FINANCING LOCAL GOVERNMENT FOR ENHANCED RURAL DEVELOPMENT IN NIGERIA

DR. JEREMIAH TERSUR VAMBE  
DEPARTMENT OF PUBLIC ADMINISTRATION  
UNIVERSITY OF ABUJA  
MOBILE: 08060366531  
EMAIL: tervambe@yahoo.com

&

ADEKEYE A. JOSEPH  
DEPARTMENT OF PUBLIC ADMINISTRATION  
UNIVERSITY OF ABUJA  
G.S.M: 08060326463  
EMAIL: shollay78@yahoo.com

ABSTRACT
The purpose of Local government the world over is to accelerate socio-economic development at the grassroots. This can only be achieved under the right atmosphere with the right instrument of office and relationship between the state and federal governments, right structure, freedom of action and unhindered sources of revenue. In Nigeria, this institution of government has neither constituted a distinct level of government nor performed clearly stated functions. Although various reforms have been implemented by successive governments to visualize local government as a distinct level of government, the historical relationships between the local authorities and the higher levels of government as well as some confusion in the statutory and constitutional provisions have combined to blur the visions which were paramount in such reforms. The factors affecting the operations of local government include dependence on resources external to their boundaries for funds to carry out virtually every aspect of their constitutional roles and indiscriminate suspension of democratic local government councils by some Governors for partisan reasons. The paper recommended that in order to enhance the contribution of local government to rural development. All local government Chairmen should be guaranteed free access to the Governors of their states for purposes of discussing the peculiar problem confronting them; the internal revenue base of the local governments should be strengthened through joint venture activities and intergovernmental collaboration. Also, local government structure and composition once constituted should be kept stable for as long as possible in order to allow long planning period and good governance.

INTRODUCTION
In a federal political system like Nigeria, local government is the product of decentralized administration. Hence, in a democratic dispensation, local government is a representative council, meant to bring the act of governance closer to the people by discharging the functions assigned through constitutional provisions.

As rightly observed by Machika (2001), the purpose of local government in Nigeria is to accelerate socio-economic development at the grassroots level. To be able to do this, it should be in a position to generate its revenue and to use its resources—human and natural endowment- to provide a wide range of socio-economic services. It should be in a position to establish programmes to enhance the welfare of those within its jurisdiction. These objectives can only be achieved under the right atmosphere
with the right instrument of office and relationship between the state and federal governments, right structure as well as freedom of action and unhindered sources of revenue.

For several decades, local government as a third tier of government has been struggling for financial and political autonomy. As expected, successive governments in Nigeria either before independence or after independence have initiated or implemented measures aimed at making that level of government strong, reliable and efficient. The first sets of reforms were introduced in the 1930s and 1940s which culminated in the establishment of chief-In-Council and Chief-and-Council in place of sole native authorities (Igbuzor, 2004). The local government reforms within 1950-1955 gave a wide range of functions including primary education, health, police and judiciary e.t.c. The 1976 local government reforms conceptualized local government as third tier of government operating within a common institutional framework with defined functions and responsibilities. Section 7(3) of the 1979 constitution provides inter-alia:

*It shall be the duty of a local government council within the state to participate in economic planning and development of the area referred to in sub-section(2) of this section and to this end, an economic planning board shall be established by a law enacted by the House of Assembly of the state.*

Between 1985 and 1992, there were certain reforms aimed at ensuring local government autonomy. These include the abolition of the Ministry of local government, establishment of executive and legislative arms in local councils, and direct allocation to local government. The regime also increased local government statutory allocation from 15 percent to 20 percent with effect from 1992. Nevertheless, whatever gains were made in the issue of local government autonomy was frittered away with the dismantling of all democratic structures by Abacha regime in 1993. The regime also reversed the operations of local government to the status quo through the implementation of government white paper on Ayida Panel of 1993 (Anyebe, 2002).

