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A STUDY OF SUSTAINABLE DEMOCRATIC PROCESS IN NIGERIA

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Abstract: *Democracy in Nigeria has been marred with a lot of tribulations threatening continuity of this form of government despite what the nation underwent before changing from military regime to civil rule. These threats include rigging, victimization of voters, imposition of candidates, godfatherism, ethnic and religious hegemony with incidental crisis; lack of respect to due process, corruption, poverty and economic recession bred inter alia by bad governance. If the problems are not nip in the bud, it can lead to secession by an integral part of the economy; serious crisis or another civil war. These lingering problems threatening the sustainability of democratic form of government in Nigeria have triggered serious concern. Despite problems experienced in democracy in this nation and some developing countries, it is still patronised by many countries because of benefits derived from it which has made it to be embraced by them. This form of government which has fortified many developed nations has also triumphed and stable in those nations that had developed good legal frameworks and system of conducting hitch free elections. The contrary is the case of Nigeria where it is wrongly practiced. It has been discovered that the crux of the matter is that constitutional provisions and other legal frameworks are often breached and wrongly executed in Nigeria and many developing countries. These have inter alia been adduced in the past as justification for aborting democracy through military incursion. This paper has considered relevant local statutes, the international standard and the legal framework of countries that have been practicing democracy successfully for a very long time. This has assisted tremendously to reinforce the legal framework with strong antidote against the venom threatening the peace, sustainability of democracy and progress of the nation.*

Keywords: *incursion, democracy, tribulation, sustainability.*

Introduction

Despite global outstanding performance of democracy, it has not recorded impressive performance in Nigeria and many developing nations. It has been rated as the most efficient form of government in the world and most successful nations in the world are democratic. (Green Garage Blog, 2015) The reason for the clamour for democracy is evident in the growth and development of democratic nations. It gives the people opportunity to choose their leaders through elections. The way it is practiced in Nigeria is different and cannot be referred to as a paradigm of good democracy practiced in democratically successful nations. Elections in the country have always been conducted inter alia amidst fear, victimization and intimidation of voters, threat of military intervention, war and secession. People have always been taking steps that can truncate the democratic process and there have been display of despair about sustainability of democracy in the country. A country where the military regimes have always been accepted with jubilation depicts triumph of autocracy over democracy despite the global rating and alluring performance of representative government. The country's democracy is far below international standard. According to Ajayi, 1998 (as cited in Lawal and Olukayode, 2012) the generally accepted archetype of governance especially in developing countries has

suffered impaired growth in Nigeria. This can be corroborated in lack of development and good governance through poor infrastructural facilities, bad roads, incessant power outage, lack of adequate health facilities among others despite the wealth of the nation.

It is necessary to look into the constitutional provisions and implementation of the country's legal framework in order to have sustainable democracy and good governance in Nigeria. This paper has however delved into the international and regional instruments so as to recommend a review of the local statute in conformity with the international and regional instruments. It has also examined the legal frameworks on democracy in other democratically successful jurisdictions.

Statement of Research Problem

The Nigerian independence from Britain in 1960 was full of great anticipation of socio-economic development and doable democratic process to the nation. After 50 years of independence, the hope of developing for better standard of living has been mere hallucination and not yet achievable. Democracy in Nigeria is now a truism and slogan used for estrangement, domination and marginalisation of Nigerians. Instead of galvanizing, democracy discourages the people. De-democratization and tyrannical propensities are rapidly embryonic in Nigeria. (Muhammed, 2017). Democracy has been stable in America for over 230 years while Nigeria has just spent a short period of time as democratic nation. (Akintide, 2009)

The country ought to be used to democratic ethics and norms since it has spent over 20 years on democracy but the contrary is the case. There are numerous encumbrances against democracy which include incapable and impracticable rules; lack of check and balance of agency in charge of policy formulation and implementation of rules and lack of confidence in Independent Electoral Commission since its officials are still appointed by Government who also fund it. (Arowolo and lawal as cited in Lawal and Olukayode 2012 p.449)

Historical Background

Democracy as a form of government was practiced in the Ancient city – states where all Adult males would assemble to discuss public affairs and made decisions. It was at such forum that death penalty was meted out to Socrates in Athens when he was found guilty of treason. (Johari, 2011). With the increase in the number of people in the world, it became difficult to have all the people gathered at one place to formulate policies and make decisions on how the people would be governed. In the course of the evolution of the world there were modifications on democracy as a form of government. As a result of modernization, democracy was seen in the modern age in a modified manner to improve the ancient practice. This became noticeable during Glorious Revolution in England in 1688. The same was manifested in America as a result of American Declaration of Independence in 1776. The Romans also imbibed democratic tendencies but not like the Greek. The Roman Empire (509 – 27 BC) exhibited this tendency traceable to the Greek through the practice of representative democracy. (Microsoft Encarta, 2009).

Monarchical form of government was the government operating in England until the Magna Carter Charter which gave room for the absolute power of the King to be

reduced. The Charter was actually the pillar of democracy in England. It paved room for the commencement of democracy by maintaining that no freemen should be punished except through the Law of the Land. (Magna Carter and the Pillars of Democracy in England, n.d)

In 1628, Petition of Right was also created which gave the Parliament power to approve tax before it would be imposed on the people. At that time it was the king that was imposing tax. Also in 1689, Bill of right was created which created freedom of speech. (DeMichele, 2016) Modern democracy also appeared in France as a result of French Revolution. (France This Way, 2006) In 1762 in Europe, Jean Jacques Rousseau expanded John Locke's ideology in his book titled 'Social Contract' by maintaining that the people should have impute in the running of the government affairs. (Microsoft Encarta 2009 (DVD) Redmond, WA: Microsoft Corporation, 2003)

New form of democracy became manifest through the glorious Revolution in England in 1688, America Declaration of independence in 1776 and French Revolution in 1789 which is known as Representative government. (Johari, 2011, p.492) In the 19th century democracy was existing in Europe and gradually spread round the continent. It also became a form of Government in North and South America. It later got to ex colonial countries in Asia and Africa. (Microsoft Encarta 2009 (DVD) Redmond, WA: Microsoft Corporation, 2003)

With the study of the history of democracy as analysed above, it is clear that many of these contributed to its development in Europe and America which had great effect on its stability. It naturally developed and it is clear that the people themselves developed it. This form of government in Africa is still struggling to be of the standard in developed nations. It has been tested in the Western World and other parts of the world and it has also contributed to the development of those nations. It has developed some features that are making it popular and attractive to people to continue to desire it.

Meaning of Terms

The word Democracy originated from the Greek Words 'demos' which means 'people' and 'kratein' which also means 'rule'. Pericles, the great Athens Leader defines democracy as 'a government in which people are powerful'. Abraham Lincoln defines it as the government of the people, by the people and for the people. According to Sir John Seeley, 'it is a government in which everyone has a share' (Seely cited in Johari, 2011, p.324). Dicey maintained that 'it is a form of government in which the governing body is comparatively a large fraction of the entire nation'.

International Instruments

It is provided under Article 21 (1) of the Universal Declaration of Human Rights (UDHR) (1948) that everyone should be given opportunity to participate in the government of his or her country by himself or herself or through freely chosen representatives of his choice. Article 21(3) provides that the will of the people shall be the basis of the authority of government and it shall be expressed in periodic and genuine elections conducted through universal and equal suffrage and through secret vote or of equivalent of free voting procedure. Article 25(b) of the International Covenant on Civil and Political Rights (ICCPR) (1966) provides that member nation shall ensure that every citizen is given right

and opportunity without restrictions and distinctions which include discrimination on the basis of race, colour, sex, language, religion, political or other opinion, national or social origin, property, birth or other status as provided in Article 2 of the ICCPR. Every person is to be allowed to vote and be voted at genuine periodic elections through universal and equal suffrage in an election conducted by secret ballot which guarantees free expression of the will of the electorate.

Regional Instruments

Article 13(1) of African Charter on Human and People's Rights 1981 provides that every citizen of member nations should be allowed to participate freely in the government of his or her country directly or through representative as provided by the law of his or her country. Article 17 of African Charter on Democracy, Elections and Governance (2007-2012) reiterates commitment to hold transparent, free and fair elections in conformity with the principles governing democratic election in Africa. It provides for well established impartial national electoral body that is responsible for the management of elections. Article 17(2) provides for establishment of national mechanisms that will redress election-related disputes without delay. It also provides under Article 17(3) that parties and candidates should be given fair and equal access to state controlled media during elections. Article 17(4) provides for state parties to ensure provision of a binding code of conduct that will govern approved political stakeholders, government and other people involved in the elections before, during and after the elections. Political stakeholders should be committed to accept the outcome of the elections when the result is announced and be given opportunities to challenge the results.

Local statute

The preamble of the 1999 constitution provides that the people of Nigeria have firmly resolved to live in unity and harmony as one indivisible and indissoluble sovereign nation under God dedicated to the promotion and inter-African solidarity, world peace, international co-operation and understanding. They are to also have a constitution to promote good government. Besides, the country is to provide for the welfare of every person base on the principles of freedom, equality and justice in order to consolidate the unity of Nigerians. It is provided in section 14 (1) of the 1999 constitution under Fundamental Objectives and Directive Principles of State Policy that Nigeria shall be a country guided by democracy and social justice. It further maintains that sovereignty belongs to the people of Nigeria who give power and authority to the constitution.

The United Nations

The United Nations General assembly has been having at least one resolution annually on democracy since 1988. It has been the major issues in conferences of the United Nations. Increased representation of women in decision making process of member nations has also been promoted. In 2015, the Assembly of Heads of States and heads of Government has adopted sustainable democracy in 2030 Agenda to make the world to have sustainable democracy. It reaffirmed the commitment that democracy is valuable for good governance, rule of law, creation of national and international enabling environment essential to sustain development. The United Nations has been supporting democracy inter alia through the United Nations Democracy Fund (UNDEF), The United Nations Development Programme (UNDP), the Department of Political Affairs, (DPA), the Department of Peacekeeping Operations (DPKO), the office of the High Commissioner for Human Rights (OHCHR) the United Nations Entity for Gender Equality and the

Empowerment of Women (UN-Women). It has also provided electoral assistance to more than one hundred countries since 1991. Nigeria is one of the nations that have benefited from the electoral assistance. United Nations Development Programme (The United Nations , n.d)

Essential Features of Democracy

There are essential features of democracy which will assist in explaining it for better understanding of this form of government. They are as follows:

1. Free and Fair Election

Free and fair election is a good and major attribute of democracy. Gathering in a place as done in Greece will definitely be difficult now that population of the people has increased. What is in operation in the world today is election through vote which will be done to choose few people that will serve as representatives of the people. It is a good method of determining accuracy of the number of voters for each candidate. It is essential so as to know the candidates that win elections. The voters are to be free to elect their candidates without any imposition or victimization. Votes must be counted accurately and rule must be strictly followed to determine the winner to serve in public workplace.

2. Human Right

The right of the people is essential and there are civil and political rights available to them. They should be free to vote and be voted for; free to assemble and join any party of their conscience. They should also have freedom of private Life and freedom of expression among others.

3. Political Parties

There should be parties that will assemble people of the same ideologies or same goal of producing victorious candidates that will win the election from their parties. The parties should be given avenue to compete in an election without victimization or intimidation.

4. Constructive Criticism

While the victorious parties are ruling, Criticism should be allowed. the parties that did not win the elections should be free to criticise the ruling party. This will definitely assist the nation to progress.

5. Accountability

The system through the ruling party has to ensure that accountability and due process measures are in place. They are to block loop holes that could affect their party and to ensure progress and development of the nation.

6. Independent Judiciary

The judiciary should be in place to ensure the rule of law is in place in the country. They are to ensure that the right of the citizen is protected and that the judicial power is excised without depending on the executive and the legislature. (Johari, 2011, p.498)

Mainstay of Sustainable Democracy

There are many things that are very important for democracy to be perfectly realised and sustained particularly in Nigeria. These include the following:

Constitution

The constitution contains the precepts of democracy. The principles, limitations and privileges and democratic limitations are stated in it. It contains words which are very sacred and are binding the people and their representatives. They are supposed to be followed and if this is done democracy will be sustained. (Ogunleye, 2005 The Constitution is a good weapon to sustain democracy. It has guaranteed the right of the citizen. Many people can seek redress against the government and challenge any infringement of their rights. In (A.G.F. v Atiku, 2007) Alhaji Atiku, who was a Vice President, was able to challenge the Federal Government when he wanted to defect to another party and still remain the Vice President. Former President Olusegun Obasanjo maintained that it was not possible for him to do so. The constitution was interpreted to the favor of Alhaji Atiku. Democracy will allow people that want to result to self help and cause crisis to take appropriate legal step enshrined in the constitution and other laws. The Fundamental Human Right of the people is guaranteed by the constitution. The political and social rights of the citizen are not to be infringed upon. Although the state cannot be challenged on the infringement of the economic, social and cultural rights covered under Chapter II of the constitution under the Fundamental Objective and Directive Principles of state Policy as held in (Arch bishop Olubunmi Okogie v The Lagos State, 1981) but it has been held that it contains guidelines as to what court should do when confronted with interpretation of the constitution.

The Rule of Law

The government should make efforts base on impersonal law instead of claim of man which is not reliable. The summary of the rule of law is as follows:

- (i) Equality before the law
- (ii) Governmental ability to stay clear of arbitrary coercion.
- (iii) People's liberty

Where the rule of law is absent, people will lack adequate protection against tyranny, dictatorship and totalitarianism.(Oyediran et al, 1991) . The constitution contains sets of rules that are governing the state. The Rule of law is a state of mind that guides the people. It is a situation where the people obey the rules spelt out in the constitution and the by-laws. It is the rule of the land or the acceptable standard of behavior which is also referred to as due process. It does not give chance for anybody to maneuver or manipulate. It is the rule of law that depicts the practice of the people in a legal and acceptable manner which is due process. It gives room for precedents which must be followed. Sanctions effectively carried out without sparing anybody encourages the people to adhere to democracy. If properly followed, it will lead to fair play, good conscience, justice, predictable administration, policy implementation and sustainability of democracy. In (Government of Lagos State v Ojukwu, 1986), the court noted that the right of the people should be respected under the rule of law. Meanwhile India Judiciary and the constitution of South Africa have made it possible for people to challenge government on infringement of economic, social and cultural rights. This is maintained by the court in (Government of Republic of South Africa v Grootboom, 2001)

People's Involvement

People are to sustain democracy through their involvement in government policies and democratic process. They are to defend democracy from the powerful people that want to use their power against the progress of the people. They are not to just be bystanders after voting but to monitor governmental activities. They are to be aware of what the

government is embarking on so as to hold government accountable. The Leaders will be careful of the people when they are aware that they are being watched. (Ogunleye, 2005)
Good Conduct of Election

Observers have reported irregularities during elections generally in West Africa. Besides, the region has experienced crisis and election-related violence during elections. This is a serious concern. There were coups in Mali and Guinea-Bissau in March and April in 2012. There have been cases of election violence in Nigeria and Cote d'Ivoire. These are threats to sustainability of democracy and regional stability of the region. Election is an element of self governing and validating process. If there is no constructive, institutional and standard democratic order to suck up and sort out pressure likely to develop at the time of election and after it, it can breed dangerous hostility. By virtue of its contestable quality, election can breed ethnic, religious and other societal disagreements whereby people will be used to foment brutality. Holding regular and translucent election is a serious aspect of democratization process. Genuine election enhances authenticity of the Government and increases trust that the people have in Government. It is an avenue where political disagreements can be solved through debate. The risk factors of democracy should be analysed, monitored and addressed. (International peace institute, 2012)

Thriving Economy

There are many classes of people in the economy. The gap between the rich and the poor should not be too wide. A situation whereby the poor will become aggressive against the rich should be avoided. Everybody should feel the impact of democracy. There should be job opportunities for the people. The private sector should be expanded with investment especially on Agriculture. There should be infrastructural and health facilities created by Government. When the people see all this, they will have the feeling that democracy is good for them and it should be sustained. (Ogunleye, 2005)

Education

Education is a precious legacy that can be given to citizens of a nation by its government. The government is not up to its responsibility, if it fails to give education to its people. Politicians use illiterate as thugs and hatchet men. Majority of those use for political violence are illiterates. (The Sun 2016) Education is the pillar of national stability and security. It is instrumental to political and economic growth. Citizenship education developed in Nigeria is not meant for training of individual to be just and skillful but meant for people to contribute and participate freely in democracy. (Sadiq, n.d.)

Electronic Democracy

Electoral system in Nigeria is notorious for electoral malpractices in numerous ways such as hijack of ballot boxes, voiding of votes through incomplete thumb print, absconding with ballot boxes, insecurity of voters, delay in supply of electoral materials, long queue of voters, falsification of election results among others. It is necessary to introduce electronic democracy at this period of communication and information technology. It contains E-voting system whereby there will be use of computers and computerized voting equipments for easy calculation of votes in a credible way. The system will enable voting and counting of votes very easy and perfectly handled. Brazil, Japan, Belgium and some countries have been making use of E-Voting system. (Kuye et al, 2013) The passage of a Bill to allow E-voting in Nigeria is a successful step on reform of election in Nigeria to ensure free, fair and credible election in Nigeria. (Nwachukwu, 2017)

Conclusion

Sustainability of democracy is a heavy task in Nigeria. Democracy as a form of government should be properly learnt and accepted as the government of the people so that involvement of the people would be the general focus. All impediments to sustainable democracy should be jettisoned so that the people can have a stable and developed economy. If we are able to achieve this, the efforts of the United Nations, Pericles, John Locke, Jean Jacques Rousseau, Sir John Seeley, Dicey and Abraham Lincoln and others who imbibed democracy and agitated for its practice will not be in vain.

Recommendations

Having studied democracy in Nigeria, the situation at hand can still be improved upon and the following recommendations will assist greatly:

After election to appoint their Leaders people don't bother themselves on governmental policies. People should be encouraged to contribute to national issues so as to give room for more people to contribute to their own affairs. This will give the law makers and government opportunity to assess people's view on decisions or policies being planned.

