# DISTURBING ISSUES ABOUT GOOD GOVERNANCE: THE NIGERIAN EXAMPLE

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#### Abstract

The study draws attention to the urgency of good governance in Nigeria. A qualitative research, made possible via secondary data. It relied on content analysis as method of data analysis. Path-Goal Theory of leadership was adopted as finding showed the major setback to good governance in Nigeria is leadership quagmire. Therefore a tight fiscal policy to control leaders' access to public fund is recommended.

**Keyword:** Good governance, Path-Goal Theory, Accountability, Democracy, Transformation Agenda, Responsiveness, constitutionalism

#### Introduction

I am even more committed to fighting this number one enemy decisively because I am convinced beyond any shadow of a doubt that the much needed impetus for our country's survival is held back by corruption. I will lead by example to ensure the prudent management of Nigeria's resources. This government will plug the leakages that fuel corruption in Nigeria (President Buhari, US Institute for Peace, Punch 22, 2015).

What it takes for evil to prevail is when men of good will keep quiet in the face of adversity (Edmund Burke, 1729-1797)

Good governance is a product of good leadership. It aims at total observation of constitutionalism to uphold utilitarianism sequel to citizens' welfare and nation building. Implementation of the people's document (constitution) is the shortcut to good governance. It ensures political, economic, socio-cultural stability and enhancement of the standard of living of the people (Nigerians). Good governance brings transformation. Donald F.Kettl (as cited in Heady 2001:428) refers to good governance as "transformation of governance". The writ of mandamus is on the leaders to ensure good governance while citizenship status of Nigerians qualifies them to enjoy good governance. There is huge complementarity between good governance and constitutionalism. Good governance is about the best process of taking best decision for the best interest of the entire state.

It is an obvious statement of problem that Nigerians have never really savored the sensation of good governance since the country's flag independence. Juxtaposing the various administrations of Nigeria since paper independence, it is clear that there is brazen neglect of the eight basic attributes of good governance according to UNESCAP. This apparent lack of good governance has subjected the citizens to the status of "suffering in the midst of plenty (Karl Marx and Frederick Angel). The uncontrolled penchant, predilection and

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hedonistic proclivity of the leadership remain culpable for bad governance. This has generated debilitating and intractable socio-economic crisis suggestive of system failure. Nigeria's economy is facing collapse; citizens are hangry, and militancy on the ascension. This study aims at establishing the urgency of good governance through the lens of its eight (8) basic attributes by UNESCAP vis-à-vis Nigeria's scenario. A qualitative research, adopting secondary source of data with content analysis as method of data analysis.

Absence of good governance in Nigeria is traceable to poor leadership. Given this the researcher adopts Path-Goal Theory of leadership as framework of analysis. This theory is the brainchild of Robert J.House .It emphasizes on, "only good leadership can produce good governance". Path-goal theory of leadership further opines that the main function of a leader is to clarify what rewards are available to followers in the organization, how these rewards can be earned, and eliminate barriers that could prohibit followers from earning the rewards (House, 1972). It extracts key elements from the Ohio State Leadership Research and the expectancy theory of motivation (R.K Sapru: 2013:480). Applying path-goal theory by the Nigerian leadership will help to ensure good governance which is the only resource necessary for Nigerians to achieve their goals.

## **Conceptualization of Good Governance**

The Oxford Advanced Learner's Dictionary of Current English defines "good" as "of high quality; of an acceptable standard; satisfactory...The same source defines "governance" as "activity or manner of governing".Clearlly; governance can happen but not a good one. It may be "good" or "bad" depending on the leadership methodology.

Good governance establishes the rule of law, enforces contracts and arguments between the individuals, maintains law and order and guarantees security to the people, economizes on cost and resources, protects the environment and properly delivers services to the society. It also determines an optimal size of the government and makes best possible use of government resources

(Sharma & Sadana & Harpreet, 2011:64)

Economizing on cost and resources de-emphasize hedonistic displays and reckless spending of public finance. Such theories like cost effective, utilitarianism, public choice, comparative advantage, rule of law will rule. This philosophy will place the state on optimal position for development.

