



Analysis of Decentralization and Local Development in Nigeria

Akomuvire Mukoro^{1*}, Irikefe Omamuyovwi Afonughe²

Delta State University, Nigeria¹

Delta State University, Nigeria²

Corresponding Email: camukoro@gmail.com*

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Abstract

Nigeria became administratively divided into many constituent groups, including 774 Local Governments, multiple Local Council Development Areas, 36 states, and a Federal Capital Territory. These were intended to accelerate advancement by reacting to citizen needs, pushing governance nearer to the citizens and citizens nearer to the government to more effectively meet their demands and improve the nation's overall growth. Despite the nation's institutional decentralization, with abundant human and environmental assets readily accessible to growth, the country has significant economic hurdles. This study investigates the relationship between administrative decentralization and development in Nigeria. The study gathered data from secondary sources and researchers' observations of Nigerian government operations. The study indicated that administrative decentralization of functions reduced levels of governance without equivalent funds to carry such jobs and low tax-raising capacities by subunits of government. Some of the explanations for ineffective administrative decentralization in Nigeria include the central government's lack of political will to devolve power to subunits of government properly, the issue of resource control, corruption among decentralized area officials, conflict over the location of administrative headquarters, and failure to integrate diverse groups of decentralized areas. The study concludes that administrative decentralization has not resulted in the desired progress for Nigeria. Therefore, for administrative decentralization to promote development in Nigeria, genuine human engagement must address all of the stated difficulties.

Keywords: Decentralization, Development, Devolution, Derivation, Corruption Local Development, Nigeria

Introduction

Administrative decentralization has emerged as a critical topic in third-world development legislation over the last three to four decades. This was due to discontent with centralized fiscal management, which led management advocates of change to see administrative decentralization as an alternative means to mitigate centralized power in

authority and encourage larger engagement with democratic processes for advancement (Akpan, 2015; Ogunnubi, 2022; Basiru, 2019). In the 1980s and 1990s, there was an overwhelming unity on power decentralization as one of the criteria for reforming governance for development (Adegbami & Kugbayi, 2019). An administered decentralized government is one in which additional tiers of leadership exist beneath the national/central administration, such that the local levels of government agencies "could possess roughly the strength regarding choices in few or a lot of legislation" (Atan & Esu, 2021).

Decentralization is just "measures of policy choices" that may be firmly embedded in the legal framework (Blume & Voigt, 2008). As a result, the existence of subnational entities or component governments may not be entrenched in the constitutions; hence, the central government determines the amount, sizes, limits, and functions of the member units, which can be modified or updated at any time. In simple terms, decentralization is the move of governmental power and duty from the executive branch to other governing divisions to promote growth (Adeleke et al., 2022). The power and duty so delegated may include planning, finance, and control.

Furthermore, decentralization, when correctly managed and deployed, can provide significant benefits to emerging nations by boosting effectiveness, promoting regulation, expanding equity, and contributing to higher-quality growth and decreasing poverty (Smoke, 2003). As a result, certain world bodies and funding agencies, such as the World Bank and IMF, have provided financial and organizational assistance for decentralization measures in African countries. Based on Lewis, as cited by Erk (2014), the World Bank invested \$7.4 billion in decentralization initiatives in impoverished nations between 1990 and 2007. Many existing research on productivity have offered contradictory and misleading findings on the implications of decentralization on the economy. Fortunately, the truth on the scene in third-world nations regarding progress has revealed that, while decentralizing oversight, most of these nations face substantial problems with growth. As a result, this study became necessary to investigate the connection between decentralized government and development in Nigeria.

Literature Review

Operational Dynamics of Decentralization

Decentralization has become a global movement because of the numerous failures of centralized governments. Abuyada (2018) defines decentralization as the devolution of oversight and accountability for public operations from the federal government to subsidiary or quasi-independent government bodies or firms. Even with a variety of definitions, there is broad recognition that the idea refers to the passing down of power on a location-specific foundation, how well through administrative deconcentration to field units of the same level of identical department or level of governance, or the delegation of legitimacy to local government departments or special legal entities (Nkoro, 2020). It focuses on transferring control from the legislative's primary directing agency to government factions or organizations empowered by law to act on their behalf. The goal is to eliminate the overburdened governance tasks that impede the timely delivery of essential services. Bardhan (2002), for example, argues that

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decentralization is regarded as a means of distributing the central government's tasks. That is, it is a method of splitting the central government's jurisdiction and power by bringing in more levels of government to create a coalition of governments and provide safeguards and checks in governance.