The constitution contains the rules governing the people and government in the country. It is based on the constitution that a state is governed. The country should be run according to the laid down rules. There are procedures that have to be followed by the various arms of government, Ministries, Departments and Agencies. With the rule properly followed, the system of governance will become easy and smooth.

Election plays a dominant role in a democratic dispensation. It is through election that the country will elect the leaders for a specified period of time. Post election crisis can disrupt democratic processes and lead to crisis. The first and third republic in Nigeria derailed as a result of post election crisis. Elections should be free of manipulations and people should be convinced that it is transparent.

The people while exercising their franchise should do so in good faith. They should elect the type of leaders that are honest and transparent in performing their duties as good representatives of the people. If the people are well represented, the country's wealth will be well managed, invariably; there will be little or no crisis.

The people while exercising their franchise should do so in good faith. They should elect the type of leaders that are ready to be honest and transparent in performing their duties as good representatives of the people. If the people are well represented, the countries' wealth will be well managed, invariably; there will be little or no crisis.

Corruption is a bane to the development of a nation. People should look for God fearing people to manage the economy. Each time there was Military intervention, corruption has always been one the reasons for overthrowing the government. Voting corrupt leaders and allowing rigging in election or people's participation to rig should be discouraged. Such candidates will lead the country into problem through manipulations if elected.

There should be a focus on how to improve the economy of the nation. If people are expected to vote, there should be benefit that will serve as incentive to the people. These should be in form of employment opportunity. Hungry electorates can be easily bought over. Poor turnout of electorates will be experienced on the Election Day. When the economy is improved the quality of leaders that will be elected will be different. Besides,

any misunderstanding can aggravate to a situation where the poor will gather and steer up crisis against the Rich. It is from the poor that those who are used as Assassins are employed to kill or terrorise the people.

Education plays a dominant role in sustaining democracy. The type of democracy practiced in Greece has been greatly improved. The method of voting requires literacy. The Party Agent to monitor Poll on Election Day should be literate so as to be good Agent of his party or Candidate. People that are educated will be useful as officials and they will perform better than those with little or no education. In the election conducted in 2015 and the one conducted four years earlier in Nigeria, highly educated people were used. Vice Chancellors of universities were involved and the end result was a successful conduct.

The armed forces are meant to secure the country especially against external aggression. What has been practiced so far in West African sub region is a different thing. To have a sustainable democracy in Nigeria, the military should stay off governance and they should focus on security of the nation. Each time the Military takes - over, what they allege leaders of and which they say is their reason for coming to power to correct, has been what they would end up doing. There has always been a promise of returning the government to democracy but this hardly happens and at times another military government eventually takes over.

It is very important for the Politicians to imbibe spirit of practicing politics with ideology. The party manifesto and ideology will help a lot; it unites the members and guides them on their contract with the people. When they are ruling the people the 'social contract' principle will assist the government to make progress. Crossing of carpet is too common to many of them especially when they lose in an election. Desperate tendency is displayed with this attitude and it can affect sustainable democracy.

Electronic voting should be properly implemented in Nigeria in order to reduce the problem encountered during voting and collation of results of votes in Nigeria. There should also be introduction of CCTV to monitor election at every Polling Booth.

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INVESTIGATION OF THE EXTENT OF COMPLIANCE WITH NIGERIAN PUBLIC PROCUREMENT LAW: A SURVEY IN THE SELECTED MINISTRIES AND AGENCY

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Abstract: *The study investigated the extent of compliance with the Lagos state public procurement law in the study area. These were with a view to assessing the extent to which the implementation of public procurement policy has enhanced openness and efficiency among the Ministries, Departments, and Agencies in Lagos State. The study utilized primary and secondary sources of data. Primary data were collected through administration of questionnaire and conduct of in-depth interview. The study population of 1,398 comprised the staff and stakeholders from agency, ministries, construction companies, and civil societies. The distribution was as follows: Lagos State Public Procurement Agency (100) ministries of Works and Infrastructure (240); Justice (481); Finance (89); and Housing (110). In addition, Hitech Construction Company (70); Craneburg Construction Company (69); Planets Projects (64); and Messers (FIDC) 58. Furthermore, BudgIT (31); Socio-Economic Rights and Accountability Projects (32); Ymonitor (29); and Coalition Against Corrupt Leaders (25). The study adopted a proportionate random sampling technique of 15%. In the long run, sample of 210 respondents were selected for purpose of questionnaire administration. Also, two senior procurement officers in the Ministries of Works and Infrastructure, and Housing, with one senior officer of Lagos State Public Procurement Agency were chosen for in-depth interview. Data collected were analysed using percentage, mean, regression, and content analysis. The study revealed that the implementation of public procurement law enhanced compliance among the procuring entities in the area of professionalism (68.3%), competitiveness (59%), and adjudicatory mechanism (59.9%). The results also showed a statistically significant relationship in the extent of compliance with the public procurement law variant (openness and efficiency) and the selected procuring entities with the result of P-value 0.000, and the chosen α -value of 5%, $0.000 < 0.05$ respectively. The regression indicated multi linear relationship among the procuring entities and variables of probity, openness, efficiency, $N=2.413-0.044P+0.173R+0.212E$. The study concluded that there was low compliance with the Public Procurement Law in the Implementation of Public Procurement Policy in Lagos State.*

Keywords: *compliance, procurement, policy, law, openness, efficiency*

Introduction

The need for government across the globe to sanitize institutional purchases and supplies, which gulped large chunk of establishments appropriated budget, and coupled with the attendant effects on the various activities of procurement expenditure necessitated the adoption of public procurement policy. Government at various tiers deemed it

necessary to address the trend through the various rules, regulations, treaties, and enactment of Law in order to ensure probity, effectiveness, value for money, transparency, and accountability so as to address sharp practices in public procurement and disposal of assets. However, despite these regulations and laws; public procurement still continues to witness hitches especially in most third world countries, where public procurement is characterised with shoddy practices. Similarly, public investments in physical infrastructure, institutional and human capacities, which ought to help in laying foundations for national development has been in a state of despair. Similarly, in the Western world such as the United States of America and the United Kingdom, public procurement was guided with the principle of utilitarianism as posited by Mills (1871), which follows the mathematics of utility as thus: the greatest good for the greatest number of the people. Public procurement must be for the greatest good of the citizenry, or perhaps, the taxpayers which is what good governance entails. In addition, citizens' active participation in the contract award and implementation was lacking in Nigeria as procurement was ridden with sharp practices chief among them are the contract inflated cost, non-budgetary spending, lack of openness, accountability, and transparency (World Bank, 2000).

Public procurement at different tiers of government faces the problems of shoddy implementation, lack of competitive bidding among others. The reasons for this is not far-fetched as procurement in Nigeria is characterized by corruption, lack of value for money, inefficiency among others as a result of non-enactment of procurement Act, Law, or Bye-Law which ought to strengthen the budgetary allocation of various ministries, departments, and agencies (World Bank, 2000). Instead of statute, procurement was guided by financial regulations, which is a tool of the finance ministry in the award of a contract, and it was shielded in secrecy. The narratives changed with the advent of the fourth republic in 1999 and coupled with the desire of the federal government to sanitize the procurement process and the recommendation of the World Bank that was submitted through the Country Procurement Assessment Report (CPAR). The assessment report prompted the federal government to enact public procurement Law in order to check the abuse of contract processes, inflated contract cost, and ensure value for money so as to end the endemic corruption that characterized the procurement process and which has become a conduit pipe for siphoning off the public money (World Bank, 2000). The report prompted the federal government to set up an office called Budget Monitoring and Price Intelligence Unit (BMPIU) also known as Due Process in 2001, which helps in regularising public procurement process and assists in promoting transparency and accountability to the process of contract award for the first time in Nigeria. The BMPIU was to make sure that due process is followed in the award of contract and there should be value for money. This gradually replaced the old method of issuing circular for procurement. Subsequently, the Bureau of Public Procurement (BPP) was set up because of the enactment of the Public Procurement Act (PPA) 2007, which finally gave constitutional provisions for procurement process in the country. Since the country operates a federal constitution, the Public Procurement Act of the National Assembly is not binding on the states. Hence, each of the states enacts Law that guides the states procurement process in form of domestication of the Public Procurement Act through the passage of Public Procurement Law by State Houses of Assembly. Therefore, the enactment and subsequent assent by the Ex-Governor, Babatunde Raji Fashola of Lagos State, which brought the Lagos State Public Procurement

Law 2011 into existence. The law came with the establishment of the agency called Lagos State Public Procurement Agency (LSPPA), which replaced the State Tender Board for proper implementation of the Law. Section 1 of the procurement Law created the Agency, while section 2 created the Lagos State Public Procurement Agency Governing Board (LSPPAGB), which plays a supervisory role over the Agency.

The drive to address the sharp practice in the public procurement as a result of the lack of public procurement law with clearly defined roles which the state tender board performs in the award of the contract and the dual functions of the commissioner for establishment, training, and pension, which also chairs the state tender board in the award of a contract, and this is often done in a joint session with the State Executive Council where contracts are awarded to the preferred contractor (Press release Governor's Office 2012). Previously, the public procurement in the State was guided by Section 121 of the 1999 constitution as amended that stated the procedures for budget appropriation and various regulations. Section 121 makes provision for budget preparation, appropriation, and spending. However, the section was silent on the payment of mobilization fee, and this was performed in line with the whims and caprices of the State Executive Council who approved contract with little or no objection from the State Tender Board, which was chaired by a member of the State Executive Council. This subsequently gave room for various sharp practices. This lacuna was corrected with the establishment of Lagos State Public Procurement Agency (LSPPA) after the passage and subsequent assent to the Lagos State Public Procurement Law 2011. This Law clearly stated the objectives, functions, and powers of LSPPA in the following sections: 8, 9, and 10 respectively. The Law scrapped the state tenders board and replaced with LSPPA, with separate Head; General Manager, and to be assisted by directors so as to ensure effectiveness, efficiency, value for money, transparency, openness, and accountability inter alia.

The Law gave (assigned) for the agency functions and objectives to be carried out so as to ensure strict compliance by the procuring entities, suppliers, contractors, or consulting firms. The whole essence of the enactment of the public procurement Law is to bring transparency, accountability, and fairness into the business of governance through the acquisition of goods, services, or works for the public. The law made the procurement processes a constitutional matter that must not be breached, and if it is breached, there are adequate sanctions for the erring procuring or disposing entities, suppliers, contractors, and consulting firm to be punished or sanctioned. The enactment of the law, especially in most third world countries became indispensable as corruption takes precedence over and above good governance, and where cronyism and favouritism are considered in the award of the contract. This showed in the rate of flagrant violation of procurement laws, the high cost of procurement of goods, works, or services, cheaper disposal of government goods, and non-disclosure of the actual costs of projects among others.

Literature Review

Public Procurement

Countries in the world engage in public procurement in order to engender growth and development. Public procurement enhances governance as it shows the needs for having value for public funds spent by people's representative, which is the government. Walker and Brammer (2009) posit public procurement as it relates to the taxpayer's money,

and the manner in which public entities use the taxpayer's money in acquiring goods, works, or services. For Walker and Brammer (2009), the efficient and effective use of taxpayers' money in order to acquire public goods, lie at the cores of public procurement. Public procurement should be carried out in accordance with the rules and regulations so that taxpayers' money would be judiciously spent and accounted for. World Bank (2003) posits that public procurement is related to the use of public funds by the government and its various ministries, departments, and agencies (MDAs). Public procurement is undertaking on behalf of citizens in order to better their lives via the acquisition of the right quality and right quantity of goods, services, or public works at the best price, from the best sources, and with best procedures in accordance with the grundnorm. The World Bank's definition of public procurement regards the ground norms as key in the public procurement process which must not be subverted so as to avoid unbudgeted spending as against the appropriated funds in the process of acquiring goods, works, or services.

Public Policy

Public policy seeks to achieve the desired goals, which is in the best interest of all members of a state or country. Public policy is specific and target driven (Torjman, 2005). Public policy, therefore, is specific on the way and manner in which government performs its responsibilities which are in form of supplies, works, or services, which are expected to be carried out effectively, efficiently, and competently so as to get value for money without compromising the laid down rules and regulations. Dye (1972) argues that public policy is whatever government chooses to do or not to do. This definition is a clear departure from Torjman's definition. In addition, for Dye government action or inaction could be referred to as public policy while Torjman sees public policy as the action of government so as to influence or make things happen. It is, therefore, concluded that public policy is an indispensable act of government, which it is adopted in order to improve upon the standard of living of the citizens, which makes governance felt across the board rather than action or inaction as posited by Dye

Theoretical Framework

New Public Management (NPM) theory was the swivel in which the study anchored on. The choice of NPM theory was because of the involvement of non-state actors in the implementation of public policies as advocated by Hood (1996) through privatization, the adoption of separation of policy from the delivery agencies so as to ensure that efficiency and effectiveness are enshrined, with public-private partnership evolvement. Also, the theory sees the need for shift from bureaucratic administration of public service to the professional business-like approach in the same way with private investors, individuals, and corporate organisation that carry out the implementation of public procurement policies in order to ensure efficiency, effectiveness, probity, accountability, and openness which are hallmarks of public procurement law through indirect procurement. The theory's relevance is affirmed in the cost of governance in line with a business-like approach, which prioritizes the need for value for money, contracting out several services, and reduction of the stiff hierarchical bureaucracy of public service, in the same manner, the private sector grasps the satisfaction of customers in order to remain in business. The findings of the study showed that business-like approach for public procurement among the procuring entities had not been carried out in the professional business-like manner has advocated by

NPM theorists in the contract award, with emphasis on quality and efficiency of public service in order to ensure the core of citizens in the public procurement activities and as well as how taxpayers money were expended. Similarly, the theory argues on performance through audit, benchmarks, and evaluations which grasps the need to get value for money expended on the part of either the government or the taxpayers, which is most attainable where competitiveness is engendered with the importance of making improvement a continuous strides. The business-like approach management as canvassed by NPM theorists would have been engendered are they being the Lagos State Public Procurement Governing Board (LSPPGB) has been constituted, this would have enhanced the procuring entities procurement through the Lagos State Public Procurement Agency. The changes become imperative as it affects the mode of operation by the government in the public sector, which means there is an urgent need to shift from bureaucratic administration to business-like professional management. Contracts award processes were being undertaken by government representatives, civil society organisation, and professional in order to endear competitiveness, transparency, and accountability. The NPM theory also favours the disaggregation and decentralization of contracts award processes into different MDAs tender board, which is in line with the constitutional provision of Lagos State Public Procurement Law this in according to the reorganization of the procurement process in line with private sector method of acquisition and award of contracts. The approach is adopted so as to address accountability, waste, and inefficiency that characterized centralized procurement in the public sector. Private investors through competitive bidding which is the hallmark of public procurement policy better handle these contracts.

Methodology

This section presents the methodology that was adopted in the study. It further discussed the methods and techniques that were used in order to achieve the paper's objective, with data analysis techniques to test hypothesis. The study was carried out in Lagos state, southwestern Nigeria. The State was created in 1967, formerly comprised of the two parts, the Lagos colony, and part of Western Region. It was administered with the creation of 20 Local Government Area, and with the advent of fourth republic in 1999; the State government created 37 Local Council Development Area. In order to ensure that good governance are brought closer to the grass roots, as the State represents a commercial hub of the country and with its attendant effects on the infrastructures in the state. The target study population of this study was one thousand four hundred and one (1401), and this comprised of 1398 respondents and 3 interviewees. This consisted of the top management level and middle level from GL 07 to GL 17 as the majority of the staff in these levels determined the procurement plans in each of the ministries that formed the budgetary allocation for the ministries and agencies of government and which formed procurement for that financial year. The population comprised Housing 110, Finance 89, Works and Infrastructure 240, and Justice 481. The top and middle levels of management in the ministries and agency were considered since they are actively involved in the procurement process that is, award and implementation. Also, 100 staff from LSPPA in the GL 07 to GL 17; the construction companies with their senior employees which formed the respondents are Craneburg Construction Company 69, Planets Projects 64, Hitech Construction Company 70 and the Messers First Investment Property Company 58. Civil

Society Organisations; Coalition against Corrupt Leader 25, Socio-Economic Rights and Accountability 32, BudgIT 31 and Ymonitor 29. The reasons for the selection of these construction companies were in the number of projects they had carried out in the state in the past six years for the two administrations under review and the involvement of new ones by the present administration.

Data Analysis And Interpretation

Testing of Hypothesis

This section analysed and interpreted the hypothesis formulated for this study. A regression analysis was used as the statistical tools for testing the hypothesis. The hypothesis stated that there is no significant relationship between compliance with Lagos State Public Procurement Law in the variant (probity, openness, and efficiency) and procuring entities. To test the above-stated hypothesis, data gathered from respondents on the extent of compliance with public procurement law in the variant (probity, openness, and efficiency) and procuring entities were standardised into regression analysis and was subsequently run on SPSS.

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	2.413	.336		7.178	.000
The public procurement law has brought probity in the procurement process	-.044	.067	-.053	-.649	.517
The ministries compliance with openness in the procurement process has improved public trust	.173	.080	.164	2.163	.032
Procuring entities compliance with procurement law has enhanced efficiency in the contract execution	.212	.076	.209	2.799	.006

a. Dependent Variable: The performance function of the procuring entities complied with procurement law
 Source: Fieldwork Analysis, from SPSS, 2019

Interpretation

The regression coefficient table 4.3.1 gives a p-value of 0.000 which is less than 0.05 level of significance, this implies that the model is fit for use as multiple linear regression. The Table 4.3.1 gives the model as $N=2.413-0.044P+0.173O+0.212E$ where N is procuring entities and P, O, and E are probity, openness, and efficiency respectively. The model of the study identifies the strength of the effect of the independent variables of probity, openness, and efficiency on the dependent variable procuring entities. Whereas, the probity figure shows a negative relation with the procuring entities, this implies that an increase in the level of probity process leads to decrease in the procuring entities performance compliance with the implementation of public procurement law unlike the openness and efficiency which have positive effect on the procuring entities performance

compliance with the public procurement law. There is a positive relation in openness and efficiency with the performance function of the procuring entities in compliance with the implementation of public procurement law. That is, an increase in the level of openness and efficiency will lead to an increase in the performance function of the procuring entities compliance with implementation of public procurement policy respectively. The last column depicts the significance of each coefficient (the coefficient is significant if p-value is less than 0.05). From the model both openness and efficiency are statistically significant since the level of significance is (0.05), and p-value for openness is (0.032) and efficiency is (0.006) respectively. Therefore, the model is now $N=2.413+0.173O + 0.212E$ in accordance with the statistical significance of the variant tested. The column of the standardised coefficient gives the relative importance of each variable to the dependent variable. The importance is ranked base on the absolute value of its standardised coefficient, in this case the variables in their order of importance is efficiency, openness, and then probity. It is therefore apposite to infer that the importance of efficiency, openness, and probity among various variable of public procurement cannot be over emphasized in the level of compliance with the public procurement law in the various procuring entities of government. Conclusively, there is statistical significant relationship between compliance with Lagos State Public Procurement Law variant (openness and efficiency) and procuring entities.

