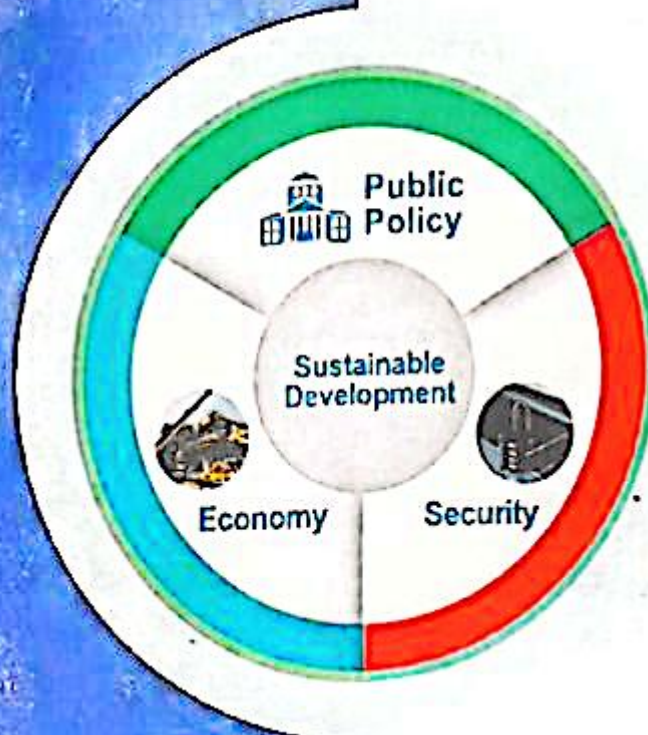


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PUBLIC POLICY, NATIONAL SECURITY & ECONOMIC DEVELOPMENT

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Chapter

5

Contemporary Issues in Intergovernmental Relations in Nigeria's Federalism

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Introduction

Federalism has become the basis for the practice of intergovernmental relations in a polity. The contemporary trends of modern government have jettisoned K. C. Wheare's guided principles of self and shared rule among the levels of government. This study, therefore, attempts to examine the pertinent issues of intergovernmental relations that has created structural imbalance in Nigerian federalism, and the implications of such structural imbalance in Nigerian development. To achieve the stated objective, a review of extant literature was done. The paper argues that Nigerian federalism tilted powers to the center where the central government had exclusive power over the exclusive list and overriding power over the state on concurrent matters. The finding reveals that the central government has higher taxing powers and responsibilities than the component units. Also, the expanded obligations of the component units do not match with the revenue allocation, this has made the component units to be financially incapacitated. The paper recommends the need to re-address the fiscal allocation among the levels of government in such a way that the component units that provide services are given share of federal revenue that can match up with the obligations assigned to them; and the need to amend the constitutional provisions to reflect K.C. Wheare's principle of federalism.

Federalism as a form of government allows for self and shared rule among the different levels of government depending on the nature and structure of government adopted in a particular country. K.C. Wheare's idea of federalism implies the distribution of power among the levels of government in such a way that the powers of the levels of government are co-ordinate in nature (1963: 10). Wheare's dimension of federalism contains three elements: (1) the division of powers among levels of government (2) a written constitution; and (3) co-ordinate supremacy of the two levels of government with respect to their respective functions (Ama-Ogbari, 2006). Federalism has become the basis for the practice of intergovernmental relations in a political system. In developed federation like United States of America, Canada, Australia, the shared rule is between the central government and the component units. In America, the layered cake analogy of federalism entails that the authorities of each level of government have distinct and separate spheres (Grodzins, 1960). Similarly, the marble cake analogy lays emphasis on the inseparability of the central and the state governments, therefore, allowing cooperation between the central and the state governments (Grodzins, 1960). The Spanish, Indian, Belgian federal arrangements bring diverse cultural patterns together in order to devolve power to the subnational units of government. The practice of federalism in both developed and developing federations has not satisfied the guided principles of federalism postulated by Wheare. Therefore, scholars like Livingston (1956), Birch (1968), Riker (1964), Jinadu (1979), and Vile (1968) have attempted to explain federalism based on the contemporary trends of modern government.

