Subnational levels of government and the question of autonomy in Nigeria’s fourth republic (1999-2007): Implications for employees’ performance

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Abstract

Federalism is guided by shared rule where the central and subnational levels are coordinate and independent. However, Nigeria federal arrangement allocated substantial proportion of legislative powers to the central government at the expense of the subnational levels. Focusing on the Nigeria’s Fourth Republic, the paper investigates the subnational levels of government and the question of autonomy: Implications for Employees’ Performance. Data was collected through secondary sources like textbooks, internet materials, journals, periodicals, magazine etc. The study reveals that the increase in the number of the component units from 19 states in the 1979 constitution, to 36 states in the 1999 constitution, and the expanded expenditure obligations, has weakened the revenue base of the subnational units and erode the autonomy of the subnational levels which affect their capacity for effective service delivery. The paper argues that the subjugation of the subnational levels by the federal government is not only injurious to democracy but hampers developmental process as it engenders poor performance of employees. It therefore recommends a balance of power that tilted power to neither the central nor the component units; strengthening of the existing mechanisms and institutions for intergovernmental policy coordination and collaboration; and fiscal autonomy for efficient service delivery.

Keywords: Subnational Levels; Autonomy; Fourth Republic; Legislative Powers; Balance Of Power

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1. Introduction

The design of the Nigerian constitution is that a substantial proportion of legislative powers are allocated to the central government at the expense of the subnational levels of government, therefore, there is an unending debate for federal restructuring in order to make the component units more viable and allows effective decentralized decision making. A series of measures and mechanisms have been put in place to address this problem. The 1994/1995 National Constitutional Conference, for instance, sought for a federal system that would devolve power to the component units (Fagbadebo, 2000). Prior to the military take-over of civilian administration in January 15, 1966, the regional government had a measure of autonomy over their resources and finance. The nature of interaction between the central government and the regional governments were mutual with a measure of balance in fiscal relations (MAMSER, 1987).

Military regimes since 1966 tinkered with the immediate post independent federal structure and effectively altered the nature of relations between the component units and the central government. The centralized federal structure imposed by the military tilted power from the component units to the central government (Fagbadebo, 2000; Omololu, 2012). This arrangement was facilitated by the infusion of the centralized hierarchical structure of the military. The nature of relationship between the center and the component units no longer conform to Wheare’s conceptualization of federal system (Wheare, 1964). According to him, the federal principle is guided by the ‘method of dividing powers so that general and regional governments are each, within a sphere, coordinate and independent’ (Wheare, 1964, p.33). This conceptual definition of federalism represents the perspectives of other scholars on federal system (Livingston, 1969; Birch, 1965; Riker, 1964). The assumption of this principle is the need for the component units to have the power to cater for the specific needs of their respective domains.

The core of this coordinate and independent nature is the fiscal autonomy of the component units. Each component unit would be able to develop at its own pace without necessarily depending on the central government in the exercise of power in some issues. This was the practice in Nigeria in the First Republic where the regional governments operated with a maximum status of component units with separate constitutions and fiscal autonomy (Jinadu and Dare, 1979). This arrangement was altered by the military following the coup of January 1966, and was further decimated by the outcome of the 30-month civil war.

Subsequent post-military constitutional arrangement effectively divested the autonomy of the component units with a reinforced centralized federal system. In the Second Republic, Section 4, second Schedule Part 1 and Part 11 of the 1979 constitution contains 66 items and 28 items in the exclusive legislative and concurrent legislative lists, respectively. The constitution provides for 19 states as contained in Section 3, First Schedule Part 1, and the Revenue Allocation Act shared revenue among the three tiers of government, viz: Federal Government, 55%; State Government, 30.5%; Local Government, 10% (Constitution of Federal Republic of Nigeria, 1979). This arrangement weakened the fiscal status of the component units as the principle of coordination and independence was no longer effective. The states were not independent as such.