Despite these reforms, local government administration in Nigeria still suffers as misfortune of financial strangulation and political irrelevance in spite of its constitutional recognition as a third tier of government (Adediran,2003). At no time in recent times is much anxiety experienced in the local government than now (under the 1999 constitution. To this end, many Nigerians, especially the rural populace that constitute 70 percent of the population received with applause the news that the 7th Senate has set in motion a machinery to bring to an end the inherent deficiencies and contradictions in the local government system in Nigeria. This paper examines the position of local government with a view to ascertaining its misfortune of financial strangulation in the present intergovernmental structure affects its performance as an agent of rural transformation. The paper posits that, if the local governments have rights, well developed capacity to generate revenue, it can assume responsibility for rural or grassroots transformation.

**STATEMENT OF THE PROBLEM**

The major idea for the creation of local government in Nigeria was predicated on the need to use local government as growth centers for rural and urban development since the larger chunk of the Nigerian population reside in the rural areas. On the contrary, these noble objectives have not been achieved owing to the fact that the rural populace are still grappling with the problem of starvation, ignorance, diseases, deprivation, unemployment, teenage pregnancy, environmental degradation, oppression and lack of access to basic amenities despite the series of reforms carried out by successive governments in an attempt to enhance the financial independence of local government. This made most of the rural dwellers to move to the urban centres in search of greener pastures (rural-urban drift) in the form of higher education, white collar job, access to adequate social amenities such as good roads, pipe borne water, electricity and so on. Therefore, the major thrust of this paper is to critically assess the implication of local government funding on rural development in Nigeria. In an effort to address the above challenges, the following questions are considered fundamental?

1. What role can local government play in enhancing rural development in Nigeria?
2. Does the local government in Nigeria have the financial capacity to accelerate rural development?
3. Would a more financially independent local government increase the level of rural development in Nigeria?
OBJECTIVE OF THE STUDY

The objectives of this paper are:

1. To identify the role of local government towards the enhancement of rural development.
2. To examine the fiscal issues that affect the capacity of local governments to effectively serve as an agent of rural transformation in Nigeria.
3. To determine whether a more financially and politically autonomous local government can reduce the problem of rural underdevelopment in Nigeria.
4. To recommend measures that would enhance the capacity of local government to fully assume its responsibility as an agent of grassroots development.

METHODOLOGY

Data used in this work is derived primarily from secondary sources. The methodology therefore, is basically documentary. This involves learning new facts and principles through the study of documents and records. The documents and records include journals, textbooks, newspapers, magazines, official publications etc. By putting together logically evidence derived from documents and records. Conclusion which either established facts hitherto unknown or sound generalization can be obtained.

CONCEPTUAL ANALYSIS

In line with academic traditions, certain terms considered critical to this study are conceptualized. This became necessary in an attempt to be familiar with the subject matter of this study.

Development

Attempts by scholars to define the concept of development have generated a lot of controversies among authors in the field of social sciences. Some looked at it from a narrow perspective while others considered it from a broad view point. According to Rodney (1972), “development in human society is many – sided process. At the level of the individual, it implies increased skilled and capacity, greater freedom, creativity, self – discipline, responsibility and material well – being. At the level of social group, development implies an increasing capacity to regulate both internal and external relationship. The above definition shows that development goes beyond economic indicators. In the same vein, Todaro (1985), define development as:

\[ \text{a multi – dimensional process involving the re – organization and re – orientation of the entire economic and social system. This involves, in addition to improvement of income and output, radical changes in institutional, social and administrative structures as well as in popular attitudes, customs and beliefs.} \]

Todaro in the above definition views development from holistic perspectives. To him, development is the total transformation in all facets of life of the people in a given society. In other words, Seer (1969) focused on the improvement in the living condition of individual in his words:

The question to ask about a country’s development is therefore: what has been happening to poverty? What has been happening to unemployment? What has been happening to inequality? If all three of these have declined from high level, then beyond doubt, this has been a period of development for the concerned. If one or two of these central problems have been growing worse, especially of all the three, it would be strange to call the result development, even if per capital income doubled (Seers, 1969).