In Nigeria, the Ibadan All-Nigerian Constitutional Conference held on January 9, 1950 marked the formal introduction of federalism in Nigeria (Sagay, 2001). Such federal arrangement adopted had the influence of colonial master which has affected the nature of interactions among the levels of government that led to military brought conflictual relationship among the levels of government because each incursion in politics in January 1966 (Mohammed, 2006). Intergovernmental relations during the military rule had considerable improvement in such a way that regional head was answerable to the federal military government in the Second Republic. However, intergovernmental relation among the levels of government in the Second Republic was tense due to the conflictual relationships between the federal and the state governments on the revenue sharing formula.

The Dasuki committee appointed by Buhari administration in 1984 observed master-servant relationships between the state and the local governments due to the excessive control of the state over local government affairs (Mohammed, 2005). The constitutional arrangement of the Second and Fourth Republics that effectively divested the autonomy of the component units with a reinforced centralized federal system raised issues of concern in Nigeria's federalism and intergovernmental relations. Therefore, the objective of the paper is to examine the pertinent issues of intergovernmental relations that has created structural imbalance in Nigerian federalism, and the implications of such structural imbalance in Nigerian development. The paper is structured into five sections, starting from the introduction. This is followed by the conceptual framework. The third section focuses on contemporary issues in intergovernmental relations. Section four examines the implications of structural imbalance on Nigerian intergovernmental relations. Section five forms the conclusion and recommendations.

Conceptual Framework

Central to this study are the concepts of federalism and intergovernmental relations.

Federalism

According to Wheare (1963), federalism entails "the method of dividing powers so that general and regional governments are each, within a sphere, co-ordinate and independent." Wheare's definition connotes that the relationships between the central and the component units are both co-ordinate and independent. According to Moshood (2014), intergovernmental relations as a form of development in a federal system of government allows the sub national units involve in statutory functions of states. Hueglin (2005) observes that federalism deals with the breakdown of colonial empires and formation of a multitude of newly independent states after 1945; most of which were multicultural in nature because of their arbitrary composition, as assembled by the colonial powers.

K.C. Wheare defines federalism as any political arrangement that allocates or divides governmental powers between at least two levels of government in such a way that the powers of the levels of government are co-ordinate in nature (Wheare, 1964). Such co-ordinate relationship allows for independence, and interaction among the units of government. Supporting this view, Awa (1976) observes that federalism involves cooperation between the two levels of government and such cooperation increased in scope and quantity as the federation matures. Wheare's dimension of federalism

contains three elements:

- (1) The division of powers among levels of government
- (2) A written constitution; and
- (3) Co-ordinate supremacy of the two levels of government with respect to their respective functions (Ama-Ogbari, 2006).

Anyebe (1995) remarks that Wheare's dimension of federalism consists of sharing of powers among the units of government, written constitution showing the division of powers, and the absolute powers of the levels of government in the discharge of their functions.

The position of Wheare has received mixed reactions from scholars like Livingston (1956), Birch (1968), Riker (1964), Jinadu (1979), Vile (1968). One of the criticisms of Wheare's perspectives is that his idea of federalism is both legalistic and inflexible (Birch, 1968: 15; Riker, 1964: 98-99). Livingston (1956) contends that Wheare's federalism neglects sociological issues that are essential for the understanding of changes in the nature of federalism. Jinadu (1979) observes that the major weakness of Wheare's federalism is that it lays emphasis on formal institutional requirements- explicit: constitutional delimitation powers; bi-cameral legislature; independent electoral systems for both levels of government; multi-party but preferably a two-party system; and a Supreme Court. Wheare has been criticized for his over-reliance on essential characteristics of United States' federalism as the basis of formulating his federalism principle.

Intergovernmental Relations

Intergovernmental relation refers to the interactions that take place among the different tiers of government within a state (Adamolekun, 1983). In other words, intergovernmental relation is the whole idea of interaction that takes place between the central government and the subnational units. In the words of Ajulor and Okewale (2011), intergovernmental relation is a platform for collaboration between levels of government that have different degrees of autonomy. Bekink (2006) defines intergovernmental relations as a set of multiple formal and informal principles, processes, structures and institutional arrangements for both the bilateral and multilateral interaction within and between the different spheres of government.