Extent of Compliance with the Implementation of Lagos State Public Procurement Law among the Procuring Entities

This part investigated the extent of compliance with the implementation of Lagos State Public Procurement Law among the procuring entities. In order to achieve this, items in the research instrument were designed to gather perception of the respondents on the extent of compliance with the policy. The measurement scale adopted were very large extent (5), large extent (4), undecided (3), fair extent (2), and less extent (1). The responses were rated so as to infer the perception of the majority of the respondents regarding the extent of compliance to the implementation of the Law with very large extent and large extent were assigned significant while less extent and fair extent were assigned insignificant. The decision rule is that any responses which are more than 50% are either significant or else insignificant. The result of the survey showed that compliance with the implementation of the procurement law has not engendered value for money with an insignificant level of compliance extent. This position was buttressed by 58% of the respondents and with a mean value of less than 3 ($\bar{x}= 2.49, \sigma =1.57$). Another finding also showed the extent of compliance with probity in the implementation of the procurement law was significant with 56.4% of the respondents. This implies that probity in the implementation of the procurement law has brought about the needed appreciable level of confidence in the contract processes. This was further buttressed by ($\bar{x} = 3.01, \sigma =1.60$). Another variable tested was the level openness in the procurement process. The survey sought to know the extent of compliance among the ministries and improvement it had brought to public trust as it relates to contract. The result showed that a significant level of compliance with openness has been achieved with 54.4% of the respondents that agreed to the claim. The distribution affirmed this ($\bar{x}= 3.30, \sigma =1.25$) with the inference that openness has had a greater impact in the implementation of the procurement law through the competitive bidding relatively adopted by the procuring entities. The result of the survey

also revealed that procurement law has enhanced efficiency in the contract being executed. 71.2% of the respondents agreed with the assertion, with the extent level of being significant. Therefore, the extent of compliance with the implementation of the procurement law has significantly enhanced efficiency in the award and implementation of contract in the state. Also, the distribution result of ($\bar{x} = 3.61, \sigma = 1.30$) acknowledged this claim.

The performance function of the procuring entities complied with procurement law was verified here. It was shown from the survey result that their compliance with the procurement law was significant with the respondents level of agreement at a 69.8%. The result was as well asserted by the distribution of ($\bar{x} = 3.62, \sigma = 1.44$). In conclusion, it now suffices to infer that the procuring entities extent of compliance with the implementation of the procurement law has been huge and significant in the state. The sixth assertion was to determine if the procurement law has ensured cost-effectiveness. The result of the survey proved contrary as 55.9% of the responses showed an insignificant level of compliance with the claim. This was further confirmed by the distribution of ($\bar{x} = 2.78, \sigma = 1.51$). This result showed that compliance with cost-effectiveness in the contract implementation has not been adequately adhered to. The respondents rated the extent of compliance with professionalism in the implementation of the procurement law as significant with 68.3% most effective responses. This implies that the state of professionalism in the implementation of the procurement law has considerably and significantly been impressive. This was further supported by the mean value of 3.46 and a standard deviation of 1.36 which avowed the views of the respondents.

The responses generated as it regards to the competitiveness in the award of contract showed that extent of compliance level with competitiveness in the implementation of the procurement law among the ministries was significant with 58.5% of the respondents confirmed this assertion, with the distribution of ($\bar{x} = 3.34, \sigma = 1.58$) that also affirmed the claim. 55% of the respondents rated the appropriated budget and actual release of a fund as significant in the extent of compliance with the implementation of the procurement law. This implies that the significant level of compliance with the procurement law among the ministries has been attributed to the accessibility of funds. This was further confirmed by the ($\bar{x} = 3.28, \sigma = 1.60$) which subsequently avowed the respondents' views. The extent of compliance with the establishment of adjudicatory mechanism has been insignificant with 59.9% of the respondents which affirmed this claim as it concerns different legal issues and cases in the contract implementation in the state. This was also confirmed by distribution with a mean value of 2.61 and a standard deviation of 1.31. The conclusion from the above therefore was that the adjudicatory mechanism of different ministries in conjunction with the Ministry of Justice has been insignificant as it concerns the implementation of the procurement law in the state.

Table 2 Extent of Compliance with the Implementation of Lagos State Public Procurement Law among the Procuring Entities (N=202)

Assertions	VLE f (%)	LE f (%)	UD f (%)	FE f (%)	LE f (%)	\bar{x}	σ

Compliance with the procurement law engendered value for money	28 (13.9)	48 (23.8)	9 (4.5)	27 (13.4)	90 (44.6)	2.49	1.57
Public procurement law brought probity in the procurement process	38 (18.8)	76 (37.6)	7 (3.5)	13 (6.4)	68 (33.7)	3.01	1.60
Ministries compliance with openness in procurement improved public trust	36 (17.8)	78 (38.6)	10 (5.0)	67 (33.2)	11 (5.4)	3.30	1.25
Compliance with procurement law enhanced efficiency in contract execution	53 (26.2)	91 (45.0)	5 (2.5)	33 (16.3)	20 (9.9)	3.61	1.30
The procuring entities complied with public procurement law	59 (29.2)	82 (40.6)	3 (1.5)	41 (20.3)	39 (19.3)	3.62	1.41
Procurement law compliance ensured cost-effectiveness in contract process	38 (18.8)	44 (21.8)	7 (3.5)	61 (30.2)	52 (25.7)	2.78	1.51
Compliance with the procurement law stimulated professionalism in contract process	43 (21.3)	95 (47.0)	4 (2.0)	31 (15.3)	29 (14.4)	3.46	1.36
Compliance with procurement law promoted fairness	69 (34.2)	49 (24.3)	4 (2.0)	41 (20.3)	39 (19.3)	3.34	1.58
Appropriated budget and actual release of fund enhanced compliance	70 (34.7)	41 (20.3)	8 (4.0)	41 (20.3)	42 (20.8)	3.28	1.60
The agency complied with the procurement law in establishing adjudicatory mechanism	14 (6.9)	61 (30.2)	6 (3.0)	75 (37.1)	46 (22.8)	2.61	1.31

Source: Fieldwork Survey, 2018

VLE (very large extent), LE (large extent), UD (undecided), FE (fair extent), LE (less extent) \bar{x} (Mean), and σ (standard deviation)

f=frequency, %=percentage

Discussion of Findings

The paper interrogated the extent of compliance with public procurement law among the procuring entities. The study finding showed that there is a significant relationship between the compliance with procurement law of variant (probity, openness, and efficiency) and procuring entities with result of p-value less than 5%; ($0.000 < 0.05$). From the study, it was revealed that the public procurement law variant that has desired relationship with procuring entities are openness and efficiency. It was concluded from the result that an increase in openness and efficiency would lead to increase in the of compliance level by the procuring entities which enhances judicious spending of budget appropriated and minimum expenditure on frivolities is enhanced so as to achieve the policy's target of accountability. This affirmed the work of (Eyaa & Oluko, 2011) on the need to ensure compliance with efficiency in the public procurement policy among the procuring entities. It suffices to say that the importance of complying with openness and efficiency in the procurement process by the procuring entities is the heart and soul of the government procurement process. That is the procuring entities compliance with minimum expenditure on materials, time, cost, among others would ensure accountability and transparency. This is in line with the view of Amayi and Ngugi 2013 who both postulated

that a government gets more on its commitment if efficiency is complied with strictly in the course of procurement process. This was further supported by the study with 71.2% respondents of the quantitative data verified the fact that efficiency drives the ministries' activities. This is in pact with the finding of Agbesi (2009) where he recommended that efficiency should be entrenched and sustained in the public procurement process across ministries, department, and agencies.

The second variant, openness was also impactful as it subsequently had relationship with the procuring entities as revealed from the model. Also, an increase in the extent of compliance with public procurement law with the variant openness would have a direct relationship in the activities of procuring entities. The quantitative finding affirmed this result with 56.4% of the respondents who agreed strongly. The summary of the finding, therefore, affirmed the need to embrace openness closely in the procurement process of the procuring entities so as get value for money expended and to improve people's confidence in the procurement process. This result also got literature support from the work of Dakwanya and Murispshaka (2017) where both discussed extensively on the need to ensure compliance with openness in the public procurement policy.

Conclusion remarks

The study further showed that the policy objective of efficiency, probity, and openness among the various procuring entities as to a large extent being achieved, though with various challenges undermining the implementation of public procurement policy, which needs prompt consideration. Policy should be formulated which would mandate audit of account for money expended on all the capital expenditure contracts so as to strengthen and empower the agency's activities on how funds were appropriated, released, and expended as provided for in the appropriated budget. Hence, budget for the previous year should be audited and published for each of the ministries, departments, and agencies before the passage of the current year's appropriation. This would further ensure stricter compliance with fiscal discipline as envisaged in section 19 of Lagos State Public Procurement Law 2011 (LSPPL) as well as the provisions of the Fiscal Responsibility Act 2007 respectively

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INTEREST RATE, SAVINGS, AND INDUSTRIAL PERFORMANCE IN NIGERIA

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Abstract: *This study examined the effect of interest rate and savings on industrial productivity in Nigeria. The Ordinary Least Square OLS multiple regression analysis was applied on data from Central Bank of Nigeria (CBN) Statistical Bulletin in a model where industrial sector output was the dependent variable while national savings, interest rate INTR and inflation rate INFL were the explanatory variables. The result of the analysis at 5% level of significance shows that savings exerts a significant impact on industrial output in Nigeria. The result also showed that interest rate and inflation rate does not have a significant impact on industrial output in Nigeria. The study concluded that, savings has a significant positive impact on industrial output while the impact of interest rate and inflation rate on industrial output in Nigeria was positive but insignificant. It was recommended that there is a need to bridge the widening gap between lending rate and savings rate to encourage savings to generate needed loanable funds for investment in Nigeria.*

Keywords: *Interest rate, Savings, Industrial productivity, Inflation*

Introduction

The development of a nation hinges significantly on a robust high-technology industry. The industrial sector holds a pivotal role in shaping economic transformation of a nation or region. It contributes to expansion in productivity through import substitution, export expansion, foreign exchange earnings and employment growth (Imoughele & Ismaila, 2014). Most of the developed and emerging market economies rely heavily on the industrial sector, which generates the majority of their goods and services due to the advancement in technology and mechanization. The industry through the multiplier effect

of productivity in the sector by enhancing growth in other sector of the economy facilitates economic expansion and prosperity (Tabi & Ondo, 2011). According to Ogunjobi (2015), industrial growth or industrialization is a deliberate and consistent amalgamation of suitable technology, infrastructure, managerial expertise, and other essential resources to bolster output. Interest rates constitute a pivotal aspect of the financial landscape and a pivotal instrument of monetary policy. This significance of interest rates emerges from its role as the cost of capital and the opportunity cost of funds, thereby fundamentally impacting the economy (Okonkwo & Egbulonu, 2016). It plays a critical role in determining the efficiency of resources allocation and serves as a demand management tool to attain internal and external equilibrium thereby fostering economic growth and development. It facilitates deposit mobilization and credit creation and thereby promotes economic progress (Ebirigan, 2012). Also, interest rate has a substantial influence on savings and investment. Savings, as defined by Olusoji (2003), constitutes the after-tax portion of income not expended on consumer goods. In the context of capital investment, savings drive output growth. Financial sector institutions like deposit money banks (DMBs) or commercial banks channel savings deposits, providing interest payments. Effective savings mobilization necessitates relatively high deposit rates and stable inflation rates, resulting in a positive real interest rate that incentivizes investors to save from their disposable income (Ebirigan, 2012).

The drive to achieve sustainable growth and development in Nigeria is facing challenges including the low savings and investment climate, volatile monetary and fiscal policies, high and volatile interest rates (Ajudua & Okonkwo, 2015). Despite government efforts to enhance productivity across sectors through savings mobilisation and the promotion of investment, interest rates remain volatile, and the desired high investment levels have not materialized (Oweoye, 2007). Obtaining funds for investment is challenging in Nigeria, with lending rates significantly surpassing deposit rates (Maiga, 2017). Despite decades of policy adjustments, particularly on interest rate and exchange rate management, the Nigerian economy has not reaped substantial benefits from these processes. The broad objective of this study is to examine interest rate, savings and industrial performance in Nigeria. The specific objectives are to:

- Analyze the trend of interest rate, savings and industrial performance in Nigeria
- Investigate the effect of interest rate on industrial performance in Nigeria.
- Examine the effect of savings on industrial performance in Nigeria.

The policy outcome of this study will of immense benefit to the monetary authority, commercial bank, investors, government and academia and researchers. To the monetary authority, the policy outcome of this study will be of an immense benefit as it will shed light on the implication of the prevailing interest rate on industrial performance. This will assist them on their effort achieve macroeconomic stability through appropriate policy framework capable of mitigating against the adverse effect of interest rate instability which has been recognised as a prominent factor accountable for poor savings mobilization. This research work will further serve as a guide and provide insight for future research on this topic and related field for research scholars who are willing to improve it. Hence, the importance of this study cannot be overemphasized.

Literature Review

An economy comprises four interconnected sectors: the industrial, external, fiscal or government, and financial sectors. The real sector encompasses activities such as agriculture, industry, construction, and services, serving as indicators of living standards and the effectiveness of macroeconomic policies (Mamman, 2011). The industrial sector holds strategic significance for several reasons. Firstly, it produces goods and services to meet aggregate demand, reflecting people's standard of living. Secondly, its performance gauges macroeconomic policy effectiveness, evaluating policies based on their impact on welfare-enhancing production and distribution. Thirdly, a dynamic real sector, especially in agriculture and manufacturing, fosters strong economic linkages and reduces external sector pressures. Lastly, the industrial sector contributes to capacity building, employment, and income generation (Anyanwu, 2010).

Keynes defined interest as the compensation for foregoing liquidity for a specific period (Adebiyi, 2002). Interest rates encompass the return on equity or the opportunity cost of deferring consumption (Adebiyi, 2002). The different types of interest rate include saving rates, lending rates, and discount rates. Jhingan (2003), described interest as the price balancing credit supply, net money increase, demand for credit, and net hoarding. This underscores interest rates as credit prices determined by supply and demand forces for loanable funds. Savings, according to Olusoji (2003), denote income not allocated to immediate consumption, representing deferred consumption. Savings are preserved for future needs, capital purchases, or financial provisions (Giordano, 1983). The Marginal Propensity to Save (MPS) or Average Propensity to Save (APS) describes the rate at which people save, directly linked to the interest rate and investment through capital markets (Giordano, 1983). Classical economists theorize that interest rates balance saving and investment, averting inventory overloads. However, Keynes challenged this, asserting that both saving and investment were unresponsive to interest rates, necessitating significant interest rate changes to restore equilibrium. Keynes further argued that the short-term interest rate is determined by the demand and supply of money stocks, enabling saving to exceed investment, potentially leading to overproduction and recession.

Theoretical Review

The Keynesian liquidity preference theory, put forth by Keynes in his *General Theory*, posits that the equilibrium level of interest rates in an economy results from the interplay between money supply (government expenditure) and money demand (liquidity preference). In contrast to the Classical Quantity theory, Keynes challenged the notion that interest rates are merely a reward for saving, contending instead that they serve as an incentive for relinquishing liquidity. The Keynesian approach retained certain elements of the quantity theory while reconfiguring others in a novel manner. Concerning the demand for money, it expanded upon the earlier Cambridge approach and organized its exposition around the motives for holding money. This categorization eventually culminated in the contemporary classification of four motives: transactions, speculative, precautionary, and buffer stock. Moreover, Keynesian emphasis on money as an alternative asset to bonds led to Friedman's asset-based analysis of money demand, thereby harmonizing this approach with the classical paradigm. At the macroeconomic level, Keynesian analysis made

commodity market assessment, founded on consumption, investment, and the multiplier, an integral facet of macroeconomics. This approach also integrated monetary sector analysis into the comprehensive macroeconomic model for the economy, hinging on the previously unknown concept of the multiplier.

The endogenous growth theory, introduced by Paul Romer (Romer, 1993), constitutes a pivotal element in the developmental theory of developing countries. This theory posits that sustained growth is determined by the production process itself rather than external factors (Grandy, 1989). A significant driver of this theory arises from the neo-classical theory's inability to account for differing rates of economic growth among countries possessing the same technological level. Modern theory also assumes increasing marginal returns stemming from the scale of production factors due to external effects on human capital investment, resulting in enhanced productivity. Growth is contingent upon savings and investment in human capital (Lucas, 1988), as well as research and development investments (Mattana, 2004). Furthermore, the theory contends that free markets may lead to suboptimal levels of capital accumulation in human capital and research and development. Consequently, governments can enhance resource allocation efficiency by investing in human capital and encouraging private investment in high-tech industries.

Empirical Review

In the literature several studies abound linking interest rate and savings to productivity in industry or investment. For instance, El-Seoud (2014) conducted a study examining the impact of Real Gross Domestic Product (GDP), interest rate, and inflation rate on the national saving rate in the Kingdom of Bahrain over the past two decades. Employing the Augmented Dickey-Fuller unit root test and cointegration analysis, the research aimed to unveil the long-term relationship among the studied variables. The findings revealed that Real GDP growth rate exhibited a positive influence on national saving rate in the short run and demonstrated statistical significance at the 5% level in the long run. The nominal interest rate demonstrated a positive and significant effect on the national saving rate at the 1% level in the short run; however, its long-term effect appeared positive but insignificant. Conversely, the inflation rate, serving as an indicator of macroeconomic uncertainty, displayed a positive and significant impact on the national saving rate in both the short and long run.

