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## THE IMPACT OF INTER-GOVERNMENTAL RELATIONS ON THE PERFORMANCE OF LOCAL GOVERNMENTS IN NIGERIA

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### **Abstract**

*This paper examined the impact of inter-governmental relations on the performance of local governments in Nigeria. Intergovernmental relations (IGR) provide a platform for series of legal, political and administrative relationships between levels of government with varying degrees of autonomy. In the study, the concept of intergovernmental relations and the administrative mechanism for managing intergovernmental relations, and local government administration in Nigeria were examined. The study was anchored on power theory while secondary data constituted the major source. The study concluded that the unhealthy rivalry and cold war between local government and other levels of government arises as a result of undue interference of the state government in the affairs of local government administration which tends to impede on their performance as an entity. It is recommended amongst others that; effort should be made to ensure that all tiers of government adhere to fiscal transparency; the issue of joint-state-local government account should be discarded and there should be direct disbursement of federation allocation to all the levels of government.*

**Keywords:** *Inter-Governmental, Relations, Performance, Local Governments Nigeria, Impact.*

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### **Introduction**

The 1999 constitution of Federal Republic of Nigeria stipulates the functions and powers of the levels of government in such a way that no one level of government can single handedly perform the functions of service delivery to

the people. Therefore, cooperation has become an important prerequisite for governance (Fatile & Adejuwon, 2009). Nigerian federalism, like other federal systems of government, is characterized with diverse ethnic groups, languages, culture, political affiliation as well as struggle for political power. As stated by Fadeyi (2009), the need to cater for these diverse elements and ensure quality service delivery at the grassroots level necessitated the creation of local government.

Local government was therefore made to be the third-tier of government with its autonomy. This autonomous nature of local government still allows for interaction with the central and state governments. The characteristics of the federal government are inter alia the separateness and independence of each level of government, mutual non-interference in the distribution of power, the existence of a supreme court and a court of law to act as an arbiter in intergovernmental dispute (Fatile & Adejuwon, 2009).

Ajolor and Okewale (2011), argued the intergovernmental relations (IGR) provides platform for series of legal, political and administrative collaboration between levels of government with varying degree of autonomy. It is generally referred to as the transaction between levels of government either national or regional or among federal, state and local government.

Abia (2010) maintained that local government was made the third tier of administration with some autonomy, which allows for interaction with the central and state governments. The characteristics of the federal government are, inter alia, the separateness and independence of each level of government, mutual non-interference in the distribution of power, the existence of a supreme court and a court of law to act as an arbiter in intergovernmental dispute.

Solomon (2014) asserts that by the arrangement of the 1999 constitution on the distribution of powers, Nigeria still remains a centralized federation with strong unitary elements. Currently, there are compliments about over-concentration of power in the Federal government and demands for restructuring of Nigeria by ethnic minority and Niger Delta people. The unhealthy rivalry between local government and other levels of government is a result of a number of interrelation factors: undue interference by the states government, unconstitutional removal of the local government chairman by some states governments, shortening of local government chairman tenure of office, joint states – local government account which the

former controls and what they perceive to be an attempt by the federal government to relate directly with local government (Solomon, 2014). This paper therefore seeks to address the impact of inter-governmental relations on the performance of local governments in Nigeria.

### **Theoretical Framework**

Though, there are several theories on intergovernmental relations, this study was anchored on power theory. The concept of power is relative. Hickson and Hinings (as cited in Solomon, 2014) defined power as the determination of the behaviour of one social unit by another. Following Kaplan (as cited in Fatile & Adejuwon, 2009) it is seen as having three dimensions: weight or amount, scope, or ranges over behaviour and domain, number of persons or collectivities whose behaviour is determined. The power theory assumes that the responsibility of each unit of government is to promote the interest of its people against the opposition of other units in IGR. The whole question of federalism is related to the question of how power is shared (Fatile, 2011). Kelemen (as cited in Aysetinyen, 2011) in his Regulatory Federalism in –Fused Power and Fragmented Power Federations has considered power as an important tool in intergovernmental relations. Kelemen (as cited in Aysetinyen, 2011) argues that in parliamentary federations, especially those of the executive-dominant Westminster type, the combination of a fusion of executive-legislative powers at both levels of the federal system and in upper legislative chamber with weak constituent unit representation at the national level tend to produce a decentralized pattern of center-state relations in most IGR policy areas. In Presidential federation like Nigeria where power is sharply divided among competing structures both horizontally and vertically, federation tends to produce a more centralized pattern of IGR policy making and regulation, which he describes as – non-discretionary regulatory federalism. Kelemen classifies Canada and Australia as an ideal-type of a –fused or –concentrated power federation in their IGR policy-making while countries like US and Nigeria are classified as ideal-type of a –fragmented power federation because of the numerous veto groups in their governmental decision-making process.