Ogbuishi (2007) identifies seven reasons for IGRs in federal systems as follows:

- (1) To promote peace and harmony among the three levels of government;

- (2) To enhance the emergence of cooperation rather than competition in federation;
- (3) To accelerate the achievement of self-reliance economy;
- (4) To ensure effective and efficient utilization of available human and material resources among the various levels of government;
- (5) To minimize intergovernmental conflict among the various levels of government;
- (6) To solve problems of rural and urban poverty of the people; and
- (7) To foster greater national integration via the activities of the levels of government.

In his contribution, Odoh (2006) highlights the objectives of intergovernmental relations to include:

- (1) Promotion of peace and harmony among the three levels of government;
- (2) Enhancing the emergence of co-operation rather than competitive federalism;
- (3) Ensuring effective utilization of available human and material resources among the various levels of government; and
- (4) Accelerating the achievement of self-reliant economy.

An American scholar, Wright (1995) identifies the characteristics of IGR with reference to American federalism. These are:

1. IGR comprises of all forms of permutations and combinations that exist among the component units in a federal system
2. IGR is made up activities and the attitudes of people occupying various positions at all the levels of government as well as the institutions of government
3. IGR consists of concerted efforts of officials as well as the one-time occasional occurrences
4. Politics, economics and administration combine to put finance at the policy centre of IGR
5. IGR encompasses all relationships between all the levels of government.

Extant literature lays emphasis on cooperation between the central government and the subnational units, therefore, deemphasizing the hierarchical relationship (Adamolekun, 2011). Grodzins (1960) notes that intergovernmental relations are characterized by friendliness and cooperation, and that conflict can occur within

government or between the levels of government. Grodzins' notion of "sharing" pervades his work and that of his students who participated in the University of Chicago's Federalism Workshop. He notes that the benefits of intergovernmental conflict. Grodzins' earlier work was based on dual federalism where there is division of powers between the national and state governments.

The emphasis of his work was the existence of two independent spheres of sovereignty. However, his later work, in collaboration with his students, stressed the primacy of cooperation rather conflict (Fritschler & Segal, 2016). In this, Grodzins notes the interactions of the subnational units in intergovernmental relations. To him, states are both the sources and recipients of federal and local powers. Grodzins and one of his students, Cohen, were able to measure the consistency of the effect of the economy on central and state governments (Grodzins & Cohen, 1963). Students of Grodzins and others (Elazar, 1959) have identified the political and administrative techniques by which central and state-local governments influence grant-in-aid programs (Levine, 1969). They also identify the processes and attitude areas in which central and state-local officials have developed patterns of cooperation through budget channels, common professional goals and attitudes and perceptions of cooperation and conflict (Weidner, 1969, Carroll, 1969, Carey & Vermuelen, 1969). Aside from this, they identify areas of conflict regarding federal programs as occurring within rather than between governments (Weidner, 1969). They describe conflict as more of a characteristic of interpersonal relationships through policy differences (Carroll, 1969).

Contemporary Issues in Nigerian Intergovernmental Relations

The contemporary Nigerian intergovernmental relations is faced with issues of autonomy, fiscal federalism, centralization of powers and responsibilities, imbalance in taxing powers, vertical/horizontal relationship, constitutional provisions.

Autonomy

The quest for devolution of power among nations has attracted debates from scholars on the concept of autonomy. Scholars have therefore attempted to explain 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". (Adeyemo, 2005). 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 shows the differences in the trends and models adopted by various nations. The Canadian constitution of 1867 granted the central government power to veto any legislation at the provincial level. Provinces are set up for the administrative convenience of the central government, and therefore, are never sovereign (Fritschler & Segal, 2016). 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 & Peterson, 1999). Posner (1998) observes that bargaining between central and local governments could be succeeded by a 'Centralized-Inclusive model' which would suggest considerable mandating activity. Wright (1982) 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 (Wright 1982).

Intergovernmental relation in America allows the central government to wield considerable influence over the state governments especially in areas of fiscal federalism, the federal government exercises financial control over the states by withholding the federal grants to the states (Fritschler & Segal, 2016). In a comparative context, Britain's framework for analyzing intergovernmental relations posits that local authorities are not agents of central government but rather have local discretion (Stoker, 1991).