In the Fourth Republic, similar provisions of the constitution further tilted power away from the component units to the center. The second Schedule Part 1 and Part 11 of the 1999 constitution contain 68 items and 30 items in the exclusive legislative and concurrent legislative lists, respectively. The constitution
also provides for 36 states and the revenue allocation formula inherited in 1999 are: Federal Government, 48.5%; State Government, 24%; Local Government, 20%; and Special Fund, 7.5% (Constitution of Federal Republic of Nigeria, 1999). The implication of these provisions is that the central government has more power than the component units in terms of fiscal strength and policy direction. While the exclusive legislative list contains items upon which the central government has the sole prerogative to legislate, it also has an overriding power over the items in the concurrent legislative list. In terms of legal relationship, laws passed by the National Assembly are superior to laws passed by the state legislatures.

Aside from this, the increase in the number of the component units from 19 states in the 1979 constitution, to 36 states in the 1999 constitution, and the expanded expenditure obligations, has weakened the revenue base of the subnational units. The component units in the Fourth Republic are less viable than those of the Second Republic. This has affected the nature of intergovernmental relations in a way that tilted more power to the central government. The implication is that the component units in the Fourth Republic depended more on the central government to meet up with their statutory obligations. In recent times, the states had sought for bail out from the central government to pay the arrears of wage bills of the public servants (Punch, June 26, 2016). The implication of this development is that the weak fiscal strength of the component units in the Fourth Republic would erode the autonomy of the subnational levels and affect their capacity for effective service delivery. Khemani (2001) has noted that the subnational units in Nigeria are not equipped with adequate revenue resources to fulfill their expenditure obligations because the bulk of government revenue is retained by the federal government. One of the areas of expenditure obligations that the subnational levels of government has been found inadequate is in the payment of workers’ salaries at the state and local government levels. This has affected the performance of employees’ overtime, therefore making workers redundant at the subnational levels. Thus, most of the component units in the Nigerian federal system are less fiscally viable. In recent times, a number of states in the Nigerian federal system are undergoing economic recession, hence, their request for fiscal bailouts from the central government in order to meet up with their obligations in service delivery. Even at that, a number of states is still owing salary arrears of their workers for more than seven months (Punch, June 26, 2016). The focus of this paper therefore is subnational levels of government and the question of autonomy in Nigeria’s Fourth Republic and the objectives of the study are (1) to explore the autonomy question of the subnational levels in Nigeria’s Fourth Republic; (2) examine the implications of fiscal policy arrangement of Nigerian federalism on service delivery at the subnational units of government; and (3) the implications of the lack of autonomy of the subnational levels on the employees’ performance.

2. Literature review

2.1. Subnational levels

Subnational levels are the component units that are assigned constitutional roles in a country. Such independent roles that are granted to the subnational levels are to be carried out according to the laid down
rules and regulations. Therefore, the subnational levels are ‘not mere political subdivisions of the nation, and are neither regional offices nor administrative agencies of the federal government.’ instead, sub-national units would be perceived as having a degree of autonomy sufficient to make them efficacious representatives and agents of sub-national population’ (Sub-National Constitutionalism). Countries of the world designate subnational levels in different names. In Nigeria, the subnational levels are called states and local governments, municipalities and local governments in South Africa, counties and locals in Britain. Subnational units was established as legal entities and, while never intended to be completely free of central direction, their status as jurisdictions led to political, economic, and legal barriers to arbitrary central intervention. It is assumed that subnational units that developed did not only have freedom from interference from central officials but possessed freedoms to do something to solve problems of the region or community (Agranoff, 2003).

2.2. Autonomy

Autonomy encompasses measures of self-rule, where constituent units contain elected governments that have meaningful measures of authority over local matters, in decision and execution (Agranoff, 2003). Autonomy is not an easy concept to define, although it is linked to both the shared rule element of federalism (Agranoff, 2003). In spite of the controversy that surrounds the conceptual clarification of autonomy, scholars have explained autonomy using the intergovernmental relations institutional structures, fiscal arrangements and political channels.

