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## Corruption and Public Accountability in the Local Government System in Nigeria

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### **Abstract**

*This paper examined the concepts of corruption and accountability in the local government system in Nigeria. The problem of corruption is intertwined with accountability, because corruption thrives where there is no accountability, or accountability reduces corruption. Comparative, descriptive and evaluative approaches were adopted in the study. Historical documents and public data provided the basic material for our comparative analysis. The paper revealed that corruption persisted in the local government system because of the perception of the political office holders who claim that local government is a place where people make quick and cheap money and the inability of the local government leadership to promote the ethos of accountability, thereby encouraging the menace of corruption in the Local Government system. It is recommended that the leadership of the local government should heighten the tempo of service delivery to the citizenry, be participatory and democratic in decision making to enhance accountability.*

International attention focused on corruption in countries with developing economies has been largely targeted on local governments. Clark (2001) observed that "initial publications on corruption in African countries were concentrating on local government level". This assumption can derive from the fact that local government as a sub unit of the national and state governments, has remained impervious to all

reforms and reorganizations aimed at transforming it as a veritable instrument of national and grassroots development. Despite the efforts of the higher levels of government, (federal and state) to curb the menace of corruption, corruption still persists in the system, because most political office holders perceive local government as a veritable source where they can make quick money and amass wealth to make private investments which they will fall back on whenever their tenure expires and especially if they are not likely to be re-elected.

This paper examines the concepts of corruption, administrative and financial accountability in local government system. The state of public accountability and corruption in selected local governments in Nigeria, factors capable to promote accountability, and the measures that had been put in place to enthrone the ethos of accountability at the local government system in Nigeria.

### **The Problem**

Corruption is a systemic and multifaceted problem which takes many forms and characteristics in the local government system in Nigeria. According to Section 2 of Independent Corrupt Practices and other related Offences Commission (ICPC) Act CAPC 31 (Laws of the Federation of Nigeria (2004) and Okaba (2009:5), corruption includes fraud, embezzlement, forgery, false declaration of assets and income, over invoicing, over pricing, illegal/illegitimate monopolization, fraudulent boarding and sale of council's vehicles and plants, swindling and land speculation, distortion of development plans and false accounting, demanding and receiving bribe, exercise of undue influence, diversion of official property, truancy, obtaining allowance for trip that would not be undertaken, lodging government money in private accounts, etc.

Corruption in the local government impinges mostly on the financial resources. It is as a result of this that most observers regard corruption as the locus that eats the financial resources of the local government -(Emezi, 1988). It is evident in many forms, such as extra budgetary expenditure, fraudulent injection of payment vouchers with 'ghost' workers, use of fake receipts by revenue collectors, inflation of contract prices, extortion of cash from members of the public in rendering certain services, etc. According to Emezi (1988) corruption in the local government is premised on prebandalist orientations. The local government operators ideally perceive local governments as places of sharing out easy and cheap money without anybody questioning.

The poor background of most of the elected or appointed political holders in the system also constitutes a major problem. They perceive the local government as veritable source where they can make quick money and amass wealth

to make private investments which they can fall back on whenever their tenures expire because they are not likely to be re-elected. The tendency, is therefore, once elected or appointed into office, they become desperate to amass wealth by all means to enhance their socio-political and economic status. Most of these political appointees such as the Chairmen and Councilors for instance do not have buildings in their villages and do not own viable economic ventures which can sustain them outside politics. It is assumed that corruption thrives where there is no accountability, or corruption connotes absence of accountability. In the local government system the negative impact of corruption is so pronounced that Ikhariate (2000:63) simply referred to it as "a dangerous cancer on the part of national development. For Olowu (1993:355) public sector bureaucracy, including the local government are not only highly centralized and unaccountable, but corrupt, self-servicing and insensitive to economic development.

### **Conceptual and Theoretical Perspective of Corruption**

Etymologically the term "corruption" is derived from the latin verb "corruptus" (to break); and literally means to break away or depart from morality, ethics, tradition, law and civil virtue. According to Klittgard (1985), it is universal, but its magnitude and character are defined by different socio-cultural contexts and time dimensions, is not always pecuniary. It is usually shrouded in secrecy and thrives in an environment of large discretion with little or no oversight or lack of accountability.

Scholars such as Huntington 1968, Left 1964, Merton 1957, Berley 1966, Abuene 1966, and Nye 1967; have all defined corruption in ways that have enough in common, that is departure from accepted public decorum and standards. Corruption is therefore, defined as a departure from accepted standards and practices which presupposes that there are known and agreed norms and practices and what these standards are and what they should be. In the case of local government system, there are laid down rules and regulations contained in various government circulars. Financial Memorandum etc which set guidelines on the conduct and management of council's funds. The provision of these financial rules and regulations are often treated with levity, and no serious attention is given to the entrenched reprimands or requirements contained therein.