This significantly improves the nation's commitment, responsiveness, and efficiency. Furthermore, decentralization is projected to assist in reducing social-political friction and increase the local traditional and political freedom of ethnic wars and separatist groups. Decentralization is considered to have provided comparable and greater impetus to achieving growth via government modules working in tandem with larger authority units. Not surprisingly, Manor (1999) supported the concept of transfer in his study, defining decentralization as the transference of power in which the central government transmits certain duties, such as managerial, partisan, and monetary, to state, neighbourhood, province, or city governments. That is, anytime powers are delegated to the subdivisions above of governance, they are anticipated to work freely of the governing body in each context, including areas of operation.

Varieties of Decentralisation

Decentralization is classified into four types: political, administrative, fiscal, and market. Drawing contrasts between the various notions is beneficial for illustrating the many facets of successful decentralization and the necessity for cooperation among them, which include:

1) Political Decentralization

The goal is to give citizens and lawmakers greater authority regarding public choices. It is frequently connected with heterogeneous democracy and elected officials. Still, it can also promote democratization by providing citizens or legislators with more say in the creation and execution of policies (Nkoro, 2020). Advocates of political decentralization believe that decisions made with wider participation will be more informed and responsive to society's different interests than those handled only by national elected officials. The premise argues that choosing leaders from local democratic communities allows voters to get to know their political representatives better while also allowing representatives to learn about the needs and ambitions of their constituents (Adefeso et al., 2016). Political decentralization always necessitates constitutional modification, the formation of diversified political groups, the strengthening of legislatures, the establishment of local party units, and the support of productive civic organizations.

2) Fiscal Decentralization

Decentralization is fundamentally based on the distribution of fiscal oversight. Suppose local governments and private organizations are to carry out their decentralized roles properly. In that case, they must have adequate income, preferably locally or allocated from the federal government, and the authority to make choices regarding expenditure. Fiscal decentralization can take many forms such as self-sustaining or cost recuperation by way of user charges, shared financing or collaborative manufacturing

provisions using which users participate in supplying amenities and systems using economic or labour input, growth of neighbourhood earnings through belongings or sales fees or hidden costs, transfer agreements between governments that move income from charges generated by The government at large makes loans to communities for generic or special purposes, authorizes municipal borrowing, and mobilizes potentially national or territorial assets using loan guarantees (Bunte & Kim, 2017). In numerous emerging economies, local governments or administrative units have the legal right to collect fees. Still, the revenue base is so poor, and the reliance on central government payments is so established that little endeavour is being made to utilize their power.

3) *Economic or Market Decentralization*

Privatization and deregulation are the most comprehensive kinds of governmental decentralization since they transfer the oversight of tasks from the state to the business community. Privatization and deregulation are typically, but not always, accompanied by economic liberalization and growth in market measures. They allow enterprises, neighbourhood groups, associations, individual free corporations, and other organizations that are not governments to perform duties that were formerly mainly or completely under the control of the government (Ocheni & Agba, 2018).

4) *Privatization*

Privatizing can take several forms, including permitting privately owned companies to execute duties formerly dominated by the government and outsourcing the supply or administration of state services or infrastructure to business organizations. It also includes shifting the supply of commodities and amenities from free market competition to public-private partnerships in which government entities and private industry work together to produce operations or assets. In truth, there are numerous manners in which acts can be organized, including funding public-spirited programmes through the marketplace for capital, which requires proper oversight or indicates to prevent situations where the federal government carries the risk of borrowing while allowing private organizations to get involved. The divestment of state-owned property or firms transfers responsibility for service delivery from the government to the private sector.