Scholarly works in Nigeria have focused more on authority relationships, fiscal arrangements and institutional structures (Adeyemo, 2005; Rezende, 2007; Enejo & 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. For example, the creation of local governments by Lagos, Akwa Ibom, Bayelsa, Enugu, Ebonyi and Katsina states in the first four years of the Fourth Republic made some states to take the federal government to court to seek redress (Eme, 2008). The case of Lagos state creation of new local development council areas between 2002 and 2004 led to withholding of federal allocation to the state's LGs by

the Obasanjo administration in 2006. The federal government withholding of federal allocation to Lagos state led to litigation between the federal and the state over jurisdiction (Ojo, 2014: 49). Prior to the litigation, Lagos state government had created 37 local council development areas out of the existing local governments without the approval of the National Assembly. This generated rancor between the federal and Lagos state governments that finally led to withholding of monthly allocation of Lagos state by Obasanjo-led administration. The court ruled that while Lagos State House of Assembly has the 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 (The Nation Newspaper, August 11, 2009). This phenomenon that represents abuse of constitutional provisions did not encourage cordial relationships among the tiers of government.

Distribution of Powers and Responsibilities

Intergovernmental relation has made it possible to demarcate governmental powers through constitutional delineation of functions. Each level of government is constitutionally assigned certain subjects to carry out. In Nigeria, the constitution specifies the list of functions of local government as contained in Section 7, Fourth Schedule of 1999 constitution. The main functions of a local government council, as stated in the constitution, include the consideration and the making of recommendations to a state commission on economic planning or any similar body, collection of rates, radio and television licenses, establishment and maintenance of cemeteries, burial grounds and homes for the destitute or infirm, licensing of bicycles, trucks (other than mechanically propelled trucks), canoes, wheel barrows and carts; establishment, maintenance and regulation of slaughter houses, slaughter slabs, markets, motor parks and public conveniences. Local Governments are also expected to construct and maintain roads, streets, street lightings, drains and other public highways, parks, gardens, open spaces, or such public facilities as may be prescribed from time to time by the House of Assembly of the state (Federal Republic of Nigeria, 1999).

The functions of local governments also include naming of roads and streets and numbering of houses; provision and maintenance of public conveniences, sewage and refuse disposal; registration of all births, deaths and marriages; assessment of privately owned houses or tenements for the purpose of levying such rates as may be prescribed by the House of Assembly of State. It is also expected that local governments to control and regulate out-door advertising and hoarding, movement

and keeping of pets of all description, shops and kiosks, restaurants, bakeries and other places for sale of food to the public, laundries, and licensing, regulation and control of the sale of liquor.

The functions of a local government council shall include participation of such council in the Government of a State as respects 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 such other functions as may be conferred on a local government council by the House of Assembly of the State (Federal Republic of Nigeria, 1999). Local government as an institution was formed out of the need to decentralize power and promote local autonomy.

Unfortunately, the creation and existence of local council is under the law of the state. Section 7, Subsection 1 of the 1999 constitution states that: 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 (Federal Republic of Nigeria, 1999). This is a clear indication that the functions of local government as contained in the Fourth Schedule are conferred by the State. This erodes the existence of local government as a democratic institution in a federal system.

Also, local autonomy that is required for the provision and sustainability of infrastructural development at the grassroots is not guaranteed (Agagu, 1997; Khalil & Adelabu, 2012). Therefore, for the actualization of true federalism in a polity, the establishment, structure, composition, finance and functions of local governments should be constitutionally designed in such a way that local government becomes autonomous level of government. By constitutional design, the federal government has the capacity to raise more revenue than the subnational units thereby giving the center the ability to gain the conscience of the subnational levels by offering them grants (Hale & Palley, 1981; Wright, 1982). In Nigeria, the question of economic justice is yet to be realized in the distribution of responsibilities. According to Ojo (2014), 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 was the problem of securing adequate

financial resources on the part of the lower levels of government to discharge essential political and constitutional responsibilities.

Centralization of Power

Extant literature reveals that there is continuous fiscal domination of the federal government on the subnational levels (Conlan, 1986; Ugwu, 1998; Suberu, 2001; Diamond, 2001). In the U.S., a change in the trend in IGRs from "cooperative federalism" to "coercive federalism" arises due to the increased dominance of federal government. According to Conlan (1986), President Reagan's interest was in favour of the national when such pressure is in conflict with the state opposition. This leads to reduction in the categorical grants as means of reducing federal deficit instead of empowering the subnational governments. Therefore, a new approach to IGRs called "coercive federalism" was introduced. This approach, according to Kincaid (1990) was introduced in the 1970s and 1980s for the federal government to use regulation rather than fiscal incentives to control domestic policy.