Tiwari (2002) writes;

Ongoing global transformations need guidance to avoid very negative looming consequences and realize very positive potentials. Markets, civil society etc however important cannot be relied upon to provide the needed guidance; normativity and realistically only governance can do so. However, in order to adequately fulfill crucial future building tasks, politics must be revitalized, democracy must be refocused and governance must be radically redesigned.

Tiwari' leans on radical restructuring of governance to produce a system that will ensure development administration. Good governance has been construed as a clear and predictable legal framework, accountability, transparency, and information on the management of national affairs (Leftwich, 1994:372). The observation of these mentioned attributes will be a source of security to the citizens. Good governance has been defined as democratic governance; meaning respect for human rights, participation in decision making, accountability, poverty eradication, responsiveness, equal treatment, inclusiveness, fairness, impartiality, and absence of any discriminatory practices as well as taking into consideration the needs of future generation (UNDP, 2002)Report of Poverty Task Force (PTF) on

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localizing the Millennium Development Goals (MDGs) in Vietnam submits; "Good governance is the process of translating societal demands into choices, resulting in policy formation and implementation." Good governance is born when government makes and implements policies in line with citizens' demands not repugnant to the constitution. What qualifies "governance "to be "good" is the unskewed and unsabotaged application of rule of law.

T.K Oommen highlighted that the concept was coined by the Third World Countries and entered into the vocabulary of Public Administration since 1990s, mainly due to development aid to the Third World by the Western countries in post cold war era (Sharma 2011:66). Four dimensions of good governance includes accountability, legal framework, public sector management and information and transparency (World Bank, 1989) These help the governed to detect acts incongruous and bizarre to the theory and practice of good governance.

Kukah (1999:231) observing the frustration of good governance rightly expresses;

The "chopping" syndrome by its very logic places the commander in absolute control of everything, from human beings to resources of state. It is, as we said, what Bayant has referred to as "politics of the belly". Consequently, in the Nigerian situation, from the Nigerian National Petroleum Cooperation (NNPC), the Ports Authority, the Central Bank, the Ministry of Finance to Petroleum Trust Fund, all the juicy ports are filled by cronies

Cronyism has crowded the sensibilia of leaders thus satisfying few at the expense of utilitarianism (John Stuart Mill, 1806-1873). Such anomaly is quite parasitic to the survival of good governance.

Sebudubudu (2010) expresses that;

Good governance has been recognized over the past two decades as a major policy consideration that makes a difference to development. A democratic government is more responsive to the needs of the population such as in providing opportunities in education, health, and social welfare, better housing, equitable distribution of development projects including roads and other infrastructural development. Good governance is one of the preconditions for development and poverty reduction. For instance, countries such as Botswana, Mauritius and Namibia, which follow good governance will normally device pro-poor policies and programmes and target programmes to educate children of the poor and disadvantaged groups.

Effect of Electoral Reform of Botswana between 1965-2009

Year	Voting Age Population	Total Registration	Total Voted
1965	202,800	188,950	140,858
1969	205,200	140,428	76,858
1974	244,200	205,050	64,011
1979	290,033	230,231	134,496
1984	420,400	293,571	227,756
1989	522,900	367,069	250,487
1994	634,920	361,915	277,454
1999	867,000	459,662	354,466
2004	920,000	552,849	421,272
2009	1,058,816	725,817	555,308

**Source:** David Sebudubudu at www.academicjournals.org/ajpsir.

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The table shows a ten year consistent progress in citizens' participation in politics due to the reformation in Botswana through; (1) lowering the voting age from 21 years to 18 years. (2) approving postal voting for citizens abroad.(3), president to serve only two terms of five years and Independent Electoral Commission not under the office of the president (Sebudubudu 2010:252). Good governance is the arrowhead for human development as President Goodluck Jonathan Speaks;

In the face of poverty, disease, hunger, and under-development prevalent among the black race, Africa and black countries in the Diaspora must embrace democracy and promote good governance in order to overcome their problems. (ThisDay, August ,4 2012 Kingston, Parliament of Jamaica).

The problems of good governance remain because the fundamental objectives and directive principles of our statutes are non-justiciable thereby the issue of good governance remains platitudinous rather than obligatory on our leaders (Dickson, 2011). Attahiru Jega advised that the solution to the paucity of good governance in our body politick is sincere return to constitutionality.

