



Infrastructural Development in Local Government Areas: Experience from State/Local Government Joint Account (SLGJA) in Cross River State

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ABSTRACT

Infrastructural development is a very fundamental driver of economic growth and social well-being especially if it is directed towards the grassroots. This paper focused on the impact of the state/local government joint account on infrastructural development in local government areas in Nigeria. Specifically, it sought to examine the effect of the state/local government joint account on the provision of educational facilities in Local Governments in Cross River State and investigate the impact of the state joint local government account on the provision of roads in Local Governments in Cross River State. The study employed stratified random sampling technique as well as simple random sampling technique to arrive at 865 respondents representing 163 each from the five Local Government Areas investigated. The instrument for data collection is a structured questionnaire designed by the researchers and the data collected were analyzed using simple percentages and chi-square statistic for the hypotheses. The results from the findings showed that the SLGJA has not been very effective in the development of educational and roads infrastructure in the local areas. The paper therefore recommends a comprehensive development plan for each LGA while also highlighting the importance of accountability and transparency through regular audits.

Keywords: Infrastructure, Development, LGAs, SLGJA, Grassroots

Introduction

Infrastructural development is a crucial driver of economic growth and social well-being. It encompasses the construction and maintenance of facilities such as roads, schools, hospitals, and water supply systems, which are essential for enhancing the quality of life and promoting sustainable development. In Nigeria, the responsibility for infrastructural development is shared among the three tiers of government: federal, state, and local. However, the effectiveness of this division of responsibilities has been a subject of considerable debate, particularly concerning the joint account system between state and local governments.

The local government system in Nigeria was established to bring governance closer to the people and to ensure grassroots development. According to the 1976 Local Government Reforms, local governments were granted autonomy to execute policies and projects aimed at fostering local development. However, the implementation of the State and Local Government Joint Account (SLGJA) has significantly influenced this autonomy. The SLGJA, established under Section 162(6) of the 1999 Constitution of Nigeria, mandates that allocations from the Federation Account to local governments must be paid into a joint account maintained by the state government.

The SLGJA was designed to ensure equitable distribution of resources and to facilitate coordinated development efforts between state and local governments. Proponents argue that the joint account system allows for better oversight and prevents mismanagement of funds at the local government level (Agba, Akwara, & Idu, 2013). Additionally, it is intended to address the disparity in revenue generation capacity among various local governments, ensuring that less economically endowed areas receive adequate funding for development projects (Oviasuyi, Idada, & Isiraojie, 2010).

Despite its intended benefits, the SLGJA has been fraught with numerous challenges that have hampered effective infrastructural development at the local government level. One major criticism is the lack of transparency and accountability in the management of the joint account. State governments have been accused of diverting funds meant for local governments to other uses, thereby depriving local communities of the resources needed for development (Ibok & Ibok, 2013). This practice undermines the autonomy of local governments and stifles their ability to undertake meaningful infrastructural projects. Furthermore, the bureaucratic bottlenecks associated with the joint account system often result in delays in the release of funds, leading to stalled or abandoned projects. The lack of direct access to funds by local governments also limits their capacity to respond promptly to the developmental needs of their communities (Ekpo & Ndebbio, 1998).

The disparity in infrastructural development between urban and rural areas in Nigeria is very pathetic. Rural communities, where the majority of the population resides, often suffer from inadequate infrastructure, which affects their socio-economic development. The SLGJA, in its current form, has not been effective in bridging this gap. Studies have shown that local governments with more control over their finances tend to perform better in delivering public services and infrastructural projects (Eboh & Igbokwe-Ibeto, 2018).

This study therefore aims to critically examine the impact of the State and Local Government Joint Account (SLGJA) on infrastructural development in Nigeria's local government areas. It specifically seeks to:

1. Examine the effect of the state joint local government account on the provision of educational facilities in Local Governments in Cross River State
2. Investigate the impact of the state joint local government account on the provision of roads in Local Governments in Cross River State

The study would be guided by the following research questions:

- What is the impact of state local government joint account on the provision of educational facilities in the local government areas in Cross River State?
- What is the effect of the state local government joint account on the provision of roads in the local government areas in Cross River State?