Taking it further, Posner (1998) observes an increase in the use of unfunded mandates by the federal government, in spite of the 1995 Un-funded Mandates Act that sought some changes in their use to place unwanted fiscal demands on local government (Conlan, 1995). Such fiscal dominance gave the federal government capacity to raise more revenue than the subnational units, thereby giving the center the ability to gain the conscience of the subnational levels by offering them grants (Hale & Palley, 1981, Wright, 1982). Similarly, the federal government exercises power over non-fiscal matters that are under the jurisdiction of the state governments such as the minimum age for drinking alcoholic beverages. For example, in the 1980s, the central government required the states to raise the minimum alcoholic drinking age to twenty-one years. The central government then threatened states that may refuse the directive to forfeit the federal highway construction funds. This forced the states to change their laws on minimum drinking age in order to suit the federal laws. The American Congress used the same threat in 1990s to encourage the states to reduce their blood-alcohol limits for drunk driving to 0.08 percent by 2004 (Fritschler & Segal, 2016).

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 (Ejimofofor, 1987). Ejimofofor 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 (Ejimofofor, 1987; Ayoade, 2001).

The centralizing nature of military governing pattern and usurpation of responsibility without due recourse to the intergovernmental relations led to fiscal disequilibrium and functional dislocation of subnational units (Crommelin, 2004). Supporting this claim, Oyovbaire (1985) observes that the federal-state relations during the military era in Nigeria were skewed in favour of the federal government. Taking this discourse further, Ugwu (1998) observes that there exists a system of direct transfers from the federal government to local governments. However, most of Nigeria's states and local governments are not able to raise more than ten percent of their annual budget from the internal sources and they are heavily reliant on federal aid. On this, Suberu (2001) notes that economic resources as well as political power are concentrated at the federal level.

In terms of fiscal policy, "extreme concentration" of control over the nation's revenue flows has caused intergovernmental conflicts. Alluding to 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 (Diamond, 2001).

Extant literature reveals a system of direct transfers from the federal government to the units and low internally generated revenue of the subnational units, but not much work has been done on how the subnational units can become more viable. This study, therefore, seeks to explore the resultant effect of the skewed nature of the federal arrangement and how to have more viable subnational units.

Vertical/Horizontal Relations

Scholarly works on vertical/horizontal relationships among the levels of government have continued to be the central focus in the literature (Elaigwu, 1985; Tamuno, 1970; Jinadu, 2003). Elaigwu (1985) observes that the relationship between the central

government and subnational units broke down after the military takeover because the subnational units were more powerful than the central government. This, according to Elaigwu (1985), resulted into threats of secession. With the promulgation of Decree No. 34 of 1996, the country adopted unitary system. The resultant effect of this was a limited degree of relationships among the units of government.

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. For example, the Sokoto state government was taken to court by 15 local government councils, and the court prohibited it from deducting 3 percent of its statutory allocation to fund Sokoto Emirate Council, as passed by the State House of Assembly (Vanguard, 1999). 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. There exists a complex web of interactions bordering on participatory and joint management in the areas of funding of primary education, poverty alleviation programme, training of local government career and elected officers among others (Gboyega, 1989). The mechanism of the State Joint Local government account committee is lopsided, and that it is more often manipulated by most officials in favour of the state government, (Gboyega, 1989). Bello-Imam (1990), Ayoade (1992) and Ekpe (2002) maintain that IGRs during the colonial rule and Nigeria's First Republic exhibit the features of principal/agent model. This means that the relationship between the local government and other higher levels, federal and state is not based upon cooperative situation, rather a relationship where the local government takes directive and commands from the higher authority.

However, IGRs between the 1979 Second Republic and the present Fourth Republic is characterised by overlapping-authority model because the actors of IGRs perform multi-dimensional functions (Ibok & Ntekim, 2014).

Intergovernmental Fiscal Relations

There are two pertinent issues on the subject matter of intergovernmental fiscal relations. The first is the question of the relative powers of central and component units to raise revenues. Second, the relative importance of the proportion of total

government revenues that is actually utilized by central and subnational governments, regardless of how the revenues are raised (Adamolekun, 2011). Intergovernmental fiscal relation entails fiscal federalism where revenue and expenditure responsibilities are divided among the various levels of government (Abubakar, 2004).