The above view infers that gradual increase in the Gross Domestic Product (GDP) may not have positive impact in the life of the people, if there is high level of poverty, inequality and unemployment. Based on the foregoing definitions, we could agree with Todaro that the objective of development are concerned with life sustenance, self – esteem or respect and freedom. Life sustenance is concerned with access to basic human needs without which life would be impossible. These things include food, shelter, health and protection. The second feature of development is self – esteem and self - respect. It is the wish of every society to be respected. To this end, most society pursued those things that would give them the necessary respect. These things include wealth and technological development. Lastly, freedom as used in this context means emancipation from alienating materials conditions of life and freedom from the social servitude of men and nature, ignorance or misery, institution and dogmatic belief.
Local Government

Just like other concepts in social sciences, the word “local government” is a generic term that means different things to different people. Most scholars define it based on their intellectual orientation and the kind of environment they found themselves. Some looked at it from a narrow perspective while others considered it from a broad point of view. For instance, Baber (1974) defines local government as “authority to determine and execute matters within a restricted area inside and smaller than the whole state. Local government involves the administration of services on a local basis by local bodies”. A critical look at the above definition shows that the author considered local government from the perspective of local administration which only exists with a view to enhance administrative convenience. In the same vein, Ola (1984) posits the local government is “a political sub – division of a nation or state, which is constituted by law and has substantial control of the local affairs including the powers to impose taxes or to exact labour for prescribed purpose. Ola’s definition seems to suggest that local government derives its function from the higher levels of government.

Gwom (1993) provided definition which has the rural dimension of local government. According to him; Local government is the breaking down of state into smaller units for the purpose of involving local communities in the management of their own affairs, ensuring that the basic needs of local citizens are met promptly by supply of goods and services and providing an avenue within which local human material resources are recognized, identified and mobilized in the administration in which the inhabitants of the different units or localities concerned play a direct or full part through their elected, nominated or appointed representatives who exercised powers or undertake functions under the general authority of a nation or state government.

In the same perspective, Oladisu (1981) conceived local government as an essential instrument of national or state government for the performance of certain basic services that can best be (decided upon and) administered locally on the intimate knowledge of needs, conditions and peculiarities of the area concerned in a defined area in a common organization whose factions are essentially complementary to those of the central government and in the interest of the local residents for the satisfaction of common community needs.

In a debate in the western House of Assembly, Obafemi Awolowo (1952) conceived local government as a “system of government where-in local councils make, accept responsibility for and implement their own decisions subject only to such control as may be exercised by the people through their own regional government”. This definition sees local government as possessing the power to make and implement policies within its area of jurisdiction.

Whalen (1976) defined local government as “a given territory and population, an institutional structure for legislative, executive or administrative purpose, a separate legal entity, a range of power and functions authorized by delegation from the appropriate central or intermediate legislative and within the ambit of such delegation, authority including fiscal autonomy”. All these definitions are united on the fact that a local government must possess the power to make and implement policy decisions within a specified area. The 1976 guidelines on local government reform in seem to have captured the basic idea about local government. The guidelines conceived local government as “government at local level that exercises authority through representative council established by law to exercise specific powers within defined areas. It also gives the council substantial control over local affairs as well as having power on the staff, institution and finances directly to institute and direct the provision of services to determine and implement projects, so as to complement and supplement the authorities of the state and federal government in their areas”. It is on this idea that our discussion of local government in this paper is based.

Rural Development

Attempts to come up with all - purpose definitions of rural development have generated a lot of controversies among scholars in the field. For example, Abasiekong (1982) considered rural development: As a comprehensive and coordinated approach of all persons and Agencies (local government) concerned aimed at involving rural people in determining programmes that are designed to improve the economic,
social, cultural conditions and enable them to make a positive contributions to national development.

The above definition sees rural development as the combined efforts of government and the people. Furthermore, the United Nation Economic Commission for Africa posits that Rural development should be viewed in an integrated milieu, calling for a set of policies and projects so designed and coordinated that will raise and sustain the standard of living of the rural population as a whole.