Similarly, Mudaki, Ojala, Mwangi, Charle, and Kevin (2014) explored multiple factors influencing lending interest rates and their ramifications on the general economic performance. The study specifically investigated the impact of international interest rates on local lending interest rates in Kenya and assessed the effects of budget deficit financing on lending interest rates. Utilizing annual secondary time series data from 1980 to 2010 from sources like the World Bank, IMF, and government publications, the researchers employed EVIEWS for parametric analysis including descriptive and inferential statistics. The investigation involved unit root tests, co-integration tests, and the Error Correction Model to uncover the model's dynamic behavior. The results unveiled a positive and significant impact of budget deficit and inflation on interest rates in Kenya, suggesting that controlling interest rate escalation requires addressing expansionary macroeconomic policies and curbing budget deficits to mitigate inflationary pressures and structural causes.

Also, Thaddeus and Anyaogu (2014) explored the intricate nexus between exchange rate, interest rate, and inflation using autoregressive distributed lag (ARDL) co-integration analysis. The study sought to ensure exchange rate stability through a structurally linked relationship between interest rate and inflation volatility. Analyzing historical data from Nigeria (1971-2010), the study established a significant short-term and long-term positive correlation between inflation and exchange rate. In contrast, the relationship between interest rate and exchange rate was negative but insignificant. The study underscored the necessity for collaborative efforts by monetary authorities to minimize periodic inflation variations for achieving exchange rate stability.

In another study, Samuel and Peters (2014) investigated how interest rates influenced the profitability of deposit money banks in Nigeria. Their research spanned thirteen years (1999-2012) at the aggregate country level and employed multivariate regression analysis under an econometric framework. The Augmented Dickey and Fuller unit root test results determined the series' stationarity. The estimated results demonstrated that Maximum lending rate, Real Interest rate, and Savings deposit rate exhibited negative and significant impacts on the profitability of Nigerian deposit money banks, measured by return on assets, at the 5% level of significance. Additionally, Real interest rate had a negative and significant relationship with Return on Equity at the 8% level of significance. However, the study found no significant association between interest rate variables and Net Interest Margin of Deposit Money Banks. Similarly, Akinlo and Lawal (2015) delved into the impact of exchange rate on industrial production in Nigeria from 1986 to 2010. Utilizing the Vector Error Correction Model (VECM), the study confirmed the existence of a long-term relationship between industrial production index, exchange rate, money supply, and inflation rate. While exchange rate depreciation exhibited no immediate impact on industrial production in the short run, it manifested a positive impact in the long run. Furthermore, money supply emerged as a significant determinant, explaining a substantial proportion of the variation in industrial production in Nigeria.

Anigbogu, Okoli, and Nwakoby (2013) investigated the impact of financial intermediation on the performance of Small and Medium Enterprises (SMEs) in Nigeria. Employing the Ordinary Least Square (OLS) econometric model, the study explored variables such as financial intermediation, commercial bank loans, bank lending rate, exchange rate, and monetary policy. The results unveiled a positive and significant influence of all variables, except for bank interest rate to SMEs, on small and medium enterprises' performance in Nigeria. Also, Zacheus, Opafunso, Omoseni, and Adepoju (2014) conducted a study on the impact of SMEs on the Economic Development of Ekiti State (2006-2013). Employing a survey research design, data was collected from 150 respondents representing various SMEs across 16 local government areas. The study tested three null hypotheses related to the effects of SMEs on poverty reduction, employment generation, and improvement in the standard of living in Ekiti State. Statistical Package for Social Sciences (SPSS) and Chi-square analysis were employed, and the results indicated a positive and significant relationship between SMEs and poverty reduction, employment generation, and improvement in the standard of living. The study also revealed a substantial increase in the number of SMEs in the state between 2009 and 2013.

Methodology

This study adopts the ex post factor research design. This research design is so selected because it is a quasi-experimental research design particularly useful in examining how an independent variable, present prior to the study in the participants, affects a dependent variable. The quantitative aspect of this study was carried out using graphical presentations, descriptive statistics and the estimated parameters of the model for the study generated from the results.

The model specification used in this research followed the model of Romer (1986), which was established due to the weakness of the Solow growth model. The production function under the Solow growth model implies that $Y = f(K, L)$, where technology is exogenously determined. The Romer model is different as technology which is seen as energy, is an endogenous variable. Romer takes investment in research technology as endogenous factor in terms of the acquisition of new knowledge by rational profit maximization firms. His aggregate production function of the endogenous theory is as follows:

$$Y = f(A, K, L) \tag{1}$$

Where: Y= aggregate real output; K= stock of capital; L= stock of labour; and A= Technology (or technology advancement). Adopting this model, Y or the aggregate real output is used as a proxy for Industrial output growth is expressed as a function of capital, labour employed, energy disaggregated into electricity generation and consumption.

In order to examine the relationship between interest rate, savings and industrial productivity, the Romer model is modified in line with the study conducted by Bennett, Anyanwu, and Kalu (2015) on the effect industrial development on the Nigeria’s economic growth where Gross Domestic Product at current basic price was the dependent variable while industrial output growth, total savings, foreign direct investment and inflation rate were the explanatory variables. In the present study, economic growth proxy by real Gross Domestic Product is the dependent variable while industrial output, foreign direct investment and inflation rate are the explanatory variables. The functional relationship among the variables is specified as follows:

$$IOU = f(NS, INTR, INFR) \tag{1}$$

For the purpose of estimation, equation (1) can be expressed as:

$$IOU = \beta_0 + \beta_1 NS + \beta_2 INTR + \beta_3 INFR + u_t \tag{2}$$

Where:

IOU= Industrial Output

INTR= Interest rate

NS= National savings

INFL = Inflation rate

Ut =Stochastic error term at time t.

The theoretical expectations of the least square regression model analysis require that the relationship between interest rate and industrial output should be negative.

i.e. $\partial IOU/\partial INTR < 0$; A positive relationship is expected between national savings and industrial output. i.e. $\partial IOU/\partial NS > 0$; and inflation rate in line with economic theory is expected to have a negative impact on and industrial output. i.e. $\partial IOU/\partial IBFL < 0$

This study used secondary annual time-series data for the period of 1981 to 2016 collected from the Central Bank of Nigeria Statistical Bulletin and World Bank Development Index. The choice of the period was inform by the need to cover the period for which data on rural area is available for Nigeria and to ensure that the period of observation is large enough to ensure that the estimates of the model approach a normal distribution such that they closely approximate the true parameters. The Ordinary Least Squares (OLS) approach is employed in this study in the estimation. The choice of OLS as the estimation technique was based on the fact that the technique is easier to use and also has all the computing power required. Another main reason why the OLS was selected is that OLS results have desirable characteristics. A desirable attribute of any estimator is for it to be a good predictor. The study also adopts the following methods of evaluation for analysis and the estimates. The estimated model of this study is evaluated using based on a priori criterion, statistical test, Jarque-Bera test for normality, the test for multicorrelation and trend analysis using the line graph.

Results and Discussion

This section presents the analysis and interpretations of the regression result estimated from the model. The scope of the analysis trend across 1981 to 2016 and the result generated from the econometric estimation of the model facilitated through the use of econometric view (E-Views 9) is presented below:

Table 1 Regression Result

Variables	Coefficient	Std. Error	T-value	T-Prob
NS	0.667173	0.111921	5.961095	0.0000
INTR	1.094792	0.844829	1.295874	0.2024
INFL	0.124297	0.283829	0.437929	0.6638
Constant	0.860678	1.591383	0.540836	0.5916
R-Squared	0.75			
Durbin Watson Statistics	1.552			

Source: Author, 2020

Table 1 shows that in terms of direction national savings conforms to a priori expectation on the estimate. While interest rate and inflation failed to conform with the prediction of economic theory on the estimates. This result suggests that savings exerts a positive impact on industrial performance in Nigeria. The coefficient of savings (0.667173) shows that a one percentage increase in savings will on the average bring about approximately 67% increase in industrial output in Nigeria. The coefficient of interest rate INTR (1.094792) shows that a one percent increase in interest rate will on average bring about approximately 109% increase in industrial output in Nigeria. The coefficient of inflation (0.124297) shows that a one percent increase in inflation rate will on average bring about approximately 12% increase in industrial output in Nigeria.

The above result shows that among all the explanatory variables, savings ($\beta_2 = 0.667173$, $t = 5.961095$, $P < 0.05$) is the only variable that exerts a significant impact on

industrial output in Nigeria. Interest rate ($\beta_2 = 1.094792$, $t = 1.295874$, $P > 0.05$) and inflation rate ($\beta_2 = 0.124297$, $t = 0.437929$, $P > 0.05$) does not have a significant impact on industrial output in Nigeria. By and large, savings has a significant impact on industrial output in Nigeria.

Summary, Conclusion, and Recommendation

This study examines the effect of interest rate and savings on industrial productivity in Nigeria using annual time series data from 1981 to 2016. The study specifically, analyze the trend of interest rate, savings and industrial performance in Nigeria, investigate the effect of interest rate on industrial performance in Nigeria, examine the effect of savings on industrial performance in Nigeria. In the analysis, the Ordinary Least Square OLS multiple regression analysis was adopted for the estimation of the regression model formulated. The data for the analysis of the model were collected from Central Bank of Nigeria (CBN) Statistical Bulletin and National Bureau of Statistics. In the model, industrial sector output was the dependent variable while national savings, interest rate INTR and inflation rate INFL were the explanatory variables. The result of the analysis at 5% level of significance shows that savings ($\beta_2 = 0.667173$, $t = 5.961095$, $P < 0.05$) exerts a significant impact on industrial output in Nigeria. The result also showed that interest rate ($\beta_2 = 1.094792$, $t = 1.295874$, $P > 0.05$) and inflation rate ($\beta_2 = 0.124297$, $t = 0.437929$, $P > 0.05$) does not have a significant impact on industrial output in Nigeria.

From the result, it was concluded that, savings has a significant positive impact on industrial output in Nigeria. While the impact of interest rate and inflation rate on industrial output in Nigeria was positive but insignificant. Based on the findings, the study recommended that the need to encourage savings through education and incentives to boost funds available for industrial development. Government and policy makers need to align monetary policy, including interest rates, to support industrial growth. Finally, there is need to strengthen supply chain management to mitigate the impact of inflation on industrial output.

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Table 2 Relevant Data

YEAR	IOU (N'million)	NS (N'million)	INTR	INFL
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1981	6,603.25	23801.3	10.00	21.42
1982	6,272.83	29651.2	11.75	7.16
1983	5,264.88	37738.2	11.50	23.22
1984	5,621.18	10988.1	13.00	40.7
1985	6,379.60	12521.8	11.75	4.7
1986	6,234.41	13934.1	12.00	5.4
1987	6,135.33	18676.3	19.20	10.2
1988	6,474.98	23249	17.60	56.0
1989	7,100.76	23801.3	24.60	50.5
1990	8,531.59	29651.2	27.70	7.5
1991	8,094.63	37738.2	20.80	12.7
1992	8,170.47	55116.8	31.20	44.8
1993	8,122.08	85027.9	36.09	57.2
1994	7,917.40	110966.8	21.00	57.0
1995	7,985.54	108490.3	20.79	72.8
1996	8,450.31	134503.2	20.86	29.3
1997	8,561.92	177648.7	23.32	10.7
1998	8,515.83	200065.1	21.34	7.9
1999	8,031.92	277667.5	27.19	6.6
2000	8,808.65	385190.9	21.55	6.9
2001	9,351.86	488045.4	21.34	18.9
2002	9,061.67	592094	30.19	12.9
2003	10,893.91	655739.7	22.88	14.0
2004	11,418.60	797517.2	20.82	15.0
2005	11,674.74	1316957	19.49	17.8
2006	11,481.76	1739637	18.70	8.2
2007	11,332.36	2693554	18.36	5.4
2008	11,068.22	4118173	18.70	11.6
2009	11,353.42	5763511	22.90	12.4
2010	12,033.20	5954260	22.51	13.7
2011	12,874.25	6531913.009	22.42	10.8
2012	13,028.05	8062901.347	23.79	12.2
2013	13,014.51	8656124.802	24.94	8.5
2014	13,791.25	12008210.00	25.80	8.0
2015	13,319.13	11418405.55	26.96	9.0
2016	12,062.05	12118210.00	18.5	10.5

Source: Central Bank of Nigeria Statistical Bulletin, Vol. 27, 2017



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ASSESSING SERVICE DELIVERY CHALLENGES IN A SOUTH AFRICAN MUNICIPALITY

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Abstract: *Over the past decade, thousands of South Africans have taken to the streets in violent protest over the fact that over 70% of the country's municipalities are unable to provide services to their residents. Only by recognising the negative effects of service delivery and proposing solutions to these problems can development in rural areas with periodic crises be sustained. The goal of this research is to identify the causes of subpar service in a KwaZulu-Natal municipality (Municipality Y) and propose solutions to the problems identified. For ethical reasons, the municipality's name has been hidden. Qualitative techniques, including in-depth interviews and purposive sampling, were used to compile the data for this analysis. The 15 interviewees were 11 local council members, and 4 traditional leaders. Lack of public participation, political intervention in administration, a breakdown in lines of communication with the local population, and the inability of top officials to see out their full terms are all factors found to have a negative impact on service delivery. The study suggests several measures to reduce corruption, including the hiring of more qualified individuals for financial positions, the implementation of ethical supply chain management policies, enhanced channels of communication and openness with local communities, and closer ties with law enforcement.*

Keywords: *municipal finance, protests, public participation, service delivery.*

Introduction

From the beginning of democracy in 1994, local government in South Africa has undergone profound change, which was crucial to the country's overall transition from an apartheid state to a democratic social order (Kaywood, 2021). The Constitution of 1996 is the cornerstone of this democratisation process; it established a constitutional and democratic South Africa, with the Bill of Rights as its essential pillar of transition (Dube, 2020). With the introduction of new local government, communities were able to move away from the discriminatory structure of the old local government and towards a more democratic, decentralised form of local government (Tshishonga, 2019). As a means of redressing historical injustices, South Africa prioritised reforming its municipal governments (Kaywood, 2021). It was crucial for the democratic government to deracialize

local government to abolish the segregated local government (Malila, 2020). Administrative restructuring based on racial classifications necessitated a more integrated, progressive, and egalitarian form of governance (United Nations, 2016). With the start of the new municipal dispensation, South Africa has played a crucial role in the realisation of substantial economic and social progress. Over three decades after apartheid ended, millions of South Africans still lack access to even the most fundamental services (Abrams, et al., 2022). The Constitution (1996), the White Paper of Local Government (1998), the Municipal Systems Act (1998, 2003), the Municipal Structures Act (1998, 2003), and the Municipal Finance Act (2003) were all suggested to set local government on a democratic, progressive, and service-delivery track. These enabling statutes play a crucial role in integrating municipal governments into broader developmental objectives that extend beyond the provision of basic services (Ramodula and Govender, 2021). South African municipalities suffer from service delivery difficulties that impede the government's ability to carry out its mandate, despite the existence of frameworks and numerous policy interventions (Qobo, Soko, Ngwenya, 2022). South Africa's municipal governments have struggled to provide adequate services because of human resource shortages, budgetary constraints, and corruption. Unrest and property destruction have broken out at times because of subpar service. Dissatisfied citizens have led to a rise in large-scale protests against South Africa's service delivery system since 2008. Co-Operative Governance and Traditional Affairs (COGTA) ranked Municipality Y in KwaZulu-Natal as one of 20 most vulnerable municipalities in South Africa. Municipalities are especially susceptible to inadequate institutional administration due to political influences that would generally be absent in the private sector.

Essential services are not available to the poor and the indigent in Municipality Y because of a lack of funding and inadequate infrastructure. Even with municipal democratic mechanisms like the ward committee system, insufficient community consultation only serves to exacerbate problems with service delivery. Consequently, it has been suggested that poor lines of communication between the municipality's internal and external stakeholders contribute to public unrest there. The purpose of this research is to examine Municipality Y's level and quality of service delivery considering the numerous socioeconomic issues it faces. This study is crucial in evaluating the role, level, and quality of services given by the municipality to the constituencies in Municipality Y, allowing the municipality to better fulfil its service delivery mandate. To better understand what influences Municipality Y's ability to provide high-quality services, this study will take a qualitative, phenomenological approach.

Essential services are not available to the poor and the indigent in Municipality Y because of a lack of funding and inadequate infrastructure. Even with municipal democratic mechanisms like the ward committee system, insufficient community consultation only serves to exacerbate problems with service delivery. Consequently, it has been suggested that poor lines of communication between the municipality's internal and external stakeholders contribute to public unrest there. The provision of services is central to the role of local government because it has the potential to address the triple difficulties of poverty, unemployment, and inequality in underprivileged neighbourhoods. The results of this study assist the municipality improve its service provision by implementing policies and procedures to boost service quality for the locals and strengthen monitoring and evaluation tools.

Literature review

Some of the difficulties local governments have can be attributed to constraints on their institutional capacity, the quality of their physical infrastructure, and the availability of their human resources (Davids, et al., 2022). Municipalities often fail to implement financial controls and incompetence is aided by the lack of skills possessed by local officials, particularly in the areas of relations and customer service, financial control, and technical incompetence in the provision of basic services such as water and sanitation, electrification, and refuse collection (Seopetsa, 2020; Masiya, Davids & Mangai, 2021;). Communities are growing increasingly disgruntled with the slow pace of service delivery, and the failure to address these difficulties has led to frequent violent protests (Mulatu, Zerihun, Mashigo, 2022). Slow service rollout, human resource challenges stemming from a lack of capacity and technical skills to deliver quality services to the people, and a lack of knowledge and awareness among communities about their rights are all factors that impede local governments' ability to provide essential services. d) The normalisation of corrupt practises and poor management has hampered the public's ability to hold those in power to account for the provision of essential services (Moji, Nhede, Masiya, 2022).

