

Practice of Federalism and the Challenges of Resource Control in Nigeria

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Abstract

Federalism is a system meant to integrate people in a society who are diverse ethnically, culturally, geographically and even religiously. It therefore becomes imperative that once a government is in place, it must endeavor to adequately and equitably distribute powers, functions and resources among these diverse groups. Therefore, this study analyses the challenges of resource control and practice of federalism in Nigeria. The study is anchored on the structural functional theory. The research adopt both historical and explanatory research design to arouse information on federalism and the challenges of resource control in Nigeria. Secondary sources of data collection which include editorials, newspapers, articles, textbooks, reports, magazines was used to gather and identify relevant information on federalism and the challenges of resource control in Nigeria and it was identified that revenue allocation formula, leadership crisis and corruption are the three contemporary issues around federalism in Nigeria. Therefore the government must give priority to the restructuring of Nigeria as this above all else is key to the development of the nation.

Keywords: Federalism, Restructuring, Resource Control, Nigeria

Introduction

Federalism and resource control have today remained a major theme on all issues bothering politics and governance as this has been one of the major problems facing the Nigerian state. Most scholars have contended that resource control has remained a contentious issue in Nigerian federalism and they agreed that it is this development that is responsible for the polarization of the country into North, South, East and West divide. The issues have resulted into civil unrest and general conflicts that have affected the peaceful and corporate existence of the country as most ethnic nationalities, especially those from the oil-rich region, argued that by the virtue of their contribution to the nation's purse, the principles of justice and equity demand that they should be allowed to control and manage their resources.

Simply put, resource control is seen as the ownership, control, management of a natural resource by a community or state and payment of an agreed percentage of the proceeds of the natural resources by the owners who may be community or state to the central government for the overall running of its assigned duties by the constitution. The quest for change or restructuring by way of constitutional amendments to reflect the interests of the federating

units or states is not strange to post-colonial Nigeria as it had been there from Nigeria's colonial inception except that the methodologies leading to each process varied to an extent.

The resource control agitations generated mixed feelings right from the onset; because there are some group of people who believe that, if the resource control agitation is granted, it will drastically affect their revenue base and for that they have gone all out to oppose it in total disregard to equity, natural justice and the practice of true federalism. However, the practice of federalism in Nigeria has remained a nightmare due to the asymmetric nature of relationship between ethnic, religious and regional groups as well as the components units in relations to power sharing and resource allocation. As a result, serious problem of mistrust and contestations among various social interest groups for power positions and access to resources at various levels have efficient and viable frame-work that would help preserve national unity while allowing diversity to thrive at all levels.

Objectives of the Study

The aim of the study is to investigate federalism and the challenges of resource control in Nigeria. However, the objectives of the study are to:

1. To find out the contemporary issues around federalism and resource control in Nigeria.
2. To know the Ethical Evaluation of the Calls for Resource Control and Restructuring in Nigeria.

The Concept of Federalism

In the course of the nation's political evolution, these constitutions were either suspended modified or repealed by the ruling military leadership and the country tilted to a unitary system with a very strong centre. The concept federalism is etymologically derived from the Latin word *foedus*. The Latin word *foedus* means treaty or agreement. Hence federation means a union of state based upon treaty or agreement. Federalism did not begin as a concept that has to do with social or political organization. Earlier writers on federalism interchangeably used such terms as federal, confederacy, federation and confederation but that these terms are not the same in their modern usages (Babalola & Okafor, 2019).

Federalism is a system in which two levels of government, federal and regional (state) exist side by side with each possessing certain assigned powers and function (Salihu, 2022) Federalism has also been seen as a situation whereby geographical distribution of power to govern is desired or has been achieved in a way of giving several governmental units of the system, some degree of security- some guarantee of continue existence as organization and shareholders of power (Ewetan, Osabohien, Augustina, Abiola & Ese, 2020). Another author defined federalism as a situation whereby the federal and regional (state) governments are limited to their spheres and within those spheres should be independent of the other (Nenyiaba, 2013). In other words, federalism is also conceived as a political arrangement meant to reconcile national unity and diversity with the maintenance of the rights of the state (Ota, Okoko, & Ahamefule, 2022).