According to Wilkins (1970:3) corruption or fraud is defined as behaviour which is different from and conflicts with the standards which are accepted as normal within a group or social system. Huntington (1968) defines corruption as the behaviour of public officials which deviates from accepted norms in order to serve private ends. For Left (1964) quoted in Heidenheim (1970:510) corruption

is an extra-legal institution used by individuals or groups to gain influence over action of the bureaucracy.

Viewed against the background of public interest, Carl Friederch (1966:74) opined that:

*The pattern of corruption can be said to exist whenever a power holder who is charged with doing certain things i.e. who is a responsible functionary or office holder is by monetary or other rewards not legally provided for induced to take actions which favour whoever provides the reward and thereby does damage to the public and its interest.*

### **Conceptual Clarification of Accountability**

The word "accountability" has its root in the latin *Computare*, *com* means 'together' and *putare* means 'count or consider'. Behn (2001:7). According to Behn (2001), March and Olsen (1995), Mulgan (2000), and Dribek (1999), (2000), accountability as a concept has extended in several directions during the last decades. To them, accountability implies ways the citizens can control their government and the mechanism for doing this. Amitai Etzion (1995) offered a three pronged definition to the concept of accountability as follows:

- Greater responsibility to elected Supervisors
- Greater responsiveness to community groups (usually meaning minority and
- Greater commitment to values and higher standards of morality.

Accountability can be regarded as the fundamental prerequisite for preventing the abuse of delegated power and for ensuring that power is directed towards the achievement of broadly accepted national goals with the greater possible degree of efficiency, effectiveness and probity. Canada (1979:21) and Obadan (1998) posited that accountability in its simplest form means "holding public officials responsible for their actions. That those who exercise public power in the society should be answerable for the exercise of that power". According to Akpakpan (2010) accountability is about the behaviour of the people or agency in carrying out delegated responsibilities. It is about being answerable to someone or some community for something that has been done, and it involves accepting responsibility for and the obligation to explain, justify and take criticism for action or inaction. AAehren and Lehrmanm (1974) define accountability as a process of justifying cost by presenting the positive effect derived from expenditure. Scholars, like Steward (1984), Tomkins (1987), Olowu (2002) and Borens (2006), admitted the mutual inclusiveness of public accountability.

Thus, Borren explains the concept of accountability in this manner, A relationship between an actor and a forum (principal) in which the actor has

obligation to explain and to justify his or her conduct. The forum can pose a question and pass judgment, and the actor may face consequences.

Accountability, therefore, is about a relationship, a social relation as Borens (2006) puts it, of account giving or account rendering by some actor (ie the agent) to some forum (ie principal). On the other hand, Olowu (2002) opined that accountability has crucial elements of responsibility, reporting mechanism, system of evaluation, rewards and sanctions. With respect to public accountability, it can be admitted that local government Chairmen, Supervisors, Councilors and indeed, the retinue of council's officials exercise substantial powers which do not belong to them. They belong to the citizens on whose behalf or mandate these powers are exercised. Local government's functionaries are therefore stewards. The power exercised by the stewards is only justified if those who exercise them are answerable to them.

### **The State of Public Accountability and Corruption in Selected Local Governments in Nigeria**

In a study carried out by Obi (1996) on the apparent constraints to accountability in Nigeria reformed local government under the Presidential system, it was revealed that accountability problem in the local government was as a result of the interplay of many factors, and the culmination of weak, porous accounting and control mechanism, lack of prosecution of erring officials/offenders, dishonesty, absence of adequately maintained financial records, ineffective inspectorate roles by the State House of Assembly, Public Accounts Committee, Local Government Legislative Councils, Local Government Audit Committee, and conflicts in role perception by the Chairmen and other key operators of the local government system. It was observed that the negative attitudes of the major operators and custodians of local government resources and revenues towards accountability were prompted by the social, economic and political instability in Nigeria. Obi (1996) further admitted that unaccountability or lack of accountability and integrity were responsible for the low development in our local communities in Nigeria.

In November 1993, when the Abacha administration came on board, all the local government councils in the country were dissolved. Directors of Personnel Management as they were christened by then, took over the mantle, and were saddled with the responsibility of running the affairs of the local governments, pending the appointment of caretaker committees. In Benue State, when the government carried out the appraisal of the activities and performances of these Directors of Personnel management and their treasurers in the then 18 local government councils, there were reported litany of woes which bordered on embezzlement, official corruption, abuse of office, reckless expenditure of

finances, strangulation of financial control measures. The story was the same with many other states in the country.