Although local government plays an important role in fostering democracy and economic growth, it faces several obstacles. Most of these problems revolve around local government's primary responsibilities, such as providing services and fostering local democracy (Mutymbizi, Mokhele, Ndinda, & Hongoro, 2020). Because of delays in translating policy frameworks into concrete programmes of action, the bulk of the poor and the unemployed lack access to services that are both long-lasting and productive (Mbanyele, 2021). Fragmented planning and implementation, insufficient skills, insufficient budgets, lack of accountability, and political intervention at the municipal level, according to Wall (2019), lead to poor or absence of services delivery and insufficient community engagement/ communication and participation (Kaunda, 2021; Malemane, & Nel-Sanders, 2021). These long-standing difficulties make it difficult for local governments to fulfil their responsibility to provide services and promote development and citizen participation in the democratic process (Selane, 2021). As a result of these ongoing issues, many people and communities have begun service delivery demonstrations. The ineffectiveness, inefficiency, and unproductivity of municipal leadership is exacerbated by the friction between politics and administration. Politicians and bureaucrats "master-servant relationship' is a major source of tension (Mbanyele, 2021). Ineffective municipal leadership is frequently attributed to a shortage of leadership skills and knowledge.

The ward committee structure has been seized for patronage purposes, and productive relationships between the public sector, the commercial sector, and civil society have all suffered because of a lack of accountability and engagement. Aging infrastructure with significant water and energy losses, poor asset management, and underinvestment in repairs and maintenance all contribute to widespread unhappiness with the quality of services provided by infrastructure (Kalonda and Govender, 2021). Inadequate skills on planning, budgeting, public financial management, including expenditure management; poor interface between financial and non-financial information; inability to significantly manage cash-flow; inadequate skills on credit and debt management, including basic financial accounting and filling or record keeping; duplication of payments in some instances and amounts not accounted for (lack of financial accountability) (COGTA, 2009-2014: 1; Powell et al., 2014; Zindi & Sibanda, 2022; Qobo & Rainer Kattel, 2022). There

are a wide variety of ways in which corrupt practises affect civilizations. A lot of individuals lost their independence, their health, or their bank accounts. Corrupt practises have a negative impact on society and the environment in four distinct ways. When it comes to politics, corruption is one of the biggest problems for rule of law and democracy. When power is abused for personal gain in a democratic society, it erodes public trust in government.

Issues such as inefficient district councillors and committees, a lack of public engagement (Rulashe, 2022), and poor rates of revenue collection are also common in local governments (Kalonda & Govender, 2021). They also have issues with having the wrong people in the wrong places, and with not having the skills they need to succeed (Authority & (LGSETA), 2019). Corruption and rent seeking among government officials and corporations are major contributing factors, as stated by (Authority & (LGSETA), 2019). This points to a systemic problem with the values and norms of good governance, which should direct individuals elected or nominated to manage local government administrations, as well as those who do business with them (Authority & (LGSETA), 2019).

Theoretical framework

For the purposes of this research, the efficiency-service theory and the democratic-participatory theory will serve as our theoretical frameworks. The centrality of these ideas is in their connection to the primary roles of municipalities, such as the improvement of service delivery and the advancement of local governance. The efficiency-service theory is the first important theory for analysing the roles of city councils because it claims that it is sensible for local governments to focus on service provision. According to Van der Waldt (2018), local governments are given credit for their abilities to deliver efficient services under the efficiency-service principle. The idea behind it is because local governments are often more equipped to handle particular issues than federal ones. This idea is tied to the Batho Pele principles as a framework that promotes the delivery of effective and efficient services to the public and emphasises efficiency, equality, and welfare (Pillay et al., 2015: 46-47). The democratic-participatory model is the second, and it emphasises engagement at the grass-roots level (de Sousa et al., 2022). To bring democracy and involvement in government to the people, it must first be taken down to the local level. A municipality's council is the governing body responsible for energising its constituents and addressing their concerns and hopes. In essence, municipalities might carry out their mission through fostering political will and administrative competence-based social interactions (Tshishonga, 2018). Hence, local government is in a position to construct social compact based on democratic values of accountability, openness, and public engagement (Pillay, et al., 2015).

Methodology

A qualitative approach was adopted for this study. The target population for this study was the Councillors, Management, and Traditional Leaders (Amakhosi neziNduna) of Municipality Y. It included Managers both on contract and permanent positions, totalling 250 according to the following categories:

Table 1: Target and sampled population

Category	Target population	Sample selected
Management	13	5
Amakhosi (Traditional leaders)	88	2
Councillors	37	5
Izinduna (Traditional leaders)	112	3
Total	250	15

Source: Authors' calculations

Purposive sampling was used to engage all selected participants who had insight and knowledge of service delivery at Municipality Y. The total sample of the study was 15 participants comprised of 11 males and 4 females, with ages ranging from 20 to 60 years. Structured interviews were conducted with open-ended questions to gain knowledge, experiences or expressions from the councillors, traditional leaders, and officials as participants of the study and all 15 responded. The method used to administer questionnaires was telephone, due to COVID-19 lockdown restrictions that were in place. The interviews were interpreted, and the information collected was organised into different themes. Such categorisation of themes was presented by using direct quotes.

Table 2: Gender and Occupational Categories of Respondents

Respondent	Occupational Category	Gender
R1	Municipal Councillor	Male
R2	Municipal Councillor	Female
R3	Municipal Official	Male
R4	Traditional Leader (Inkosi)	Male
R5	Traditional Leader (Induna)	Male
R6	Municipal Official	Male
R7	Municipal Official	Female
R8	Traditional Leader (Inkosi)	Male
R9	Municipal Councillor	Male
R10	Municipal Councillor	Female
R11	Municipal Official	Female
R12	Traditional Leader (Induna)	Male
R13	Municipal Official	Male
R14	Municipal Official	Male
R15	Municipal Councillor	Female

Source: Authors' calculations

Discussion of findings

This section is structured according to themes that have been identified by the authors from the responses to interview questions.

Theme 1: Poor communication

Most participants mentioned that there is a major challenge of poor communication and miscommunication between stakeholders and the community.

(R4). *“The main challenge we have in our area is communication breakdown between the community and the municipality, in a way that even if you are trying to convene meetings in the community people don't attend meetings as they are supposed to.”*

Most leaders in the community especially traditional are concerned with the way municipal councillors, that they mislead the communities with baseless and not keeping their promises.

(R7) stated that: *“We have been getting empty promises from the politicians, day in and day out they come and say things that they don’t mean just for the sake of keeping their positions safe in the council”*

(R6) *“Our government is trying by all means to deliver services to the people, it’s just that people don’t appreciate what our government has been doing, we have free houses, we have child support grants, we have free toilets, I really don’t understand what people really want now.”*

These responses showed that one major challenge with the Municipality and the community is poor communication. Some municipal councillors fear addressing the public because such report back or consultation meetings are often contentious as the community raises objection about service delivery issues. This is when the municipality does not respond to community invitations for meetings, avoidable protests result. This mirrors what Rulashe, (2022) has reported, highlighting that communication challenges are a central issue in local governance as seen in several South African municipalities. Effective communication is a collaborative effort that requires investment into “public participation strategies, structures and processes including communication and complaint management systems” (Swartland, 2020). Ineffective communication can also be the result of inadequate skills and capacity.

Theme 2: low term completion with Senior Municipal Managers

The other challenge with the municipality is consistency - they do not implement what have planned because several senior management members are not finishing their term of office.

(R2) *“The challenge of not finishing the term of heads of departments is not happening at the technical department only as the finance department also has the same problem. If the CFO is not there, the functioning of the municipality is broken somehow. This municipality functioned without a head of department at corporate services for three years. The director of corporate services resigned before his term ended in 2014, since then the post has not been filled”*

(R9) *“In strategic positions in this municipality like Engineering/ Technical services, heads of this department I have noticed that they don’t finish their terms. To me this is the main course of delaying service delivery in this area, they come and try to put things together by making sure that all what is in IDP is being implemented.”*

(R4) *“I’ve been working in this municipality since 2009, in strategic positions in this municipality like Engineering/ Technical services, heads of this department, I have noticed that they don’t finish their terms.*

Low term completion means that recruitment costs rise as positions are re-advertised, municipal programmes are disrupted and worker morale slumps. On average municipal managers and CFOs last for around 3.5 years of their 5 year appointments leading to instability (Urban-Econ, 2019). Engineering/ technical services management are essential as they oversee the construction and maintenance of infrastructure such as electricity, water supply, sewage/ effluent control, and housing. Some municipalities are hampered by senior management and chief financial officer positions being unoccupied, especially when it comes to supply chain management decisions (Zindi and Sibanda, 2022).

Theme 3: Corruption

Most respondents mentioned that in almost all the services of the municipality they see same service providers in serving municipality.

One respondent stated that:

“You will find one and same companies getting jobs in this municipality regardless of whether they meet the minimum requirements or not” (R2).

Corruption is pervasive in many municipal departments and processes in South African municipalities. Corruption is theft of taxpayers’ monies and it plagues enriches a few at the expense of the majority and leads to projects no being completed though service providers would have been paid. The findings of this study are similar to what Moji, Nhede, and Masiya (2022) reported, that municipalities lacking adequate oversight (dysfunctional purchasing and audit committee and financial controls) are prone to corruption. Municipal corruption is a major contributor to poor service delivery at all levels and the country’s citizens have lost faith in politicians and administrators, even those who are honest and professional (Mantzaris, Pillay and Jarbandhan, 2022).

Theme 4: Interference

Some respondents spoke about the clash of politics and administration.

(R3) *“Then you see politicians interfering in the process of service delivery on the administration side, that on its own can make officials feel like they are being pushed to satisfy the needs of some special individuals in within the Council, officials are not freely on doing their work, because politicians are interfering into administration matters.”*

(R4) *To me this is the main cause of delaying service delivery in this area, they come and try to put things together by making sure that all what is the IDP is being implemented, then you see politicians interfering in the process of service delivery on the administration side, that on its own can make officials feel like they are being pushed to satisfy the needs of some special individuals in the Council.”*

(R12) *“people are being deployed by the leading party in this municipality.....so this makes our senior managers get scared to order them about their tasks.”*

These findings echo what other scholars have reported. Municipal administrative functions are politicised, resulting in poor service delivery (Masuku and Jili, 2019). The politicisation of the public service occurs through “political interference that dictates the appointment of administrative personnel at particular government departments” (Masuku and Jili, 2019: 8) preventing municipal officials from freely doing their work. When politicians encroach and interfere in the affairs of the local government administrators most often negatively, the independence of municipal decision making is hindered. These roles of national and provincial political elites meddling in municipalities is contrary to the decentralisation of local government that is enshrined in the constitution (Chilenga-Butao, 2020).

Theme 5: Lack of skills and incompetence in Municipal Officials

Within the municipality it has been noticed that municipal officials are incompetent.

(R8) *“another thing I have noticed most of the officials here do not meet the minimum requirements for their position, if the Chief Financial Officer (CFO is not there the functioning of the municipality is broken somehow”.*

These findings echo Zindi and Sibanda (2022) for a metropolitan municipality in the rural Eastern Cape, that recruitment practices are improper as unsuitable candidates are appointed. The absence of a proper assessment constituent in administrative capacity-building initiatives makes measuring their level of achievement problematic, state

departments have diverse and ad hoc method to aptitude structure that aggravates the local government capacity challenge (African Development Bank, 2022).

Theme 6: Lack of public participation

Other respondents mentioned that public meetings are not well attended by the community. It was established that officials of the Council and Municipal Councillors do not involve community in planning of delivering services to the community.

(R7) *“I have tried many times to make a good relationship with the Mayor but my efforts never succeeded.... We must sit down when they draft the IDP.....when they present it to the community, we must be part of that, but we end up not being invited, and that makes people not to attend these meetings”.*

(R2) *“It will always be a challenge to deliver services in our communities if government takes all the powers that were normally known as for traditional leaders back in the days and give them all to the municipal councillors. We as traditional leaders, are the ones that can call people together and address them about the matters that affect the community.”*

The municipality seldom includes the public and traditional leadership in decision making. Such processes strengthen democracy and assist the municipality to make suitable choices grounded on the actual needs of the community. As highlighted in Chigwata (2019), the coexistence of traditional leadership and municipal authorities is fraught with tension as their roles overlap. This leaves traditional leaders feeling ignored in the governance process as many processes that were historically the responsibility of traditional leaders are administered by municipal councillors.

Conclusion and recommendations

Local government has great power to transform the lives of citizens who receive services provided. Considering South Africa’s history of oppression and apartheid, many people have still struggle to access basic services. This study has highlighted several issues that affect a South African municipality’s ability to provide services to its residents. However, these challenges are not unique to the municipality that was studied. This highlights the inequalities in accessing resources that hinder efforts to reduce income inequality in the country. It also offers lessons for other municipalities in order to identify areas where service delivery quality is falling short. Tensions between local governments and citizens result from several issues highlighted by the study such as corruption, poor communication, political interference and weak institutional capacity.

The recommendations resulting from this study are as follows:

Increased efforts at inclusive approach to public participation

The council will be able to produce more appropriate solutions based on the actual needs of the society if it partners with non-governmental organisations, civil society, traditional leaders, and private businesses to promote service delivery and growth since governments cannot shoulder all the requirements for expansion on their own. This is because traditional leaders complained about side-lined and not receiving an audience with council leadership. Traditional leadership play a crucial role in communities’ affairs in Kwa Zulu Natal, a province that has a long proud history of such leadership.

Improvement of communication

There is a necessity for strong communication networks amongst municipalities and public structures; to alter the association of distrust that now occurs amongst all participating agents; to enable movement of information; inspire municipality outreach

programmes for capacitation of municipalities and participants working on matters of public discussion; This is achieved through the development of a coherent municipal communication strategy that is informed by the IDP. Social media (Facebook, Twitter for example) plays an important role in reaching the public in the shortest possible time reducing the reliance on face-to-face meetings that are poorly attended. The municipality can utilise this tool as the internet penetration in South Africa is very high. Using these methods allows communities to relay their experiences (good or bad) and to instantly raise service delivery issues with the municipality for attention.

Prevention of political interference with the administration

It is the job of the Council Speaker to caution elected officials against interfering with administrative processes. Municipal workers are not permitted to organise into political formations at any level, including Branch, Regional, Provincial, or National and these regulations must be strictly enforced. The issue of political interference at the managerial level of council however is impossible to stop as municipal leaders are deployed to represent party interests.

Capacitation of skills in municipal officials

There must be a vibrant recruitment policy in place, the municipality must employ qualified candidates to their relevant aspects, it must provide the relevant training to the employees, and must avoid deployments, because deployed candidates have favours to those that are in power. The city should only hire competent people for open positions through a transparent recruitment process, provide those hired are trained and capacitated to fulfil their duties. It is advisable that the Chief Financial Officer (CFO) should have the appropriate credentials for the job and be an individual who is independent from political activities. A CFO candidate who has been sent there/ deployed by a political party will likely favour those who sent him or her there in terms of supply chain and contract processes. Transparency is essential in all aspects of supply chain management (SCM), but notably in the tender job selection, specification, evaluation committee, and adjudication committees.

Recommendation 5: Provision of corruption measures

Strategies for detection, prevention, investigation, and reaction must be developed and used as required. All city employees have an obligation to report any instances of corruption, fraud, or other illegal behaviour to their superiors. Corrupt practises exist in the real world, and rule- and current processes are not robust enough to combat exploitation.

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APPENDIX: Draft Questions Schedule

QUESTIONS	RESPONSES
B Role of Municipality Y in Service Delivery	
1 What are services offered by the municipality?	
2 Are the services being offered of quality? Please explain	
3 What is the role of the municipality in providing these services?	
4 Does the municipality have the capacity to deliver services? Please explain	
5 Who are the beneficiaries of these services?	
C Factors that Impact of Service delivery at Municipality Y.	
1 What factors impact on service deliver at Municipality Y?	
2 How do these factors promote service delivery?	
3 How do these factors promote service delivery?	
4 How do these factors influence the delivery of quality services at Municipality Y?	
5 Explain how effective are these factors in promoting quality service delivery?	
D Challenges faced by Municipality Y in in delivery quality services	
1 What challenges are faced by Municipality Y in delivery services?	
2 What are the effects of the identified challenges on service delivery?	
3 How does the institutional capacity of Municipality Y contribute towards these challenges?	
4 Explain, how e-government on service delivery has positively influenced the speed in which clients receive assistance at SASSA?	
E Recommendations for Improved Service Delivery at Municipality Y	
1. What can improve the delivery of services at Municipality Y?	
2 What strategies could be used to improve service delivery at Municipality Y?	



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PARTICIPATION OF CHRISTIANS IN POLITICS AND DEMOCRATIC GOVERNANCE IN NIGERIA

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Abstract: Leadership is championed through political participation starting from the grassroots to the federal. However, Christians' participation in politics/governance has not been significant and their civic responsibilities appear to be consciously eroded given the misconceptions of biblical injunctions. To address this, qualitative methods were used in critiquing areas of duties of Christians' in Nigerian politics and democratic governance from doctrinal and moral standpoints; and examining the doctrinal and moral questions surrounding Christians' apathy. The paper revealed that three areas of obligations that Christians are to fulfill comprise: duty to God, duty to the State, and duty to neighbours. Failure of the clergymen, failure of the government, political corruption, godfatherism conundrum and failure of the security operatives were the identified moral questions. The paper concluded that the level of Christian involvement in Nigerian politics is low and democratic governance is lacking in Nigeria. It therefore submitted that Christians should fulfill their duties through political involvement and advance social justice and social welfare policies as part of the hallmarks of scriptural injunctions. The implication of the paper for practice is that except the moral questions raised in this paper are tackled, Christians would likely maintain their apathetic stand on politics.