5) *Deregulation*

Deregulation eliminates the legal limits on private participation in the supply of goods or enables entrepreneurs to compete for goods previously supplied by government-owned or licensed monopolies. Privatization and deregulation have grown in popularity among developing-country governments in recent years. Local governments are also privatizing by outsourcing service supply and administration (Adefeso et al., 2016).

6) *Administrative Decentralization*

Administrative decentralization aims to transfer authority, accountability, and cash assets to deliver governmental services across each level of governance. It refers to the delegation of duty for the organizing, funding, and handling particular public duties from the executive branch and its divisions to local elements of government departments,

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smaller branches or sections of government, partially autonomous governmental entities or corporations, or area-wide locale-specific or effective law enforcement. The three main types of administrative decentralization are deconcentration, delegation, and devolution (Muhibat, 2022).

7) *Deconcentration*

This is widely regarded as the weakest type of decentralization and is most utilized in unitary regimes. It redistributes decision-making authority and financial and managerial responsibilities across several central government levels. It can simply transfer responsibilities from central government officials in the major city to those operating in regions, provinces, or districts, or it can establish field or local administrative capacity under the guidance of central government departments (Rufai et al., 2020). With this arrangement, local-level competencies are entrusted to national government agents who work within localized geographic units. Control is reinforced through pecuniary and punitive actions. Central executive powers have the authority to either reverse the deconcentration decision or expand local authorities' capabilities. When paired with a parliamentary system of governance, it typically has significant centralizing implications (Basta, 2008). This is because it is the assignment of power to exercise operational choices on behalf of the headquarters to the public workers serving in the field and responding in varied degrees to government legislation within their areas (Nkoro, 2020).

8) *Delegation*

Delegation is a more extensive form of decentralization. Through delegation, central governments transfer responsibility for decision-making and administration of public functions to semi-autonomous organizations not wholly controlled by the central government but ultimately accountable to it. Governments delegate responsibilities when they create public enterprises, corporations, or special project implementation units. Usually, these organizations have a great deal of discretion in decision-making. They may be exempted from the constraints of regular civil service personnel and may be able to charge users directly for services (Muhibat, 2022).

9) *Devolution*

The third sort of administrative decentralization is devolution. According to Atisa et al. (2020), devolution is a practice in which the capacity to make choices in certain areas of public policy is assigned by legislation to sub-national territorial units, such as local governments. Thus, devolution includes the transfer of government or political authority within the competencies of the constituent units as defined by the Constitution rather than by law. In brief, it is a political tool for incorporating lower-level government units in policy decisions affecting them. Once the government delegate functions, it transfers the power of making choices, funding, and leadership to quasi-autonomous local government bodies with corporation status. Devolution in Nigeria often assigns duties for the benefit of local governments, which vote their chairmen and councillors. Still, they have yet to raise their resources and have the independent ability to make choices regarding investment, as is expected (Atisa, 2020). Nevertheless, in a mature framework, local

governments have unambiguous and legally recognized geographical limits within which they exert sovereignty and execute public tasks.

Reasons for Decentralization

1) Effective and Accountable Administration

The quest for improved administration has driven several countries worldwide to revise their legal and legislative ideals. A decentralized central government is more approachable, empathetic, and responsive to local concerns. On a regional level, services and initiatives can be easily tailored to specific conditions and needs. Local authorities are better educated about a local scenario than agencies far removed from grassroots realities (Atisa, 2020).

2) Better Local Development

Decentralization reduces bureaucratic and judicial obstacles to self-help initiatives and encourages imaginative remedies for regional issues. As a result, local governments are empowered to respond to broad challenges with various remedies (Estabon, 2017).

3) Democracy and Liberty

The concept of democracy is not limited to participation in national elections. Despite being able to vote for national government leadership is unquestionably a democratic ideal, democracy also includes the power to shape policies that immediately impact a person's life and the ability to live in liberty and freedom. Local governments can give this component of democracy in ways that the central government may not always offer. This adds local character to democracy since a local administration is more accessible to the average individual and thus more humane than a powerful central authority (Commonwealth Governance, 2020).

