World Applied Sciences Journal 37 (6): 532-543, 2019
ISSN 1818-4952

DOI: 10.5829/idosi.wasj.2019.532.543

State Joint Local Government Account and Rural Development in Nigeria's Fourth Republic (1999-2019): A Study of Igbo-Etiti Local Government Area, Enugu State

Nwodo Sunday and Offu Peter

Department of Political Science, Alex Ekwueme Federal University,
Ndufu-Alike, Ikwo, Ebonyi State, Nigeria

Abstract: Section 7 and fourth Schedule of the 1999 Nigerian Constitution respectively recognize the local governments as the third tier of government with assigned functions and responsibilities. For them to be able to discharge these duties effectively, the same 1999 Constitution also permits allocations from the federation account to the local councils on monthly routine. However, these funds from the federal government are being paid into a special account called the State Joint Local Government Account (SJLGA); created by law under section 162 of the same 1999 constitution. Although, the architects of SJLGA system never meant bad to the local units, it was rather a policy meant to facilitate rural development through effective monitoring and supervision of the revenue accruing to the local government councils from the federation account. But then, rather than being a policy that should spur rural development, the SJLGA system served as a conduit wire through which the state governments deduct, divert and most often delay allocation accruing to the local units from the federation account. This paper is therefore aimed at finding out how the implementation of this joint account adversely affected rural development in Igbo-Etiti Local Government Area, Enugu State, from 1999 to date. The data for the study were gathered from both primary and secondary sources. Its content was analyzed qualitatively. The findings reveal that the implementation of SJLGA negatively affected rural development in Igbo-Etiti. As a result of the findings, the paper recommended that the on-going 1999 constitutional review should either abolish SJLGA or review its prescriptions especially as it concerns JAAC to ensure balance, justice and parity in the sharing of the federal allocation between the states and the local councils. Or better still; allow the local governments to access their fund directly from the federal government.

Key words: State Joint Local Government Account · Rural Development · Local Government and Joint Allocation Account Committee

INTRODUCTION

The history of the origin and evolution of local government system in Nigeria has followed very closely, the pre-colonial, colonial and neo-colonial political developments in Nigeria [1]. As such, the evolution of local government administration in Nigeria did not in essence, actually take effect during the colonial rule against many scholars' belief. Prior to the coming of the white-men, there existed in the political entity called Nigeria, relatively autonomous villages, towns and ethnic groups with minimum contacts usually limited to trade, social transactions and little political relationships with others; as such, before even the British came into contacts with us, we were developed people, having our own institutions, having our own ideas and methods of government [2, 3]. The nature of the pre-colonial political systems that were in existence in Nigeria then was adequate to satisfy the political and economic needs of the different ethnic groups or nationalities at that time. The pre-colonial phase of local government development in Nigeria ex-rays how different traditional systems of government existed which were adequate to satisfy to some reasonable and appreciable extent the political

Corresponding Author: Nwodo Sunday, Department of Political Science, Alex Ekwueme Federal University, Ndufu-Alike, Ikwo, Ebonyi State, Nigeria.

demands of different ethnic groups [4-6]. These traditional political systems were regarded as a form of local government established by ethnic groups Hausa/Fulani, Igbo, Yoruba etcetera for the provision of infrastructural and social services to the people at the grassroots.

The second phase was the creation of Native Authority System by the colonial government (Indirect Rule System). This came as a result of the fluidity and to a large extent, the un-professionalized nature of the pre-colonial phase of administration in Nigeria [7-9].

The Native Authority was mandated with the tasks of tax collections, maintenance of law and order, road construction, among others. This was validated and enacted under the native Ordinance of 1916. Historical records prove that the system was a success in the Northern region of Nigeria, a partial success in the South-West and a colossal failure in the South-East due to the acephalous nature of the people and segmented administrative structures [10-12].

The third phase is predicated on post independent epoch of local government administration in Nigeria. During the colonial rule, local administration was operated differently by the constituting states. The electives and appointees were called district officers (D0s). They had executive, legislative and sometimes judicial functions. Characterizing Nigerian local government system during and after colonial period till 1976 was non-uniformity of the system. Each regional state had and operated its own local government system peculiar to it. However, local government administration in Nigeria took a new dimension in 1976 local government reforms initiated by the Obasanjo led military government. These reforms was intended to uniform local government administration and formally and legally recognizes the third tier government and as such, form a major departure from the previous practice of local government administration in Nigeria. The reform formed the foundation of the present day local government system in Nigeria in terms of structure, composition, functions, finance and democratic experience. Subsequently, the main features of the1976 reform were blended with the 1979 constitution and 301 local government areas were enshrined in the constitution [13, 14]. The Babangida military government increased the number of local government from 301 in 1976 to 453 in 1989 and 589 in 1992. Similarly, the Abacha Military junta also increased the number to 774 local government arrears in 1996. Currently, Nigeria is a federation comprising three tiers of government- the federal government, 36 states governments, federal capital territory (FCT) and 774 local governments.

The State Joint Local Government Account (SJLGA) was formally brought into Nigeria system in 1981 during the second Republic. The joint account system was introduced through an Act of the National Assembly known as ‘Allocation of Revenues Federation Accounts Act Decree 49 of 1989 which established Revenue Mobilization and Fiscal Commission (RMAFC) with powers to oversee, monitor and act as surveillance to the funds and disbursement of revenue allocations from the federation account [15, 16].