Keywords: Christian, Democracy, Doctrine, Social Contract Theory, Statesmen, #END SARS

Introduction

Public administration cannot be implemented without the participation of all including Christians who are more often than not neglected and sidelined in Nigeria's political space. Therefore, the major aim of this paper is to examine Christians' participation in politics and democratic governance in Nigeria. Bearing in mind the significance of this topic vis-à-vis present circumstances like non-inclusive governance, apathy, mismanagement of public treasury and so on, one could opine that the subject matter, Christians' participation in politics and democratic governance cannot be overemphasized, because it occupies the center stage in the political discourse of developing countries of the world with specific reference to Nigeria. Adscitiously, the fact that a pluralist sovereign country like Nigeria is fraught with political participation challenges should not be neglected and the effects thereof cannot be duly quantified. Contemporary political debates have shifted from drawing the picture of politics, election and so on to core issues of democratic governance and the symbiosis that exists between man as a stakeholder and the state together with politics itself to Biblical and moral issues. Thus, the question is: how has Bible doctrines and morality shaped Nigerian politics and administration/democratic governance? Hence, there is need to thoroughly rummage on matters that cut across Christians' participation in Nigeria's politics and democratic governance as it concerns the doctrinal and moral issues. Significantly, a Christian in the

purview of this investigation is not a person who goes to church on Sunday or other days of weekly activities and identifies him/herself as a Christian based on his/her geographical placement in a geographical setting largely dominated by Christians. For example, an Igbo man when seated among the comity of other ethnic nationalities anywhere in Nigeria is tagged a Christian chiefly because he is from South-East geopolitical zone, that is largely dominated by Christians forgetting that there are Animists, Atheists, Muslims, and so on among the Igbo ethnic nationality. Operationally contrived, one is called a Christian because he/she is indeed Christ like – a true reflection of Christ (Acts 11:26). Thus, a Christian's attitude should be the same with Christ Jesus (Phil 2:5 GNT).

Leadership is more of directing others (Chioke, 2012, p.112) and watching over others in order to warn them against deviating (Ezekiel 3:17; 33:7). Therefore, the leadership of a country is to be blamed when it fails in its duty as guide to the public (Ezekiel 33:6). Leadership is championed through political participation starting from the grassroots to the federal. It therefore becomes imperative to submit that the livewire of any society revolves around politics and democratic governance or good governance. Interestingly, "The current wave of political liberalizations in Africa which began in the 20th Century has witnessed unprecedented and monumental changes in the region's political landscape. Much of this liberalization have bordered on pressures for conduct of free and fair elections that aim at the enthronement of democratic governance. In fact, elections in Africa and elsewhere and the processes that underlie its dynamics have become one of the major parameters of assessing and promoting citizens' participation in democratic politics and governance (Onah, 2009, p.1)." Regrettably, "The history of elections in Nigeria has shown that Nigerians cannot rely on them as veritable means of installing the kind of leaders they want and by implication in changing the material conditions of their existence. This is because elections in Nigeria have been marred by the ugly incidents of electoral malpractice (Ezeani, 2004, p.144)." With the ruinous troubles manifesting in Nigeria's politicking/electioneering processes; Nigeria is yet to prove beyond doubt she is the giant of Africa in qualitative terms rather than quantitative – by mere population. Collaboratively, "one cannot therefore look askance and wallow in the pretense that all is well with the sovereign entity wrongly called the giant of Africa (Chioke & Mbamalu, 2020, p.389)." The inability of Nigeria to truly become the giant of Africa by exemplary leadership has in one way or the other given fillip to existing disenchantment cum political apathy by Christians and other adherents of diverse religions.

There are views with regard to Christians' participation in politics and democratic governance in Nigeria – the centerpiece of this investigation and on this, two schools of thought have emerged. While one strongly aligns itself with it, the other is strongly opposed to it. It is evident that political participation includes but not limited to: campaigning, voting, electoral representation and holding offices in the cabinet. Divergently stated, "This concept is related to the idea of power-sharing and the components of the political process (Hamzah, 2021, p.273)." Democratic governance has been scuttled by the predominance of apathy by Christians who are currently sidelined in the political permutation, game and leadership of Nigeria. There is no gainsaying that there is little or no participation by Christians in the national politics and this could be tied to moral and misconceived scriptural lines. The State is seen as an institution ordained by God, and their rulers regarded as God's own emissaries on earth (Abonyi, 2005, p.43). Since the state is an institution ordained by God, the paper verified why Christians have not fully identified and

participated in the political affairs of God's handiwork – the state called, Nigeria. With this, there is an association between Christianity based theology and politics/democracy in Nigeria. Civic responsibilities are the inevitable cum important areas of concerns that regulate the relationships between the state and her citizens. It is the debt citizens owe the state as seen from the lens of social contract theory. Apart from the known civic responsibilities, there exist categorically just a few areas of duties regarding Christians' political participation. The problem of this study is to critique the areas of duties surrounding Christian political participation in Nigeria from doctrinal and moral standpoints; as this has not been empirically verified by any known literature, hence the need to examine it surfaces. But then, "The meaningful participation in the decision-making entails active participation at all levels in the problem identification, prioritization, implementation, monitoring and supervision (Amoke, 2020, p.201)." This leaves us with a puzzle: have Christians been fully involved in these areas amid the wind of segregation and exclusion troubling the democratic boat of Nigeria? It seems that a lot of doctrinal and moral questions are responsible for serious instances of Christians' apathy, disenchantment and failure to key into problem of identification, prioritization, implementation, monitoring and supervision in the state politics by those who are naively conscious about their heavenly goal and other doctrinal provisions. Hence, this paper is an attempt to unravel those moral and scriptural/doctrinal questions concerning Christians' political participation.

Conceptual and Theoretical Issues

To duly relay useful impulses on political participation, 'politics' is first explicated. Politics is about the acquisition of power and the use of such power (Adetoyese, n.d, p.3). Conversely, the acquisition and use of such power gives birth to government. Nevertheless, "Politics gives rise to government and government is sustained through politics (Ewuim, 2008, p.41)." On the other side of the spectrum, politics is "a bundle of social interactions between the individual man and a centralized institution of different levels of legitimacy whose role is to make and implement decisions for the benefit of the whole society (Abonyi, 2005, p.4)." Abonyi's view supra informs, educates and socializes all with the fact that politics is social in nature. Politics is not a unilateral action and as such, decisions thereof must be multilaterally taken in a manner that it encompasses other relevant institutions of the general system. Hence, allocation of values based on unilateral decisions of the non-ruling elite, 'political godfather' is a complete negation of politics in a democratic setting. If allocation of values is strictly on the dictates of the political godfathers; then the state is no longer sovereign as it must have been hoodwinked, hijacked and sunk into internal slavery, colonialism and imperialism of the colonialist oligarchy under the guise of 'godfatherism'. Pertinently, "The modern State is, above all, a sovereign State. It seeks to be the sole authority and the only effective power within a given territory, and the independence of that territory," as noted by Bernard Crick in Abonyi (2005, p.45). This can only be achieved when meetings/decisions are multilateral and not a kangaroo typology rooted in egocentric interests. Therefore, Abonyi (supra) correctly related the activities of the person concerned (individual man) to the State (i.e. a centralized institution). Politics is mainly determining the allocation of national cake (wealth) and the way it is allocated to distinct locations at any given time. In Nigeria's political experience,

financial allocations are determined by the legislature. In some cases, capital projects that are meant for one community are usually diverted to another community by powerful/influential politicians from another community; while some are diverted into private accounts for selfish reasons. This is where the cake sharing psychosis – disconnection from the socioeconomic reality and the incoherence in the sharing and distribution of resources comes into play. This paper now aligns with American Political Scientist, Harold Dwight Lasswell who defined politics as who gets what, when, and how.

Attention is at this point turned to political participation. Contextually, political participation is synonymous with political involvement and would be interchangeably adopted. Political participation/involvement entails a situation where an eligible citizen directly seeks to acquire, occupy and consolidate political office at either the local, state or federal government or seeking to influence leaders at the local, state and federal levels. Political participation is involvement in political processes of the State. Then, how do people participate in politics? Politics is done via representative democracy anchored on true representation of those inside and those outside. Therefore, politics at any point must necessarily take into consideration the people at the grassroots, the people at the city area (metropolis) and then the international community. Again, “By political participation we mean activity by private citizens designed to influence government decision making (Huntington and Nelson, 1976, p.3).” In other words, Christians and other private citizens are politically involved in matters that concern statehood when they seek to influence government decision making. This suggests that any act targeted at attracting allocation of values through state decision making process is political participation. Another strand of conceptual explication is thrown up shortly: ...political participation will be taken as covering three main areas. Firstly, it refers to electoral representation where individuals are nominated, receive votes and gain seats in parliamentary and local elections. Secondly, it includes presence in ministerial cabinets (usually picked by the head of state and/or Prime Minister) where more decision-making takes place. Lastly, it relates to the involvement of ordinary citizens in the political process through voting in various levels of elections (McCallum, n.d, p.1). As citizens, Christians like Muslims would expect to participate freely in all three categories (McCallum, n.d, p.1). If this is ensured, the society will be politically developed to meet up with the 21st century human needs envisaged in the social contract that exists between man and the State.

Some say that voting is an indirect form of involvement; the researcher defines political involvement not in indirect terms such as voting and being abreast of current issues, but directly seeking office and positions of ruler-ship, or seeking to influence local and national leaders (Adetoyese, n.d, p.3). Significantly, there is nothing like indirect form of political involvement/participation in Nigeria, every form of political participation and franchise is directly exercised by an eligible citizen and not through a proxy. Something is indirectly done when it is done through a proxy or an agent. Then, direct speaks volume of something characterized by close logical, causal and/or consequential relationship. Based on this, such is done by oneself. This goes to suggest that in Nigeria’s context, political participation at the moment can only be direct and has no antithesis such as indirect political participation. But in developed cities, there exists indirect political participation – voting by proxy. Erroneously; it is widely taken, thought and disseminated that political participation is mostly in the area of voting and holding political office as the Chief Executive of the local government, state or federation. However, this paper takes a different

stand. The resultant logic for this stance is simple! That is, participation is not limited to holding political offices. However, if political participation is limited to holding political office, then it is herein reasoned that in the political processes, Christians in Nigeria seem to be greatly on the side of apathy, because the number of Muslims in the leadership of President Muhamadu Buhari supersedes Christians. Therefore, “Political Participation takes various forms such as:

1. holding public or political office;
2. being a candidate for an election;
3. taking part in political campaigns;
4. attending a political rally;
5. contributing money towards party activities;
6. taking part in political discussions;
7. wearing party badges;
8. displaying party stickers (Oyediranet al, 2002, p.68-69).”

So, whenever one engages in any of these forms, he/she is involved in politics. To crown it all, political participation is right or freedom to air views, assemble and associate with others. Taking part in the conduct of state affairs by holding public or political office appears to be the height of it. Next is a brief lesson on democracy. Democracy focuses on people oriented leadership. The term “democracy” is gotten from two Greek words: “Demos” and “Kratia”. Demos when translated mean “the people” and “Kratia” means, “rule”. National Open University of Nigeria (NOUN) (2006, p.2) relayed that, “In a general sense democracy is used to describe a system of government in which ultimate power (or sovereignty) rests with the people against other forms of government in which the final decision-making power rests with an individual (monarchy) or with a small number (aristocracy).” Abraham Lincoln defined democracy as, “government of the people, by the people and for the people.” Democracy represents a society where the people form government, a system where majority voices are upheld and the minority interest protected.

Democracy is not just about elections but in addition about how elected leaders make decisions (Munck, 2014). However, Okafor (2013) in Eze (ed) was right as she noted that: One can view democracy from the perspective of “System” and “Process.” As a system, it entails that the emergence of administrative and authoritative institutions of the State should be determined by popular sovereignty. Hence, decisions, character structures and processes of the sovereignty, authority should reflect popular interest. Invariably, as a process, it is a process of mass activity, which influences the outcome of governance. Thus, it is a process of mass awareness, consciousness and involvement in the decision making and taking of the governing machineries of the State. This process reflects on election, referendum, plebiscite, opinion process etc. Then, suffice it to say that, democratic governance is public administration based on the ideals and principles of democracy. At this point, there is need to pause and briefly examine the theoretical framework of this paper.

Social Contract Theory

The theory informing the debates and purview of this paper is the social contract theory. Social contract theory is a theory in moral cum political philosophy that originated

in the age of enlightenment with major concern on the legitimacy of the authority that the state wields over the citizen (Gough, 1936). It is necessary to state that the heart of social contract theory is that the idea that government should be based on the consent of the people/governed (Stone, 2018). This consent is gotten through political participation as against the apathy established by the activities of political godfathers of the ruling party as seen in African states like Nigeria. The central idea of social contract perspective is that morality, social and political practices and institutions or principles of social relationships are acceptable to fully rational person on the condition that they either satisfy the utility or interests (Etieyibo, 2018). In this regard, the social contract model helps this paper to interrogate the moral responsibilities of the citizens who consciously assented to being members/stakeholders of the state. According to the social contract theorist, the difference between political institutions usually states that enjoy this consent and those that do not is critical (Stone, 2018); and ought to be legally reconsidered for better improvement.

In the application, social contract theory gives cogent clarifications on the relationship between the state and the citizens by helping the researcher to interrogate and bring to the fore the areas of duties by all citizens from doctrinal and moral standpoints with specific reference to Christians in Nigeria. Also, doctrinal and moral questions with respect to Christians' political participation and democracy in Nigeria was examined from the philosophy of social contract.

Materials and Methods

Qualitative method was employed by the researcher. Qualitative methods like document analyses, personal experiences and discussions were employed in generating relevant data that were thematically presented and resultantly analyzed. Following this, the study was based on data generated from secondary sources which includes: Bible, textbooks, journals and other materials.

The qualitative data generated from the in-depth desk review of the secondary sources of data collection were analyzed using content analytical method. This was complemented with key informant interviews conducted by the researcher wherein six (6) Nigerians from different states were queried on their interpretation/views of different verses incorporated in the analysis. The choice of 6 Interviewees was in line with Morse (1994) position on phenomenological research. Participant 001, 002, e.t.c were used to differentiate the opinions of the interviewees on the following questions from 2Corinthians 6:14 and Matthew 22:21: Having been instructed not to unequally yoke with unbelievers, do you think that Christians should participate in politics and governance? Do you think that politics and governance belong to devil and as such, no Christian should partake in politics/governance? To ensure validity and reliability, multiple extant literature were equally used to minimize errors.

Christians and Politics/Democratic Governance in Nigeria: Critiquing the Areas of Duties from Doctrinal and Moral Standpoints

Fairly stated, politics is a game of numbers and not a do or die affair. It is a service oriented craft crafted to enrich the poor and make life even better for the rich. Regarding this, it is a clarion call for duty that must be obeyed by citizens and on a special note,

Christians who are already disenchanted and disappointed with the way politics and governance is being handled in Nigeria. Considering this, the paper goes a bit deeper to excavate areas of obligations that Christians have to fulfill. They are:

Duty to God – It is important to say that Christians have heavenly and earthly fathers. To this end, Christians must do everything possible to satisfy heaven’s curiosity over us and do the bidding of God. To decipher this bidding we read: Son of man, I have made you a watchman for the people of Israel; so hear the word I speak and give them warning from me (Ezekiel 33:7, NIV). From this doctrine enunciated in the just cited verse, it is clear that Christians have been called of God to serve in political positions and then instruct the led with the right instructions from God, our Creator through policy templates and the instrumentality of the Constitution. Indeed, this signifies a manifest indication of authority and responsibility from God. Thus, “The fulcrum of any task is authority and responsibility (Chioke & Mbamalu, 2020, p.393).” Leadership through political participation is an unavoidable task saddled upon Christians by God himself. Therefore, this point is pinned to doctrinal perspective.

Duty to the State – Citizenship has a price (Udenta, 1999). In other word, every Christian is duty bound to pay his/her price by rendering approved civic responsibilities to the State. This stems from the social contract theory of the State. To start with, why does government perform its function in a sovereign state? Fundamentally, “The reason why government must perform those functions is because of the social contract (mutual agreement) it entered into with the public (Chioke, n.d).” Social contract is the action of the general public in a certain geographical location coming together and agreed that a certain group of people or a person should be entrusted with the right to govern under stipulated conditions, principles, state laws and international conventions/treaties for service delivery and local policing of lives and properties of the people as well as the protection of the state territory against foreign aggression through a well constituted and equipped armed force. Therefore; based on morality, every citizen – Christians and non-Christians are duty bound to render support to the state via participation and other areas of civic responsibility.

Duty to neighbours – Christians owe it as a duty to care for others (neighbours). Neighbour means the person you owe a duty of care (see *Rylands v Fletcher* 1868 LR 3 HL 330) and whom your actions or inaction would affect. It does not matter whether you are related to that person by blood or not. This is the moral foundation for love, compassion, equity and fairness in all social interactions and politicking processes. In this dimension, John Stott was right to have said, “The authority by which the Christian leader leads is not power but love, not force but example, not coercion but reasoned persuasion.” Also, “Our social obligation to others says that to be a good citizen involves being willing to run for public office (Adetoyese, n.d).” The debate herein is that duty to neighbor stems from both moral and doctrinal (religious) standpoints as both approve it.

As a duty to neighbours (subjects), the matter is not just running for public office, one must seek to run an Administration that is service delivery conscious and not a breeding citadel for corruption and allied inconveniences. On the contrary, Nigeria is an abyss of corruption, instability, clannish politics/ethnicity and other ugly imponderables that negate service delivery through competent leadership. It is thus on track to argue that, “Nigerians are corrupt because the system under which they live today makes corruption easy and profitable; they will cease to be corrupt when corruption is made difficult and inconvenient (Achebe (1983).”

Christians' Participation in Nigerian Politics: An Emphasis on the Doctrinal and Moral Questions

Given the divide and rule posture of Nigerian Administration, participation has remained uninteresting. Also. Sequel to the constraints superimposed by a doctrinal drunk internal ecology of Nigerian church, it is not surprising that Christians have immensely contributed to an ideological crusade which promised participation based on belonging to a particular denomination rather than being a good citizen irrespective of the denomination. When this is not met, apathy becomes predominant due to prevalent doctrinal and moral nagging issues/questions portrayed below.