In 1999, the Chairmen of Ukanafun and Esit Eket Local Government Councils in Akwa Ibom State were indicted by the former Auditor General for Local Governments, Sir Sunday Ibanga for various offences bordering on lack of probity and accountability, wanton breach or bastardization of financial regulations and procedures, misappropriation of funds, through spurious awards of contracts and 'ghost' projects. In the case of Ukanafun, the erring Chairman was compelled to refund the sum of N48,000,000.00 (Forty Eight Million Naira) to the coffers of the council. For Esit Eket, the former Auditor-General observed in his report that the chairman squandered a colossal sum of N18,234,967.26 on arbitrary jobs and payments to friends, inlaws, and brothers in utter defiance or disregard of the Provisions of Financial Memorandum (FM) Sections 17 -254.

Again in 1999, two local governments in Osun State, namely, Iwo and Ika generated internal revenue of N1,866,377.53 and N3,769,247.22 respectively, and the leadership of the two councils expended colossal sum of N4,676.28 and N4760,806.00 respectively, expenditure far in excess of their income on workshops and seminars. Other instances of financial rascality and indiscipline exhibited by other three local governments in the same state is graphically presented hereunder:

**Table 1: Expenditure in Three Local Governments on Workshop and Seminars for 1994 - 1999 Fiscal Year in Osun State**

| Name of LGAs | 1994 Provision | Actual Expenditure | 1999 Provision | Actual Expenditure |
|--------------|----------------|--------------------|----------------|--------------------|
| Olorunda     | 400,000        | 1,518,904          | 3,308.100      | 3,307.100          |
| Egbedore     | 300,000        | 2718.242           | 1,300.000      | 2,268.785          |
| Odo-Otin     | 500,000        | 518.050            | 500.000        | 4,707705           |

Source: J. O. Aluko Manpower Planning && Development in Osun State Local Government Service Commission 1971,1999 pp. 247, 249, A 257.

Apart from the foregoing, there are also reported instances of local government Chairmen administrating local governments as their personal estates, incessant infighting over contract awards, coupled with threat of either impeachment or suspension of Chairmen from offices. These are pointers to the fact that local governments in Nigeria are faced with the problems of corruption and accountability in their operations.

In 1996, Adamawa State local government Service Commission compulsorily retired a Director of Finance and two land officials for financial indiscipline and

were sternly warned to desist from such acts in future. In the same year, the area Council Service Board, Abuja, dismissed a unified staff and 328 non confirmed staff for various acts of financial misconducts. In Kwara state between 1996 - 1997, two local government secretaries or Head of Service were compulsorily retired from the service for their involvement in some acts of financial indiscipline. In Osun State, two technical officers were alleged to have stolen six collapsible flux doors, upon investigation the Junior Technical Assistant was discharged. However, the higher technical officer (mechanical) was convicted and sentenced to two years imprisonment with the option of a fine of N1,500,000.00, He was later dismissed from service on the court's verdict.

### **The 1976 Local Government Reform and the Factors That Promote Accountability in the Local Government System**

The advent of the 1976 local government reform in Nigeria has significantly strengthened performance and structural capacities of the reformed local government system in Nigeria. For instance, it has guaranteed stability in the system through regular conduct of local government elections to forestall the composition of the local governments with appointed membership of the caretaker committees or sole administrators by the State Chief Executive. Arrangement which had hitherto characterized the system before the reform. With the administration of the local government by elected representatives of the people, the practice of participatory democracy has been enthroned in the system. Again the 1999 Constitution section 7.1 states inter alia that "the government of every state shall ensure their existence under the law which provides for the establishment, structure, composition, finance and function of such council".

The 1976 local government reform emphasizes encouragement of local leadership, two way channel of communication between the local government, higher levels of government (Federal and State) to make appropriate services and development activities responsive to local wishes and initiatives by devolving or delegating to them or local representatives C. King (1988).

#### **Local Leadership**

Prior to the advent of the 1976 local government reform, the local government system was operated as a close and water tight outfit, where decision making originated and ended with the Executive Chairmen of the councils. Within 27 years of the researchers' sojourn in the local government service (1978 - 2005), we have observed from our participant stand point that most chairmen of councils administer local governments as their private estates. Often times, vital decisions are single-handedly taken and executed by the Executive Chairmen without reference or consultation with other members of the council. Such statutory council meetings

as Finance and General Purposes Committee (FGPC) and Tender Board where decisions on financial matters and contracts are taken are sparingly held or convened, and once held is usually at the extreme discretion of the Chairmen. They also apparently alienate themselves from the local constituents by operating outside the local government headquarters where they are either quartered in hired hotel accommodations, at the expense of the local government or their private residences furnished for them also at the expense of the local government. The construction of thirty one security quarters in all the Headquarters of local governments by Akwa Ibom State government is a welcome development to ensure that Chairmen and other principal officials of councils reside and stay with their constituents.

