

Cost of Governance in Nigeria: In Whose Interest

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Abstract : Cost of governance in Nigeria has become a challenge to development and concern to practitioners and scholars alike in the field of business and social science research. It has been observed that it takes 70 percent of the nation's revenue to maintain less than 20 percent of the Nigerian population that are public servants. Furthermore, it has been observed that on a consistent yearly basis, the recurrent expenditure of government from the national budget keeps rising, while capital expenditure meant for development keeps falling. The implication is that development is stagnated in the country. For instance, in the 2010 national budget of NGN4.60tn or USD28.75b, only NGN1.80tn or USD11.15b was set aside for capital expenditure. Also, in the 2013 national budget of NGN4.92tn or USD30.75b, only NGN1.50tn or USD9.38b was set aside for capital expenditure. Therefore, with the analysis of secondary data, this study examined the reasons for the high cost of governance in Nigeria. It observed that the high cost of governance in the country is in the interest of the ruling class, arising from their unethical behaviour - corrupt practices and the poor management of public resources. As a result, the study recommends the need to intensify the war against corruption and mismanagement of public resources by government officials as possible solution to overcome the high cost of governance in Nigeria. This could be achieved by strengthening the constitutional powers of the various anti-corruption agencies in the area of arrest, investigation and prosecution of offenders without the interference of the executive arm of government either at the local, state or federal level.

Keywords : cost of governance, capital expenditure, recurrent expenditure, unethical behavior, Nigeria

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