Also, (Idike, 1992) conceived rural development as a strategy designed to improve the economic and social life of the people in the rural areas. The main concern in rural development is supposed to be the modernization of rural society through a transition from traditional isolation to integration with the national economy for equitable and balanced development of the nation. The major objectives of rural development encompasses improved productivity, increased employment and thus income for target groups as well as improve qualities in the basic needs of life which include food, shelter, job opportunities, health services, education, improved attitude like political behavior and so on.

LOCAL GOVERNMENT AND THE CHALLENGES OF RURAL DEVELOPMENT IN NIGERIA

The importance of local government administration in any political set-up cannot be over-emphasized. According to the former premier of Western Region, Chief Obafemi Awolowo, It is the foundation on which the massive and magnificent superstructure of state, regional or central government is erected. The draftsmen of the Nigerian constitution also emphasized the need to bring development to the grassroots as a core duty of the local government.

It therefore became imperative to examine the challenges of managing local government finance in Nigeria. Since 1976, the role of local governments as a veritable instrument for rapid development of rural, and even the urban areas have taken a central stage albeit without a corresponding access to requisite financial resources to meet this expectation. Amusingly, the sources of funds for this tier of administrative authority have continued to dwindle over the years with the ascendancy of both the central and state as the key actors in the Nigerian political economy. The local government is relegated to the backstage (Maurice and John, 2012).

Adedokun (2012), clearly made this situation explicit by observing that “The federal structure of Nigeria constraints local government’s ability to mobilize and use revenue to meet their obligation in a sustainable manner”. He noted further that one of the recurrent problems of the three-tier system in the country is the dwindling revenue generation as characterized by annual deficits and insufficient funds for meaningful growth and viable project development. Local governments are the nearest government to the people at the grassroots in Nigeria; they are strategically located to play a pivotal role in national development (Adedokun (2012).

To facilitate the development at the third tier of government, billions of Naira is allocated from the federation account to the 774 local government areas in the country on a monthly basis. Figures emanating from the Finance Ministry show that a staggering amount of money is shared among the three tiers of government monthly from the Federation Account. They include proceeds of excess crude savings account, Value Added Tax, (VAT) and statutory allocation. But the level of development at the grassroots is at variance with the figures regularly churned out by the Federal Ministry of Finance at the end of the monthly Federal Allocation Committee (FAC). This scenario is the same throughout the country: lack of developmental projects at the local governments. Worse still, a number of the Council Areas are unable to pay salaries of their workers for months. It is so bad in some Council Areas that contractors are chasing council officials around with court orders over inability to pay debt and sometimes due to inability to service loans obtained from banks.

National Mirror’s findings across the states revealed a failed local government administration in Nigeria. Several factors have been identified as being responsible for this unfortunate failure in service delivery to the grassroots. The third tier of government has simply lost its constitutionally enshrined autonomy to the state governments. Their growth has been impedance with the operation of Joint Account between the state governments and the council areas. In many instances, after the deduction by state governments, the local governments are left with little money to pay only salaries of workers. Some state governments are magnanimous though, they dash their local governments, a meager N5 million monthly
running cost. Worst still, the council chairmen lack the temerity to question their state governors on these illegal deductions. Those who dared to ask questions, face the unpalatable consequences: suspension, impeachment or sack. Besides, a large chunk of the council chairmen are bereft of quality leadership skills; they see local administration as business for politicians. The adoption of caretaker committees to pilot the affairs of most council in the states, has hampered the development at the grassroots, such that the transition chairmen are unable to execute projects and ask question about the poor funding of their local governments by the state governments. The poor Internally Generated Revenue (IGR) of the local governments is another albatross.

In the case of Anambra State, the period of 1999 to 2002 could be regarded as the golden years in the history of local government system in Anambra State, when there were 21 councils. Those were the years when elected officials, chairmen and councillors drawn from the different political wards, administered their respective local government areas.(Ayodele .and Sola 2011).