Hypotheses

Two hypotheses were formulated for the study:

Ho₁: There is no significant relationship between state/joint local government account and the provision of educational facilities in the local government areas?

Ho₂: There is no significant relationship between the state/local government joint account and the provision of roads in the local government areas?

It is expected that the findings of this study will contribute to the ongoing discourse on fiscal federalism and local governance in Nigeria. By highlighting the strengths and weaknesses of the SLGJA, it will provide policymakers with insights into how to optimize resource allocation and improve infrastructural development at the local level. Moreover, it will offer practical recommendations that could help reform the joint account system to better serve the developmental needs of local communities.

Literature review

Infrastructural development in Nigerian Local Government

Infrastructural development is fundamental to socio-economic growth and improving the quality of life. This review synthesizes empirical and conceptual literature addressing the state, challenges, and progress of infrastructural development in Nigerian local government areas (LGAs).

Infrastructural development encompasses a range of physical systems and facilities needed for the operation of a society, including transportation, water supply, sewage, electrical grids, and telecommunications (Oyesiku, 2010). These infrastructures are crucial for economic activities, social services, and overall human development. The theory of public goods posits that infrastructure, being non-excludable and non-rivalry, requires public sector involvement due to market failures (Samuelson, 1954). Additionally, the decentralization theory highlights that local governments are better positioned to understand and address the specific needs of their communities (Oates, 1972).

State of Infrastructural Development in local governments

Studies indicate significant disparities in infrastructure quality across Nigeria's LGAs. Akintoye et al. (2019) observed that urban LGAs tend to have better infrastructure compared to rural areas, which suffer from inadequate road networks, poor healthcare facilities, and insufficient educational institutions. This disparity can be attributed to the uneven distribution of resources and the historical neglect of rural areas.

Challenges in Infrastructural Development

Several challenges hinder infrastructural development in Nigerian LGAs. Corruption is a major impediment, diverting funds meant for public projects into private pockets, leading to substandard or abandoned projects (Ezeh, 2020). Political instability and bureaucratic inefficiencies also pose significant obstacles, often resulting in poor project execution and maintenance (Ogunniyi, 2017). Furthermore, the lack of technical expertise and inadequate planning exacerbate these challenges, leading to ineffective infrastructure development (Ogunniyi, 2017).

However, despite these challenges, efforts have been made to improve infrastructure in Nigerian LGAs. The Federal Government, in collaboration with international organizations, has initiated various programs aimed at enhancing infrastructure. For example, the World Bank's Rural Access and Mobility Project (RAMP) has significantly improved rural road networks, facilitating better access to markets and services (World Bank, 2021). Additionally,

community-driven development (CDD) projects have empowered local communities to take charge of their infrastructural needs, leading to more sustainable and context-specific outcomes (Akinola, 2018).

It is important to note also that the concept of sustainable infrastructure has gained traction, emphasizing the need for infrastructure that meets present needs without compromising future generations' ability to meet their own needs (Brundtland Commission, 1987). In Nigerian LGAs, this entails not only building new infrastructure but also maintaining and upgrading existing facilities to ensure long-term functionality and resilience (Akinola, 2018).

State of local government administration in Nigeria:

Local government administration in Nigeria has undergone significant changes and faced various challenges over the years. The local government system in Nigeria is designed to bring governance closer to the people and facilitate grassroots development. Nigeria's local government system is enshrined in the 1999 constitution which recognizes 774 local government areas (LGAs) across the country. Each LGA is administered by a local government council which consists of the chairman and councilors. The main responsibilities of local governments include providing basic services such as primary education, healthcare, road maintenance and waste management (Oviasuyi, Idada & Isiraojie, 2010).