Although, the joint account system as a financial policy of the local government came into being in 1979 constitution as a result of the nation-wide local government reforms of 1976; the system was later abolished in 1989 by the General Ibrahim Babangida’s administration due to its wrong implementation by the state governments. It subsequently, in 1999 following the restoration of civil rule/ democracy in Nigeria gets back into the constitution without due consultation of the public in a view to ascertaining their opinion [17].

State Joint Local Government Account (SJLGA) is simply defined, as an account specially created and maintained by every state government in Nigeria which embodies the payment of statutory allocation to local government from federation account and for the payment of their own (That is state’s) 10% internally generated revenue (IGR). SJLGA’s tenets entail that, it is maintained on behalf of the local governments by the state. Two forms of money are being paid into this account for the use/credit of local governments of a state. This include: the statutory allocation from federation account to local government and the state’s 10% internally generated revenue. That is all the monies internally procured in a state, its 10% will be paid into this account to be allocated among local governments within the state [18, 19]. Moreover, section 162 (6) of 1999 Constitution stipulates that every state shall have a specific account to be called “State Joint Local Government Account (SJLGA)” into which all allocations to the Local Government Councils of the State from the Federation Account and from the Government of the State shall be paid in. This section does not allow the direct payment of statutory allocation to the local governments but acknowledges the state as the supervising agent that oversees the distribution, disbursement and management of the funds by the local government. A critical analysis of the foregoing would show that the Joint Account System was established mainly because of the following reasons:

- To make money available to the local governments, if achieved, local governments will be able to have access to funds from both the federal and state government. The funds from the federal government are referred to as the statutory allocation from federation account; whereas that of state funds represents the 10% internally generated revenue of the state (IGR).
- To facilitate state-local fiscal relations. Before the emergence of Joint Account System, the state government was bereft of financial relations with their local governments.
- To enhance effective and efficient supervision of local governments expenditure by the state. To this end, SJLGA was established to hinder all forms of misappropriation, mismanagement and looting of local government funds by local government chairmen and other misguided politicians at the third tier government. As such, accountability and probity would be enhanced [20, 21].
- Finally, this account was equally created to see that funds in this account were judiciously managed on service delivery which in turn promotes grassroots development.

The foregoing, therefore, shows that the rationale behind the Joint Account System creation was largely to strengthen both state-local relations, federal-local relations, to enforce strict monitoring, surveillance and supervision of the local government finance, to make more funds readily available to the pulse of local governments and to effectively effect prompt implementation of social services at the grassroots.

However, the implementation became parlous and problematic as majority of state Governments turned it into money-making-venture. This inordinate attitude, therefore, became pathological as local governments' goals, productivity and performance tremendously stifled and/ or lowered as a result of various illegal deductions, diversion and delay of the statutory allocation of the councils. This unnecessary interference on the council's fund by the state government has adversely, to a large extent, affected the rural development of the Nigeria local government councils in general and Igbo-Etiti Local Government Area in particular. They are blatantly denied of the fund that they ought to use to advance rural development through the building of industries for employment, construction of local roads, building of local health-centres etcetera. And when these physical infrastructures are lacking at the grassroots, rural development would always be growing at a low pace; evidence from literature shows that state governments do not always remit their 10% IGR to local government. How then will the local units carry out social service delivery with little or no fund coming from the state coffers?

Igbo-Etiti, being a Local Government Area in Enugu State, Nigeria, was created in 1991 during Ibrahim Babangida's regime. It is located in the northern axis of Enugu. It has an area/ land mass of 325km2 (125sq mi) and a population of 209, 248 as from 2006 census.

Sequel to the above, this research work sets for itself, the task of ascertaining how the implementation of SJLGA has influenced and abysmally affected rural development, particularly in Igbo-Etiti Local Government Area and in all Nigerian Local Government areas in general.

Statement of Problem: The problems of local government system in Nigeria, specifically, Igbo- Etiti local government in Enugu State are numerous. An in-depth examination of Igbo-Etiti local government performance in Enugu State reveals to an appreciable extent that the local government has failed in effective service delivery due to certain contending factors militating against it.

First, the poverty level of the people of Igbo-Etiti Local Government Area is on the high side. Our major problem is that most communities there do not have the necessary resources that enhance the standard of living of individuals inhabited therein. To a large extent, they still battle with hunger and the inability of the government to provide the basic essential services to the people such include portable water, adequate healthcare services good road networks and among others. In addition to poverty, the high level of unemployment is equally a militating factor at the local unit. As a result of low level of infrastructural facilities such as factories, industries and firms, the citizens tend to be largely unemployed. And the attendant effect of this decay, turn most youths therein into armed robbers, kidnappers and among other anti-social deviant behaviours.

Second, the rural-urban drift has tremendously increased over the years. There is massive and incessant mass transit from the rural Igbo-Etiti to the urban areas, perhaps, in search of 'Greener pastures.'

Third, political patronage amongst the political elites, influences, negatively, the outcome of local elections. Undue interference and anti-democratic activities of Enugu State government towards the Igbo-Etiti local councils constitute a clog in the wheel of democracy at the grassroots' level.