The Military Intervention in Governance: 1966-1999

Nigerian federalism had a serious setback in 1966 when the military took over the government of the country and not only suspended the constitution but also turned the government into a unitary one. While evaluating this subject matter, an author wrote that, “both historically and structurally, it is possible to speak of two distinct phases of post-colonial military rule in Nigeria, namely the initial phase from 1966 to 1979, and a second phase, from 1984 to 1999. The first phase of military rule was largely one of hegemonic-exchange (Oluyemi, 2020).

This was a period in which the country’s military rulers allowed the military administrators in the states to exercise most of the powers assigned to the regions under the suspended democratic constitution. Compared to the first phase, the second phase of military rule has been characterized by the excessive personalization and concentration of state authority on the military Head of State; an increasing reliance on hegemonic repression in managing state-ethnic and state-society relation; the willful frustration and abortion of the country’s democratic aspiration, and most crucially, the near total abrogation of the federal system, through the imposition of crushing central controls on the sub-federal units of government (Adedire & Olarewaju, 2021).

The Effects of Military Regimes in Nigeria Federalism

Military regimes in Nigeria started with the January 15th 1966 coup d’etat led by Major Kaduna Nzeogwu. The coup d’etat brought Major General J.T.U Aguyi - Ironsi to power. Major General Ironsi introduced decree 34 of 1966 (Unification decree) that abolished federalism in Nigeria. The decree 34 intended to bring cohesion in the government structure but the regions would remain but addressed as group of Provinces. General Yakubu Gowon who succeeded Ironsi divided Nigeria into twelve (12) states (Okwuosa, 2020)

General Murtala Muhammed that succeed General Gowon increased the number of states to nineteen (19). Further creation of states made it 21 in 1987, 30 in 1991 and 36 in 1996. Local Government Areas were also created during those years and in 1996, the number of local government areas in Nigeria came up to 774, which is the number till date.(Ome-Egeon, 2021) The then military government promulgated the revenue allocation formular of the federation in such a way that favoured the federal government. Nigeria is a heterogeneous nation with pluralism of languages, religion, sociopolitical and diverse economic formulations (Abejide, 2022). Even though Nigeria obtained its independence in 1960 and has practiced the current unbroken democracy for over twenty (20) years, it is one of the developing nations characterized by high external debt, high inflation figure, poverty, institutional decay especially in health as exposed by the Corona Virus (Covid-19) that exposed the inadequacies of our health system, causing avoidable deaths due to closure of over-seas medical trips; education and general infrastructure, as well as high rate of unemployment (Okechukwu & Nzube, 2019)

The Agitations for Resource Control in Nigeria

Advocates of resource control have argued that in any true federalism, powers are shared between the federating units and the central government in such a way that each government

has its own apparatus for the conduct of its own affairs. It is argued in any true federalism, the oil, gas or any other mineral found in state belongs to the state. They maintained that the fact that the areas that the national wealth are the poorest in the country is unfair. The conditions of these areas and their people is aptly captured by an author when he observed that; “Foremost is that although the bulk of crude oil, the country’s main source of revenue is derived from their land, they belong to the ranks of the most marginalized groups in the country (Agi-Otto, 2020).

First, after the abolition of slave trade in 1807, local traders engaged in „resource control“ struggles to participate actively in the trade in oil palm (Alafuro E. & Nweke K., 2019) Similarly, resource control was one of the highlights of the Ijaw’s representation to the Willink Commission to Enquire into the Fears of the Minorities and the Means of Allaying Them in 1957. Resource control struggles in the post-crude era that began with the botched Boro-led attempt to create the Niger Delta Republic in 1996 has culminated in contemporary oil-related restiveness in the region (Okechukwu & Ugwu, 2019). Since the Ijaw representatives were unsuccessful to achieve their desired results to be left out of independent Nigeria, or, alternatively have a state created subsequent resource control struggles have suffered a similar fate. However, the Ijaw’s argument that the peculiar problems of those living in the creeks and swamps if the delta were not understood and indeed were deliberately neglected by both the region and Federal Governments remains true till date and feeds into the resource control struggle.

The contemporary notions of resource control have been characterized by both peaceful and violent activities. While the period when the Ogoni’s were at the forefront of the struggle was largely peaceful, the recent shift of focus to the Ijaw’s witnessed an escalation in military and violence. The response of the federal government has typically included the creation of development boards, state creation, pacifications and more recently, the amnesty initiative (Akpan, Nwokah & Andem, 2018). The relative peace in the region and consequent increase in oil production figures is touted as evidence of the success of the amnesty initiative by the Federal Government.

