

Functional Federalism and Nigerian Development

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ABSTRACT

The specific purpose of the paper was to examine how functional Federalism, has brought about rapid development in Nigeria. Three research questions and hypotheses were formulated to guide the study. The research design adopted a Descriptive Survey Design. The population of the study comprised 29640 people of Enugu State. The instrument for data collection was the questionnaire. The data collected were analyzed using percentage frequency for the research questions, while the hypotheses were tested with chi-square. The findings showed that functional federalism enhanced economic development in Nigeria; functional Federalism build quality access roads and enhanced the educational system of Nigeria. Finally, recommendations were made based on findings.

Keywords: Functional federalism, Rapid development, Nigeria.

INTRODUCTION

Federalism in Nigeria dates back to the amalgamation of the Southern and Northern protectorates in 1914 by Lord Lugard. It was however the Leyttleton's constitution of 1954 that brought a ray of what Federalism was all about. The provisions of the 1999 constitution describe expressively the tenets of the Federal system of government; with Nigeria having three tiers: the federal, state and local governments [1, 2, 3, 4, 5]. Federalism is one form of government that supports the sharing of powers between the central and state governments with no interference of either of them in their affairs [6, 7]. Functional Federalism is not about the central government being more powerful than the state governments even down to the distribution of wealth [8, 9, 10]. This is because the powers of both the central and state governments stem from the constitution, where their autonomies are clearly spelt out. Functional federalism is a form of

government that is best practiced in a heterogeneous ethnic society like Nigeria; it is about unity in diversity [11, 12]. Nigeria consists of people with diverse tribes, languages, different religions, different climates, different cultures, etc, and need to practice functional federalism to aid socio-economic development [13,14]. The Federal government does not exercise more powers than the state governments rather supervise the affairs of the country to the advantage and for the betterment of all citizens. For Nigeria to have sustainable development, national integration and equitable distribution of its resources, [15,16] functional federalism must be adopted. The state governments must take their eyes off the central government, and vice versa so that they can effectively discharge their duties [16]. Meanwhile, for Nigeria to experience rapid growth in all its sectors 'Functional Federalism' is the way out.

Statement of the Problem

It is obvious that currently the states in Nigeria are not allowed to control their affairs without the interference of the central government. There are not allowed to maximize their resources for the good of the states; rather they are made to rely on the monthly allocations from the Federal government which are not sufficient to meet the needs of the

states. The Federal government has failed to offer good governance through equitable distribution of wealth. Some states are given certain privileges more than the others. A good example is the people of Niger Delta who contribute immensely to revenue generation of Nigeria through the supply of crude oil; yet they have poor roads, unstable power

supply, poor health services, degraded environment etc. In addition, the northern parts of the country seem to enjoy more attention and allocations than other states, even down to political appointments [6]. The purpose of the federal character is forfeited, thus bridging the law of Functional Federalism. Another major problem of Functional Federalism is corruption. Corruption is a factor that has eaten deep into the Nigeria system. When power is controlled by someone from a particular ethnic group

Objectives of the Study

The major objective of the paper is to examine how Functional Federalism can be a panacea for rapid development in Nigeria. Other specific objectives include;

1. To examine whether Functional Federalism can enhance economic development in Nigeria.

Research Methodology

Research Design

The research design is a descriptive survey design. According to [6], descriptive survey design is a study which uses the sample data to investigate the existence or non-existence of the

Egwu or community like the Fulanis, the person tends to accumulate wealth just for members of his ethnic community neglecting other communities. It is against this backdrop that this research seeks to address the following research questions:

1. Can Functional Federalism enhance economic development in Nigeria?
2. Can Functional Federalism build quality access roads in Nigeria?
3. Can Functional Federalism enhance the educational system of Nigeria?

2. To ascertain whether Functional Federalism can build quality access roads in Nigeria.

3. To find out whether Functional Federalism can enhance the educational system of Nigeria.

Area of the Study

This study was carried out in Enugu State, Nigeria.

Population of the Study

The population for this study is made up of the entire population of the people living in Enugu State, where the sample

present status of phenomena being investigated. The study, used this approach because it aimed at getting the opinion of the respondents on Functional Federalism.

size was drawn from. Therefore the total population of the people living in Enugu is estimated to be 29540 [9].