In all, implementation of government projects at the local government level are most often being delayed and those that are successfully implemented are most time being abandoned [22].

The State Joint Local Government Account (SJLGA) creates the above problems through its wrong implementation and thus has largely rendered the Joint Account System problematic. The problems associated with the joint account system which hinder rural development and orchestrate the above enumerated problems include but not restricted to the following:

- Arbitrary and illegal deduction from local government statutory allocation orchestrated by the state government.
- Unnecessary delay in the release of local government statutory allocation by the state government.
- Incessant and flagrant diversion of local government statutory allocation by the state government.

A situation where the committee that make up SJLGA unilaterally allocates to local government whatever they (The committee) believe is their salary share is detrimental to rural development; because, it is 'he who wears the shoe that knows where it pinches him'. The state government does not know the peculiarities of the local units more than the chairmen in such area.

As a consequence, this research intends to tackle the above problems by asking the following questions:

- Does the implementation of State Joint Local Government Account (SJLGA) Policy affect rural development in Igbo-Etiti Local Government Area?
- Does State Joint Local Government Account Policy worsen the poverty level of Igbo-Etiti Local Government workers?
- Does State Joint Local Government Account Policy delay project implementation in Igbo-Etiti Local Government Area?

Objectives of the Study: The general objective of this study is to examine the application of the State Joint Local Government Account Policy in the Nigeria local government system; its prospects and challenges in the agitation for local government financial autonomy in Nigeria's Fourth Republic and how the current local government lack of autonomy affects rural development with specific reference to Igbo-Etiti Local Government Area of Enugu State.

Specifically, the Study Aims:

- To find out whether the application of the State Joint Local Government Account Policy affects rural development in Igbo-Etiti Local Government Area.
- To determine whether the implementation of the State Joint Local Government Account Policy in Igbo-Etiti worsens the poverty level of the local government workers.
- To establish if State Local Government Account Policy delays project implementation at Igbo-Etiti Local Government Council.

Significance of the Study: The significance of this study can never be overemphasised. The study is justified on the premise that it will enrich the literature in the area of local government management and study. As a consequence, the policy makers both at the Federal, State and Local government levels will be guided with adequate information on SJLGA in making further decisions; especially as it regards the on-going 1999 constitution amendment.

Specifically, it may serve as a useful material to people who may wish to engage in this area of study. More so, it may be beneficial to schools, universities, polytechnics and colleges of education and different libraries as resourceful material-archive for further learning and research.

Lastly, effort will be made to advance new policies towards achieving local government autonomy in Nigeria after perusing through this work.

Scope of the Study: This study would cover, contending issues emanating from the State Joint Local Government Account (SJLGA) System and Rural Development in Nigeria's Fourth Republic, centring mainly on Enugu State Government in general and Igbo Etiti Local Government Council in particular. The members of the public servants, NULGE members and all civil society members living therein constitute the scope of this work. However, references would be made beyond this scope when the need arises. Specifically, it covers the policy of the state joint local government account in the local government management, its genealogy, its application and its impact.

Limitations of the Study: This study is however, faced with some limitations in the area of access to people, organizations and documentary archives. Most often, I encountered difficulty in laying hands to relevant related documents to my study due to bias and personal sentiments of the people I intended to get data from. The study was met with strong and uncompromising attitudes of some local government staff. Most of the reasons advanced by these public officials who posed these limitations (On the conditions of anonymity) were either that the required data were classified (Secret) meaning that such data were not meant for public assessment.

In spite of the above limitation, I was able to overcome through persistence, resilience and the use of persuasive words on them which later paved way for me in the pursuit of the data. Therefore, those challenges were surmounted perfectly.

Theoretical Foundation: Many theories can be applied in the analysis of State Joint Local Government Account (SJLGA) and Rural Development in Igbo-Etiti, Enugu State. These theories include: System, Structural functional theory and among others. For the purpose of this work, I would adopt the elite theory. The rationale behind my choice of elite theory is predicated upon the fact that it is the most apt or appropriate theory that explains, deeply, the problem statement of my work [23].

Therefore, this study adopts elite theory, in that practical political activities have shown that political power is not distributed equally in any political entity. Recent studies have also shown that the rich do possess more political tool and resources than the poor. This is because, as they contend, that the rich (Elite) can finance election campaigns, bribe supporters and opponents (Mostly practiced in developing countries) and purchase other political advantages such as good education which may not be necessarily be available to the poor. The rich may be individuals or constituted of corporate bodies otherwise known as the elite [24].

Further, Elite Theory was developed to critique the Marxian school of thought that believes in a ‘classless society’ with an egalitarian structure which could be realized after class struggle in every society. According to Elite theory, man can never be liberated from the subjugation of an elite structure. The concept “Elite” in the view of Acha [1] refers to a group of people in societies who are very powerful and have a lot of influence, because they are rich, intelligent, influential etcetera.