4) Protection of Minorities Group

Another classic argument for decentralizing government is that it can safeguard ethnic populations and other cultural minorities. If minorities live in an area with some level of self-government, they are freer to participate (Adegbami and Adepoju, 2017).

5) It is Training Ground

It provides a platform for inexperienced politicians, administrators, and civil workers to get experience while also helping reduce development costs. Because both human and physical assets are found locally rather than being hired from afar (Israel, 2018).

6) Development

In contrast, growth is as old as humanity. It is commonly used to describe the various facets of life associated with humanity's happiness, especially in Western cultures from Greco-Roman civilizations until the late nineteenth century Ziai (2019). The concept now signifies distinct things to different people. According to Mahmoud (1991), some people mix up development with economic growth, which is measured in terms of an increase in

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annual per capita income or GDP, regardless of the pattern of its distribution or the level of people's involvement in achieving progression.

Seers (1969) (1972) addresses several essential considerations that shape and clarify what growth entails. He says the most important questions about a country's development are: What has happened to poverty? What has been occurring with unemployment? What has been happening with inequality? Only until these questions are addressed, and it is determined that unemployment, inequalities, and poverty have decreased can it be declared that there has been development.

To put it another way, development is about significantly reducing poverty, unemployment, and inequality. Development can be defined as reducing poverty, inequities, and joblessness through economic progress. Rodney (1974) views growth as a multi-faceted process. According to him, individual growth, for example, indicates an increase in a person's ability and potential for better autonomy, innovation, cleverness, self-control, obligation, and general health. Growth at the social group level denotes an increase in the ability to govern internal and external connections. Israel (2018) defines development as a process of generating growth and beneficial changes to improve the lives of individuals using job creation, local economic expansion, and the utilization of existing assets. Therefore, advancement must be apparent and helpful; while it may not be quick, it must be ongoing and result in favourable and qualitative change for the people.

According to Ray and Esteban (2017), development is comprehensive because it includes economic expansion, fair allocation of financial resources, the supply of health care services, access to basic education, real estate for the people, and other related essential services that can improve people's quality of life. This requires both qualitative and quantitative exploitation of available resources. In other words, available resources must be wisely utilized for development. According to Ziai (2019), development is a social shift in which novel concepts are formed and implemented in a social system to enhance per capita income and how people live through sophisticated output methodologies.

Research Method

This research is patterned after the documentary approach using the archival retrieval approach. Various issues addressed here include an empirical analysis of decentralization and local development: the Nigeria perspective alongside issues in Decentralisation and Local Development in Nigeria.

Result and Discussion

Analysis of Decentralisation and Local Development: The Nigeria Perspective

"Development" is one of the most essential concerns that Nigeria faces. Typically, achieving a better degree of development should be a top priority for any relevant government since this will make residents naturally attached to the government. For a country to be on the

path of progress, it must have sociopolitical and financial strength, as well as a tranquil atmosphere and an inspiring leader capable of propelling development. Based on Adegbami and Adepoju (2017), the route to progress remains challenging. The paths, procedures, directions, and development patterns are complicated and perplexing, needing extensive, broad-based, diverse, and ongoing expert research. This is why development is frequently stated as the most important, challenging, and problematic contemporary topic (Adegbami & Adepoju, 2017). Many people in Nigeria live in severe hardship, and the nation has earned the epithet "the misery centre of the globe" (Borgen Magazine, 2020), compounded by unemployment, starvation, illicit activity, and instability. Nigeria is unquestionably rich with both natural and human capital that should have placed the country securely among the wealthiest nations of the globe.

However, the narration changes when the country's development is discussed. Even though different administrations at various moments in Nigeria have attempted forth their greatest effort in a bid to develop the country, more than six decades after the declaration of independence, Nigeria continues to wrestle with developmental obstacles as the efforts of most of the ensuing governments have not brought about the intended outcomes in terms of the delivery of social resources, organizational development, and development across multiple sectors of the economy, as well as human resources. Since Nigeria's independence in 1960, subsequent governments have experimented with four distinct 5-year Development Plans, one Structural Adjustment Programme (SAP), and two separate 3-year rolling plans. The subsequent government experimented with four visions and strategies, including the Economic Recovery and Growth Plan (ERGP). Furthermore, the country continues to adopt and test many developmental efforts and tactics, yet progress remains a fantasy for the economy (Emmanuel, 2019). Ikeanyi (2009) provided a precise classification of the major development programs in Nigeria to date. According to him, Nigeria's development planning may be divided into four phases: the Colonial Era, the Era of Fixed-Term Planning (1962–1985), the Era of Rolling Plan (1990–1998), and the current democratic regime (1999–present).

