen by the states as parastatals that exist to be at their beck and call.

The three common problem areas in the relations between state and local governments are finances, functions, and staffing. As regards finances, as pointed out above, state governments routinely highjack varying proportions of the allocations to local governments from the Federation Account. Furthermore, many state governments usurp local government avenues of generating internal revenues and fail to contribute the required 10% proportion of their internally generated revenues to the State Local Government Joint Account for sharing among local governments. With regard to functions, there is a degree of overlap of functions among the orders of government, especially in the implementation of such national policies as primary healthcare, primary education, water, and sanitation. This has in some cases resulted in duplicated efforts, acrimony among government functionaries on authority over certain functions, and attendant waste of public funds. Other areas of unclear demarcation of duties include construction and maintenance of roads, streets, street lighting, drains, and public highways, as well as development of agriculture and natural resources. Control over the employment of senior staff by the states is a further cause of friction.

Given this hierarchical structure of intergovernmental relations, organized local government has an important role to play. Local authorities have organized themselves into the Association of Local Government of Nigeria (ALGON). All local governments in Nigeria are permanent members of the association and are represented in its general assembly by the chairpersons of local governments. The association has state chapters. Each chapter is headed by a serving local government chairperson, who is elected into that position by his or her colleagues. Some of ALGON's objectives include promoting and protecting the rights, privileges, and autonomy of local governments to effectively and efficiently execute functions assigned to them by law; expressing the view of local governments on federal and state government

policies and laws affecting local governments and on other issues of national and global importance; and promoting interlocal government networking and joint ventures; among many others.

To achieve its objectives, ALGON has been organizing training programs, courses, seminars, workshops, and conferences at the local, national, and international levels. ALGON conducts research and disseminates information about local governments and affiliated bodies. It publishes a newsletter, magazines, and journals and produces documentaries on local government. ALGON plays an advisory role to state and local governments on certain policies as they affect local governance. Finally, ALGON is an influential member of the African Union of Local Authorities, Commonwealth Association of Local Governments, and International Union of Local Authorities.

ALGON is seeking to bring pressure to bear on the other orders of government to grant some measure of autonomy to local governments. It has been pushing for a constitutional amendment to better reposition local governments in the Constitution and to enable them to meet their objectives. Although intergovernmental relations exist principally between the federal government and the states, conducted through the federal Ministry of Intergovernmental Affairs and Special Duties, when they occasionally discuss matters concerning local government, ALGON is invited to participate.⁸⁴ ALGON consults regularly with state governments and offers advice. Many of its activities involve lobbying federal and state government officials to bring development to the local areas. However, ALGON officials have often been accused of collaborating with state and federal government officials to divert or extort some of the meagre resources of the local governments.

POLITICAL CULTURE OF LOCAL GOVERNANCE

As political parties are highly centralized and controlled by the federal government, organized party politics in local arenas operate under the large shadow of the party bosses at the centre. However, local elections see a high degree of popular mobilization, as many people are interested in who becomes the local government chairperson. Prominent people, including professors, now aspire to local government leadership. Women's representation is still very low, despite the very high turnout of women at elections. The 1999 elections produced nine women chairpersons of local government councils out of the 774 positions (1.1%), and 143 women councillors out of 8,800 positions (1.6%).⁸⁵ Usually, loyalists of the dominant political party and its political puppets in the state are nominated to contest "kangaroo-like" elections and are thus imposed on the electorates regardless of their preferences. The loyalty of the local politician is not to the people but to the political godfather in the state, who provides the finances

and influence. Consequently, the political godfathers exert tremendous influence on local decisions and policies. The status of women in political representation has not been enhanced. There is no affirmative action or quota system in favour of women in Nigeria, as is the case in India, where one-third of all seats in the *panchayats* (rural local governments) are reserved for women. Women's groups in Nigeria are increasingly agitating for at least 30% representation in all appointed and elected positions.

The culture of elections is also slowly emerging within local government, as local elections have not been held regularly since independence. After the 1976 elections of local government councils, the next elections were held in 1987 when the military conducted elections based on a zero-party system. Even during the Second Republic (1979–84), there was no election of local government councils. In March 1996 local government council elections were again held on a zero-party basis; the winners of these zero-party elections held office for one year, after which they were succeeded by the winners of party-based local government elections held in the final quarter of 1996. Nigerians voted in the council elections only in 1998. At the expiry of their three-year tenure, the elected councils were removed from office, and caretaker committees were appointed in their place by the state governments. In 2001 elections for local governments were conducted, with the tenure again being three years.

The next council polls were originally scheduled for early 2003 but were postponed several times because of disputes over a date for the ballot, the need for a review of the voters' register, and allegations of bias on the part of state independent electoral commissions. The local government elections finally took place across Nigeria on 27 March 2004. With the expiry of the tenure of office of the councils in 2006, the councils were dissolved and sole administrators appointed. The Constitution does not recognize the position of sole administrators or caretaker committees, as they are unelected. Nigeria is once more approaching another season of political fretfulness as politicians, along with their political godfathers, strategize for the next local government elections, which may take place throughout the country during 2008.