Kelemen's analysis of fragmented power is relevant to Nigeria IGR because a group or level of government tends to use its constitutional power to veto some bills in order to produce desired results. This is apparent between

federal government and Lagos state government when the former declared null and void the creation of additional local development councils by the latter during the Obasanjo regime. This view is also supported by Fatile and Adejuwon (2009) when they argued that the relationship between power theory and intergovernmental relations in Nigeria is apparent.

The relevance and reason for adopting this theory to this study is because power theory has been able to establish how a particular level of government tends to exert its influence on other levels of government in order to achieve its aims. And Kelemen's theoretical argument has been able to lay too much emphasis on the extent to which the political behaviour of leading actors in government tends to be governed by a desire to maximize power. It is unclear why the federal executive in a fused power federation would be willing to surrender so much discretionary authority to state governments at the implementation stage of IGR policy agreements.

### **Concept of Intergovernmental Relations**

Intergovernmental relations can be defined as the interactions that take place among the different levels of government within a state. Usually, the concept is associated with states having a Federal administration system where the relationships between the Federal, Central or national Government and the major sub-national units (province, region or state) are formally spelt out in the constitution and any re-arrangement must be through a constitutional amendment involving all the levels of government. The concept of Intergovernmental relations (IGR) can be understood by considering three dimension or schools of thought. The first school of thought believes that inter-government relations occurs in a federal system; the second believes that it can only exist in both federal and unitary system of government; while the third school stresses that it can take place at the international level. The above is an indication that inter-governmental relations exist in both the federal and unitary system. Therefore, inter-governmental relations is not associated with any system of government (Solomon, 2014).

Similarly, Asogwa (2009) is of the view that the objective of the inter-governmental relations is bilateral or a multitude of pursuits of conflicting self-interest in the areas of first business undertakings, personnel and information exchanges, grants of extra-territorial rights in service delivery and the pooling and co-ordinations of resources and efforts, aimed at attaining

greater economy and effectiveness in operations. This is the interaction that takes place among the different levels of government within a country. As earlier stated, the concept of inter-governmental relations is not the same thing as Federalism. While no single definition of Federalism is generally accepted, it can be described as the contractual and Legal Status between the national (central) government and the states and to some extent between both the national and state governments and localities. Intergovernmental relations, however involves the range of interactions among all levels of government. For instance, in a unitary state, inter-governmental relations would be referred to as the interactions between the national government and the sub-national governments. However, the constitutional allocation of governmental functions between Federal and regional governments in a Federal system is absent. It is the central government that determined which function is allocated to the sub-national governments. The central government can also decide to modify the functional allocations without consulting the lower units. Furthermore, the central government in a unitary state can unilaterally determine both the substance and the style of inter-governmental interactions. This kind of jurisdictional interaction, separation of powers or constitutionalized mechanisms of checks and balances do not exist in a unitary or totalitarian system of government, because of inbuilt systematic contradictions. In such systems of government, the subordinate levels of government are glorified level of authority or mere rubber stamps. They lack actual jurisdictional powers and/or autonomy to determine what role to assign to the subordinate levels of government and the central government can decide to alter its decision without the consultation of the subordinate governments. This does not mean that in a unitary system of government we do not have measures of intergovernmental relations but a basic point to note here is that such subordinate government does not have the same attitude of freedom as a Federal System would offer (Eliagwu, 2011).