Over the years the local government administration has faced many challenges which include the following;

1. **Financial Constraints:** One of the primary issues facing local governments is inadequate funding. The allocation of funds from the federal government is often insufficient, and the local governments have limited revenue-generating capacities (Arowolo, 2008). Furthermore, there are concerns about the equitable distribution of funds and allegations of mismanagement and corruption.
2. **Autonomy and Political Interference:** Local governments in Nigeria often struggle with a lack of autonomy. State governments frequently interfere in local governance, particularly in the control of finances and the appointment of officials (Ajayi, 2000). This undermines the ability of local governments to function independently and effectively.
3. **Capacity and Human Resources:** Many local governments lack the necessary administrative and technical capacity to deliver services efficiently. This is partly due to inadequate training and capacity-building programs for local government staff (Ogunna, 1996).
4. **Corruption:** Corruption at the local government level is a significant impediment to development. Misappropriation of funds and lack of transparency and accountability hinder the delivery of public services (Agba, Samuel, & Chukwurah, 2013).

Nevertheless, some efforts have been made to address these challenges through various reforms and initiatives. For instance, the Nigerian government has introduced policies to enhance financial transparency and accountability at the local government level. Additionally, there are ongoing discussions about constitutional amendments to grant greater autonomy to local governments (Adeyemi, 2013). These reforms are very imperative because the state of local government administration in Nigeria reflects a complex interplay of structural, financial, and political challenges. Addressing these issues requires a multifaceted approach, including financial reforms, capacity building, and greater autonomy for local governments. Ensuring effective local governance is crucial for the overall development and stability of Nigeria.

Methodology

The area of study was Cross River State which falls in the South-South zone of Nigeria. The state is made up of three senatorial zones comprising of Northern, Central and Southern zones. Descriptive survey design was employed to ascertain the impact of state/local government joint account on infrastructural development in local government areas of Cross Rivers State in Nigeria. The study employed stratified random sampling technique as well as simple random sampling technique to arrive at 865 respondents representing 163 each from the five Local Government Areas investigated. The respondents include local government staff, community heads/leaders, market men /women, artisans and students. The five Local Governments are Akpabuyo and Biase from the Southern zone, Abi and Boki from the Central and Yala from the Northern senatorial zone. The instrument for data collection is a structured questionnaire designed by the researchers. It was an 8 - item instrument designed in a four point Likert scale responses of Strongly Agree (SA), Agree (A), Disagree (D), and Strongly Disagree (SD). The instrument is made up of two sections. Section 'A' elicited the respondents' bio-data while section 'B' elicited information on the research questions. The researchers personally administered the instrument and also retrieved them accordingly. The data collected were analyzed using simple percentages and chi-square statistic for the hypotheses.

Results

Research question 1: What is the impact of state local government joint government account on the provision of educational facilities in the local government areas in Cross River State?

Table 1: Responses and percentage analysis of whether state local government joint account affect the provision of educational facilities in local government areas in Cross River State?

N = 865

S/No	Items	SA	A	D	SD	%SA	%A	%D	%SD
1	Are you aware of the SLGJA	306	334	100	125	33.4	38.6	11.6	14.4
2	Have you noticed any improvement in school facilities(buildings, laboratories, ICT, etc)?	62	93	426	284	7.2	10.8	49.2	32.8
3	Government consistently awards scholarship and bursaries to pupils?	67	80	387	331	7.7	9.2	44.8	38.3
4	Government show enough seriousness in the periodic training of teachers?	148	101	356	260	17.1	11.7	41.1	30.1

Source: Authors' computation

From table 1 above, 72 per cent of respondents agreed and strongly agreed that they are aware of the SLGJA while 28 per cent of the respondents both disagreed and strongly disagreed. 18 per cent of respondents agreed and strongly agreed that they have noticed improvement in school facilities while 82 per cent of the respondents both disagreed and strongly disagreed. Similarly, 16.9 percent of respondents agreed and strongly agreed that government consistently awards scholarship and bursaries while 83.1 of respondents both disagreed and strongly disagreed. In the same vein 28.8 percent of respondents agreed and strongly agreed that government show enough seriousness in periodic training of teachers while 71.2 percent disagreed and strongly disagreed.