The failure of the local government chairmen to consult with their local constituents and representatives is contradictory to Webber's (1999:451) prescription of collaborative and shared decision making process needed to enhance accountability in the local government system. We are not unmindful of the fact that an ideal leadership is a key driver in promoting accountability. It is therefore expected that local leadership should be broad based, result-oriented and consultative, Webber (1999) in order to enhance accountability.

### **Participative Democracy**

Participative democracy is closely linked with development objectives which is enshrined in the 1976 reform. If citizens participate in the political process or decision making, the prospects of enhancing accountability are brighter. The citizens can participate in the decision making of the local government through the following processes

- 1. the right to vote
- 2. public hearing and information sharing for and
- 3. The local government budget framework. Ribot C, Jesse (2002)

Comparative study of Ghana and Uganda has shown that citizens in these countries influence the apparatus of local decision making through increase in scope and numbers of coalitions of interest groups. The Uganda's decentralization laws on N.G.Os have been given an official role on the newly established district and local environment committees. Consultations with a wider spectrum of residents and stake holders within the local communities have great potentials of enhancing accountability in the local government system.



### **Service Delivery**

One of the desirable principles of the 1976 local government reform is "the need to bring about fundamental, statutory and beneficial changes in the lives of the citizens of Nigeria, particularly the rural populace". Ola (1977), has hinted that "local government exists to provide services and it must be judged by its success in providing services up to a standard measured by a national inspectorate". By extension, it implies that if the local government fails to perform these assigned responsibilities to the citizens, accountability of such councils is questionable and has fallen short of the people's expectation.

**Table 2: Individual Monthly Spending Limits for Local Governments Functionaries**

| S/<br>No. | Council Functionary | Above N2m | Annual Internally<br>Generated<br>Revenue N1.2m | Generated<br>Below N1m |
|-----------|---------------------|-----------|-------------------------------------------------|------------------------|
| 1.        | Chairman            | 75,000    | 30,000                                          | 15,000                 |
| 2.        | Vice Chairman       | 20,000    | 12,000                                          | 7,000                  |
| 3.        | Leader              | 18,000    | 8,000                                           | 5,000                  |
| 4.        | Secretary           | 15,000    | 8,000                                           | 4,500                  |
| 5.        | Supervisor          | 15,000    | 8,000                                           | 4,500                  |
| 6.        | Clerk               | 8,000     | 4,500                                           | 3,000                  |
| 7.        | Head of bept.       | 8,000     | 4,500                                           | 3,000                  |

Source: Handbook on local government administration in Nigeria (1992 p. 6).

Note: The individual spending limits are subject to the following conditions - all expenditures approved by individual officer shall be reported to the next higher officer or Finance and General Purposes Committee (FGPC) for information and necessary action.

### **Conclusion**

Many writers and scholars have written profusely on the twin concepts of corruption and accountability in the local government system in Nigeria. The solutions proffered to stem the menace of corruption and lack of accountability in the local government, and the copious reprimands and sanctions contained in relevant local government service guidelines have not altered the propensity of corruption and lack of accountability in the system. The researchers therefore advocate robust strengthening of the capacities of all the anti-graft agencies, such as Economic and Financial Crimes Commission (EFCC) and Independent Corrupt Practices and Other Related Offences Commission (ICPC) to fight corruption at the local government level. Also the mindsets of all the key operators of the system - political office holders and career officials should be reoriented towards imbibing good morality, virtues and ethical conducts in the operation of the local

government affairs. They should be prevailed upon to know that public office is a public trust. That as stewards, their primary consideration is to render services to the generality of the people at the grassroot.

### **Recommendations to Enthroned the Ethos of Accountability in the Local Government System in Nigeria**

1. The higher tiers of government (Federal and State), should provide the enabling legislations, policies, and reforms that should put transparency and accountability at the center piece of governance at the local government level.
2. The existing statutes and administrative guidelines that govern local government administration in Nigeria should be thoroughly reviewed and revigorated. This should be with respect to prescribing certain financial and organizational arrangement of local government and the procedures for the collection and accounting for revenue control and expenditure.
3. The local government should be prevailed upon to adopt the provisions of both the Fiscal Responsibility law (2007) and Public Procurement law (2007) of their respective state governments.
4. The local government officials, both political and career should be held liable or accountable for any breach of existing government's rules and regulations in the conduct of the affairs of their local governments. Instruments or mechanisms should be put in place to reprimand any government official that flouts the laid down rules and regulations as contained in the Financial Memoranda (FAA) especially those relating to expenditure control as well as on contract, purchases, payments, and personal advances procedures, etc.
5. All financial expenditures to be incurred in councils should be through written instructions and not verbal,
6. The determination of the following individual monthly spending limits will also serve as a useful antidote to curb corruption and regularize expenditure of officials of councils.

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