Abubakar identifies some fundamental questions that must be answered. These are:

1. How do we attain the most equitable distribution of income?
2. How do we maintain high employment while avoiding excessive inflation?
3. How do we distribute resources efficiently?

It is pertinent to know that revenue transfer is common in all federations. Olaloku (1979) observes that there are three reasons that are germane to transferring of funds from higher authority to lower levels of government. These include:

1. The nature of the functions and revenue sources of the three levels of government; federal, state and local governments
2. The variations in the capacities of the lower levels of government to raise revenue;
3. The conditional transfers that gives instructions on the use of funds.

Such intergovernmental transfers, according to Olaloku (1979), are usually based on the principles of derivation, need and national interest. Subnational levels of government in Sub-Saharan African generate about 20 percent of total government revenues and spend about 30 percent. The difference of 10 percent is derived from intergovernmental transfers. The bulk of national revenue of the Sub-Saharan African countries is under the jurisdiction of the central government revenue which is made up of personal income tax, value-added tax, company tax, mining royalties, import tax, and export tax. Also, it is only a few countries like South Africa, Zimbabwe that allows subnational governments to raise revenues through borrowing from municipal banks, loan funds, or the capital markets.

Concerning intergovernmental transfers in most Sub-Saharan African countries, the central government decides on the total sum of grants available as well as the sharing formula. Formal intergovernmental transfers exist in countries like Ethiopia, Ghana, Nigeria and Uganda. For example, in Nigeria, intergovernmental transfer is embodied in the constitution, although, inconsistency still persists in the implementation of the enshrined intergovernmental transfers. Intergovernmental transfer in Ghana and Uganda have tremendously increased the ability of the subnational units of

government to spend money, yet the power to transfer such funds still resides in the central government (Adamolekun, 1991).

Service Delivery

Service delivery has become the primary responsibility of any government to the people (Olowu, 2011). He observes that the legitimacy of government to levy taxes on the people is based on its capacity and capability to deliver services promptly. In analyzing the service categories, Olowu highlights the distinctive features of public and private goods. According to him, public goods are characterized by:

1. Relatively difficult to measure quantity and quality
2. Consumed jointly and simultaneously by many people
3. Difficult to exclude someone who does not pay
4. Generally no individual choice to consume or not
5. Generally little or no individual choice of kind and quality of goods
6. Payment for goods not closely related to demand or consumption
7. Allocation decisions made primarily by political process. For the private goods,

Olowu identifies the following characteristics:

1. Relatively easy to measure quantity and quality
2. Can be consumed by a single person
3. Easy to exclude someone who does not pay
4. Generally individual choice to consume or not
5. Generally individual choice of kind and quality of goods
6. Payment for goods closely related to demand and consumption
7. Allocation decisions made primarily by market mechanism (Ostrom & Ostrom, 1991).

Furthermore, Olowu made a classification of services into two. First, those that are financed by user charges called utilities. Second, the ones that are financed through taxation called services.

Certain basic assumptions have changed the thought on service delivery. First, a distinction is made between "provision" and "production". A provider is saddled with the task of articulating and aggregating the needs and demands of his constituents and source for funds to provide public goods. On the other hand, the "producer" carries out the task of processing inputs into outputs. Second, is the growing concern that

government only need to provide an enabling environment for production rather than dominating the provision of services (Olowu, 2011). Ostrom and Ostrom (1991) classified services into two broad types:

1. Those that can be provided by the private sector are feasible for citizens
2. Those for which exit options are not easy and for which voice mechanisms must be enhanced, making the involvement of the public sector necessary in some forms.

Service delivery in the Nigeria's Second and Fourth Republics has suffered serious setbacks. In this, General Buhari in his first speech after military coup on 31 December, 1983 stated that

Let no one however be deceived that workers who have not received their salaries in the past eight or so months will receive such salaries within today or tomorrow or that hospitals which have been without drugs for months will be provided with enough immediately. We are determined that with the help of God we shall do our best to settle genuine payments to which government is committed including backlog of workers' salaries after scrutiny (Khemani, 2001).