Aside from these classifications, there were periods characterized by irregular governmental acts and ad hoc programming when the nation lacked a planning instrument that could be divided into all four stages stated earlier. These moments of tremendous sociopolitical upheaval and economic hardship required "temporary and intermittent measures from the current administrations" (Ikeanyi, 2009). In support of the aforementioned argument, the Commonwealth Governance (2020) has something to say about the development policies put in place by each government that followed in Nigeria.

Nigeria has had a comparatively long development planning history, dating back to the Colonial Development Plan of 1958. Medium-term development and national rolling plans were also created and implemented, with varying outcomes. Additional major objectives. The Structural Adjustment Programme, the National Economic Empowerment and Development Strategy, the Strategy for Achieving the Millennium Development Goals, and the 7-Point Agenda were not seen as effectively conducted (Commonwealth Governance, 2020:1). It suffices to remark that the majority of Nigeria's National Development Plan and other development initiatives have faced difficulties with execution.

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These growth organizing programmes were unsuccessful due to Nigeria's federal government's unwarranted connection to foreign nations, a lack of leadership enthusiasm for achieving plan targets, fraud, and incorrect classification or picking out development projects (Ikeanyibe, 2009). Furthermore, most national development plan arrangements in Nigeria lack synchronization and coherence (Ibietan and Ekhosuehi, 2013). According to Adegbami and Kugbayi (2019), an array of developmental approaches proposed and implemented by the Nigerian government have produced only a partial result owing to the government's lack of political will to adhere to the different initiatives of development to the letter, resulting in policy summersault. In addition, there is the problem of a lack of continuity of development programs as future governments discontinue the programs that future governments have set out.

The development difficulties are exacerbated by the failure of the government to entice financiers into the country, while those who are investing on the ground have been leaving due to feeling unsafe, a resentful business climate, and a lack of basic infrastructure, particularly an uninterrupted power supply (Adegbami and Adepoju, 2017). According to Adegbami and Adepoju, poor administration has resulted in dwindling industries. For example, inadequate governance, which creates a challenging business climate, has been one of the causes of the move away or closure of firms in the nation. Peugeot Automobile Nigeria, Volkswagen Nigeria, Dunlop Nigeria Limited, Michelin Nigeria, BATA, Lennards, Kingsway, A.G. Leventis, and Phillip Nigeria, among others, were once thriving in Nigeria, but they are no longer present. Along the same line, enterprises such as Osogbo Steel Rolling Mill, Ajaokuta Steel Rolling Mill, Arewa Textile Mill, and Nigeria Airways have all gone out of business (Adegbami and Adepoju, 2017). Even with dispersed political leadership in place, outcomes for development haven't been reasonably expected. It is not astonishing that people no longer believe the government when it promises progress. As a result, they are realizing that the government will say a particular thing and do otherwise. For its part, the government has cultivated a thick exterior and responds poorly to people's yearnings and wishes by considering the problem of individual well-being and the delivery of social programs and services. Consequently, it could be claimed that large riches accruing to government vaults every month and intended for development objectives were deliberately stolen, while lawlessness in governance became the standard.