The concept of Elitism in politics was brought into fore by the works of Adedeji [2], Ademolekun [3], Aderonmu [4], Adeyemo [5]. Subsequently, scholars like [6-8] made several contributions in modification of the theory. They focused their findings on the inevitability of a group of powerful “Elites” in every large society. They also, kicked against the democratic theory (Government of the people, by the people and for the people) and the Marxian theory of class struggle leading to socialism where there is equality of all and egalitarian socialism. In contrast to these ideologies, the elite theories suggested an inescapable division between dominant minorities (Described as “Elites,” “Ruling classes,” “Political classes,” “Oligarchies,” “Aristocracies,” etc.) and the dominated majority, or the “masses”. The features of the theory as espoused by Akure [9] and International Encyclopedia of the Social Sciences (2008) include:

- The first characteristic of the model is that power is stratified. For them, the increasing nature and complexity of modern society portends progressive bureaucratic organization of all activities and power lying in the hands of elites, who can manage democratic institutions, accumulate the privileges that power brings, orchestrate mass support and protect their positions by influencing access to the top.
- Second tenet suggests the ability of the elite to organize and form a formidable force of cohesion among them.
- They equally, as the third tenet posits have linkages between them (Elites) and various “Social forces, ” such as social movements, classes and ethno-racial groups.
- The fourth tenet is about access and succession. To get access to the elite ranks depends on acquiring certain rare attributes (e.g., wealth, prestige, education) and it is carefully controlled-directly and indirectly- by elite incumbents. Elites control recruitment of their successors through institutional “Gatekeepers” (e.g., corporate hierarchies, political party machines) as well as through elite “Select orates” operating at each level of hierarchical promotion.
- Finally, elites tend to exercise their power converging on a view of “Engineered” elite domination through persuasion and manipulation occasionally backed by force.

In all, the argument of the elite theory is pinged on the fact that every society consists of two groups: the rulers and the ruled. The rulers are believed to be the elites while the ruled are believed to be the masses. The first group is cohesive and capable of ruling. They have the right to absolute leadership. Whereas, the second group, the masses are destined to be ruled by the few. Elitism is said to have originated from the despotic Europe where the ruling class were composed of the kings and their associates; for instance, the United Kingdom and the France prior to 1789.

MATERIALS AND METHODS

Research Design: This research work is designed in such a manner that it adopts survey method. Under it we have interview method and secondary data collection sources. Reason is because it allows a researcher to have a face to face interaction with the proposed population under study and an opportunity to go to the field where information can be sourced freely. This research will also make use of both primary and secondary data because it will adopt survey method which is meant for a researcher to take an area, group or population and elicit information with ease concerning an issue under investigation. Content analysis is also applied which enabled the researcher to sift through large volumes of literatures with relative ease in systematic fashion.

Area and Population of Study: This study would cover, contending issues emanating from the State Joint Local Government Account (SJLGA) System and Rural Development in Nigeria's Fourth Republic, centring mainly on Enugu State Government in general and Igbo Etiti Local Government Council in particular. The members of the public servants, NULGE members and all civil society members living therein constitute the population purview of this work. However, references would be made beyond this area when the need arises.

Method of Data Collection: The methods used in data collection depend largely on the type of data being considered. Therefore, this research work employs both primary and secondary data collection methods. Secondary sources include: textbooks, journals, magazines, newspapers and internet materials. Primary data were generated through interviews granted by NULGE members in Igbo-Etiti and Ikwo local government Areas. These data helped largely in tackling the problems of this research work.

Data Analysis Technique: The method of data analysis employed here is known as Content Analysis Approach. According to Ayakeme [10] "Content analysis enables researchers to sift through large volumes of data with relative ease in systematic fashion. It is also useful for examining trend and patterns of phenomena in literatures".

In other words, the qualitative data analysis would be used. This is mainly because our focus is on description and analysis of events only (Non statistical). It entails the study of relevant historical documents on state local government joint account and rural development in Nigeria.

Data Presentation, Analysis and Interpretation: This research work employs the multifarious-method approach to data gathering and this approach forms the basis for the analysis. As a consequence, data gathering in such a multi-method approach could be analyzed in different ways. Therefore, we will use both primary and secondary data to drive home our point as follows:

Data Presentation: The following table represents payment schedule for deductions at source from value added tax allocations in Enugu State, May 2018.

Payment Schedule Deductions at Source from Statutory Allocations in Enugu State; May, 2018.

The Borno Example; deductions at source from Local Government Councils' funds by Borno State Government (March 2002 – March 2003), Nigeria, in dollars (Millions)

Rivers State Example-Deductions at Source from Joint Allocation Account Committee (JAAC).

The following showcases the actual total earnings from the Federation Account and deductions therein. The source is the Management of the Joint Account Allocation Committee Report from 2007 to 2013 in Rivers State.

Rivers State Government Basis for the Deductions: Nov 2007 to July 2008.

Rivers State Ube Board (RSUB):

- 1% Training Fund Local Government Service Commission
- 15% Local Government Pension Board
- 5% Council of Traditional Rulers

Commission on Turnover (COT) August, 2008 To February, 2012:

- 1% Training Fund to Lgsc
- 15% Local Government Pension Board
- 5% Rivers State Council of Traditional Rulers

Commission on Turnover (COT) March, 2012 to September, 2013:

- 1% Training Fund for Lgsc
- 1% Overhead Cost to Lgsc
- 5% Rivers State Council of Traditional Ruler
- 15% Local Government Pension Board
- 3% Primary Health Care Board
- 0.3% Local Government Auditor General
- Commission on Turnover (Cot)

In addition to the above, the following ex-rays interviews granted by the Staff members of National Union of Local Government Employees (NULGE), Igbo –Etiti and Ikwo Local Government chapters respectively in respect of the burning issue on whether State Joint Local Government Account should be abolished in order to enhance local government autonomy or not; dated 29th of June, 2018:

Agudiegwu Moses (Igbo-Etiti): He is of the opinion that the local councils should be given partial autonomy. He notes that with full autonomy, granted to local governments, there would be mismanagement of funds that accrue to local units. He emphasized the need to incorporate local government stakeholders in the Joint Allocation Account Committee (JAAC) to strike a balance."