That was the time when many of the councils struggled among themselves for supremacy in the areas of general performance as well as developmental programmes. However, from the year 2002, the fortunes of local governments in Anambra began to wane considerably, when the then governor, Dr. Chinwoke Mbadinuju at the expiration of the tenure of the elected chairmen and councillors, proceeded to constitute caretaker (transition) committees for the 21 local government areas. Mbadinuju could be described therefore, as the governor who laid the foundation for the present malaise in Anambra State. Having introduced the caretaker committees, whose members were all appointed by Mbadinuju, the then governor consolidated his tight grip on the local government areas by introducing the State Local Government Joint Account; a step which gave the state government unhindered access to the control and management of local governments’ statutory allocation and accounts. Since 2002, successive governors of the state have continued to use caretaker chairmen to run the affairs of the councils and have fully taken over the control and management of the council areas of Anambra. This has greatly hampered the development at the third tier of government, despite the rise in the monthly statutory allocation to the councils (Ayodele .and Sola 2011)

From 2003 to 2010, local government areas of the state received from the Federation Account over N100 billion. Investigations carried out by National Mirror points to the fact that the 21 council areas of the state has not embarked on any viable capital projects on their own, rather what is obtainable now, is that, the governor awards contracts for local government projects directly, without any regard to the councils to execute such projects. The state government also enacted laws that took away many of the functions being provided by the local governments. Findings show that what these councils do these days is that they only exist to pay salaries and staff claims. The state chapter of NULGE led by Jerry Nnubia has continued to criticize the government over their refusal to restore democracy to the 21 local government areas. Delta In Delta State, the 25 local government councils are not faring better in development indices, especially in upgrading the socio-economic well-being of the citizens at the grassroots level. With statutory gross of about N2.5billion monthly to the 25 LGAs in the state, basic life supporting facilities, especially water and sound health facilities are lacking with the citizens living below poverty level.

Those at the helm of affairs at the third tier of government easily explain their failure with the popular axiom, “zero allocation” from the federation account. Out of the N2.5billion, about N1.3billion component is deducted from source at the state level as teachers’ salaries and training of employees. The deduction for teachers’ salaries is administered by the State Primary Education Board (SPEB) while the allocation for training of members of the National Union of Local Government Employees (NULGE) is appropriated by the Local Government Service Commission. The balance of about N1.2billion later goes to the Joint Account and Allocation Committee (JAAC) headed by Governor Emmanuel Uduaghan. The JAAC shares the money among the 25 councils, employing indices such as Internally Generated Revenue (IGR), number of infrastructure, enrolment in public schools, number of beds in the hospitals, population and landmass, among others. By the time the councils are through with JAAC, the chairmen depart the meeting with between N50 million and N60 million for the month, depending on the rating of their councils in the sharing formula. This sum is to take care of salaries and allowances of local government workers and political office holders as well as development challenges at the grassroots. With a wage bill of between N45 million to N50 millions monthly, some local government administrators are left with how to contend with the capital projects and recurring expenditures for the month. Worse still, some Council
borrow money from financial institutions to augment the allocation to pay salaries and allowances, a development which usually make it impossible for them to embark on strategic development initiatives.