Nwabueze in Adeyemo (2005) defines autonomy to mean that “each government enjoys a separate existence and independence from the control of the other governments”. The process of autonomy originates either from the process of devolution or the transfer of power from central government to autonomous units holding ‘corporate status’ under state legislation. Extant literature on autonomy reveals differences in the trends and models adopted by various nations. In the U.S., the influence of the federal government over state and local governments has increased and there is a danger of loss of autonomy (Cohen and Peterson, 1999, p.26). Posner (1998, p.31) observes that bargaining between central and local governments could be succeeded by a ‘Centralized-Inclusive model’ which would suggest considerable mandating activity. Wright (1982, p.215) concludes that in the U.S., bargaining or negotiation has been identified as a prominent if not dominant model of contemporary intergovernmental relations. However, there was a change in the trend in IGRs in the 1980s and 1990s from “cooperative federalism” to “coercive federalism” due to the increased dominance of federal government. In a comparative context,

Scholarly works in Nigeria have focused more on authority relationships, fiscal arrangements and institutional structures (Adeyemo, 2005; Rezende, 2007), (Enejo and Isa, 2014). Enejo and Isa remark that the setting up of state and local governments joint account committee, local government service commission, ministry of local government and chieftaincy affairs and other allied agencies at the state level have made local government autonomy in Nigeria a mirage. Oni (2013) observes that fiscal autonomy of the levels of government has become very difficult because there is yet to be an acceptable formula for revenue sharing.
Supporting this claim, Ojo (2014) stresses that lack of financial autonomy at the subnational levels has led to litigation in the court of law.

2.3. Employees’ Performance

Performance is about doing a particular job. Purcell et al. (2003) observe that performance is a function of ability, motivation and opportunity. Discretionary behavior (the willingness to ‘go the extra mile’) happens when capable people are motivated to work and are also given the opportunity to do so. There are five major resources managed by organisations. These are human resources, materials, machines (facilities and energy), money and information (Clare and Stuteley, 1995; McLeod, Jr., 1995; Hodge et al., 1996). Thomson (1997) also stated that for an organization to achieve their key purpose, which is to achieve organisation’s objectives, and to continuously improve performance, managers need to perform four key roles: managing operations, managing finance, managing people, managing information. However, personnel of an organization are often considered the most important resource because it takes people to get anything done in the organization. In the words of Thomson (1997) and Fabunmi (2000), employees’ performance is dependent on the organization meeting the needs of the employees through motivation. Examples of such needs are adequate remuneration, improved working conditions, opportunities for advancement and recognition. Similarly, Kew and Stredwick (2000) believed that employees’ commitment help in preparing their skills and competencies, take on board the enhanced responsibilities for quality, work organization and problem-solving.

3. Theoretical perspectives

Wright’s Overlapping-Authority model and Coordinate-Authority model provide adequate and appropriate theoretical explanation of the subnational levels and the question of autonomy in Nigerian federalism. These theoretical perspectives tend to explain the distinct functions that are constitutionally allocated to the subnational levels and the interrelationships that exist among the subnational units. Overlapping-Authority model and the Coordinate-Authority model are adopted for this study in order to explain the autonomous nature of the subnational levels. Like the works of scholars such as, Grodzins (1960) and Elazar (1962) amongst others, Wright’s [1978] model of intergovernmental relations has not only become relevant but it has laid the foundation for the development of intergovernmental relations and provides the conceptual basis for moving beyond static views of intergovernmental relations.

Wright’s Overlapping-Authority Model was first used in 1970s during the administration of U.S. President, Nixon, to innovate and decentralize decision-making in categorical grant-in-aid programmes (Wright, 1985 p.59). These actions include complex multi-unit interactions beyond nation-state relationships. This model argues that the three or two levels of government are regarded as equal before the law. Wright observes that Overlapping-Authority model assumes that states only exercise those authorities that have either been given them by the national government, or for which they have bargained from the national government. According to him, states do have the constitutional freedom to create their own separate program involving an issue or
resource that is not subject to national government approval even when the national government has a similar program to address that same issue or resource (Wright, 1985).

Contacts and exchanges between national, states and local officials may be cooperative or competitive; the determining factors include the policy issue, the status of the officials, the partisan leanings of participants, and the constituency being represented (Eneanya, 2012).