Characteristics of Resource Control in an Emerging Economy

Resources are controlled by a few individuals (Elites). There are two broad classes in the society - the elites, who are the rulers monopolizing power and resource control, but few in number; and the masses who are ruled by the elites, but always larger in number⁵¹. The elites are the few who wield control, consolidate and manage the state's societal power and resources in more or less, the interest of the ruled masses. Like many other developing states, politics and statehood in Nigeria are built and hovered around the elites who decide what is to be done, where, when, how and by whom. The patron-client relation centres on persons of unequal wealth, status, prestige and influence dependence for patronage and reward with state power, support, resources and influences (Lambert, 2006).

The pre-colonial political, economic socio-cultural and rescues backgrounds and experiences of the North and West, on one hand, arc the East am the other; the arrival of the colonialists through the Atlantic Ocean located finite South; the nature and character of the various ethno-religious and get-incikical nationalities welded in January 1914; the involuntary Ike pattern of colonial domination and rule - direct and direct; the nature and character of colonial socio-

economic development; the embedded pattern of circumstantial inequalities between North and South, which persist till the primacy of the North in terms of geography and population; and the perceived, feared and resented Northern hegemony in Nigerian politics are all uncharacteristic fit resulted in the imbalances of the Nigerian state and culminating the of domination and marginalization with mutual fears and suspicion among the component parts of the Nigerian federation (Verlunmun, 2018).

Political Restructuring

Political restructuring is another concept that will be reviewed in this research. The concept of political restructuring means different things to different people. There is hardly a consensus among people on what political restructuring means. This is because the practice of federalism, the world over, has had its challenges. Because federalism goes hand in glove with democracy, there is always the tendency that, in line with democratic principles, there is likely going to be those who are dissatisfied with the existing arrangement, hence would press for changes from the political system for a better deal. This is also given the fact that the political system under a federal structure has a lot to offer to geographical contiguity and ethnic differences, especially in countries where development is far from being achieved like Nigeria. (Ita, Ebong & Inimo-Etele, 2019)

What the Nigerian Political Structure is supposed to be

The political structure of Nigeria as bequeathed to her by her colonial master is federalism. Federalism is a decentralized structure of government that has many attributes which distinguishes it from any other contrivances that could be labeled federal government. In a bid to understand how the Nigerian political structure (federalism) is supposed to be, this section discusses below the core feature of true federalism in a succinct manner:

A Written Constitution

Constitution is the ground norm or the fundamental law according to which a particular state is governed. It is the whole body of fundamental laws, customs, conventions, principles, rules and regulations according to which a particular country operates (Abah, & Nwokwu, 2017). There is no doubt that a federation being a conglomeration of dichotomous ethno-regional groups can only be established through a perpetual covenant of union, which should be enshrined in a written constitution. This constitution must be made in wide consultation of all these ethno-regional groups and in their solemn agreement. The true mark of any federation is that it distributes executive, legislative and judicial powers between the federal government and the constituent states in a written document known as the constitution (Naanen, 1995).

Equality of Power between Levels of Government

A federation is one in which the levels of government operational within it are equal and coordinate in power. This simply means that in true federalism no tier of government is superior or subordinate to the other (Ebiziem, & Ezenwoko, 2018). Similarly, federal principle holds that the constituent units/ states that form a federation should relate to the federal authority on equal plane. No region or state should have more or less power in their relationship or interactions with the central or federal government. Any negation of this is a

digression from true federalism as the regional governments can no longer relate among themselves as equal.

Equality in Ethno-Regional Representation

One of the major reasons of adopting federalism is the existence of ethno-tribal heterogeneity. This is because federalism permits the equal representation of all tribes, ethnic groups, and regions in governance so as to ensure that no tribe ethno-regional nationality is marginalized or is left to lag behind developmentally and otherwise. This makes equal representation of ethnic and regional groups an integral characteristic of true federalism.

Fiscal Autonomy

Local government in Nigeria is entitled to fiscal autonomy being a level of government within a country that practices federalism. What this means is that all levels of government within a federation are fiscally autonomous. Financial subordination marks an end of federalism no matter how carefully the legal forms may be preserved (Ekpo, 2021). True federalism does not permit over concentration of power and resources in the hands of either the central government or the component units as to make it more powerful to lord its will over the other especially as regards to fiscal relationship. Autonomy of each government: Federalism is a political system that emphasizes relative independence of each level of government.