Similarly, in the Fourth Republic, Buhari addressing journalists in India on 28 October, 2015 remarked:

Where is the money? You must have known that the federal government has to help twenty seven (27) states out of thirty six (36) to pay salaries. Nigeria cannot pay salaries, the federal government itself has to summon the government of Central Bank on how it could pay salaries, not to talk of projects, agreements we signed with other countries on counterpart funding and so on (Khemani, 2001).

Khemani (2001) observes that the component units are incapacitated to deliver services due to the fact that the fiscal allocation favours the central government at the expense of the subnational units that are charged with the task of service delivery. Therefore, he sought for reassessment of intergovernmental fiscal relations in order to make expenditure obligations of the component units more effective. The revenue sharing formula allocates resources from the Federation Pool Account to the federal government (48.5%); State government (24%); and local government (20%). The remaining 7.5% is distributed between derivation funds for oil and mineral producing areas, a stabilization fund, an ecological fund, and the federal capital territory. (FCT).

Service delivery in developing societies of Latin America, Asia and Africa has been found inadequate. This has necessitated the adoption of self-help projects by the local communities in the provision of basic amenities. Survey carried out in one of the geopolitical zones of Nigeria revealed the self-help efforts in the delivery of essential goods and services (Olowu et al. 1991; Akinola 1991; 1994; 2000; 2003; 2004; 2005; Adedeji & Onigu 1997). Akinola observes that people have suffered disappointment from the state in the post-colonial era especially on the provision of social services, hence, the need to revive the traditional heritage of cooperation among them through the Community Development Associations (CDAs). He added that a high level of achievement has been attained in service provision through the CDAs while the contribution of government especially at the rural area has been minimal. Scholarly works on probing and interrogating the use of available resources by the subnational levels are still very rare in the literature. This work therefore, intends to fill the existing gap in the literature.

Constitutional Provisions

One of the features of democratic governance is the existence of constitutional provisions that delineate functions among the institutions of government. The national constitution of each federation distributes powers and authorities in different ways. The 1867 constitutional Act of Canada tilted more power to the center at the expense of the provinces (Fritschler & Segal, 2016). The Nigerian 1979 presidential constitution which metamorphosed into 1999 constitution, aimed at ensuring that each level of government acts within its areas of jurisdiction.

However, available literatures reveal that there is a gap between constitutional provisions and the operation of IGRs. For example, rather than conducting election to the local government, the federal and the state governments decided on interim local government administration under caretaker committees. In other words, there was no election to the local governments in the Fourth Republic until the expiration of the term of office in May 2003 (Vanguard, 4 May, 2000). Ihonvbere (2000) argues that "the 1999 constitution failed to address in its entirety the character of the state, the nature of the custodians of state power, the critical issue of hegemony and the inability of the elite to initiate a national project, the national question, production and exchange relations, and other primordially determined or constructed identity questions". Similarly, there was flagrant disregard to constitutional provisions by the federal government. For instance, the states accused the federal government of lacking actions in flagrant disregard of the constitutionally guaranteed autonomy of state

governments. The federal government announced the federal minimum wage of N7500 per month and N5500 for the states without due consultation with the states (Vanguard, 2000). This action was considered unconstitutional since minimum wage was not an executive matter (Vanguard, 2000).

The Resource Control

The expanded obligation of the component units during the democratic governance of the Second and the Fourth Republics has necessitated the need for states to look inward to boost the revenue base of the states. Hence, the agitation of the oil producing states in Nigeria to have a larger percentage of revenue from the federation account. The eight littoral states of Akwa Ibom, Bayelsa, Cross River, Delta, Lagos, Ogun, Ondo and Rivers demanded from the federal government 13% of federal revenue to be allocated to them while the remaining 87% should be shared by the state, local and federal governments (Ojameruaye, 2002). The justification for the demand for 13% by the littoral states was due to lack of fairness in the distribution of national resources particularly the oil revenue; poor infrastructural development in the oil producing states; the high level of degradation in the oil producing communities which has depleted the soil resources leading to increased unemployment and poverty rate; the poor attitude of the multinational companies to provide infrastructure for socio-economic development of the oil producing states; and the incessant militancy in the oil producing communities, especially the Niger Delta area (Edemodu and Nwokoh, 2002; Dunmoye, 2002).