Doctrinal Questions

Doctrine is a system of belief held and taught by leaders of a church denomination or the generality of the Christendom. Doctrines therefore influence the actions and inactions of Christians in both private and public matters. Now, the prevalent Biblical or doctrinal issues needing urgent attention for Christians' participation in politics and democratic governance are presented thus:

The perspective of 2Corinthians 6:14 – This verse (Do not be unequally yoked with unbelievers. For what do righteousness and wickedness have in common? Or what fellowship can light have with darkness?);” is a guiding principle of many Pentecostal churches in Nigeria justifying Christians' apathetic stance on political and governance matters as they see all that pertains to politics as having an unequal fellowship with unbelievers. Participant 002 said: No! Christians should not be involved because they can deviate. According to Participant 004, “Christians should participate fully in politics and governance. Participant 005 & 006 unanimously agreed Christians should not have anything to do with Nigerian politics and governance the politicians there are worse than unbelievers. However, Participant 003 in reacting to the key informant question quoted John 1:4-5 and said: “If your light cannot supersede the darkness there, there is no need going into politics. So you need to be sure that your light will supersede the darkness there.” What this entails is that Africans associate politics with darkness, the property of the devil and one ought not to be involved if not spiritually equipped to overcome the dangers therein.

Thus, this portion of the Bible has been misconstrued and misapplied thereby causing low participation in politics. Christians who hold this view see politics as an unworthy, satanic and sinful venture done by wicked men of the kingdom of darkness. To this end, their pronounced political apathy cannot be easily diluted and corrected. Be that as it may, there is nothing bad in that biblical injunction, but the misconception and misapplication is questionable and calls for immediate arrest via reorientation. Participant 001 held a different view: I don't think that politics are not for Christians. They should be involved in order to change the country so that things will be in order. The philosophy of the Christ Left is centred on Jesus' radical stance for the downtrodden and his love, inclusion and identification with the marginalized people during His time on earth. While the author maintains conservative evangelicalism philosophy/focus on sin, repentance, salvation, holiness, and so on; the author also shares the view of the Christian Left above.

The perspective of Matthew 22:21 – It says, “...So give back to Caesar what is Caesar's, and to God what is God's (NIV).” Most Christians hold the view that politics is for Caesar and not for God. Participant 002 highlighted the fact that: “If you go into politics, you will

definitely behave like them and they will definitely corrupt you.” Participant 004, “Politics is not bad. It is bad people that made politics bad. Participant 005: I must give to Caesar what belongs to him. You won’t see me meddling with politics especially in Nigeria. In the same vein, Participant 006 said: No one should find a Christian who wants to make heaven in Caesar’s domain. Differently, Participant 003 said: The Pharisees did not ask him about politics. They were talking about money. Therefore, it is good for a believer to take part in politics in a sincere way.

God instituted the politics of king making and installation of leaders (I Samuel 8:6-7; 9:15-22; 16:1-13) and the people participated (II Samuel 3:17-21; 5:1-4). The truth is that God is interested in the process of recruiting and selecting leaders, politics. That was why when Lucifer conducted the first ever attempted but failed coup d’état, He (God) frowned at such unworthy act of rebellion and selfish politicking, because the process was not according to the laws of heaven. Politics of do or die for selfish interest was frowned at (II Sam 1:13-17) and as such, politics is for the children of God – Christians.

Moral Questions

The morally inclined issues which hamper Christians’ participation and by extension the general participation in politics and democratic governance are:

The failure of the clergy – The crop of men in priestly regalia is worryingly nostalgic – in the sense that Nigeria is replete with: men of God and men off God. The proliferation of shrines, occultic groups and social gatherings in the name of churches and ministries makes Christians’ involvement an alternative to idleness. Thus, politics has turned to be a temporary place of refuge for the weaker vessels that are unfit to be reckoned as professionals in professional fields of human endeavor. The proliferation of these social gatherings so to speak shows that some men wrongly seen as of God are unfit to be of God and as such, they are off God. What may have engineered this? It is simply the problem of stomach infrastructure. Then, “Stomach infrastructure is a reality projected by the Nigerian politicians on the vulnerable electorate who for poverty are encouraged to mortgage their fundamental right of freedom to choose who governs them in exchange for immediate gratification in monetary, food, or other material terms (Dauda, 2020, p.366).” What we see in third world countries are copious manifestations of the challenges of ‘infrastructure of the stomach’ and ‘infrastructure for the stomach,’ – that is using the commonwealth to satiate the insatiable taste of greedy men and this has subsequently created a chasm between the mass of electorates in Nigeria and the leadership at all levels. Unfortunately, the fake ones in clerical robes seem to be colossally benefitting from the anomaly thereof.

Their dogma which they systematically serve as sermons to their unassuming followership has more often than not caused Christians to remain apathetic. What must have caused this? The possible enthroning influence/factor is the doctrinal deficits/yeast of the Pharisees in the midst of the uncalled (men off God) and the untrained/undisciplined men in priestly robes. Notably, the men off God like the worldly technocrats see politics as a way of enriching and satisfying their ever insatiable wants. That is why they have turned to be sycophants surreptitiously employed to serve the purpose of singing the praise of the highest bidder among the thief executive (sarcasm meaning corrupt chief executive) at all tiers of government in Nigeria. Overtly affirmed, “A highly worrisome dimension to the apathetic culture is that the state is in denial of its existence, simply because of the activities of a sycophantic minority that usually multiply at election period to sing the praises of the

candidates that dole out the most cash (Idike, 2014, p.139).” To showcase their crass theological myopia, these men pretend to see while they are blind, and feign to hear from Holy Spirit while they are utterly unable to hear the voice of the Spirit. Resultantly, these fake prophets coin proverbs and riddles in the form of prophecies and then sell to their ever harmless, but gullible loyalists who under such spell export such demonically contrived theologies and fake prophecies in the form of political socialization to their innocent children, wards and aged parents. The aftermath is electing chief executives that are no less than tyrants, wolves and looters that run the land amok and take the ten times country anticlockwise from the condition they met the country. Thus, the failure of the clergy is a religious/doctrinal question that beckons for redress.

Failure of the government – The failure of the government at the centre and other federating units (states) to deliver its campaign promises contributes to the apathetic stance of most Christians in Nigeria. Similarly, “The Arab nationalist approach as a strategy for Christian political participation was also compromised by the wider failings of the movement to deliver its post-independence promises of political participation, economic development, Arab unity and the liberation of Palestine (McCallum, n.d, p.8).” No doubt, the reckless abandonment of campaign promises dissuade God fearing Christians from taking part in politics during the pre-election stage and election stage, because they see politics as a channel leading many to the position of falsehood. Again, “The type and extent of Christian political participation is also interconnected to the policies practiced by each state and in particular, if distinctive strategies are employed with regard to Christians in comparison to other citizens (Ibid).”With this, apathy and even the worst form, anarchy has been the order of the day.

Political corruption– Bureaucracy has been highly politicized since military incursion into Nigerian politics (Idike, et al 2019) and politics and governance have consequently been affected by Christians’ apathy due to manifest indices of corruption in the country. There are more than two but fewer than many manifest indications that one who is not abreast with the happenings in the political terrain of this country can point out to credence the fact that Nigeria is political corruption infested. What does political corruption entail? Political corruption could be seen as the use of several strategies that are often illegal and therefore unknown to the customs, traditions and constitution of the country in getting the political power of the state. With this austerity measure, Christians’ participation in politics and good governance is unachievable because political corruption negates the core doctrinal values of the church. Political corruption usually includes activities such as vote-rigging, registration of unqualified, dead, or non-existent voters, purchase and sale of votes, and the falsification of election results (Goodman (1990). Corroboratively submitted, corruption in the political sphere manifests itself in election rigging, the purchase and sale of votes and the falsification of election results (Nmah, 2017). The consequences of corruption are unfavorable for the progress of any society (Igiebor, 2019, p.493). At the foreign scene, especially Sub-Saharan Africa, political corruption has also reconfigured the system abroad resulting to citizens wallowing in apathy. Additionally, “A survey experiment in Hungary shows that exposure to political corruption makes respondents more likely to abstain from voting, less likely to support the incumbent party, and more likely to expect the anti-establishment party to win (Snegovaya, 2020, p.1162).” Perhaps, the reason for the foregoing problem is that corruption appears to have been ethnicised in Nigeria. Therefore it is believed that the major challenge that the

persistence of corruption poses to all Nigerian of integrity and conscience is on how to de-ethnicise corruption (Arowolo, 2022).

Godfatherism conundrum – Godfatherism conundrum in the church and Nigerian politics/administration deters Christians from both Orthodox and Pentecostal background from participating in political matters because of their doctrine of do not be unequally yoked with unbelievers. It is important to mention that, “Godfatherism is now becoming rampant in the church or should I say godfatherism in “mentorship” clothing and many young ministers are being controlled by so-called godfathers that makes them deviate from the real message of God (Dandwyse, 2021).” In Nigeria, the menace appears to be worse than what is obtainable in other countries (Chioke, 2020, p.277). The reason may be attributed to the fact that godfathers in Nigeria are occultists in Knights apparel and as such, genuine Christians of the Pentecostal family in their holiness emphasis tend to dissociate from them and matters of politics/governance. In all godfatherism negatively affects inclusive governance and transparency needed for democracy to thrive and the dividends of democracy. Buttressing this Umahi (2013) stated that the game plan of the godfathers, since the return of democracy in 1999 is somewhat retrogressive to the long awaited democracy in Nigeria.

Failure of the security operatives –The #END SARS saga in Nigeria shows that the Nigerian Police Force has failed. Hiring guns to robbers to go and rob is one of the failures and accusations against the police by Nigerians. Nigerians prefer meeting an armed robber while traveling with huge amount of money to Nigerian police. Why? Majority say that armed robber will collect your money and let you go, but the police will kill you, take away your money, plant gun in your pocket or vehicle and label you an armed robber. Additionally, the following is just an example:

The police may not be the greatest beneficiary of corruption. But it is so disgraceful to see police men who stand at the various strategic checkpoints erected by themselves brazenly extorting money from the people in the full glare of everybody. What a shameful display! The police force in Nigeria is indeed a source of national disgrace (Omeayo, 2015, p.174). This regrettable ominous display of sheer shamelessness and integrity deficit in the system has plunged many people into degrading socioeconomic conditions.

The Nigerian Army is another source of worry and disgrace. For example, in the South East geopolitical zone, they hire young boys to stay with them and forcefully extort money from transporters. Whichever way, the legal maxim, *qui facit per alium facit per se* (he who acts through another, acts himself) is thus herein emphasized. Therefore, one should not do through another that which he/she cannot personally do. Additionally, soldiers extort money by themselves from road users. Regrettably, security operatives in Nigeria are puppets remote controlled/used by politicians to harass civilians during pre-election, election and post-election stages of the electioneering process. This no doubt deters Christians from participating. Therefore, the security operatives should not be left alone to rid themselves off the corrupt practices hanging upon their shoulders. An external body is direly needed.

Conclusion and Recommendations

Given the doctrinal questions, moral questions and matters arising; this paper concludes that the level of Christian involvement in Nigeria’s politics is low and

democratic governance is lacking in Nigeria, because the issues highlighted above are the core marks that depict a democratically governed sovereign state all over the world. Matters arising are sequel to corrupt practices by the grand corrupt masters in and outside the country's corridor of power. Therefore, as God told Hezekiah to put his family in order (2Kings 20:1; Isaiah 38:1), Christians in the world and particularly Nigeria should rise and reposition their country by becoming watchmen in their various political enclaves. Given the theoretical framework of this paper, Christians should fulfill their duty to the state through political involvement, advance social justice and social welfare policies as part of the hallmarks of scriptural injunctions in the Old and New Testaments.

To get it right, this paper ultimately recommends that all hands must be on deck to engender the following true meaning of the national 2020#END SARS campaign in Nigeria as defined by the researcher:

E – Economic and Educational Reform

N – National Interest

D – Detribalised Democratic Society

S – Security Reform

A – Accountable/Anti-graft Leadership and Anti-corrupt Public

R – Restructured Political Setting

S – Stability in Governance

This paper believes that ensuring the aforementioned variables that are currently lacking will make all to participate during and after electioneering period. Also, Christians must not neglect the clarion call to servant leadership as exemplified in Philipians 2:5-6. With recourse to the existing laws regarding election; Christians should be accorded enabling ground to keenly participate in politics by championing the course of good governance and sustainable development and contribute toward repositioning Nigeria to occupy her rightful position as the giant of the entire black nations.

Implication for Practice

The implication of the paper for practice is that except the moral questions that were hitherto raised in this paper are tackled, Christians would likely maintain their apathetic stance on politics. This has accounted for the lackluster performance of public bureaucracies, organs and agencies of Nigerian government. Again, the observations/revelations of the study implicate that political office holders need to continuously inculcate the political cultures of the state among Christians. Not just this, it shows that there is a cogent need for re-orientation of the electorates'/voters' perception of politics in Nigerian churches, as appropriate socialization exposes Christians to the dangers of taking apathetic stance. That is, it does not guarantee better life in future for all and sundry.

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EXPLORING HOW PARENTS INFLUENCE THE VALUES PROMOTED IN ADVERTISEMENTS FOR GAMES AND TOYS

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Abstract: *Parents have the authority to determine which games and toys are suitable for their children, and this decision is influenced by various factors. Initially, parents take into account the marketing aspects of the games or toys. Simultaneously, they also consider their children's preferences. A study involving 336 parents in Romania utilized a questionnaire to delve into their viewpoints regarding the choice of games and toys, as well as the role that advertising plays in shaping their decisions. Preliminary findings from this research indicate that materialistic tendencies might stem from within the family. Additionally, advertisements are perceived as overly aggressive, which is a widespread concern, given that children frequently express a longing for toys showcased on television. The values that parents aim to promote among their children encompass empathy, kindness, responsibility, loyalty, curiosity, wisdom, education, family, and friendship. The study raises questions about the dynamics between parents and children concerning the selection of toys and games, as well as the impact of advertising on these choices.*

Keywords: advertising, materialism, parental impact, values

Introduction

Parents have a significant influence on the games and toys that they choose and buy for their kids. Because there isn't a lot of research on children and parent behaviour in Romania, this study aimed to understand how parents choose games and toys for their kids, what values they wish to encourage in them, and whether or not there are indicators of materialism in the family's conduct. Children use their power to influence their parents, which is known as pester power (Lawlor & Prothero, 2011), (Sutherland & Thompson, 2003), (Hoyer & MacInnis, 2008), however, parents also have a say in how their children are socialized as consumers (Ahn, 2021). Children's behaviour is shaped by their parents, who inform them about the purpose of ads. Advertisements express values that kids learn, and toys reflect these values as well (Ahn, 2021), (Mendoza, 2009). Based on issues like the purpose of toys and games, consumer socialization behaviour, media literacy, and the Romanian family value system, the study investigates the dynamics of parent-child interactions.

Literature review

Few studies have looked into how children in Romania became market-active consumers, and similar to Bulgaria (Oprea et al., 2019), little is known about how youngsters in Eastern European nations are affected by advertising. The study done by Oprea (2019), set out to look into how children between the ages of 8 and 11 in three Sofia

schools were exposed to advertising. The results showed that exposure to advertising enhance children's materialism and involvement in consumption. Additionally, it discovered that children's conceptual advertising literacy exacerbated the impacts of materialism in children exposed to high levels of advertising but mitigated the effects in children exposed to moderate levels. The current examination begins by examining topics pertaining to consumer socialization, the impact of advertising on materialism, and the values that are promoted by toy and game advertising.

Consumer socialisation - the role of parents

Consumer socialization involves the extent of time children spend in front of the television. The more time they dedicate to watching, the stronger their desires become, and they become more susceptible to trusting the assertions made in commercials (Dotson & Hyatt, 2005). When parents decline to provide children with advertised products, it often leads to heightened pestering and family conflicts (Calvert, 2008) (Marshall et al., 2007). Despite the prevailing notion that a child's comprehension of persuasive marketing evolves gradually to resemble an adult's understanding, there has been limited research examining this level of adult-like advertising comprehension (Wright et al., 2005). Consumer preferences refer to how values, attitudes, and behaviours influence the reception of a product or brand; consumer attitudes pertain to individuals' responses to advertising and various promotional tactics. Consumer skills entail a child's grasp of the purchasing process, ability to compare products, criteria assessment, and cost determination (Mothersbaugh & Hawkins, 2016). These proficiencies are imparted to children through instruction, modelling, and meditation. Brands adopt family-friendly approaches to attract children, recognizing that children collect behaviours, attitudes, and perspectives on consumption and the market through interactions with their parents (Mothersbaugh & Hawkins, 2016) (Barrie, 2015, p.78).

Families significantly shape a child's consumption habits, yet television and its content wield considerable influence too. Television exposure imparts messages about consumerism, values, and significant behaviours to children. Frequent exposure may lead children to perceive the projected image as reality (Solomon et al., 2013). When parents limit their children's TV content, children's demands on them decrease, but if parents engage in TV watching with their children, children's expectations from their parents expand (Hoyer & MacInnis, 2008), (Solomon et al., 2013). Children employ various forms of nagging, from simple to complex involving bargaining or persuasion, to influence their parents (Sutherland & Thompson, 2003) (Acuff, 1997). Parents respond to their children's nagging using three distinct parenting strategies: expert authority based on knowledge, legitimate power strategies, or directive parenting approaches. These tactics also characterize the type of household environment, ranging from authoritarian settings emphasizing submission, neglectful households with diminished parental control, democratic households allowing children influence, to permissive households with minimal restrictions (Hoyer & MacInnis, 2008) (Mothersbaugh & Hawkins, 2016) (Solomon et al., 2013). Toddler behaviours, especially among young toddlers, are actively influenced by their parents' perceptions of commercials, but when kids view TV advertisements, parental apathy often outweighs attentiveness (Calvert, 2008).

This realm has seen investigations into the dynamics of families. Parenting, based on interviews with parents, is acknowledged as stressful, stemming from the challenges of

effective time management, balancing family and work demands, children's performance expectations, financial pressures, and consumerism. Although parents generally express satisfaction with their relationships with their children, parenting remains a source of stress (Sidebotham, 2001).