Grodzins (1960, p.265) introduced his well-known “marble cake” federalism imagery, describing the inseparable mingling of functions throughout the system, where sharing of functions goes far beyond the more visible grant-in-aid to include regulations and standards, sharing of expertise, and most importantly state and local responsibilities in the development of programs.

The relevance of Overlapping-Authority model to the working of modern government cannot be over-emphasized, given the networks of activities that are inevitable. The three C’s of Consultation, Cooperation and Coordination in intergovernmental relations have become daunting due to the complexity in the modern government which has grown beyond the maintenance of law and order to include efficient and effective service delivery. Hague and Harrop (1982, p.182) argue that the ‘task of coordination becomes more difficult not just because government is bigger but also because the issue has grown more complex’. Therefore, Overlapping-Authority model has been found to be useful in the analysis of intergovernmental relations due to the complex nature of the modern society with clearly expanded federal-state-local relations programmes that moved the field beyond the quotient of actors and broaden the venues of decision-making and allows networks and collaborating activity, thereby increasing performance concerns with third party involvement (Wright, 1985).

Overlapping-Authority model fits into the Nigerian intergovernmental relations in the Fourth Republic because the actors of IGRs perform multidimensional functions. Ibok and Ntekim (2014) observe that virtually all the tiers of government are involved in all governmental functionaries. In the provision of welfare and infrastructural facilities, the different levels of government inter-relate in the pursuit of certain programs of development. Such programmes like Universal Basic Education (UBE) and the Expanded Programme on Immunization (EPI) are jointly performed by the three levels of government.

Coordinate-Authority model adopted as the second model for this study depicts that the national government and the subnational units are “independent and autonomous” entities. The two levels of government are separated by clearly defined boundaries of authority within which each government has absolute sovereignty (Wright, 1978). Grodzins (1960) describes this model as a description of American federalism with his famous analogy of a layered cake, where the authorities of each level of government are represented by a distinct and separate layer within the cake.

In the Coordinate-Authority model, sharp, distinct boundaries separate the national and state governments. Local units, however, are included within and are dependent on state governments. Coordinate-Authority model, therefore, implies that the two types of entities are independent and autonomous. They are linked only tangentially. However, when the respective spheres of action put the national government and the state in conflict, they ceased to be tangential and clashed directly. In such a case, the Supreme Court becomes the arbiter of national or state relations (Wright, 1985). The advantage of
Coordinate-Authority model is that it provides clear boundaries between the authority of the subnational and national jurisdiction, and shows a seamless intergovernmental connection (Wright, 1985).

Coordinate-Authority model is adopted because Nigeria’s constitution delineates powers and responsibilities to the levels of government, with each level empowered to perform functions within its sphere of jurisdiction. Part 1 Second Schedule of the 1999 constitution contains the exclusive list of the federal government. Part 2 Second Schedule specifies the concurrent list where both the federal and the state governments can legislate. This section also stipulates the Supreme Court as the final arbiter of law in case of conflict. The Fourth Schedule contains the exclusive functions of the local government as well as participatory state/local government functions (The Constitution of Federal Republic of Nigeria, 1999). The above indicates a clear cut separation of powers between the central and the subnational units of government.

4. Are subnational levels autonomous in Nigerian federalism?

One of the major challenges to democratic governance in the Fourth Republic is the domination of the subnational units by the central government. This subjugation of the subnational levels by the federal government is not only injurious to democracy but hampers developmental process. Some of the factors that account for central government domination over the subnational units include but not limited to the capacity of the center to raise more funds than the units, lack of acceptable revenue formula, the dominant trend of having the ruling party controlling the large number of states, extreme concentration of control over the nation’s revenue flows, a gap between constitutional provisions and the operation.

At independence, Nigerian constitution allowed a method through which the national government could easily take over the powers of the regional governments under the pretext of assuring them of a democratic government (Ejimofor, 1987). Ejimofor observes that when an insurrection or a disturbance existed in any part of the federation which the regional government could not handle to the satisfaction of the national government, the latter could declare a state of emergency over the affected area and assume any necessary police powers to deal with the situation. The implication of this was that the central government could take over the legislative powers of the regions. This power was exercised in May 1962 by the federal government during the crisis in the Western Region when a state of emergency was declared (Ejimofor, 1987; Ayoade, 1960).