Federal system must be fashioned in a manner that each level of government should be coordinate to another and that no tier should be seen to be subservient in relationship with others in the federation. The implicit of this is that any government which in practice contradicts the foregoing principle is unfit to be called a federation. This principle is necessary as it ensures that the federal government acts within the ambit of its constitutionally assigned powers while the state and local governments carry out their own affairs without intimidation or frustration (Adagbabiri & Okolo, 2018).

Theoretical Framework

The task before this research is to investigate federalism and the challenges of resource control in Nigeria. Among the many theories attempted to explain the variables in this study, the most acceptable related theories to this study is the Structural-Functional Theory.

Some eminent researchers first proposed the Structural Functionalism theory of organizations, which was later improved and reformed as a system or collection of interrelated components which together create a whole (Ugwuoke, 2020). However, the theory was heavily influenced by the field of sociology and was later embraced in political and administrative studies. To the sociologist, unemployment is an issue which they have to delve with and unemployment has a far reaching effect in all areas of the society.

Structural Functionalist approach offers an explanation on how to determine the results of a combination of contradictory political systems in many developing countries. The structural functional approach of the social sciences provides a tool for researchers to appreciate the social processes (Ukwayi, 2018). The function is the outcome of a sequence of events and the structure is the resulting organization and the pattern of action itself.

A society may be symbolically regarded as a living body made up of several organs or structures, each of which has a function or functions that are necessary for the social organism to operate, according to functionalist theory. The many mechanisms that make up society "fit" together to maintain equilibrium and social stability (Izadi, Mahmoud, Shahriyar, & Soraya, 2020). The dominant school of functionalism also demonstrated how some social structures - defined as comparatively stable patterns of social relationships - direct our lives. As examples, consider close relationships, systematized conduct, and other circumstances with largely consistent and stable behavior.

Functionalist's start from the basis that every society has a specific social structure, without it, it cannot survive, there must be social strata or classes in short, a more or less egalitarian system of social positions, but in all cases, there is a system assigning privileges and functions to those positions. Functionalism views society as a complex system composed of interconnected subsystems. Each subsystem has functions necessary for normal social functioning, ultimately, for society to continue to exist. In this context, social change is understood as the adaptation of said social system to its environment, through the process of differentiation and the increase in structural complexity (Candea, 2018).

The parts of a social system, seek order and consistency, that is, an interrelationship between diverse institutions, organizations, and individuals. The environment is a factor that is outside the social system but that can influence it (such as nature and world economic markets) and force it to change or adapt. If a single element of society is altered, it affects the functioning of the entire apparatus. The Structural-Functional theory will be clearer with a brief clarification of functionalism and structuralism. These are close related ideal models. Regardless of their commonality, they show up as 'the far edges of a similar continuum (Kaschina & Alisa, 2018).

Nigerian Political Structure – Federalism or Pseudo-federalism?

Having laid down the benchmark for federalism. It is imperative to critically examine the Nigerian federalist political culture to ascertain if truly it meets the benchmark of federalism, or it is a non-federalist practice disguised as federalism which we've chosen to refer to as Pseudo-federalism (false federalism). This examination however, will hinge on the manner of Nigerian practice of the core principles of federalism:

1. Written constitution

A historical analysis of the entire Nigerian constitutions will leave every analyst with three dominant factors which are the influence of colonialism, national political elites and the military (Okonkwo, 2018). By this, there is an absolute justification for the constitution's unitary nature, having been made by the military and hastily imposed on the citizens to facilitate the transition into a new regime that marked democracy in 1998/1999. Since the constitution was imposed and do not reflect citizenry involvement in its making, it then follows that the making of the constitution is neither cognizance of the ethno-regional heterogeneity of the country nor did it bring these groups to a negotiation table to have a perpetual agreement of union and that of the structure that would best suit the administrative operation of their entities.

What the above legal luminary is asserting is that the federating units do not give out all their laws to the federal government for the formation of a federal constitution, rather; they surrender some parts of their laws to the central government while retaining others in their individual constitutions (Obi, 2006). A federal system is an arrangement between separate autonomous governments, it therefore follows that there should be separate national and regional governments which imply separate constitution for each government. By this, every component unit of a federation is supposed to have a constitution which guides its operation with regards to its affairs.