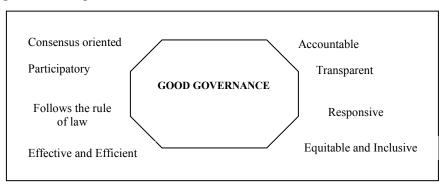
#### **Constitutionality of Good Governance**

Good governance is a state and legal creation. It is enshrined in the supreme document that dictates leadership methodology in Nigeria. It is an integral part of the Fundamental Objectives and Directive Principles of State Policy enshrined in chapter II of the 1999 constitution of Federal Republic of Nigeria. The demand for good governance by Nigerians is a constitutional right, not unfounded demand. In the preamble of the 1999 constitution of Federal Republic of Nigeria, it states..."We the people of the Federal Republic of Nigeria, having firmly solemnly resolved to live in unity and harmony as one indivisible and indissoluble sovereign nation, under God, dedicated to the promotion of Inter-African Unity, world peace, international co-operation and understanding, and to provide for ourselves a constitution for the **promotion of good governance, and welfare** of all persons, in our country on the principles of freedom, equity and justice, and for consolidating the unity of our people do hereby make, enact and give ourselves the following constitution... This is eloquent enough to justify demand for good governance.

### **Attributes of Good Governance**

Good governance has eight characteristics. It is participatory, consensus, effective and efficient, equitable and inclusive and follows rule of law. It assures that corruption is minimized, the views of minorities are taken into account and the voices of the most vulnerable in society are heard in decision-making. It is also responsive to the present and future needs of society (www.un-escap.org). Participation by both men and women is a key cornerstone of good governance (Onyishi, 2011:734.ed)

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# **Diagrammatic Representation of Good Governance**

Source: www.unescap.org

#### **Management Cloud in Excess Crude Account**

One of the determinants of good governance is unreserved accountability and probity, the manner in which the Public Finance Administration is conducted. The status of the Excess Crude Account (ECA) in the recent past presents worrisome realities. This account was established in 2004 by Obasanjo Administration to act as a "stabilization fund" which will help to close the budget deficits caused by oil price volatility.

In the first 41 months from January 2007 to May 2010, no public record of transfers into the ECA by Federal Account Allocation Committee (FAAC). After the questionable 41 months silence on ECA reporting, the FAAC curiously resumed reporting in June 2010 till the end of the review period during which \$\frac{1}{2}\$ 7.16 trillion accrued to the national officers. It remains unknown if this unaccounted fund was stolen or mismanaged (Premium Times, October 16, 2014). This is clearly a scenario that asphyxiates transparency and accountability which are core attributes of good governance. The Federal Government under Goodluck Jonathan neglected established procedural regularities and legislative buy-ins for operating the ECA, thus running the account with Federal Ministry of Finance under Okonjo-Iwuala as though it was in the exclusive list.

According to NNPC report on oil production and monthly oil price within the period under review (2007-2014) Nigeria is expected to have an inflow of \$\frac{1}{2}3.79\$ trillion (\$166.875b). Similarly, the office of the Accountant General reported a total of \$\frac{1}{2}10.582\$ trillion (\$73.936b) as withdrawals from the ECA. Other reports show that Federal Government and State Governments agreed to make withdrawals of \$8.425b (\$\frac{1}{2}1.308\$ trillion) as fund to implement National Independent Power Project (NIPP) within same period. With those figures, the net expected balance in the ECA as at December, 2014 should be \$\frac{1}{2}1.9\$ trillion (\$84.52\$ billion). However, the Ministry of Finance declared in May 2015 that the actual balance in the ECA as at December 2014 was \$2,060,554,241 (\$\frac{1}{2}344.85\$ billion). If this figure is anything to go by, a difference of \$82.46\$ billion (\$\frac{1}{2}11.56\$ trillion) can be regarded as unaccounted amount expected to be in the ECA (Premium Times, 2015). At this juncture, it becomes important to present the expected annual inflow into the ECA from 2007 – 2014. This will expose the amount expected to be remitted into ECA and the rate at which dollar exchanged with naira in respective years.