Isiego Emeka (Igbo-Etiti): "SJLGA slows down the speed of projects especially those that are time-bound. Also, he opines that, most often than not, corruption would adversely affect the release of local government funds and as such leaving the local units with little or no money to carry out their developmental projects."

Mr. Elijah O. (Igbo-Etiti): "Workers at the local government levels often suffer from non-payment of salaries and allowances because the state government often hijacks money meant for the payment of workers' salaries." He concludes, the local government should be giving autonomy to facilitate local development at the grassroots level.

Mr. Nwonu John (Ikwo L.G): "Workers are highly dissatisfied about the SJLGA. Formally, during the time of the military, there was direct allocation from the federal tier down to the local units and then, things were good for us, but now since SJLGA has stifled the autonomy of the local government, they are bereft of consistent payment of salaries and entitlements."

Oke Eunice N. (Ikwo L.G): "If there is local government autonomy, workers' salaries would be beefed with attendant increment in the rate of social amenities at the local units and the chairman would also be able to deliver his promises on the manifesto. Lack of fund, most often hinders the chairman from carrying out his numerous promises during the campaign." She appeals that the federal government should look into this serious matter as soon as possible to salvage the local units.

Nwigboji Ndidiamaka (Ikwo L.G): for her, "Members of JAAC use local governments' fund to develop the city only thereby neglecting the local units. Development would be lopsided unlike during the military regimes of Obasanjo and IBB that gave local government autonomy, funds were directly received by the local units and as a result, it facilitated development at the grassroots level."

Jacob A. (Ikwo L.G): "Local government autonomy is a plus on the side of both the state and the local units and would make a progressive policy development if approved the federal and state government."

Otubo Uchenna (Ikwo L.G): "The concept of local government autonomy is a welcome development but one thing about government, is that they say things on paper and it takes them a century to implement." He appealed that the government of Muhammadu Buhari should look into this matter and that history would not forget him if he can achieve this landmark fit during his tenure.

Data Analysis and Interpretation: From Table 1 & 2 above, when we examine the actual revenue gotten from the Federal Allocation Account Committee (FAAC) in May 2018 with the actual amount received by Igbo-Etiti Local Government Area Enugu State, it would ex-ray more the deduction and its magnitude. FAAC in May, 2018 disbursed a total sum of #3, 748, 034, 964.93 to Enugu State Government (*See* Allocation Committee (FAAC), May 2018). However, after the deductions by the state government as shown in table one, what was left for the council was a very little amount money. Mathematically, we have:

Table 1:

S/N	Beneficiary	Amount (In Naira)	Sort Code
1	Enugu State ALGON Sinking Fund	12, 000, 000.00	063250185
2	ENSG Capital Account	17, 000, 000.00	011251408
3	Rangers Management Corporation	8, 500, 000.00	063250525
4	ENSG Accountant General's Dedicated Account	-	057250010
5	FMCH Programme	8, 330, 000.00	056250011
6	Enugu State ALGON	1, 020, 000.00	057250036
	Total	46, 850, 000.00	

Source: office of the Accountant-General, Enugu; JAAC, 23 May, 2018.

Table 2:

S/N	Beneficiary	Amount (In Naira)	Sort Code
1	ESUBEB LGEA Account	659, 468, 437.76	070251818
2	ESUBEB Overhead Account	5, 480, 420.91	057250023
3	Local Government Pension Board	200, 000, 000.00	214252783
4	Local Government Service Commission, Enugu.	18, 338, 380.84	070251818
5	Ministry of Chieftaincy matters. (Traditional Rulers Account)	40, 000, 000.00	011251408
6	ESUT	25, 500, 000.00	070251818
7	Enugu State ALGON	5, 100, 000.00	057250036
	Total	953, 887, 239.51	

Source: office of the Accountant-General, Enugu; JAAC, 23 May, 2018.