This is not so in Nigeria where only one federal constitution is used to run the affairs of the entire country with no ethno-regional or state constitution. Autonomy of each government: In the words of some authors, the autonomy of each government as obtainable as a core feature of federalism emphasizes that separateness of government also requires that each government must exist not as an appendage of another government but as an autonomous entity, so that it will be able to exercise its will in the administration of its own affairs without external direction from another government (Atiku, 2016).

However, the Nigerian federalist political structure is one that pay no heed to this core feature of true federalism as the 1999 constitution has wielded more powers to the federal government making it more superior and capable of dictating the affairs of the state and local government. The exclusive list having 68 items is solely left for the federal government; the concurrent list is within the jurisdiction of the federal government and the state government with the federal government prevailing in case of any conflict.

2. Equality of Federating Units

The equality of the federating units in a federation must be reflected in some reasonable balance between the units in area, population, and wealth which will ensure that all units can maintain their independence within the sphere allotted to them and that no one can dominate the other. This attribute of true federalism is negated in Nigeria where there is gross inequality in area, population, number of states and local governments within the regional zones.

This arrangement is clearly unequal and has in all ramifications given the northern region an undue advantage to maintain absolute dominance in the government of the federation as the region has capacity to dictate actions and policies to be pursued (Atiku, 2016). Little wonder, the laudable report of the 2014 national conference which the northerners believe does not reflect their own best interest has suffered implementation setback till date despite attempts made jointly by all southern states to bring it to life. This evidently paints the federalist political structure of Nigeria as pseudo-federalism. Fiscal autonomy: Fiscal autonomy of the federating units/levels of government is a key attribute of true federalism.

Any form of financial subordination will mark an end to federalism no matter how carefully the legal forms may be preserved. Therefore, for there to be a true federation, it must be structured in a way that each level of government is resourcefully buoyant and financially capable of carrying out its constitutionally assigned duty. It is on this ground that a scholar argued that if the federating units/sub-national governments find their constitutionally assigned functions too exorbitant that their resources they cannot fund it and for this purpose

resort to the federal government for subsidies and grants; then they are no longer coordinate with the federal government but subordinate to it (Abah & Nwokwu, 2017).

The local government allocation is often times denied by the state and at other times, the state government dissolves the local governments while still receiving their statutory allocations from the federal government. A typical example is that of Imo state where Gov. Rochas Okorocha dissolved local government and established a constitutionally unrecognized community government, yet still receiving statutory allocation of the local governments from the federation account. This is the rationale behind the functional incompetence of local government and consequently the horrendous underdevelopment in rural communities (Tyungu & Koko, 2018).

Methodology

The research adopt both historical and explanatory research design to arouse information on federalism and the challenges of resource control in Nigeria. Secondary sources of data collection which are editorials, newspapers, articles, textbooks, reports, magazines and so on, was used to gather and identify relevant information on federalism and the challenges of resource control in Nigeria. The data collected from the sources of this research were analysed and presented using historical and explanatory research designs. The research also make use of content analysis to investigate federalism and the challenges of resource control in Nigeria.

Presentation of Research Questions

Research Question One: What are the Contemporary Issues around Federalism and Resource Control in Nigeria?

Nigeria became a federal state in 1954 when the Lyttleton Constitution came into existence. Ever since then the country has strived to maintain its federal character. Federalism is the political arrangement in which political powers are shared between the central government and regional or sub-national governments. Federalism has definitive characteristics which differentiate it from unitary government. It is the nature of relationship between the central government and component units that determines if a state is truly federal or not (Dunmoye, 2018). Some of the issues around federalism and resource control in Nigeria are:

1. Revenue Allocation Formula

The need for an acceptable formula for revenue allocation between the state and the federal government has been the occupation of succeeding governments in Nigeria, which have established various revenue allocation commissions and made other laws/decrees (Ibrahim, Musa, Jumare, Ayuba & Yusuf, 2021). The summary of these commissions' reports and decrees on revenue allocation are captured below.

Phillipson Commission (1946): Recommended the use of derivation and even development as criteria for distribution of revenue. By derivation, the commission means each unit of government would receive from the central purse the same proportion it has contributed to the purse.

Hicks Phillipson Commission (1951). Criteria: derivation, independent revenue or fiscal autonomy, need and national interest.

Chicks Commission (1953). Criterion: derivation.