The rural setting of most of the councils and deliberate evasion of taxes by citizens hampered Intergovernmental Relations. Investigation in some Council in the state showed that some of them managed to carry out few projects, courtesy of the excess crude oil from the federation account. The excess crude window was opened twice during the tenure of the last council administration, which ended on May 13, 2011. With the excess crude fund, the exchairman of Isoko South Local Government and former Chairman of Association of Local Government of Nigeria (ALGON), Mr. Askia Ogie, built a garri processing plant in Uzure community in the council area. The project was valued at N200million. The same sundry fund also paved the way for former Uvwie LGA boss, Mr. Peter Abugewa, to construct modern health centres at Mechanic Village, Urhomarh and Ugboroke as well as a modern abattoir in Effurun, the council’s headquarters, provide water, built and repaired roads in some parts of the council. The immediate past Chairman of Sapele Local Government Area, Mr. Godwin Atose, said his three-year administration would not have recorded any achievement without the excess crude allocation. Atose said he was able to build a modern abattoir, build new roads, drainages, and health centre, provided 40 boreholes, bought vehicles and transformers to enhance power supply in Sapele, the headquarters and its environs, among others. Abugewa and Atose were unanimous that availability of fund was the major constraint in the optimal performance by the third tier of government. Niger About N2.7 billion made up of federal allocation and IGR accrued to the 25 councils in Niger State every month. Out of this amount, over N1.3 billion is expended on the payment of salaries of the 59,000 staff strength of both primary school teachers and the councils (Ayodele and Sola 2011).

The present arrangement in the state is that after settling salaries, the sum of N5 million or less is given to each chairman to run the affairs of their council for the month, while the remaining money is used for various Joint Account projects between the state and the 25 local governments in the state. The Permanent Secretary, Ministry of Local Government, Social Development and Chieftaincy Affairs, Alhaji Adamu Aliyu Garafini, said the joint effort between the state and the councils has paid off with visible projects on ground. National Mirror learnt that the joint account is used for two purposes: Joint Account on Security and Joint Account on Projects. Through this, security issues and challenges are addressed while common projects such as roads, schools, and health care facilities are executed. Other projects, according to Garafini, are the purchase of school uniforms for pupils and payment of Hajj fees for intending pilgrims. But has the 25 local government councils in Niger State fared well in the area of service delivery to the populace? This is the major question on the lips of people of Niger State.

This is against the backdrop of abysmal performance by some of the councils despite the huge fund available to them from the federation account. In most councils, it is a story of neglect; lack of good roads, portable water, health care facilities, dilapidated school structures, among others. For instance, the dilapidated state of the schools has forced teachers to resort to teaching children in overcrowded classes or under the trees. In some areas, where boreholes are sunk to provide portable water, a few months later they ceased to work. There are varied reasons for the poor performance of the councils in Niger State. It is generally believed that corrupt officials have hampered the developmental growth at the grassroots. Most of the council officials also embarked on projects that have no direct impact on their people. Some, however, believe that the Joint Account between the local and state governments was responsible for the poor performance of the local governments. A cross section of those who spoke to the National Mirror offered varied reasons for the present state of local governments in Niger State. “My council, Mashegu, is the largest in Niger State, and we cannot boast of any good road, good water to drink or good school structures for our children.

The situation is so bad that our roads are no longer motorable; now we use Okada as our means of transportation. Due to the state of schools, children take class even under the trees. We are at a loss as to what is happening to our councils or the money that comes to them every month,” Musa Ahmadu told National Mirror. Ndagi Mohammed, who resides in Minna, the state capital, blamed the state governments for the woes of the local governments. He said: “I know that these councils are not performing, but I also understand that the states are not giving the councils their federal allocation in the name of joint account. This has further made them to lose their relevance as the third tier of government, that is supposed to be closer to those in the rural areas. As it appears now, we have only two tiers of government instead of
three.” A former local government chairman, who pleaded anonymity, blamed the Joint Account for the failure of the local governments in Niger. “After deductions for the joint account projects, there is hardly anything left for local governments to work with and that is why we don’t see the same level of development in our local governments. The local governments are starved of funds and the people do not understand,” he said. The state chairman of the Congress for Progressive Change (CPC), Mallam Shuib Umar, said the state government has not allowed the 25 local government councils to function properly. The reality today is that many of the councils are only out to pay salaries of workers, yet many of them are ghost workers. In this report, we present the stark reality of the local government administration in Nigeria.