### **Inter-Governmental Relations: Nigeria in Perspective**

The dynamics of the Nigerian Federation and the Nigerian Constitution make IGR a political imperative. With over four hundred lingo-cultural groups, a population of over 200 million, thirty six states and a Federal Capital Territory and 774 Local Governments, IGR in Nigeria is an inevitability. Over the years,

the pendulum of Federal associations among groups has swung between centrifugal and centripetal forces, as Nigeria sought to adjust the Federation. As Nigeria used the framework of Federalism to manage her conflicts, she has found that intergovernmental relations is a necessary mechanism to promote cooperation, manage conflicts, respond to changing circumstance and deliver services more efficiently. Intergovernmental Relations is basically a mechanism for managing conflict and delivering services. Institutions and processes of Intergovernmental Relations serve to;

- (i) Promote Co-operation among Governmental Units
- (ii) Recognize and manage conflicts
- (iii) Deliver services more efficiently and
- (iv) To respond to changing circumstances.

Formal and constitutional institutions also exist for IGR in many Countries as well as adhoc meetings among members. There are institutions and processes of IGR and they include constitutional institutions, statutory institutions and Informal/adhoc institutions. There have been changes over time, depending on the Constitution and the system of government in operation.

### **Administrative Mechanism for Managing Inter-Governmental Relations**

In some federal administration systems, a number of administrative mechanisms have been devised for managing inter-governmental relation. In Canada, for example, the emphasis is on the use of periodic conferences of political leaders and appointed officials. This approach is also a common feature of intergovernmental relations in a few other Federal systems such as Australia, Nigeria and India. In each of these countries, the two major subjects for discussion are Finance and Economic policy. Making reference to Canada, the most important conference is the annual premiers' conference. Matters relating to finance and economic policy usually dominate these conferences. During the past two decades, the number of meetings and conferences at the level of both political leaders and administrators had increased tremendously in addition to meetings involving Federal and provincial and provincials-local relations (Olugbemi, 2004).

By the late 1970s, the Federal Government then has established rank called the Federal Minister for Inter-governmental Relations. In similar view, Okoli and Onah (2002) however, brought the issues home to Nigeria, when they

asserted that intergovernmental administrative relations are constitutional machineries established in Nigeria for the maintenance of inter-governmental relations. Some of these institutions include the National Economic Council, the National Council of States, the Liaison Offices, the State and Local Government staff etc. There have also been series of conferences organized for leaders and officials of the various levels of government. Virtually, every aspect of government activities has been covered by either Federal-State or inter-State conferences or combination of the two. Conferences have continued to be the greatest helped for inter-governmental relations in the Nigeria context, but besides that, some machineries have help matters. The existence of such offices as the special Assistant to the Governor on Local Government matters in a State (such as Edo) ensures a State-Local Relation. The membership of state appointed members to the Local Government Service Commission has been another way of ensuring these inter-governmental relations.

Conferences as mentioned above, constitute the major tool for managing inter-governmental relations. Hence, (Okoli and Onah 2002:124), observed that between 1981 and 1989, there were over two hundred conferences and meetings held at both the Federal, State and Inter-State levels. Some of these conferences they continued include:

- (i) The Bi-annual conference of Commissioners for Local Governments
- (ii) The National conference of the Ministers and Commissioners for Finance.
- (iii) Meetings of Secretaries to Governments of the Federation.

### **Intergovernmental Relations and Local Government Administration in Nigeria**

The effects which, intergovernmental relation has on local Government Administration in Nigeria can be considered under the following points:

- (i) **Resource Distribution** – Government decision as to who gets what, where, when and how thus becomes a distribution issue. Equity in the distribution of resources becomes necessary if conflicts are to be avoided. As individuals or groups compete to maximize their share of scarce allocatable resources, conflicts easily emanate, requiring urgent attention to ensure the smooth

operation of the system. Distribution of resources however must address two issues:

- a) The increase in the production of allocatable resources (the supply side)
- b) The nature or basis of the distribution of these resources among groups (the demand side).

Distribution of resources is important because it is a determinant of the pattern and the nature of development among sub-national units. Efforts must be made to avoid over-concentration of resources in few "poles of growth or centers" or strength of maximize short run capacity in order to avoid crisis.