Raisman Commission (1957). Criteria: need, balanced development and minimum responsibility. Percentage division: 40% to the North, 31% to the East, 24% to the West and 5% to Southern Cameroons.

Binn Commission (1964): Rejected the principles of need and derivation. Criterion: regional financial comparability. Percentage division: 42% to the North, 30% to the East, 20% to the West and 8% to the Mid-West.

Dina Commission (1969). Criteria: national minimum standards, balanced development in the allocation of the States' Joint Account, and basic need.

Aboyade Technical Committee (1977): Criteria: national minimum standard for national integration (22%), equality of access to development opportunities (25%), absorptive capacity (20%), fiscal efficiency (15%) and independent revenue effort (18%). Other criteria: 57% to Federal Government, 30% to state governments, 10% to local governments and 3% to a special fund.

Okigbo Presidential Commission (1980). Percentages on principles: population (40%). Equality (40%), social development (15%) and internal revenue effort (5%). Percentages for governments: Federal (53%), States (30%), Local Governments (10%), special fund (7%).

Danjuma Commission (1988). Percentages: Federal (50%), States (30%), Local Governments (15%), special fund (5%).

Other laws and decrees on revenue allocation: Decree 15 of 1967; Decree 13 of 1970; Decree 9 of 1971; Decree 6 of 1975; Decree 7 of 1975; Allocation of Revenue (Federation Account) Act, 1981.

Under the current revenue allocation arrangement, states and local governments spend about half of total government revenues, almost equal to that of the federal government. The federal government is allocated 52.68% percent of Federation Account revenues (including 4.8% of the Account originally earmarked for "special projects" like the development of the FCT Abuja, development of natural resources, and the amelioration of national ecological emergencies), while the states and the local governments get 26.72% and 20.60%, respectively, bringing the total share of sub-national governments' revenues from the Federation Account to 47.32% (Uwomano, 2021)

There is also a constitutional provision for the allocation of 13% as derivation fund to the oil-producing states. The various Commissions, laws and decrees on revenue allocation had arisen because of the continuous disagreement of sections of the country with the way the national resources were divided. A scholar observed that the proportion of oil revenues allocated on a derivation basis declined from 50% of mining rents and royalties in 1969, through 2% of the Federation Account in 1981, to only 1% of mineral revenues in the account during the period from 1989 to 1999", many in the Niger Delta consider this concession far

too little and agitations for a greater share from the oil wealth or outright control of the oil resources have dovetailed into youth militancy and also criminality (such as oil bunkering, and kidnapping of oil and even non-oil workers) (Ota, Ejitu, Ecoma & Wambu, 2020).

This has not only threatened the peace of the region but also caused disruption in oil supply. Externalization of agitations by the oil minorities soon emerged mainly as a result of increasing centralization of the ownership and control of oil, and the politicization of the revenue allocation system by the Federal government to the detriment of the oil producing minority states. In flagrant violation of the principles of fiscal federalism, Decree 51 of 1969 gave the Federal government complete ownership of all petroleum resources in Nigeria (Ewetan, 2020).

The Offshore Oil Revenue Decree No. 9 gave the Federal government total control over the entire revenue accruable from offshore oil wells in the coastal waters adjoining the oil minorities, thereby cutting them off finally from direct oil revenue, and deepening their dependence on the majority groups for a share of the oil wealth. The oil-producing minorities, thus, became alienated from their own resources, and this intensified the struggle between them and the Nigerian State, which through its over-centralization of political and fiscal power sought to exploit and dominate them alongside their strategic resources (Umeozor, 2022).

2. Leadership Crisis

Leadership crisis is another contemporary issue in Nigeria federalism. Though, the leadership challenge, like the Sword of Damocles, hangs above all nations, the issue has however assumed a crisis dimension of monumental consequences particularly in Less Developed Countries (LDCs) (Okeke & Omojuwa, 2022). Nigeria is a nation born in hope and optimism but has lived in anxiety for most of its fifty year – history due to the country's failure to produce a nationally acceptable leadership that transcends ethnic profiling, religious bigotry and regional boundaries, and that can unite its diverse peoples for mobilization towards national development.

In the light of this, it is valid to support the argument that the basic problem with the Nigerian federalism is the failure of leadership. All other factors of disunity, instability and under – development have been nurtured and given momentum by leadership failure. Criticisms against Nigerian leaders across Local, State and Federal government levels are many and justified. These include corruption, unpatriotism, selfishness, despotism, tribalism, and religious bigotry (Akajife, Okechukwu & Nnedum, 2020).