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Annual Expe	cted Inflow	into	ECA
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Year	USD Exchange Rate (\$)	Expected Inflow to ECA (USD)	Expected Inflow to ECA (NGN)
2007	\$123.93	\$23,239,738,446	₩2,848,134,733,464
2008	\$117.00	\$27,001,792,263	₩3,129,147,007,076
2009	\$146.82	\$13,955,741,897	₩2,065,965,765,903
2010	\$148.31	\$13,393,592,001	№1,988,126,673,193
2011	\$151.83	\$31,320,769,109	N4,755,109,947,261
2012	\$155.43	\$29,890,983,273	N4,646,453,215,411
2013	\$155.25	\$12,611,987,083	₩1,958,074,330,008
2014	\$156.45	\$15,459,851,348	₩2,399,926,504,881
Total		\$166,874,455,420	N23,790,938,177,198

Source: Premium Times, 2015

Now let us get down to the specifics. The above stated data revealed the expected lodgments in ECA on yearly basis. With such the data as presented above we will be able to arrive at the Net Expected Balance in ECA. The report by Office of the Accountant General of the Federation, Federal and State Governments agreed that withdrawals for NIIP in March 2013 revealed that annual withdrawals from ECA (actual withdrawals) for 2007 to 2010 were N708.93b, N1.637t, N1.546t and N1.325t respectively. Also annual withdrawals for 2011 – 2014 were to be N1.841t, N1.606t, N2.905t and N320 billion respectively. Continually, total withdrawals of N11.89t (\$82.36b) were accounted for as withdrawals from ECA as FAAC distributions, funds for Sure P and NIIP. Following this figures, the net expected balance in the ECA as at December 2014 should be N11.90 trillion (\$84.52b). (Premium Times, 2015). We shall present another statistics (table) that will prove how we arrived at N11.90 trillion (\$84.52b) being expected balance in the ECA as at December, 2014.

**Net Expected Balance in ECA** 

Year	Expected Inflow to ECA(a)	Withdrawals from ECA,FAAC Distribution and NIPP(b)	Net Expected Balance ECA (c=a-b)
2007	N2,848,134,733,464	N708,934,242,999	<del>N</del> 2,139,200,490,465
2008	₩3,129,147,007,076	₩1,637,019,253,447	₩1,492,127,753,629
2009	N2,065,965,765,903	₩1,546,424,383,686	<del>N</del> 519,541,382,217
2010	₩1,988,126,673,193	¥1,325,445,268,663	₩662,681,404,530
2011	N4,755,109,947,261	₩1,841,078,872,301	₩2,914,031,074,960
2012	N4,646,453,215,411	₩1,606,412,995,298	₩3,040,040,220,113
2013	₩1,958,074,330,008	₩2,905,100,100,590	₩947,025,670,582
2014	₩2,399,926,504,881	₩319,943,121,223	₩2,079,983,383,658
Total	№23,790,938,177,197	N11,890,358,138,207	<b>№</b> 11,900,580,038,990

**Source:** Premium Times, 2015

The data above shows that the net expected balance in ECA should be  $\mbox{N11,900,580,038,990}$ , but according to the Federal Ministry of Finance, the actual balance is the ECA as at December 2014 was  $\mbox{N344.86b}$ . Therefore deducting the actual balance in the ECA from the net expected balance in the ECA in the same period would be  $\mbox{N11,900,580,038,990} - \mbox{N344,848,470,446} = \mbox{N11,555,731,568,544}$ . This result means that the total of  $\mbox{N11,555,731,568,544}$  was unaccounted for. (Premium Times, July 2015)

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# High Recurrent Expenditure Vs Low Capital Expenditure and the worry of budget "padding"

Artificially created high cost of governance which lamentably does not translate to good governance in Nigeria has been identified as one of the major sources of leakages in the national treasury. As it affects the National Assembly, the President of the Nigerian Labour Congress, Ayuba Wabba in his visit to the President of the Senate Bukola Sariki, posits;

For the legislature, Nigerians are concerned and want explanations on how the National Assembly budget which in 2003 was №23.347 billion rose to №66.488 billion in 2008. In 2010, under the watch of your predecessor, the budget of National Assembly reached an all-time jump to №154.2 billion (Wabba, Punch, July 24, 2015).