(ii) **Grants:** Grants are also made where there are no intention to interfere with local choice, the objective being one of fiscal equalization. Some jurisdiction (State or Local) enjoy a high taxable capacity (i.e. the tax rate needed to obtain a given level of revenue is low) and have a relatively low level of need (i.e. the amount required to provide certain service levels is small). They are thus in a fiscally strong position, as measured by the ratio of capacity to need others in the reverse position. The central government may then wish to equalize fiscal position through various ways. The central government may wish to secure common minimum levels and adjust its grant; policy to secure this objectives. The central government on the other hand, may wish to equalize actual service levels and for this purpose impose such matching grants (to levels) or taxes (where needed to lower levels) as are required to secure equalization (Nzue, 2009).

(iii) **Revenue Sharing and Allocation:** Revenue sharing and allocation is one of the most important examples of inter-governmental grants. In this case, since 1946, revenue allocation has continued to dominate the arena of IGR in Nigeria culminating in intergovernmental conflicts. The process of colonial reconstruction of Nigeria began with the adoption of regionalism which immediately raised the question of



acceptable formula, for revenue allocation between the central government and the constituent units like the local government. The dialectics of revenue allocation and the complexities of the indices that have been used in arriving at acceptable formula have generated so much controversies (conflicts) and disenchantment with the result that the promises that the Nigeria nation held at independence have been dimmed and diminished by the reverberations emerging from perceived inequity generated by the various formulae that have been used and discarded, one time or the other (Nzute 2009).

- (iv) **Administrative Relations – (Legislative – Executive):** Due to the relationship between the three tiers of government, state governments are vested with the powers to “enact through the state House of Assembly a law providing for the structure, composition, revenue, expenditure and other financial matters, staff meetings and other relevant matters for the local governments in the states” subject to the provisions of the constitution. The state government established a Joint Planning Board through a law enacted by the State Assembly (Okoli & Onah, 2002).

The law provided for the participation of every local Government within the state in the economic planning and development of the local Government area. The National and State Assemblies are empowered by the constitution to legislate on the creation of new states and adjustment of state boundaries also requires a legislative approval of the local government Councils in the State concerned. The state executive possesses the power to institute a Panel of inquiry into the operations of any local government which does not perform satisfactorily and give appropriate punishment to offenders. He is also empowered to dissolve a local government council if the council fails to discharge its functions effectively and can appoint a caretaker management Committee to discharge its functions.

- (v) **Functional Relationship** – The constitution of the Federal Republic of Nigeria 1979 provides for two sets of local government functions: exclusive and concurrent. The concurrent functions include primary education, health services

and agricultural extension services, industrial and commercial services. In these concurrent functions, the local governments provide them in conjunction with state and Federal Governments. Often the Federal/State Governments provides the financial resources, in part or whole, while the local governments provide local managerial resources, local political control, supervision and community support. The State Government can prosecute any of the functions jointly with the local governments. It possesses the power to delegate any of its functions to local governments to perform under its supervision and control. Moreover, the constitution provides that the state Assembly can, through law confer upon the local Government 'such other governments, as their universal primary Education and the National Health Schemes. Finally, the Federal and State Governments prosecute Community Development programmes with Local Government (Bello, 2008).

- (vi) **Staff Matters** – Local Government also relate with State and Federal Governments on staff matters. The local Government Service Commission is responsible for the appointment, transfer, promotion, discipline and training of local Government staff. The Federal Government also provides staff training funds and programs for training of local government staff. The Federal Government provided an Approved Scheme of Service for the Local Government which now governs the local Government Services. It also provided the pension scheme and fund, which are enjoyed by the staff qualified for them. The Governor of a State Government holds together regular talks and consultations with chairmen of Local Governments on vital issues of security and general development of the state. He also visits local government areas where he and his officers interact with local Government Officers on their needs and problems.