Sampling and Sample Size

According to [5] sampling is the process of selecting a part called a sample from the whole called a population in order to make inferences about the whole. [7] observed that the main purpose of sampling is to reduce time and money that would be spent if the total population were studied. Equally sampling reduces numerous population in order to avoid errors when calculating a large numbers. The formula for Taro Yameni is as follows: $N = N / [1 + N(e)^{\wedge}2]$

Where:
n = sample size
N = population size (the universe)
E = sampling error (usually, 10, .05 and 01 acceptable error)
^ = raised to the power of.
 $n = 29540 + (29540 \times 0.05)$
 $= 200$

The paper used quota samples to select respondents in Enugu, Nigeria.

Method of Data Collection

The paper used the following methods of data collection. Primary Data: Primary data are called field data. The most important methods of collecting primary data are questionnaire, observation and interview. Questionnaire: Questionnaire formed the

major source of data collection which was administered to the sample. Literature on Functional Federalism as reflected in the references was made from extensive review other secondary sources in existing literatures on related textbooks,

seminar and workshop papers. Others include journals, the constitution of the Federal Republic of Nigeria, government

office gazettes, Edicts, Decrees, Magazines.

Method of Data Analysis

In the analysis of data, the paper was guided by three hypotheses that were formulated. Frequency tables were used to present the findings as well as in

percentages. Chi-square was also used to analyze the hypotheses to achieve amore reliable result.

Validity and Reliability of Instrument

A measuring instrument or scale possesses validity when it actually measures what it claims to measure [9]. [11], defines validity as "the degree to which a research instrument serves the purpose for which it was constructed" or

indeed. "The extent to which the conclusions drawn from an experiment are true". Using Person Moment Correction on test the validity was 165 and the reliability was 72.

Data Presentation and Analysis

Data presentation

Table 1: Administered and retrieved questionnaire

S/NO	Category	No of questionnaires administered	Percentage (%)	No of questionnaires retrieved	Percentage (%)
1	Civil Servants	50	36.7%	50	36.7%
2	Farmers	110	42.3%	110	42.3%
3	Traders	40	21.0%	40	21.0%

Table Two: Responses to Items

Question No	Detail	Yes	%	No	%
1	Functional Federalism enhances economic development in Nigeria.	160	88.89%	20	11.11%
2	Functional federalism brings rapid industrialization	96	53.33%	84	46.67%
3	Functional federalism brings economic prosperity.	118	65.56%	62	34.44%
4	Functional federalism leads to true wellbeing of Nigerians	155	86.11%	25	13.89%
5	Functional federalism leads to educational transformation in Nigeria	175	97.22%	5	2.78%
6	Functional federalism leads to increase in per capital income of Nigeria citizens	140	77.78%	40	22.22%
7	Functional federalism leads to agricultural transformation in	31	17.22%	149	82.78%

	Nigeria				
8	Functional federalism leads to reduction in poverty level of Nigerians	95	52.7%	85	47.22%
9	Functional federalism leads to reduction in illiteracy level of Nigerians	95	52.78%	85	47.22%
10	Functional federalism leads to reduction in unemployment level in Nigeria	130	72.22%	50	27.78%
11	Functional federalism leads to reduction in crime level in Nigeria	123	58.33%	57	31.67%
12	Functional federalism leads to reduction in illiteracy level of Nigerians	38	21.11%	142	78.89%
13	Functional federalism leads to reduction in unemployment level in Nigeria	139	72.22%	41	22.78%
14	Functional federalism leads to reduction in crime level in Nigeria	163	90.56%	17	9.44%
15	Functional federalism enhances the educational system of Nigeria	54	3000%	126	70.00%
16	Functional federalism leads access to educational opportunity of all in Nigeria				
17	Functional federalism leads to quality education in Nigeria				
18	Functional federalism leads to educational excellence in Nigeria				

Testing of hypothesis number one

Ho1: Functional Federalism enhances economic development in Nigeria

Question No		Yes	No	Total
Observed Frequency (O)	Expected Frequency (e)	Deviation (O-e)	Deviation Squared (O-c) ²	Squared and Weighed
Yes -84.3%	50	34.3	176.49	23.53
No -15.7%	50	-34.3	1176.49	23.53
Total -100%				47.06

X² calculated $\Sigma = (o-e)^2 = 47.06$

The calculated X² of 47.06 is by far greater than X² table value of 5.99. We therefore accept alternate hypothesis (H1)

which states that True Federalism enhances economic development in Nigeria.