Table 3:

LGC	Gross Allocation Total Deduction (source)	Net	Allocation Abadam
	437.1	165(37.7%)	272.1
Askira/Uba	504	325 (64.5%)	179
Bama	627	300 (47.8%)	327.2
Bayo	390	156 (40.0%)	234
Biu	558.0	303.4 (54.4%)	252
Chibok	361	185.4 (51.4%)	175.4
Damboa	632	293 (46.3%)	339
Dikwa	444	207.2 (46.7%)	236.4
Gubio	410	143.1 (35.0%)	266.3
Guzamala	420	161.2 (35.0%)	259
Gwoza	540	314 (58.1%)	226.3
Hawul	500	356 (71.2%)	144.2
Jere	753.2	339.4 (45.1%)	414
Kaga	431.2	213.4 (49.5%)	218
Kala Balge	343.1	167.3 (48.8%)	17
Konduga	646.1	293 (45.3%)	353.1
Kukawa	501	207.3 (41.4%)	294
Kwaya Kusar	364	198 (54.4%)	166
Mafa	419	183 (43.6%)	236.3
Magumeri	487.1	192.4 (39.5%)	295
MMC	993	599.3 (65.0%)	323.4
Marte	457	209 (45.7%)	248
Mobbar	450.3	171 (37.9%)	280
Monguno	441	207 (47.0%)	234
Ngala	473	212.2 (44.9%)	261
Nganzai	385	150 (38.9%)	235.1
Shani	421	189.1 (44.9%)	232
TOTAL	13388.1	6440.7 (48.4%)	6876.8

Source: Dlakwa 2004: 121.

Table 4: Earnings and Deductions from JAAC in Rivers State 2007 to 2013.

S/No	Names of Local Government Councils in Rivers State	Gross Earnings from Statutory Allocations/fa (GEFA) 2007-2013	Total Deductions from Fa (DFA) 2007 T0 2013	Net Earnings from Jaac (NEFA) 2007 to 2013
1	ABUA/ODUAL	11, 150, 109, 127.33	1, 500, 074, 258.14	9, 650, 034, 869.19 2
2	AHOADA WEST	8, 829, 188.476.01	1, 208, 187, 450.30	7, 621, 001, 025.71
3	AHOADA EAST	10, 503, 160, 931.20	1, 327, 954, 536.23	9, 175, 206, 394.97
4	AKUKU TORU	9, 512, 678, 491.83	1, 114, 157, 764.47	8, 398, 520, 727.36
5	ANDONI	10, 213, 926, 101.37	1, 286, 788, 700.11	8, 927, 137, 401.26
6	ASARI TORU	9, 672, 565, 075.80	1, 205, 615, 920.52	8, 466, 949, 155.28
7	BONNY	9, 734, 548, 916.14	1, 032, 015, 658.46	8, 702, 533, 257.68
8	DEGEMA	10, 641, 745, 574.58	1, 285, 691, 347.52	9, 356, 054, 227.06
9	ELEME	9, 759, 246, 804.83	1, 133, 364, 879.61	8, 625, 881, 925.22
10	EMOHUA	9, 709, 139.93	1, 506, 312, 263.75	8, 202, 827, 491.18
11	ETCHE	10, 926, 888, 975.99	1, 667, 629, 506.22	9, 259, 259, 369.77 12
12	GOKANA	10, 237, 777, 952.84	1, 485, 291, 141.83	8, 752, 486, 811.01
13	IKWERE	9, 535, 626, 464.33	1, 406.634, 952.94	8, 128, 991, 511.39 14
14	KHANA	11, 640, 753.811.98	1, 772, 245, 848.24	9, 868, 507, 963.74 15
15	OBIO/AKPOR	13, 745, 818, 989.20	1, 958, 563, 198.48	11, 787, 255, 790.72
16	OGBA/EGBEMA/NDO	11, 517, 279, 946.50	1, 583, 367, 943.68	9, 933, 912, 002.82
17	OGU/BOLO	7, 541, 554, 320.12	878, 631, 916.74	6, 662, 922, 403.38
18	OKRIKA	10, 243, 792, 427.12	1, 362, 804, 654.20	8, 880, 987, 772.92
19	OMUMA	8, 022, 236, 244.74	951, 593, 684.32	7, 070, 642, 560.42
20	OPOBO/NKORO	8, 619, 622, 996.08	861, 627, 703.79	7, 757, 995, 292.29
21	OYIGBO	8, 166, 951, 375.51	1, 128, 677, 058.28	7, 038, 274, 317.23
22	PORT HARCOURT	15, 349, 981, 683.54	2, 487, 778, 941.21	12, 862, 202, 742.33
23	TAI	8, 780, 845, 745.19	1, 065, 835, 411.47	7, 715, 010, 333.72
	Total	234, 055, 440, 087.16	31, 210, 844, 740.51	202, 844, 595, 346.65

Source: Rivers State Joint Account Allocation Committee Report (2013), Ministry of Finance, Port Harcourt

The Total Allocation Received from FAAC minus Total Deductions Made by the State Government. That is, #3, 748, 034, 964.93-1, 000, 737, 239.51 = 2, 747297725.42.

Therefore, to get the actual fund that each council receives, we have to divide 2, 747297725.42 by 17 which represent the 17 local government areas in Enugu state. #2, 747, 297, 725.42 /17 =#1, 616, 057, 48.5541176 against the actual amount of #169, 766, 552.46 FAAC's Allocation.

Research Findings: From the foregoing analysis, therefore, this research discovers that; one can generally deduce that about #8, 160804 is being deducted out of every local government council's coffer in Enugu State against their rightful allocation from FAAC monthly. This enormous deduction is always detrimental to the rural development as they are left with little or no fund for rural developmental services. As a consequence, the local council suffers from underdevelopment and lack of infrastructural facilities. Also, the workers at the local level are adversely affected. They are most often than not being owned monthly salaries and other incentives and working benefits due to them. Similarly, State Joint Local Government Account slows down project implementation at the local level. Especially those that is time-bound.