Federal Capital Territory in Abuja, the Federal Capital Territory (FCT), the local governments are known as Area Councils. There are six Area Councils in the FCT made up of Abuja Municipal Area Council (AMAC), Bwari, Kuje, Gwagwalada, Kwali and Abaji. Even with the status of the FCT as the nation’s capital, development still seem to be a complete mirage in most parts of the territory as virtually all the Area Councils wait for the Federal Capital Territory Administration to develop even the rural areas. The situation got so bad that the then FCT Minister, Senator Bala Mohammed, while inspecting the traffic situation around the Asokoro-Nyanya axis, accused the chairmen of the six Area Councils in the territory for failing to deliver on their electoral promises. (Ayodele .and Sola 2011)

The visibly angry Minister, specifically blamed the Chairman of AMAC, Micah Jiba, for neglecting the provision of social amenities and other infrastructure for the people saying, development is not at par with the revenue profile of the Council. The FCT Minister summarized the gloomy picture of the Councils thus: “We should be building township roads, hospitals et-al, so that at least, we can make such places habitable and accessible. AMAC should have been doing these things with the amount of financial capacity that they have, but they will collect money for tenement rates and the rest, yet, they will not do most of the things expected of them. The Council Chairmen have gone to sleep but I will have to wake them up,” the minister explained. In practice, the Area Councils in the FCT have shown that the third tier of government is another leeway of milking the nation dry, when during a budget defence before the Senate Committee on the FCT, Nigerians and in particular FCT residents were informed about the level of malfeasance at the councils.

When the then Chairman, Senate Committee on the FCT, Senator Abubakar Sodangi took his time to examine the income and expenditure of the Area Councils, it was discovered that there were no clear records of what the Council allocations were used for. They were said to have even diverted funds to areas that were not captured in the budget. According to the committee, N195 million was spent on nine personal aides of the chairman of AMAC in 2010 alone. Efforts to speak with the Chairman of the FCT Chapter of the Association of Local Government of Nigeria (ALGON) who also doubles as the Chairman of Kuje Area Council, Danladi Etsu Zhin, on the poor state of development in his Council proved abortive as he was said to have been irked by a recent National Mirror report detailing the squalid condition of most inhabitants of the Kuje council. The overall general impression of the performance of the local government administration in the FCT is however abysmal, as nothing tangible can be ascribed to them.

The Chairman of Kuje Area Council, Danladi Etsu Zhin, asserted that his administration is more interested in people’s oriented projects in communities that will bring instant joy to people of the area. Zhin, stated that the council authorities are working very hard to overcome all water problems in communities. He blamed some of these problems on vandalisation of borehole machines or minor faults that will cost as little as N1, 500 to repair. According to him, there is a committee set up that is headed by him to assess and repair all faulty boreholes in the council area. He said apart from solving water problems, the council authorities have embarked on numerous projects in which some will be commissioned few weeks by the FCT Minister of State.

“The projects we embarked on cut across all aspects of human living, such as health, electrification, water, good roads and ICT development,” he added.

The chairman said four health care centre of international standard were completed and fenced at Kiyi, Gudum-Karya, Dudu and Dafara communities of the Council, while an electrification project has been completed at Buzum-Kure and is ready for commissioning. He also spoke of the water project at Rubochi as well as the ICT Centre that has almost 100 computers and a library due for commissioning in a few weeks (yodele .and Sola 2011)
Theoretical Framework

The decision making approach was adopted as the theoretical basis for the analysis of this paper. Basically, the decision-making theory has Herbert Simon as a pioneering contributor. According to Simon (1957), decision-making is the most significant activity of administration. He argued that decision-making should be studied carefully since the deciding comes before the doing. Simon criticized the traditionalists (scholars in the classical school of thought and said that their “principle” is “proverbs.” He also criticized the idea of laying emphasis on formal organization structure of authority and allocation of functions. He prescribed an empirical approach in administration to replace the so called “arm-chair speculation.”

The models of decision making attempt to simplify the real world situation of decision making through relating how individuals and groups take decisions, what guides or informs such decision making, what information the decision maker looks for and what influence his decision (Ikelegbe, 1994).