The government fraught with the sub-optimality of the expenditure profile of the Federal Government of Nigeria since 1999 has seen recurrent spending consistently crowding capital expenditure with 47.5% in 1999 and 80.29% in 2003, while capital expenditure accounted for only 19.71% of total government expenditure. It has grown much in 2011 with government borrowing to finance recurrent expenditure (Anyanwu and Uzoatu, The African Economy Journal) .This is a trend that runs counter to development administration. The concept of budget "padding" that sparked acrimony between the Executive and Legislature is best interpreted as another style of increasing budgetary allocation for overhead purposes which has no much economic and development value to Nigerians. Capital investment will support economic theory of "produce more, export more and import less". Verifiable policies in Nigeria prove that good governance receives more publication than implementation.

#### Presidents Goodluck Jonathan and Mohammad Buhari's Transformation Agenda

President Goodluck Jonathan's Transformation Agenda (2011-2015)		President Muhammadu Buhari's Transformation Agenda (2015-2019)	
*	Job creation	*	General insecurity and insurgency
*	Infrastructure development	*	Devastating and environmental degradation in Niger Delta
*	Macroeconomic framework and economic direction	* prices	Decline in revenue due to fall in oil
*	Public expenditure management	*	Endemic corruption
*	Justice and judiciary	*	Poor power supply
*	Foreign policy and economic diplomacy	*	High levels of unemployment especially among the youth
*	Education	*	High cost of governance
*	Health sector	*	Erosion of public social services
*	Labour and productivity	*	Lack of development in agriculture and Solid mineral sectors
*	Power		

Source: (Compiled by author, 2016)

The content of this table is indicative of the fact that Nigerian leaders know the problems and solutions to the problems of Nigeria but lacked the political will to emancipate the people. These are transformative blue prints but for implementation.

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# The Retirees and Pension Ruckus: The neglect that causes death

The older citizens who have served the state in the days of their youth form important part of every nation, Nigeria inclusive .Laborer, they say is worthy of his wage. Most despicable is that many of these retirees die without getting their entitlements. Chapter II of 1999 Constitution of Federal Republic of Nigeria states 2(b) "the security and welfare of the people shall be the primary purpose of government". Effective handling of salary, gratuity and pension of workers form huge part of good governance. This forms the welfare and security of the citizens.

#### Nigerian Government, Youths and Good Governance

Available statistic is indicative that the government of Nigeria has failed the youths in terms of good governance. The youths of Nigeria roam the streets, graduate from the school without assurance of job opportunity. The jobless youths of Nigeria do not enjoy social security and welfare packages. The youths of Nigeria face the risk of being used to do the odds during election by the power-seeking politicians. They adopt the "teabag approach" in dealing with the youth. Youths of Nigeria are not consulted when making policies and decisions that affect them. No tangible consideration for the future of Nigerian youth. There is visibly no active representation for the youths in Nigerian government. This always accounts for youth restiveness in Nigeria. However hope may be on the way for Nigerian youths as House of Representatives plans to reduce age qualification for elective position in Nigeria (Agbakwuru, Vanguard, June 9, 2016).

#### Recommendations

Given the poor status of good governance in Nigeria, the researcher recommends as follows;

- 1. Introduction of strict fiscal policies via technically improved TSA to block leakages in the treasury.
- 2. The institutionalization of legal framework to encourage and protect whistle blowers in the public service.
- **3.** Provision of legislation that will outlaw the practice of "I am directed" in the public service. "The very soul that sins must die".
- **4.** Effective and efficient judicial system to try cases of any form of official misconduct with the urgency it requires.

### Conclusion

Good governance remains the fundamental process of fulfilling the social contract between the state and its citizens. Through good governance, government fulfils services to the citizens. The large scale corruption in Nigeria and outside Nigeria by government officials attests to the massive gulf between the leaders and thought of good governance. Employment, Oil Subsidy, Arms, Budget, Privatization scams hit the poor citizens hard, seriously suffocating their ability to survive. Attributes of good governance like popular participation, rule of law, accountability, responsiveness, consensus etc have long eluded the Nigerian citizens. It is the hope of Nigerians that the on-going war against corporate corruption and implementation of treasury single account by the Buhari administration will kick start the engine of good governance in Nigeria.

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