Moreover, the outcome of the above interview conducted shows that the 8 NULGE members that were interviewed by the researcher were all in support of local government autonomy. It was only one person of the eight interviewed workers that advocated for partial autonomy for the local units. Therefore, they all tilt their arguments in support of local government autonomy.

Discussion of Findings: From the Table 3 above, it has been noted by Dlakwa, as it regards Borno State; that under the Borno SJLGA Distribution and Fiscal Committee Law 2002, there was competent committee set up to probe the Account. This committee was made up of:

The Ministry of Local Government and Chieftaincy Affairs (The commissioner)

- Permanent Secretary, Ministry of Local Government and Chieftaincy Affairs
- Accountant-General of the State
- All Local Government Councils' Chairmen in the State
- A representative of the Borno State Primary Education Board
- A representative of the Board of Internal Revenue and

- The Director of Local Government and Chieftaincy Affairs (Secretary).

From the above list, it is instructive to note that the key officers of the committee are state government officials. The author observes that, the committee was constituted abnitio to disadvantage the Local Government Councils (LGCs). Besides, the Borno SJLGA Law 2002 mandates the committee to enforce the following deductions before distributing funds from the Account to LGCs:

- 3% of the fund of each council due to the emirate councils
- 15% of the total personnel emolument of those retired in each council
- 1% as a training fund
- 5% of the total allocation of each council as a stabilization account
- 2% of the total allocation of each council as an administrative charge
- 1.5% of the allocation of each council to the department of local government
- 0.5% of the allocation to the local government audit department.

As a result, the Borno state government blatantly deducted and diverted funds meant for development of local areas, contributing greatly to the poor and abysmal performance of local governments in providing good governance for the community. According to Carr [11] " between March 2002 and March 2003 a total of N13.3bn was in the coffers of the councils in Borno State; out of this amount the state government deducted almost half (Table 3 above).

Due to this despicable and incessant interference in local government's financial autonomy, 26 LGC Chairmen (With the exception of Maiduguri Metropolitan Council) filed an action against the Borno State Government for implementing of the SJLGA Law 2002, questioning the right of the state government to deduct local government funds at source. The High Court's verdict was that the state government had power to pass the law under section 162(8) of the Constitution, but ruled off the section that empowers the state to deduct local councils' fund. (Dated June, 2002).

However, as indicated in Table 2 the deductions and manipulations continued. The Borno's case is a reflection of the situation bedeviling other local government councils across Nigeria.

Table 4 uses Rivers State as a case study on how SJLGA has contributed adversely to shortage of fund at the local unit. Arguably, Rivers' case can be used to represent what happens in other states in Nigeria. It is imperative to state here that, each State in Nigeria, enact Local Government Administrative Laws which gives them the leeway to determine their basis for fund diversion and deductions from the Statutory Allocation derived or due to the Local Government Councils from the Federation Account. Also, it is however, inferred from the above that while some heads do not have any fixed percentage deductions such as the Rivers State UBE Board and COT, the percentages in other heads are varied at the whims and caprices of the state government. This makes efficient and effective planning and budgeting for the receipt and expenditure at the local governments practically difficult [12-15].

As a result of the above findings and discussions which ex-ray largely the adverse effects of the implementation of the State Joint Local Government Account system on the local units; I hereby approve my Alternate Hypothesis (H1) and disprove the Null Hypothesis (Ho).

Summary: It is pertinent to note that, irrespective of any system of governance adopted at the local government councils, the basic issue critical to the rural development in Nigeria is the efficient and effective management of local government revenues. This work, therefore, reveals that:

First, the laws made by the State houses of Assembly that brought the State Joint Local Government Account (SJLGA) into fore are invariably and incessantly tilted in favor of the state; thereby exacerbating the already poor financial positions of the councils [16].

Second, it has largely been proven by this work that, the key officers of the Joint Account Committee are being set up by the State governor and since he who pays the piper, arguably, dictates the tune, those appointees function on the directive of the State Chief Executives with little or no control from the Council Chairmen who are the statutory owners of the fund as the chief accounting cum executive officers of their Local Governments.

Third, Most of the Local Government councils are not adequately represented in the Joint Account Allocation Committee (JAAC) [17].

Fourth, most often than not, quite huge amounts of the allocation from FAAC to each of the Local Government Councils are being flagrantly deducted at source in the name of Joint projects or any other clandestine reasons.

Fifth, council chairmen who try to pick up the courage to protest over the unconstitutional deductions from their councils' statutory allocation are being threatened and some are even being sacked from their positions for daring to query the activities of the joint Account Allocation Committee (JAAC) by the State Governors [18].

Finally, the State governments are constitutionally required to fund local government councils. However, their activities, since the inception of SJLGA have shown that they instead use the SJLGA provisions to hold local government's at ransom and make them ordinary appendages of the state which practically denies the local government councils their financial autonomy [19, 20].

CONCLUSION

From the findings of the study, we can conclude that the principle of joint account is in its intent, purposes and operation meant to create an avenue for the state government to, in consonant with section 7(1) of the 1999 constitution be in control of the local governments establishment, structure, conduct, policies and operation. However, records have shown that for any nation to excel and develop there has to be a strong cordial relationship between the three tiers of government (Federal, State and Local Government) [21]. The aim of intergovernmental relations is to ensure that each tier of government functions in a friendly- harmonious environment (Federation) which can only be achieved if there is cooperation and coordination between the tiers of government [25]. It is as a result of intergovernmental relations that the Local Government attracts allocations, grants and other external sources of revenue.