Issues in Decentralization and Local Development in Nigeria

The concept of decentralized governance, a form of administration that grants smaller units of government more administrative ability to supply resources (Atisa, 2020), is intended to give subordinate levels of government strong influence over local concerns to support growth. As a result, inside a decentralized political system, the government's role is to collaboratively provide resources that the public wants. A critical appraisal of Nigeria reveals that the objective of decentralization has been beaten down, as these components are not facilitating significant development. To that end, this section examines why decentralization is impractical and has been unable to produce what was projected in Nigeria. Thus, some obstacles that have been preventing decentralization from generating prosperity consist of, but are not limited to, the ones that follow:

Low/Inadequate Funding

Poor or insufficient money is one of the barriers to decentralization's ability to bring forth growth in a decentralized region. A thorough decentralization of obligations in lower echelons of government is anticipated to be supported by the funds needed for performing the duties in question. Passing specialized duties to lesser levels of government without appropriate funding will result in inadequate services and development. In that order, the current revenue ratio split for all three government divisions is 52.7%, 26.7%; and 20.6% for the federal, state, and local governments. This share of revenue collected by the local government has been inadequate, particularly if growth is to begin locally. In addition to considering that most Nigerian local governments rely only on funds from the national account every month, development becomes a monumental effort for these entities (Siddiquee, 2021). Even now, the authorized fiscal independence given by the legal system is still being studied in the place of execution.

Low Tax Raising Powers by the Subunits of Governments

The Federal Republic of Nigeria has three levels or categories of government: federal, state, and local. Whereas all three levels of government have shared duties and oversight, they also require funds to carry them out. Yet, the revenue-sharing system benefits the federal government more than other tiers of government. Moreover, the lower echelons of government cannot collect levies to supplement earnings via the central bank's account (Adegbami & Osungboye, 2019). When it comes to taxation, smaller government units are also affected because the federal government has more tax-raising ability than other levels of government, particularly municipal governments. For example, the federal government has 68 items on which it can act under Schedule II (part I) of the 1999 Constitution of the Federal Republic of Nigeria (as amended), known as the exclusive legislative list. The items include – Defence, Customs and Excise Duties, Police, Arms, Ammunition and Explosives, Currency issues and External Affairs, Mineral exploration, and Power supply, among others. Schedule II (part II) of the Constitution, tagged concurrent legislative list, comprises 30 items on which federal and state governments can act. The concurrent list includes education, health care, roads, and water supply. Schedule IV of the Constitution contains the municipal government's residual power. The residual legislative list covers public utilities and amenities, elementary health care amenities, the creation and upkeep of markets, automobile landscapes, general modern amenities, cemeteries, homes for the poor or infirm, and so on. The preceding analysis of tax-raising powers among different levels of government shows that the federal government has the authority to legislate on 68 issues in the reserved legislative list, as well as 30 issues left with the state government in the corresponding statutory list.

It must be pointed out that if the federal and state governments have competing interests in legislating on a specific item on the concurrent list, the federal government's power precedes the state governments. The local government's power is limited compared to the federal and state governments. In basic terms, the federal government regulates most of the products that might generate significant profits at the expense of other tiers of government. Unsurprisingly, other levels of government frequently approach the federal government for financial assistance. Furthermore, the federation account, wherein every country's earnings are collected, is solely

controlled by the federal government and is allocated to the various government units every month.

Lack of Political Will to Appropriately Devolve Powers

Another major hindrance to sustainable growth under government decentralization has been the central government's lack of political will to delegate power to lower government levels adequately. According to Atisa et al. (2020), given that "real decentralization calls for distinct levels of democratization and political exposing," the privileged few recognized that authentic decentralization may give rise to the influence of political outsiders, which might oppose them on governance-related issues. The concern of political leaders that a grassroots-based democratic system and leadership would emerge because of decentralization has been cited as a reason for the deterioration of a decentralized government. It is not unexpected that local governments are frequently assigned many obligations for which they are either unprepared or have no way of delivering their functions or duties that should continue to be centralized or placed under immediate oversight of the central government's direct supervision of the local government. In contrast, the central government retains governance activities that could be better managed at home (Emmanuel, 2019). The central government is hesitant to delegate required enough powers to local governments, and it limits local bodies' freedom; all these factors impede the effective use of decentralized government in promoting appropriate development. In the same direction, Adewoyin, Sanni, and Adeboyejo (2020) believe that decentralization will make stronger subnational leaders.