Testing Of Hypothesis Number Two

HO2:Functional Federalism builds quality access roads in Nigeria.

Question No	Yes	No	Total
5	175	5	180
6	140	40	180
8	95	85	180
9	130	50	180
16	170	10	900
Total	710(78.89%)	190(21.11%)	900

The table above depicts the fact that 710 responses representing 78.89 % were in

favour while the remaining 190 responses representing 21.11 % disagreed.

Test for Level of Significance

The level of significance still stands at 5% (0.05) at 95 % confidence level. The degree of freedom is (n-i) where n is the number of observed variables which is 5, based on question 5,6,8,9 and 16. DF=n-l=5-1=4 from the x² table, 5% level of significance at 4 degree of freedom =9.49 Reject H0 and accept Hi if X2 calculated is > 9.49 Accept H0 and reject Hi if X2

calculated is < 9.49. Observed and Expected Frequencies Weighted

	Observed Frequency (o)	Expected frequency (e)	Deviation (o-e)	Deviation Squared (o-e) ²	Squared and weighed [-e] ²
Yes	78.89%	50	28.89	834.63	16.69
NO	21.11%	50	-28.89	834.63	6.69
	100				33.38

X²calculated: $\Sigma = [o-e]^2$

The calculated X² of 33.38 is by far greater than the X² table value of 9.49. Therefore, we accept the alternative hypothesis two (HO2) which stated that Functional Federalism builds quality access roads in Nigeria. 78.89% agreed as

against 190 responses representing 21.11% in disagreement. Similarly, the x² calculation of 33.38 on table 4.13 is far higher than the 5% level of significance at degree freedom of 9.49

Testing of hypothesis number three

H3: Functional Federalism enhances the educational system of Nigeria. Hypothesis

three Testing Based on Five Question

Question No	Yes	No	Total
3	113	62	180
13	163	17	180
20	170	10	180
21	151	29	180
23	113	67	180
Total	715	185	900
	(79.44%)	(20.56%)	

The above indicates that 715 responses representing 79.44% were in support

of yes while 185 responses representing 20.56% responded No.

Test for significance level

The level of significance stands at 5% at 95% confidence level. The degree offreedom is n-1=5-1=4 from the X² table, 5% level-of significance at 4 degree offreedom is 9.49.

Reject Ho and accept Hi if X² calculated is >9.49 accept Ho and reject Hi if X²calculated is <9.49

Observed and Expected Frequencies Weighted

Frequency (o)	Frequency (e)	(o-e)	Squared (o-e) ²	weighed [-]oe ²
79.44%	50	29.44	866.71	17.33
20.56%	50	-29.44	866.71	17.33
100				34.66

X² Calculated: $\Sigma [o-e]^2 = 34.66$

The calculated X² of 34.66 is greater than X² table value of 9.49. We therefore accept

the hypothesis three (H3) which states Functional Federalism enhances the educational system of Nigeria.

SUMMARY, CONCLUSION AND RECOMMENDATIONS

SUMMARY

This study focused on functional federalism and development of Nigeria. The paper utilized the case study research design and qualitative method of data collection. The papershows that, Functional Federalism can enhance.Economic development in

Nigeria; Functional Federalism can build quality access roadsin Nigeria; Functional Federalism will allow States to develop their nature resources and pay tax to the federal government and enhance the educational system of Nigeria. The current sharing principle is incompatible