The democratic dispensation of the Nigeria’s Fourth Republic in May 29, 1999 witnessed the most conflicting political opposition ever experienced which brought competition rather than cooperation between the central and the subnational governments. State-local relations have witnessed series of cold wars.

In the Fourth Republic, states like Lagos, Akwa Ibom, Bayelsa, Enugu, Ebonyi and Katsina embarked on local government creation in the first four years (Eme, 2008). The fiscal domination of the central government over the subnational units was witnessed with the creation of local government development council in Lagos State between 2002 and 2004 during Obasanjo administration. With this development, the
federal government in 2006 withheld the monthly allocation of Lagos state which led to litigation in the court of law. The court ruled that while the Lagos State House of Assembly has right to create new LGs in accordance with the provisions of Section 7(1) and 8(5), the law remains inchoate until National Assembly fulfils its part. This phenomenon that represents abuse of constitution did not encourage cordial relationships among the tiers of government. Therefore, fiscal dominance according to Onimode (1999) constitutes great challenge to fiscal federalism and will continue to work against the development of the governments at the lower levels.

Similarly, autonomy of the subnational levels is eroded through the state-joint local government account. By constitutional design, the state and local governments are to operate a joint account. In the recent time, it has been observed that local governments are often denied access to such funds. The illegal diversion of state-joint local government account by the state government has made the local government to be at loggerheads with the state government. Such development makes the local government to become incapacitated in service delivery at the grassroots level. On the fiscal relations, Gboyega in Ekpe (2002) notes that even though the nature of relationship existing among federal, state and local governments from the constitutional point of view tends to be fiscal, a lot of mechanism or agencies exist among them that tend to link the relationship of the three levels of government in Nigeria.

Finally, Section 7(3) of the 1999 constitution empowers the state government to conduct local government election. The state government has usurped the autonomy of the local government by refusing to conduct election into the local government but rather appoint acolytes as administrator or caretaker committee (Federal Republic of Nigeria, 1999).

4.1. Implications of Subnational levels’ autonomy on National Development

The nature of autonomy of the subnational levels in Nigerian federalism has implications for national development. First is the poor service delivery at the subnational levels. It is obvious that resources are poorly distributed between the national and the subnational levels of government. This has necessitated the call for resource control by oil producing communities. Oni (2013) observes that fiscal federalism suggests a legal arrangement describing the distribution of revenue among the different levels of government in a federal structure. In Nigeria, the question of economic justice is yet to be realized in the distribution of responsibilities. This, according to Ojo (2014) observes that there has not been an acceptable formula for revenue sharing among the levels of government. This contentious issue was also supported by Olaokun (1979) cited in Arowolo (2011) when he remarks that there is the problem of securing adequate financial resources on the part of the lower levels of government to discharge essential political and constitutional responsibilities. This has invariably made a large number of states in Nigeria to request for a bail out from the federal government in order to pay the salaries of their workers.

Second is the high degree of poverty and deprivation among the large teeming population. The inadequate financial resources of the subnational levels create economic deprivation among the citizens, where a large number of people live on less than one dollar per day. A nation where poverty has ravaged the masses tends to become poor and is doom for economic recession. Third, subnational levels and the central government
have witnessed series of cold wars, this endangers competition rather than cooperation between the central and the subnational governments. The defective nature of our governance system in the years past has taken the society back to the Hobbesian state of nature where people take laws into their hands and engage in all forms of killings, assassination, abduction, raping among others in order to attain political power. This has further watered human development and has increased suspicion among the constituent units.