To put it another way, decentralization will allow diverse subnational leaders to gather resources they may use as formidable weapons in organizing the people of decentralized areas and manipulating the populace to demand and clamour for additional political powers from the central government. These situations have occasionally increased tensions, where subnational executives achieve popularity between those who support them and address the central government to obtain greater political and economic autonomy, threatening the dominance of national political elites and the country's business operation (Ogunnubi, 2022). The decentralization of Nigeria's system of government may be traced back to 1967 when Gowon's administration separated Nigeria's four districts into twelve immediately after the civil war. This move has also resulted in an adjustment in revenue distribution, which might be argued to benefit the federal government, especially compared to the other levels of government. During this time, each region kept 50% of the derived earnings from their domain and sent the other 50% to the Federation Account (Basiru & Adepoju, 2019). However, by 1970, the region's percentage of revenue had plummeted to 45%, and by 1975, it had dropped to 20%. Since then, the federation's subdivisions have been required to pay all their receipts straight into the Federation Account, from which contributions are allocated based on the earth's crust, humanity, desire, and other parameters. Nevertheless, the derivation principle, which states that a producing community should retain a certain percentage of the profits generated by the utilization and recovery of oil byproducts in certain areas, was deemphasized.

Above that, in 1982, the deduction criterion was abolished, and a unique 'development budget' was established, allocating 1.5% of overall fiscal revenues to oil-producing states (Ushie, 2012). The new revenue distribution system and resource management remained to

have a bearing on the development of decentralized areas, notably local government districts in Nigeria's oil-producing regions. The lack of development in the energy-producing regions tends to cause conflicts and hostility among the locals and nearby petroleum firms. Disputes and animosity had, on more than one occasion, escalated into a violent war that has not only claimed people's lives but also damaged the limited development that has occurred in the oil-producing areas (Adegbami, 2013). Although the Babangida administration boosted the derivation allotment from 1.5 to 3% in 1991, hostilities in oil-producing areas remained, rebellions erupted, and deadly war raged on. The apparent security deterioration, ongoing unrest from the oil-producing areas, and the sense of danger to the nation's economy prompted the 1995 Constitutional Conference to endorse 13 per cent as derivation earnings for the oil-producing localities (Siddiquee, 2021). This was done to mitigate the impacts of immense contamination, deterioration, and the federal government's complete disregard for oil-producing villages, even though such places provided a large portion of the revenue generated by the nation. With the country's transition to the Fourth Republic in May 1999, the 13% derivation provision was adopted and endorsed by the 1999 Nigeria Constitution. For example, the other 87% of national revenue in the Federation Account is divided among the three levels of government in this manner: the federal government receives 52.7%, the states receive 26.7%, and the balance of 20.6% is for local governments. As a result, the fact that the country's significant assets have been constitutionally positioned under the oversight of the federal government has made it hard for several local governments to carry out some of their legitimate roles, particularly in providing valuable social services, thereby limiting local government's ability to promote development (Basiru & Adepoju, 2019).

Corruption among the Officials of Decentralised Areas

Scholars have weighed in on the issue of whether decentralization will reduce corruption. While some studies claim that decentralization will reduce fraud, others contend that decentralized political institutions are more tainted than centralized governments. Abuiyada (2018), for example, argues that decentralized political systems are more corrosive than centralized ones. He goes on to say that, given that a possible corrupter has very little ability to influence inside a government's sector and that only a few centralized agencies exist to ensure integrity in such a framework, there is every opportunity for such a corrupter to perpetrate atrocity easily in the governmental offices. Comparably, Okudolo (2020) claims that there are several opportunities to commit malfeasance at the municipal level of government. This is because officials at this tier of government have more flexibility than managers at the centre. In essence, local government officials are more likely to corrupt, demand, and take bribes while carrying out their given responsibilities (Adefeso & Abiro, 2016).