According to Simon (1957), all decisional processes have three stages, namely, intelligence, design and choice. “Intelligence” refers to identifying or locating the problem which requires decision to be made; “design” is the process of listing out various alternatives to the problem; and “choice” is choosing the alternative which would “satisfy” the decision-maker. After a decision is implemented, its feedback can turn out to be a source of new problem that calls for a fresh decision. In this manner, the vicious circle of decision-making continues in an endless direction.

Most of the scholars of the decision-making school of thought focus on rational approach to decision-making (the selection from among possible alternatives of a course of action or of an idea). Apparently, this view is an outgrowth of the theory of consumer’s choice with which economists have been concerned. It lays stress on the study of human psychology and behavioural patterns. This approach also lays emphasis on “empirical case studies” and the study of informal structure of organization.

The application of the decision making theory as a framework of analysis is relevant to this paper in the sense that most local government reforms in Nigeria have taken certain steps aimed at transforming the local Councils. However, successive governments in Nigeria since independence to date have failed to maximize their decision making process due to the fact that preference was given to political considerations over economic rationality. There is a broad consensus on the notion that Nigerian political system has been in transition since the late 1990s. However, there is increasingly sharp disagreement among scholars studying Nigeria on the general interpretation of recent changes in the nation. The dominant interpretation in Western nations has been that Nigeria is engaged in a transition to democracy, though the advocates of that point of view concede that the transition is far from complete. A contrary interpretation which has been voiced by a smaller but growing number of scholars is that Nigeria has largely completed a transition to a system that represent a synthesis of various influences, in which formal institutions of electoral democracy are a facade for informal institutions which preserve anti-democratic practices and power relationships in local government governance.

CONCLUSION

This paper contends that the inconsistency in constitutional provisions by the 1999 constitution of the federal republic of Nigeria was largely responsible for the over bearing influence by higher levels of government on the operations of local government in matters regarding rural development. Although, it was discovered that hardly any local government the world over can claim to be totally independent of the high levels of government but the idea of joint account between the state and local government and lack of clear cut jurisdictions on the revenue generation area for local government by the 1999 constitution was the greatest undoing.

The general level of under-development in most Local governments was blamed on frequent political interference in the activities of the councils. Also, issues such as corruption, mis-management, inefficient personnel and lack of political will were consider being stumbling blocks to the achievement of rural development.

On the whole, the system of local government does not necessary determine the viability or other-wise, if the political office holders can follow the rules of the game.

Recommendations

The analysis in this paper revealed that: if the local government in Nigeria has rights, well developed capacity to generate revenue, they can assume the responsibility for grassroots development. In view of this fact, the following recommendations are made:
(1) Adequate revenue raising powers in correspondence with the functional responsibilities of local government should be constitutional assigned. This will encourage the Local government Council to general more money internally.

(2) The so called joint accounts between the state and local government should be replaced with direct allocation to Local government.

(3) Some measure of autonomy should be given to the local government in the area of policy formulation and implementation with a view to enhance rural development. For instance, the Local government Council should be allowed to come up with appropriate legislations in a bid to enhance rural transformation.

(4) The recruitment process at the local government level should strictly base on merit with a view to enhance the efficiency of its employees. Also, regular training and development programmes should be organized on a regular basis in a bid to acquire the latest skills and techniques at the local government level.

(5) Corrupt officials both at the state and local government levels should be punished appropriately with a view to serve as deterrent to others.

(6) Local government Councils should not depend totally on the revenue from the federation account but efforts must be made to create more sources of generating revenue internally.

(7) There is need for regular audit of local government Councils account by the relevant authorities with a view to enhance probity and accountability.

(8) The provisions in section (7) of the 1999 constitution of the federal republic of Nigeria which empowered the state government to determine the establishment, structure, finance and operation of local government should be urgently amended in favour of local government to enhance true federalism.

(9) The entire system of local government in Nigeria should be totally over-hauled to enable it play its role as an agent of rural development.

(10) The contentious nature of section 7(1) of the 1999 constitution should be put in proper perspective in order that the ambiguity therein could be cleared.

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