Fourth, the extreme concentration of financial power in the central government has made the subnational units to become stooges and puppets in the hands of the central government because Nigeria's states and local governments are not able to raise more than ten percent of their annual budget from the internal sources. Hence, sustainable development has become a mirage at the subnational levels. On this, Diamond (2001) argues that centralization of control over revenue flows has “virtually erased a fundamental principle of federalism—that lower levels of government have some areas of autonomous authority that cannot be overridden by the center—and robbed subordinate units of any significant incentive to generate revenue of their own”

Finally, the 3C's of intergovernmental relations i.e. coordination, cooperation and collaboration that are essential for national development has been very difficult to achieve among the levels of government. This is responsible for the slow growth rate of development at the subnational levels which later impoverished the Nigerian society.

4.2. Implications of subnational levels' autonomy on employees' performance

The degree of autonomy of the component units of Nigerian federation affects employees' performance. First, the poor performance of employees at the subnational levels has been linked to inadequate financial resources. Such financial constraints at subnational levels have made the states and local governments to resort to borrowing in domestic markets with the expectation of receiving a bailout grant from the federal government (Bjedov and Madies, 2010: p.12-32). Second, lack of autonomy at the subnational levels account for poor attitude of employees in service delivery. The non-challant attitude of employees at the subnational levels towards service delivery is not unconnected with the non-payment of salaries of workers for several months. Third, the nature of autonomy at the component units of government has aggravated poverty level among employees, therefore, making it extremely difficult for the working force to meet up with their needs and aspirations. Fourth, the employees most often than none have considered the work place as becoming environmental unfriendly. Finally, employees as vital resources of the subnational levels of government have become idle (Lewis, 2009). This has led to the wastage of potentials on the part of the employees, and wastage of resources on the part of the government.

4.3. Reliability of data resources

Reliability connotes the absence of differences in the results if the research were repeated (Collis and Hussey, 2009: 339). Wellins et al. (2005:20) define the reliability of a survey as “the ability of the instrument to deliver accurate results when administered to random samples of the same population or to the same
population over time”. Reliability of data is based on the accuracy and consistency of the data collected and the results analysed. The reliability of the data resources is affected by the changes in the structure of federalism and the capacity of the subnational levels to be autonomous in their areas of jurisdiction.

5. Conclusion and recommendations

The discourse has shown that Nigerian federalism is faulty, ranging from the constitutional provisions itself to the operation and the institutional structures that are meant to perform different assigned roles. The study indicates that the subnational levels of government are mere appendages of the central government as there is excessive flow of financial resources at the center. The expansion of the financial responsibilities of the subnational levels without correspondence revenue base has weakened the subnational levels in service delivery which made a large number of states to seek for bail out from the federal government in order to pay workers’ salaries. The paper considers lack of coordination, cooperation and consultation among the levels of government as reason for low level of human development and poor quality of life of Nigerian populace. The resultant effect of this is malnutrition and malnourishment of Nigerian citizens. Consequently, the country has found itself in the wave of economic recession and depression, which has made sustainable development to become a mirage.

In view of the systemic defect in the mode of operation of federalism in Nigeria which has made the autonomy of the subnational levels to suffer, the following recommendations are made.

There is urgent need to restructure Nigerian federal system in line with K.C. Wheare concept of federalism. According to him, the federal principle is guided by the ‘method of dividing powers so that general and regional governments are each, within a sphere, coordinate and independent’ (Wheare, 1964 p.33).

For subnational levels to be relevant in Nigerian federalism, a balance of power that tilted power to neither the central nor the component units must be adopted. A revision of matters under the concurrent list that allows the subnational units a degree of competency must be introduced.

One important element for effective service delivery at the levels of government is the degree of coordination, cooperation and collaboration. Therefore, there is the need to strengthen the existing mechanisms and institutions for intergovernmental policy coordination and collaboration.

Of utmost importance is the need to ensure direct disbursement of local government allocation from the federal government instead of state-joint local government account. There is a perception that Local Government Areas (LGAs) feel constrained by states especially in the way states control local government expenditure through the mechanism of state-joint local government account.

Another way out is to remove the ambiguities that are created through the constitutional provisions. A clear delineation of powers and duties of the subnational levels of government will enhance performance in service delivery and reduce the unhealthy rivalry and cold war between the state and local governments on one hand, and between the central and the state governments on the other hand.
References