### **Nature of Relationship between Local Government and Other Levels of Government**

The nature of interaction between local government and other levels of government in Nigeria are in different folds. These include:

**Constitutional relationship:** There is no local government that is totally autonomous. Each is part of the interdependent and inter-related political and administrative structures of a country (Enemu as cited in Solomon, 2014). In spite of the autonomous powers granted to the local government, section 7(1) provides that the state government shall ensure their existence under a law

which provides for the establishment, structure, composition, finance and functions of such councils. Section 4(5) of the constitution also provides that if any law enacted by the House of Assembly of the state is inconsistent with any law validly made by the National Assembly, the law made by the National Assembly shall prevail, and that other law shall, to the extent of inconsistency, be void.

**Political Relationship:** The central government reserves the right to establish new local government units, change the boundaries of the existing ones, amalgamate them or terminate them (Enemu as cited in Solomon, 2014). Section 8 provides that the government of every state shall ensure their existence under a law which provides for the establishment, structure, composition, finance and function of such council.

**Financial Relationship** The fiscal and monetary powers of each tier of government have been delineated by Decree No. 21 of 1998, which has become the Act of National Assembly. The constitution expects local government councils to generate their revenues (Eliagwu, 2011). Section 162(1) provides that all revenues from the federation shall go into the federation account and that Revenue Mobilization, Allocation and Fiscal Commission (RMAFC) shall present a revenue formula to the President to be placed before the National Assembly for the purpose of distribution. The distribution is both vertical (in terms of federal-state-local) and horizontal (in terms of allocation among states). Also, the maintenance of special account called Joint-State-Local Government Account by the state, through which local government funds are paid, allows for interaction between the two levels of government.

**Administrative Relationship:** The ministries and agencies of the central government usually have the power to regulate, supervise and monitor local councils in their respective fields of concern. For example, both the federal and state Ministries of Health in Nigeria work closely with the local councils to ensure that they provide primary health services in accordance with the national standards and policies. Other administrative relations occur among officials at all levels of government during meetings and conferences. Such conferences as noted by Adamolekun in Awofeso (2004) include the Biannual Conference of Commissioners of Local Government, Meetings of Secretaries of Government of the Federation, the National Conference of Ministers and Commissioners for Works etc.

In there summation on judicial relationship between local government and other levels of government in Nigeria. Ajulor and Okewala ( 2011) and Solomon (2014), notes that, through its power of judicial review, the judiciary can declare as null and void, ultra - u - res, unconstitutional and with no effect any law made by the local government contrary to constitutional provision. Also, local government as a legal entity can sue and be sued by other levels of government.

### **Conclusion**

This study examined intergovernmental relations and the performance local governments in Nigeria. Undoubtedly, the three levels of government are constitutionally allocated powers as autonomous units. The central and the state governments seem to have autonomy but the autonomy of local government is questionable because of the ambiguity of the constitution. Local government has therefore become an appendage of federal and especially state governments due to lack of financial autonomy which is a major factor militating against the performance of local government. This has also strained the relationship between the local government and other levels of government. The unhealthy rivalry and competition among the levels of government have made service delivery at all levels of government to be difficult especially the local government area which is worst hit by the undue interference of state government in the affairs of local government.

### **Recommendations**

After a critical examination of the study, the following recommendations were made:

1. Effort should be made to ensure that all tiers of government adhere to fiscal transparency, accountability and constitutional provisions for fiscal relations.
2. Federal government should ensure that all the stakeholders are represented in fiscal federalism that would be permanent.
3. Efforts should be made to ensure a radical review of the functions of the local government in the constitution. Such review should take cognizance of the responsibilities of the local government and ensure that the funds meant for the local government are released to them on time.

4. Local government should be given some degree of financial autonomy through the restructuring of the taxation powers.
5. It is very necessary that National Fiscal Commission is established to enhance intergovernmental understanding and cooperation in ways conducive to dialogue between federal, state and local government actors.
6. There is the need to encourage cordial relationship among the levels of government. This can be done if local government is financially autonomous and the undue interference by the state on the local government or by the federal on the state is properly addressed.
7. The issue of joint-state-local government account should be discarded. There should be direct disbursement of federation allocation to all the levels of government. Also, the judiciary should be made to be independent.
8. Finally, system of election which should be done periodically should be the basis of assuming political positions at the local government level. Thus, the appointment of caretaker committees by the Governors to direct the affairs of local governments should be discouraged.

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