Nigeria's political history since independence has shown clearly through her various conflicts, coups and counter – coups, as well as a civil war, that the Nigerian ruling elite (both civilian and military) are divided along many lines, particularly along tribal, ethnic, religious and regional lines. This has led to inter – elite rivalries, mutual suspicion and status conflicts among the ruling elite. Thus, government and politics in Nigeria has been characterized by deadly competitions and conflicts of hostile subcultures giving rise to various danger signals that occasionally threatens the continued existence of the country (Tekena, 2021).

Under successive Nigerian leaderships, almost every issue has been politicized and interpreted to serve as a weapon of political domination or intimidation. As a consequence, various issues like elections, census, state creation, religion, political appointments, revenue sharing and lately, resource control have ignited serious socio – political crises. This tragic situation has compelled some observers to conclude that for Nigeria to resolve her leadership debacle she needs heroes in the form of men with extraordinary talents (Olugbemiga & Omotuyi, 2022)

3. Corruption

Corruption in Nigeria has continued unabated despite the government’s effort through anti-corruption agencies to curtail the menace. Corruption is a global phenomenon but it is more prevalent and destructive in the Third World countries. Also, the fact that corruption in Nigeria has become an endemic problem threatening the country’s socio – economic and political development is generally known. While recognizing the threat of corruption to the Nigerian State, a Central Bank of Nigeria Director stated that “the avalanche of frauds and unprofessional / unethical practices in the industry in recent years is eroding public confidence in the system” (Aloko & Usman, 2018).

Corruption is a by-product of underdevelopment. In 2020, Transparency International (TI), Nigeria ranked 146th out of 180 countries scoring a miserly 26% despite the 17 year run of the anti-graft agency (Saani, 2022). Furthermore, the United Nations Development Programme (UNDP) declared that Nigeria has maintained a seventy percent rise in poverty in spite of an income of over two hundred billion dollars in oil revenues since 1970, and her per capital income has hardly improved ever since (Olayemi & Oshatimi, 2021) A scholar states that corruption in Nigeria is primarily a political problem (Fagbadebo & Aboyowa, 2021). The incidence of corruption in a nation is as a result of the lack of political will on the part of the political leadership and the inability of the state to maintain law and order. Hence, business corruption is a fall-out of the failure to tackle political corruption, which casts doubts upon the moral uprightness of the state as a whole and on the political will of the leadership to manage the affairs of the nation. It follows simple logic that where there is absence of political corruption is where the state operates under a high ethical order and upholds, protects and enforce the rule of law on itself and on its citizens. In the same vein, electoral fraud is another dimension of the corruption syndrome in Nigeria (Ayodeji, 2019). The massively rigged General Elections of 2003 and 2007 are undoubtedly the most fraudulent in the country’s political history.

Conclusion and Recommendation

In Nigeria, one of the most protracted and controversial debates is the way Government revenue is shared amongst the component tiers of Government in the country. This debate has its foundations in the history and evolution of the Nigerian Federation. Nigeria, as a federal state allocates government resources and spending to the various tiers of government as a form of decentralized government and having been incorporated in 1914 with the amalgamation of the two British protectorates of Northern and Southern Nigeria and the Crown Colony of Lagos into a single entity. The aim of the study is to investigate federalism and the challenges of resource control in Nigeria.

The study identified that revenue allocation formula, leadership crisis and corruption are the three contemporary issues around federalism in Nigeria. The research concludes that fiscal federalism is very crucial for the functioning of any federal system. It is one of the key features of balanced federalism. Therefore, it is very important to create a balance between the federal and state governments in revenue generation, sharing and spending in order to reduce the over dependence of sub-federal units on the federal government thereby improving their internally generated revenue and the provision of democratic dividends to the citizens.

The study recommends that:

1. There should be a redefinition of the statutory roles of each tier of government and a modification of the current fiscal jurisdiction. The changes must be reflected in a new Nigerian Constitution if the country is to achieve fiscal sustainability, balanced development, and equitable distribution of the federation revenue in the years ahead.
2. It is very obvious that Nigeria as it is today is not working. The government must give priority to the restructuring of Nigeria as this above all else is key to the development of the nation.

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