Although local government is recognized as a development tool, this is because it is a level of power that is closer to the people and, hence, better able to address the needs of the local population. Nevertheless, Nigeria's admirable goal of establishing a decentralized unit known as local government is currently thwarted. This is due in part to fraud within municipal governments. Fraud has become the norm at the grassroots level, and it can be attributed to the low condition of development in Nigeria's local government districts. Mrs. Farida Waziri, a former Chairman of the Economic and Financial Crimes Commission (EFCC), once decried

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the status of corruption and development at the local government level, stating that waste of public money at the council stage had taken on extreme levels. The country's local government council could not justify the squandering of over N 3.313 trillion in funds provided to them during the previous eight years. Tragically, local government officials have contributed to this issue. The good old days of municipal governance are long gone (as cited in Adeyemi, 2012:191). In a nutshell, the resources intended for multiple development at the level of local governments have been diverted into purses. In contrast, the close government supposed to promote development has become inefficient and faces developmental issues.

Conflict over Siting of Administrative Headquarters

It is a contradiction that decentralization, intended to have brought forward development, has sometimes caused strife, resulting in the demise of very little progress on the ground level in Nigeria. In some instances, the emergence or formation of decentralized entities of state and local governments has sparked brutality, resulting in a malicious taking of individuals' lives and possessions, as well as initiatives for development. The location of local governments' administrative offices has resulted in various forms of aggression in certain locations of Nigeria. For example, the Warri-South local government headquarters, which had previously been in Ogbe-Ijoh, an Ijaw town, to the Itsekiri town of Ogidigba sparked conflict, particularly among Ijaw and Itsekiri ethnicities. Similarly, the location of the Ife East local government headquarters in Oke-Ogbo, Ile-Ife, sparked a deadly dispute between the city of Ife and the Modakeke (Adegbami, 2020). The ferocious war not only killed people but also destroyed government and private assets.

Furthermore, it increases the degree of impoverishment in the communities since numerous individuals lose their ability to meet their subsistence needs. In contrast, others lose vital parts of their bodies, rendering them unable to work economically. According to Faguet et al. (2014), for decentralization to be embraced to reduce disputes, decentralized governments must be receptive to "national minorities" to reduce polity problems. According to them, in their final days, local governments that develop into 'small dictatorships' by disregarding or repressing local minorities would exacerbate tensions, endangering not only specific governments but even the concept of democracy itself. Decentralization should, therefore, include strong community oversight systems that connect local rulers' motivations with the will of local communities and help the electorate hold policymakers accountable for their actions. Furthermore, the central government should legislate strong safeguards for minority rights nationwide so people of all kinds may file complaints in any location (Abuiyada, 2018).

Failure to Integrate Diverse Groups of Decentralized Areas

The difficulty of combining distinct groupings of dispersed areas is a significant obstacle that stifles growth in these places. Decentralization will keep causing conflict as long as the management of decentralized territories struggles to reconcile the varied groups with the majorities and minorities of a devolved area. According to Adegbami et al. (2019) and Lijphart (1996), as mentioned in Faguet et al. (2014), there is little doubt that decentralization may accommodate varied populations. One of the factors that can help a decentralized area achieve peace is to bring disparate groups together under the banner of unity of intent while involving

them in reaching shared actions. Specialized groupings should be allowed to become fully interested in participating in other aspects of governance. The groups ought to be empowered to make choices on several issues affecting them. This step, in addition to giving individuals a feeling of being a member and requiring them to give their share to the growth of their community, can go quite a way towards achieving the sort of tranquillity required in preparing for progress.

Conclusion

Nigeria is just a few distance away from total collapse due to the severe obstacles that development faces as a state. Policies are good in and of themselves; however, they can only be pushed forward by genuine human activity, which is the logic, among other things, for several challenges clogging the country's spine. It is continuously fair to remark that outstanding, unaccountable solutions are constantly made by clever academics, established technocrats, and respected team members in their chosen fields. Still, very few of these proposals have ever seen the daylight of dawn. Consequently, the following recommendations were made:

- 1) People in positions of influence must be serious about facing these intrinsic issues, which have been acknowledged across the board. In truth, no established nation or state is excessively decentralized or centralized. Still, it is all an equation of human sincerity that has favourably ingrained itself in the mind and spirit of society.
- 2) Nigeria leaders should set the right precedents while citizens rally behind them.

Declaration of conflicting interest

The authors declare that there is no conflict of interest in this work.

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