The Electoral Act of 2001

This is another pertinent issue that has affected intergovernmental relations in Nigeria polity. Since the presentation of the Electoral bill by the Independent National Electoral Commission (INEC) which was signed into law by the National Assembly, criticism has been levelled against the bill due to its ambiguities. The Electoral Act contains the extension of tenure of office of local government Chairman, Vice-Chairman and Councilors from three to four years as stipulated in the basic constitutional and transitional provisions, Decree 36 of 1998, the re-arrangement of elections starting with the Presidential, the National Assembly, the Governorship and State Assemblies, then the local government (Sanyaolu, 2002). The 36 states of the federation had dragged the federal government to the apex court to seek a declaration that the electoral law, as it related to the tenure of local governments, was a violation of the constitution (ThisDay, February 26, 2002). The decision of the Supreme court was that the Speakers of the House of Assemblies had no constitutional powers to initiate legal actions at the supreme court (Odiaka, 2002).

Suspension and Removal of Local Government Chairmen from Office

The state government in some states arbitrary suspended and removed local government Chairmen within their jurisdiction. The governors of Kaduna and Zamfara states suspended quite a number of local government Chairmen. This action prompted the local government Chairmen to sue the 36 states governors and their state assemblies (Fadeyi, 2001).

Creation of New Local Governments

The 2003 local government election was preceded by the creation of new local governments by some state governors. By constitutional design, First Schedule, Section 3, Part 1 stipulates the states of the federation and the local government areas. The 1999 constitution provides for 774 local governments, an indication that no other local government aside from the one in the constitution would be recognized. However, the governors of Lagos, Nassarawa, Kogi, Katsina and Niger decided to create additional local governments within their jurisdiction without due process (Ishiekwene, 2004). In the case of Lagos state, the federal government withheld the monthly allocation to the local governments while Lagos state took the federal government to Supreme Court. 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 (The Nation Newspaper, August 11, 2009).

Internal Security

Constitutionally, the state governor as the custodian of the state is the chief security officer of the state. This constitutional power of the governor overlaps with the traditional role of the Commissioner of police as agent of national security at the state level. Consequently, overlapping of functions of the two security officers has threatened the state security. Eme and Ede (2009) observe that the state of insecurity of lives and properties at the state levels have called for the existence of state police and vigilante services.

Implications of Structural Imbalance on Nigerian Intergovernmental Relations

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. Thus, 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 weak fiscal strength of the component units in the Fourth Republic would affect their capacity for effective service delivery. According to Khemani (2001), the subnational units are not equipped with adequate revenue resources to fulfill their expenditure obligations because the bulk of government revenue is retained by the federal government. The 1994/1995 Constitutional Conference report on the financial strength of subnational units reveal that none of the 36 states, as a component unit, was economically viable to be independent of the central authority (Report of the Constitutional Conference containing the Resolutions and Recommendations vol. 11: 60). Also, the overriding powers of the central government over the states on concurrent legislative list further incapacitate the subnational units in service delivery, as the units could not establish a coordinate and independent relationship with the center.

Conclusion and Recommendations

Federalism as a form of government allows for self and shared rule among the different levels of government depending on the nature and structure of government adopted in a particular country, and it has become the basis for the practice of intergovernmental relations in a political system. Intergovernmental relations during the military rule had considerable improvement because each regional head was answerable to the federal military government in such a way that the regional governments were subordinated to the federal military government. However, intergovernmental relation among the levels of government in the Second Republic was tense due to the conflictual relationships between the federal and the state governments on the revenue sharing formula.

Similarly, the structure of Nigerian federalism tilted powers to the center where the central government had exclusive power on the exclusive list and overriding power over the state on concurrent matters. It is quite obvious that the central government has higher taxing powers and responsibilities than the component units. The expanded obligations of the component units do not match with the revenue allocation that was in favour of the central government. Therefore, the component

units that are saddled with the responsibility of service delivery is financially incapacitated.

Based on the above, the following recommendations are made:

1. There is the need to re-address the fiscal allocation among the levels of government. This should be done in such a way that the component units that provide services are given share of federal revenue that can match the obligations assigned to them. In addition, special monitoring units should be set up to allow for transparency and accountability of fund allocated to the subnational levels.
2. The constitutional provisions that allocate too much power to the central government at the detriment of the subnational levels need to be amended to reflect K.C. Wheare's principle of federalism. The constitution must be designed in such a way that all forms of ambiguity is removed. This would make each level of government to act within its sphere of jurisdiction and prevents the unitary outlook of Nigerian federal system.

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