Although local government elections are state matters, military rule and now the dominance of the political space by the Peoples' Democratic Party (PDP) in almost all the states have brought uniformity even to the conduct of local government elections. The common denominators of the past elections have been the widespread irregularities in the conduct of the elections, including inflated vote returns, ballot-box stuffing, altered results, and disenfranchisement of voters, as well as administrative problems, such as late delivery of voting materials to a large number of polling stations, violence, and intimidation of voters and electoral officers by hired thugs. Serious concerns are being expressed by many Nigerians, as well as

international observers, about the electoral process and about the credibility of the forthcoming local government elections, given the experiences of the past elections.

EMERGING ISSUES AND TRENDS

Local government is still evolving and is yet to stabilize. Nigeria has gone through a number of phases, from the precolonial and colonial eras to military rule and now, again, to democracy. Each phase has had a significant impact on local government. The development of the institutional structures of local government was punctuated by military rule, which weakened local government's participatory structures. Although these structures are being developed to allow a participatory bottom-up approach, the communities do not yet exercise control over the program's activities. The institutions of local government are not all-inclusive and do not ensure the participation of communities, including the disadvantaged groups, in decision-making processes. With fragile structures and no clear autonomy, local governments are subservient to the state and federal governments, despite their status in the Constitution as a third order of the federal structure. Although local governments are part of intergovernmental relations, they function more like local administrations than governments, performing agency functions for the federal and state governments.

Even though a number of measures to strengthen local governance were taken, especially from 1988, they have not yielded the desired result. A number of challenges still confront local government.

First, the manner in which local government areas were created and distributed all over the country by past military administrations has been a source of acrimony and disharmony. There are now strong voices for reform of the local government system. The contentious issues include the continued retention by the federal government of authority to block the creation of new local governments.

Second, the problems associated with funding local governments loom large, namely the overbearing interference of state governments with local government funds, the basis of fund distribution to local government councils, and the desirability and efficacy of joint accounts allocation committees.

Third, further challenges include the problems of local government administration occasioned by separately elected chairpersons and councillors. There is serious opposition to the presidential system of local government – an executive arm of government with the chairperson, vice chairperson, secretary, supervisors, and special advisers separate from the legislative arm consisting of councillors. The parliamentary system seems to be gaining favour among many Nigerians. The responsibility to conduct local government elections should also be transferred from the state

independent electoral commissions to the Independent National Electoral Commission. The role of traditional rulers, as custodians of values and culture, in the management of the affairs of local government must also be revisited.

Fourth, the high level of corruption constitutes the most formidable obstacle to grassroots development. Corruption has rendered the third order of government incapable of delivering services effectively and efficiently. Meanwhile, rural people continue to suffer deep alienation from government, creating a wide gap between the government and the governed. There is a need to provide guarantees and safeguards in order to ensure effective and efficient service delivery, accountability, and transparency.

Fifth, the massive influx of people into urban centres, especially in Lagos and other major cities, has made the federal government quite enthusiastic about the idea of mega-cities. At the same time, local governments with geographical proximity to the big cities are beginning to discuss possible functional amalgamation to make service delivery more efficient through a mega-city structure, an arrangement where the chairpersons of affected local governments become members of the board of governors or trustees, with the councillors constituting the legislative assembly. Lagos, Port Harcourt, Ibadan, Enugu, and Kaduna, all major cities in Nigeria, are likely to become mega-cities in the near future. Nigeria could soon be operating a multilayer structure of local government. At the other end of the scale, many Nigerians also demand greater decentralization of local government authority to development areas and village areas, and many states have now instituted development areas.

In summary, to promote good governance, accountability, and popular participation at the grassroots level and to strengthen the ability of local governments to meet the basic needs of the rural people, a progressive reform of the local government system is necessary. The long period of military rule may be partly responsible for the present predicament of local governments, but successive civilian governments have not improved the situation. If the pronouncements and policy directions of the new president, Umaru Yar'adua, are anything to go by, local governments will enjoy more autonomy in the next few years.

There is no doubt that local government occupies a very important place in Nigeria's federation. However, given the concerns of various government regimes about its autonomy, only a constitutional review of the role and place of local government can ultimately make it more effective and efficient. The overall challenge confronting local government remains the need to improve governance in order to positively impact the lives of ordinary Nigerians.

NOTES

- 1 See J. Isawa Elaigwu, "Devolution of Powers," keynote address at the "Seminar on Devolution of Powers in a Federal State," organized by the Friederich-Ebert Foundation, held at the University of Lagos, Lagos, Nigeria, 14 to 15 October 1998. See also J. Isawa Elaigwu, *Politics of Federalism* (Jos: AHA Press, 2005).
- 2 CIA, "The World Fact Book: Nigeria," <https://www.cia.gov/library/publications/the-world-factbook/print/ni.html> (viewed 20 February 2008).
- 3 J. Isawa Elaigwu and Habu Galadima, "The Shadow of *Sharia* over Nigerian Federalism," *Publius: The Journal of Federalism* 33 (Summer 2003): 123–44.
- 4 Central Bank of Nigeria (CBN), *Annual Report 2006* (Abuja: CBN, 2007), 17.
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