Research question 2: What is the effect of the state/local government joint account on the provision of roads in the local government areas in Cross River State?

Table 2: Responses and percentage analysis of whether state/local government joint account affect the provision of roads in local government areas in Cross River State?

N = 865

S/No	Items	SA	A	D	SD	%SA	%A	%D	%SD
1	Are you aware of the SLGJA	306	334	100	125	33.4	38.6	11.6	14.4
2	SLGJA has led to more efficient use of funds for roads?	75	150	342	298	8.7	17.3	39.5	34.5
3	Have you noticed improvements in road maintenance in your area?	123	112	376	254	14.2	12.9	43.5	29.4
4	Economic activities has improved in your area due to accessible roads?	125	156	283	301	14.5	18.0	32.7	34.8

Source: Authors' computation

From table 2 above, 72 per cent of respondents agreed and strongly agreed that they are aware of the SLGJA while 28 per cent of the respondents both disagreed and strongly disagreed. 26 per cent of respondents agreed and strongly agreed that SLGJA has led to more efficient use of funds for roads while 74 per cent of the respondents both disagreed and strongly disagreed. Similarly, 27.1 percent of respondents agreed and strongly agreed that they have noticed improvements in road maintenance while 72.9 per cent of respondents both disagreed and strongly disagreed. In the same vein 32.5 percent of respondents agreed and strongly agreed economic activities have improved due to accessible roads while 67.5 percent disagreed and strongly disagreed.

H_{01} : There is no significant relationship between state joint local government account and the provision of educational facilities in the local government areas?

Table 3: Chi-square statistic test of relationship between SLGJA and educational facilities

Variables	N	d/f	S/L	$X^2 - \text{cal}$	$X^2 - \text{tab}$	Decision
Educational facilities	865	9	0.05	132.04	16.92	Rejected

At 0.05 level of significance and degree of freedom of 9, the X^2 -calculated is 132.04 and X^2 table value is 16.92. Since X^2 -cal is greater than X^2 table value, the null hypothesis is therefore rejected and the alternate hypothesis is accepted. This implies that there is a significant relationship between the SLGJA and provision of educational facilities

H₀: There is no significant relationship between the state local government joint account and the provision of roads in the local government areas?

Table 4: Chi-square statistic test of relationship between SLGJA and provision of roads

Variables	N	d/f	S/L	X ² - cal	X ² -tab	Decision
Roads provision	865	9	0.05	221.88	16.92	

At 0.05 level of significance and degree of freedom of 9, the X²- calculated is 221.88 and X² table value is 16.92. Since X²- cal is greater than X² table value, the null hypothesis is therefore rejected and the alternate hypothesis is accepted. This implies that there is a significant relationship between SLGJA and provision of roads in the Local Government Areas

Conclusion and recommendations

The SLGJA in Nigeria has significant implications for infrastructural development in local governments especially as it concerns educational facilities and provision of accessible local roads. While the system aims to ensure equitable distribution of resources and enhance development at the grassroots level, its effectiveness has been marred by issues such as mismanagement, lack of transparency and state government dominance. These challenges often result in inadequate funding for local projects, delays, lack of maintenance and substandard infrastructure.

For the system to realize its potential, the following recommendation were made:

1. Regular audits: Conduct frequent and independent audits of the joint accounts to ensure funds are properly utilized
2. Public disclosure: make financial transactions and project details accessible to the public to foster transparency and allow for citizen oversight
3. Development plans: Ensure that each LGA has a comprehensive development plan that outlines specific infrastructural projects and their funding requirements.
4. Review joint account laws: Revisit and amend laws governing the joint account to ensure clearer guidelines on fund disbursement and usage.
5. Autonomy for LGAs: Consider policies that grant more financial autonomy to local governments while maintaining accountability structures.

By implementing these recommendations, the government can ensure that the state and local government joint account is used effectively for the infrastructural development of local government areas in Nigeria.

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