Recommendations: Recommendations, to an appreciable extent, complement this paper. As a result, this research would not be complete without making adequate and valuable recommendations [22, 23]. The paper recommends as follows:

First, The provision of section 162(6-7) of the 1999 Constitution which established the Joint Account Allocation Committee (JAAC) system that is being managed by the State and Local Governments in Nigeria should be amended to enhance financial autonomy to Local Government as the third tier level of Government to make them more effective and responsible to rural developments [24].

Second, the anti-graft agencies as a matter of urgency should be empowered by law to monitor the spending of local government funds by public office holders on monthly basis as they collect their allocations from Federation Account. This will facilitate the needed rural development in our local government areas and good governance that will deliver the dividend of democracy to the grass-root people and thus rural development will be enhanced [26].

Third, the Constitution of the Federal Republic of Nigeria Section 7 and also the Fourth Schedule which enshrine and validate Local Governments should be reviewed to give the Local Governments more autonomy and to shield them more from arbitrary interferences of the State Governments [27].

Finally, since most of the Local Government councils are not adequately represented in the Joint Account Allocation Committee (JAAC), JAAC should be restructured in such a way to accommodate the local government key officers who are the chief benefactor of the fund in question [28].

REFERENCES

1. Acha, 2009. Challenges of Local Councils in Nigeria. Lagos: Rich Crest Ltd.
2. Adedeji, A., 1999. Federation in Nigeria, the Problems and the Solution. Ibadan: University of Ibadan Press.
3. Ademolekun, L.D., 1993. Local Government in West Africa since Independence. Lagos: University of Lagos Press.
4. Aderonmu, A., 2007. New Approaches in Nigerian Local Government. IleIfe: Newborn Publishing Co.
5. Adeyemo, D.O., 2005. Local Government Autonomy in Nigeria: A Historical Perspective. Available online http://www.elgf.org.uk/index. Com.page/112/Nigeria. (Accessed, Jan 8, 2018).
6. Aghayere, 1977. Local Government Autonomy: A Reality or Myth? UYO: Great Publishers.
7. Agu, 2007. Local Government Funding in Nigeria. Abia: Spectrum Books Ltd.
8. Anderson, G., 2010. Fiscal Federalism; a Comparative Introduction. London: Oxford University Press.
9. Akure, T.F., 2018. Count me out on Agitations for Local Government Autonomy. Leadership News Feb 26.
10. Ayakeme, W., 2005. Who is Afraid of True Federalism? This Day, July 19.
11. Carr, J.B., 2005. Local Government Autonomy and State Reliance on Special District Governs. Ibadan: Spectrum Books Ltd.
12. Chijioke, J., 2017. Those Calling for Local Government Autonomy are Agents of Confusion. Daily Post Sep 21.

13. Dogara, 2017. Why we want to Grant Autonomy to Local Government Areas. Daily post Jan 18.
14. Ekpo, A.H., 1999. Fiscal Federalism and Local Government Finances in Nigeria. Ibadan Nigerian Economic Society: Spectrum Books Ltd.
15. Emmanuel, A., U. Henry and A. Dapo, 2017. “1999 Constitution Alterations: Senate Approved Measures to Boost the LG System.” Vanguard July 27.
16. Emmanuel O., 2018. NULGE Blasts Imo Assembly for Refusing LG Autonomy. Vanguard March 2.
17. Femi, O., 2006. Rural Development in South West Nigeria. Ibadan: Ibadan University Press.
18. Ihedioha, 2014. Why We Supported Local Government Autonomy. Guardian, Oct 23.
19. Jude, O., 2017. Esut Don Recommends Partial Autonomy for Local Governments. Nigerian Tribune, April 10.
20. Mustapha S., 2017. How Feasible is Local Government Autonomy. Daily Trust July 24.
21. Nwafor, P., 20117. Senator Wamako (APC-Sokoto Central) has Called for a Positive Reform of LG System in Nigeria to Fast-track its Development. Vanguard Nov 29.
22. Okoli, M.U., 2005. Local Government Administrative System; an Introductory and Comparative Approach. Onitcha: ABBOT Books Ltd.
23. Okpata, F.O., 2004. Public Administration Theory and Practice. Enugu: The Oasis Communication.
24. Precious, N., 2018. Only 10 State Houses of Assembly have voted on LG Autonomy –NULGE. Vanguard March 5.
25. Nwafor, P., 2017. Why Nigerians must Support LG Autonomy. Vanguard Sep 15. Daily Star Sep 11.
26. Rotimi, K., 2014. Councils’ autonomy, catalyst for development. Guardian Nov 14.
27. Tony, 2016. President Muhammadu Buhari Supports Constitutional Amendment. Vanguard Sep 15.
28. Wole, M. and A. Tina, 2014. The Jigawa State Chapter of the Nigeria Union of Teachers (NUT) and Governor Muazu Babangida Aliyu of Niger State have Kicked Against Autonomy for LG.” Vanguard Dec 2.