with the objectives of national balanced development and, as might be expected in an economically unbalanced federation, the relatively less-endowed states will continue to show their resentment towards the principle. This explains why Nigeria's fiscal federalism has continued to exacerbate intergovernmental tensions and has also failed to promote national unity; Nigeria's revenue allocation system has not achieved the objective of economic growth and this is due to successive governments' misguided policies borne out of over dependency on oil. In other words, massive oil rents in the Nigerian rentier economy have not yielded the desired results, as genuine development has seemingly become a mirage in the country. Nigeria is an oil-rich country, yet oil wealth has not transformed the living standards of its citizens. The Nigerian state, which plays a significant role in the distribution of oil rents, has also persistently failed to promote any agenda of economic diversification, explaining why the country has continued to operate in a constant failure mode. If Nigeria is to continue to remain a functional federation, and if its fiscal system is to achieve its objectives, the inherent contradictions in the system must be resolved; for instance, the issue of over-centralisation of economic resources, which is at the heart of the failure of the country's revenue-sharing practice, must be addressed. Hence, the country's fiscal federalism should emphasise revenue generation by states rather than revenue

distribution by the centre as this will ensure fiscal viability of the constituent units; Regions should come back to be more creative in their quest for internally generated revenue. It will encourage healthy competition among the Regions, as they were forced to maximise their comparative advantage in the production of cash crops. Nigeria's constituent units' dependence on the Federation Account will continue until the constituent units develop their own independent revenue sources; As currently witnessed in Nigeria, the dependence of other sectors of the economy on the oil sector has the tendency to prevent economic growth. Rather than utilise the revenues generated from oil to initiate the process of economic growth, Nigeria has been content with its status as a rentier state, and its leaders are happy to continue to feed fat on oil rents. In Nigeria, economic rents tend to make offices of state attractive to elites who compete among themselves for control of the state. Rents indeed provide some form of magnetic attraction for corruption. For instance, in an attempt to redress the deep-seated deprivation that has characterized the Niger Delta region, as well as to fulfil a constitutional requirement, the region's share of the Federation Account was raised, but a large portion of the allocated funds were diverted to private use [8]. Therefore, in order to minimize the overreliance on oil, certain mechanisms must be put in place; these may include the development of functional federalism.

CONCLUSION

Based on the findings of the paper, the following conclusions were made. The units and the central government should be self-financing in order to be able to discharge their respective governmental responsibilities and to ensure some measure of fiscal autonomy. In order to achieve this, the system has to be decentralised. Decentralising economic resources will put federating units in relative control of their resources, thereby making them less dependent on the centre. In addition, states' dependency on oil will be reduced, as states not endowed with oil would devise

strategies to generate revenue from within. With decentralisation, the centre would also cease to be the locus of struggle for political power. As pointed out earlier, one significant consequence of over-centralisation in Nigeria's federal system is that federating units have become excessively dependent on central revenue for their financial survival. There is no denying that the practice in Nigeria in which the Federal Government is assigned the most lucrative sources of revenue is an aberration. In reality, most functional federations do assign their major revenue sources to the states

and regions mostly on the grounds of equity, efficiency and convenience, enabling the central government to correct any form of fiscal imbalance within the federation. However, the centre is expected to assume the role of a referee rather than be an active participant in the distribution of national wealth. In conclusion oil rents and their distribution have contributed largely to the failure of federalism in Nigeria, and this failure has a profound impact on the political and economic stability of the Nigerian state, which in turn has implications for the

RECOMMENDATIONS

Based on the findings of this paper, the following recommendations were made

*Nigeria should continue to remain a federation, and if its fiscal system should achieve its objectives, the inherent contradictions in the system must be resolved, through a functional federation.

*The country's fiscal federalism should emphasise revenue generation rather than revenue distribution, as this will ensure fiscal viability of the constituent units.

* Nigeria's constituent units' dependence on the Federation Account should

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continued survival of the Federation. Nigeria's flawed economy, which entrenches overdependence on oil, cannot be absolved in the story of the country's flawed fiscal system. Therefore, the ruling elites should, as a matter of exigency, promote any agenda capable of bringing about the diversification of the economy, as this will reduce the states overdependence on oil, and ultimately pull the country out of the precarious state it has found itself, thereby giving way to the emergence of functional federation.

continue until the constituent units develop their own independent revenue sources.

*As witnessed in Nigeria, the dependence of other sectors of the economy on the oil sector should be discouraged as it has the tendency to prevent economic growth and development. Finally, there should be minimal overreliance on oil, by putting in place certain mechanisms that should lead to the emergence of a functional federation.

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