The acquisition of games and toys

Considering children's physical, cognitive, social, and emotional growth, play holds immense significance in their development. Play facilitates the establishment of stronger bonds and relationships between parents, caregivers, educators, and children. While games and toys were initially regarded as mere sources of entertainment for children, over time, the realization dawned upon people regarding their pivotal role in the cognitive advancement of children (Calvert & Wilson, 2008). This realization emerged from the understanding that play and imagination serve as essential tools for children to internalize both behaviours and values (Sutton-Smith, 1997). Consequently, play has become a topic of discussion that strikes a balance between a child's requirement for leisure and the necessity to shield them from games and activities that may contain negative influences. From another perspective, concerns arise about games featuring unattainable goals or materialistic ideals that children might inadvertently absorb through play (Best, 1998). According to recent research by Richards et al. (2020), several factors influence parents' decisions when selecting toys for their children. Some parents of children aged 2 to 10 opt for toys that promote unstructured play due to their belief in its benefits, while simultaneously considering their children's preferences for toys. Parents frequently utilize the internet for information gathering, relying on online reviews, parenting blogs, websites, and virtual communities to gain insights and make informed choices. These selections of games and activities are pivotal as they set a precedent for the type of play parents offer to their children (Richards et al., 2020). The cultural perspective on the value of games and play varies across different high cultures and socioeconomic groups. While play holds a central role in the cognitive and social development of children in Western societies, its significance may be less apparent in less developed, traditional societies (Roopnarine, 2010). Additionally, children's perception of acceptable behaviours can differ based on their gender or the cultural norms prevalent in their environment (Pfeiffer & Butz, 2005).

Values that are promoted through games and toys advertisements

The widely accepted definition of a value, as proposed by Milton Rokeach, defines it as a strong belief that one particular course of action or final state of being is more beneficial for oneself or society compared to another option (Rokeach, 1968, p.5). Our lives are consistently guided by our values, impacting our daily interactions within relationships, groups, institutions, and societies (Agle & Caldwell, 1999). Values are structured within well-established hierarchical systems and serve as the foundation for shaping individuals' beliefs and behaviours (Rokeach, 1968) as cited in (Hosany et al., 2022). Through interaction with toys, children also learn about symbols prevalent in the adult world, including social roles, personal connections, and consumer expectations, all of which are represented through toys (Kline, 2018, 15-32), (Reich et al., 2017). Beyond their role in games, advertising serves to communicate ideals, desires, and values (Avraham & First, 2003). Advertising functions as a social and cultural influence, shaping people's perceptions, attitudes, and behaviours. It mirrors the aspirations of consumers within a

particular culture (Pollay & Gallagher, 1990), (Vandanaa & Lenkab, 2014). Within this context, it becomes crucial for promotional messages to prioritize responsible promotion of games that contribute to children's development (Gardner & et.al., 2012). Modern advertising is built upon subtle emotional associations rather than rational or factual communication, allowing advertisers to engage children indirectly, bypassing explicit persuasion knowledge (Nairn & Fine, 2008). Individuals shape their identities based on ideals propagated by consumer culture through advertising, believing that this aligns with happiness and emotional expression (Dittmar, 2007).

Danish researchers examined children's Christmas wishes and correlated them with TV commercials from various brands. The research revealed that 51.6% of the surveyed children desired at least one product advertised during that period. Factors such as age, gender, and exposure to the most advertised channel significantly influenced product preferences (Buijzen & Valkenburg, 2000). Oprea et al. (2014) investigated the relationship between materialism and exposure to advertising. Their long-term study of 8–11-year-old children indicated that materialism and exposure to advertising were linked, with product demand serving as a mediator and advertising exposure acting as a causal factor in fostering materialistic ideals. Unfavourable impacts of advertising include consumerism, parent-child conflict, and dissatisfaction (Buijzen & Valkenburg, 2003). Parental mediation of advertising can attenuate the connection between advertising exposure and materialism, especially through consistent conversations and discussions between parents and children about advertising, as revealed by a study involving 360 parent-child dyads (children aged 8 to 12) (Buijzen et al., 2008). Contrary to popular belief, an increase in life happiness among 8 to 11-year-olds leads to a decrease in materialism. However, this effect is observed only in children who are frequently exposed to television advertising. It is plausible that material values portrayed in advertising convince children that possessing material possessions helps them cope with a lower quality of life. Reducing this influence is critical, as research indicates that materialistic children may grow up to be less content as adults (Oprea et al., 2012).

A study involving children and teenagers aged 8 to 18 explored how materialism changes with age. The findings indicated an increase in materialism from middle childhood to early adolescence, followed by a decline from early to late adolescence. Additionally, a causal link between materialism and self-esteem was investigated, revealing that bolstering self-worth correlates with reduced materialistic tendencies. Fostering a positive sense of self significantly reduces adolescent materialism and eliminates age-related disparities (Chaplin & John, 2007). Values serve as a fundamental component of culture, but they alone cannot fully explain intergroup differences. Social institutions are primarily influenced by culture, while individuals are predominantly shaped by family and education. Children acquire values through family socialization, and parents influence their children's values through parenting styles and social environments (Döring et al., 2016).

Research methodology

Even though children themselves might not actively make purchases, their parents do, and marketing significantly influences a child's attitude towards products and brands (Pine & Nash, 2002). The individual who actually spends money to buy items, the customer, plays a pivotal role in this scenario. The socialization of children holds great

importance as they impact each other's preferences for products. This process, known as consumer socialization (Ward, 1974), entails young people acquiring the skills, knowledge, and abilities necessary to become consumers. While this socialization starts within the home, it takes shape early (before the age of 12) due to an independent and distinctive perspective on shopping. This viewpoint is a result of intentional advertising tactics, as children's commercials are designed to elicit emotional and cognitive responses. These advertisements frequently employ real or fabricated testimonials and portray 'ideal consumers' with whom they can relate. Often, these 'ideal consumers' are children or teenagers older than the target audience. Further persuasion strategies include appealing to values, provocation, and peer pressure (Callea & Urbini, 2011).

Through a questionnaire, the study aimed to investigate the influence of TV commercials for games and toys on parents. The objective was to uncover parental behaviour regarding the selection of games and toys, preferred toy types, the criteria underlying these choices, parental consumer values, methods of child consumer socialization at home, promotion (or lack thereof) of anti-consumerism, responses to advertisements, and values parents seek to inspire in their children. Conversely, the study sought to understand children's behaviour from the parental perspective, including their desire for toys promoted in ads, strategies employed to request them from parents or relatives, influence from friends, and the presence of materialistic values like collecting games and toys.

The research hypotheses were as follows:

1. When choosing a game or toy, parents consider the role of that toy in their child's development, but frequently make purchases based on children's desires.
2. Materialism is influenced by parents through purchasing frequency, consumer choices, and the promotion of anti-consumerism within the family.
3. Advertising of games and toys is overly aggressive and poses challenges for parents and children, prompting many parents to desire restrictions on children's TV channels.

The process of consumer socialization contributes to a child's becoming an active consumer in the market. Games and toys play a role in this process as they depict adulthood, commercials convey ideals, and parents influence and shape children's behaviours. Children observe these ideals in advertisements and further internalize them during play, thereby learning and adopting these behaviours. Parents, being decision-makers for purchases, influencers of consumer socialization, and conveyors of values, play a significant role in shaping their children's attitudes. This study aims to understand how parents perceive their children being exposed to commercials that convey certain values.

The scope of media and communication studies has sometimes been restricted due to psychology and child psychology failing to adequately address the media's influence on children. As a result, children are often portrayed as vulnerable and easily influenced individuals. Yet, this perspective limits the understanding of children's interactions with the adult world through various media and technologies, and how it might influence their attitudes, emotions, and behaviours (Den Bulck & Den Bergh, 2005).

The objective of this study is to determine the influence parents attribute to toys and games in promoting values. By comprehending parents' viewpoints on the presented values, particularly materialism, the aim is to understand how parents contribute to the development of subsequent consumer behaviours. As previously discussed, games serve as

a way for children to explore and adapt to their environment. Following social cognitive theory (Bandura, 2001) games provide a platform for children to learn about and navigate their surroundings. This article presents the preliminary results of this research.

Findings

The survey was conducted among 336 parents in Romania through a convenience sampling method. The respondents' ages ranged from 25 to 55 years old, with around 30% falling between 30 to 35 age range, 32% between 35 to 40, approximately 16% between 25 and 30, 14% between 40 to 45, and the remaining falling in the 45 to 55 age range. These parent participants have one or more children within the ages of 4 to 12. Specifically, 50% of the children are aged 4 to 6, 30% are aged 6 to 8, 22% are aged 8 to 10, and 23% are aged 10 to 12. The educational background of the parents is distributed relatively evenly, with roughly equal proportions having secondary education, bachelor's degrees, and master's degrees. A smaller percentage, around 5%, possesses doctoral degrees. Children's television viewing habits vary, with some not watching at all and others spending more than 5 hours watching TV. The majority fall within the range of 1 to 3 hours. Similarly, screen time on electronic devices spans from none to over 5 hours, with most children spending less than 2 hours. Concerning games and toys, children primarily engage for 1 to 3 hours daily, though 14% of respondents report that some children spend over 5 hours playing with them. When parents purchase games and toys, they typically prioritize factors like quality, developmental benefits, and practical utility. Less frequently bought are toys involving digital skills, virtual world exploration, video games, and other digital applications. On the other hand, toys that enhance motor skills, cognitive abilities, social interaction, and creative imagination are more favoured. The majority of parents believe that the toys they buy contribute positively to their children's learning and development.

Regarding the frequency of toy purchases, 38% buy toys once a month, 34.5% occasionally or on special occasions, 13% buy twice a month, and 10% buy weekly. Among these purchases, 54% of parents acknowledge buying toys on special occasions or occasionally when not necessary. Additionally, 17% purchase toys once a month, while approximately the same number, 17%, never buy unnecessary toys. Often, the motivation for purchasing non-essential toys is to provide joy and surprises for their children. Around 60% of parents note that their children collect toys and store them at home. In terms of family consumption values, about 67% of parents express careful consideration in their purchasing decisions. Roughly half of the respondents, 47%, actively promote anti-consumerism within their families, employing strategies like explaining purchases, setting budgets, and limiting unnecessary expenditures. Around 45% of parents claim that advertisements rarely influence their decisions when buying toys and games (less than 10% of the time), while approximately 22% state occasional influence (around 30% of the time). Children exhibit varying reactions: 23% rarely desire toys advertised on TV, 19% occasionally, 25% sometimes, and 20% frequently. Peer influence also affects children's preferences, with 40% being significantly influenced by other children's choices. Rozendaal (2013) showed that children with a higher susceptibility to social (peer) influence have a greater desire for brands advertised to them in social games.

When children request toys seen in advertisements, parents commonly utilize strategies like explaining reasons for not purchasing and suggesting alternative options (50% of respondents), offering explanations for not buying (24%), or postponing the purchase (21%). Children's tactics to persuade their parents include nagging (34%), negotiation (32%), promises (27%), persuasion (27%), emotional appeals (21%), and comparisons (19%). Around 4.5% of parents report that their children do not request toys.

Other family members respond differently to toy requests. Most commonly, they delay the purchase for another occasion (38%) or explain why they won't buy the toy and suggest better alternatives (34%). Fewer opt to explain the reasons for not buying (15%), make the purchase immediately (14%), or directly deny the request (5%). Regarding discussions about advertising, around 30% of parents occasionally explain its role to their children, while 25% often do so, and 23% rarely engage in such conversations. Parents also frequently involve their children in the decision-making process when purchasing toys (38% often, 26% sometimes, 28% always). This approach aims to develop skills such as decision-making, negotiation, and money management. To foster responsible consumer behaviour, parents adopt strategies like discussing advertising and its implications (30%), explaining consumption's impact on the environment (27%), choosing sustainable and eco-friendly toys (31%), and sometimes not using any specific strategy (32%). Parents generally perceive TV advertisements for games and toys as pervasive and a concern for both children and parents. However, most parents hold moderate views on whether such advertising should be banned or not. Parents believe that games and toys can significantly influence their children's values and behaviours, with 79% stating they believe this to a large extent. In terms of values parents aim to impart, compassion, kindness, responsibility, loyalty, curiosity, wisdom, learning, family, and friendship are most commonly mentioned. Autonomy, courage, happiness, creativity, and innovation are also promoted, while values like fun, beauty, competition, challenge, abundance, and materialism are less emphasized.

Conclusions

Based on initial research findings, the initial hypothesis is confirmed: When selecting games or toys, parents consider the toy's role in their child's development, but often their purchases align with their children's desires. While parents do take the toy's purpose into consideration, children tend to request toys seen in TV commercials or owned by their peers, leading parents to make those purchases. The second hypothesis is also validated: Materialism is influenced by parents through their buying frequency, consumer choices, and the way they introduce or discourage anti-consumerism values within the family. Parents frequently purchase toys, sometimes they're gifted by relatives, and a significant number of these toys are child-initiated requests. Although parents exercise caution in their buying decisions, fewer than half of the respondents actively promote anti-consumerism values.

The third hypothesis is partially supported: The advertising of games and toys is deemed excessively aggressive, creating challenges for both parents and children. This aligns with the fact that many parents disapprove of certain content advertised on children's TV channels. While parents acknowledge the overly assertive nature of game and toy advertising on television, they do not advocate for an outright ban. A plausible explanation

is that many parents view toy purchases as treats and use advertisements to identify their children's preferences.

On the subject of politics, governments, regulatory bodies, parents, and child-focused organizations in both the United States and the European Union have long expressed concerns about advertising aimed at children. Key worries include children's comprehension of advertisers' motives and their ability to critically respond to persuasive marketing. These concerns have led to bans or restrictions on advertising targeting minors in various countries. For example, advertising to children during prime time is prohibited in Sweden and Norway, and in Greece, advertising a toy is entirely prohibited (Mallalieu et al., 2005). In 2005, Ireland implemented a children's advertising code. The overarching principle guiding these social policies is the protection of vulnerable children from the potentially manipulative tactics employed by advertising agencies (Lawlor & Prothero, 2008).

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MATHEMATICAL ALGORITHM ON IMPROVING DISTANCE LEARNING BASED ON DIGITAL TOOLS APPLIED IN THE ROMANIAN PRE-UNIVERSITY EDUCATION SYSTEM

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Abstract: *The crisis of 2020 spring, triggered by the COVID-19 pandemic, has shed a light on the existing and dormant issues of the human society that will contribute to a radical shift of human mentalities. Under the circumstances, a reforming transformation of the education system is on the horizon, a change that will make professionals more aware, get more flexible, and be overall better trained to cope with unexpected situations. This type of transformation should come with a broader commitment of the parents and also community members as active parties and partners with teachers involved in the education process of the young generation. The students themselves should be guided through the process of learning for their progress and ultimately benefit by putting to the best use their intelligence. The aim of this current scientific enterprise lies in collecting information and statistical data on educational issues that occurred or were recorded primarily during the pandemic period, and analyzing the models of good practice provided by various educational actors in terms of unlocking the human potential for reaching the sustainability goals and, based on them, suggest a mathematical algorithm designed to harness and optimize the human potential in a pre-university education institution. The methods employed are induction, deduction, analysis, synthesis, quantitative research, and scientific abstraction. At the same time, quantitative research has been conducted, as previously mentioned, and the questionnaire was the research instrument used in this case. Information from mass media, social media, and websites in Romania, France, the UK, and the Republic of Moldova were analyzed. The current research study could help the political decision-makers and education systems as well as better understand the students' perception of physical isolation and accordingly adopt strategies including online teaching to get optimal results for all interested parties.*

Keywords: *digital instruments, pandemic period, virtual education, learning*

JEL classification: *L20, M51, O30, O31, O32*

Introduction

The analysis of the organization of the distance learning education system and online digital instruments revealed that the traditional education system should be completely reset as it is overall too rigid (for instance, students learn in a forceful way imposed by teachers' authority), mainly focused on the cognitive domain and less on the affective and psychomotor domains [Covey, 2018]. Virtually, the conception of attitudes and values formation is not harnessed, which is at the core of the new educational paradigm promoted across the European space. The personal development of students can be best achieved during the learning process and two features define this. The first one refers to

the responsibility and opportunity of assisting students in the learning process, formally or informally, while the second one approaches the shaping of the self-direction frame, in other words, promoting a responsibility culture for one's own performance and learning [Butnaru et al., 2021].

The main objective of future education includes the elements of customized or personalized learning, organized within education institutions, which should turn into educational centers, and inside families or communities [Suslenco, 2021]. To register an actual increase in the efficiency of personalized learning it is necessary to access all the possibilities of a student, in terms of resources of their living and learning environment, also unlock the possibilities of the community institutions and mass-media means, not to mention the use of distance (online) learning technologies.

In the system of personalized learning, students will no longer focus entirely on content (this part will not have a substantial weight), but rather go with the analysis of strategies and ways of learning, as well as relations established between the participants to the learning process. In this direction, the role and place of the analysis on the learning process will play the most significant part in delivering a quality education system. Most discussions and reflections of the educational actors will revolve around questions of the sort: *What have I learned? Which products have I created? How did we feel? What did go well? What was not clear? How could we overcome certain difficult moments/situations? Which methods have we used in the teaching-learning process? Whom did we better interact with for solving tasks? Which sources have been used? How do you evaluate your own activity? To what extent are we open to helping people with special needs?* The answer to these questions will lead to reaching the objective of the research, collecting information and statistical data on education problems, mainly during the pandemic period, analyzing the models of good practice of various educational actors in terms of unleashing the human potential and thus reach sustainability goals, and further, based on these actions, coming up with a mathematical algorithm to optimize the human potential in a pre-university education institution.

Literature review

The pandemic changed visions, uprooted stereotypes, and contributed to the building of partnerships and collaborations. In this context, students and academia faced major changes which forced them to adapt and thus maintain the quality of the educational process. The pandemic produced uncertainty, fear, stress, vulnerability, and concern about the future, all harming well-being [Paredes et al., 2021] and generating anxiety. One of the main causes of anxiety in young people is related to contagion for them and their loved ones, as shown by Odriozola-González et al. [2020] in a research study conducted on Spanish pre-university and university. An analysis run by Tee et al. [2020] has shown that 16,3% of the respondents perceived the psychological impact of the COVID-19 pandemic on students ranging from moderate to severe [Tee et al., 2020]. The concern for family health and friends is a stress factor for Swiss pre-university and university students [Elmer et al., 2020]. Tanga et al. [2020] explored the prevalence of stress and depression in a group of Chinese students quarantined in 6 universities to identify the mental risk factors. Taylor et al. [2020] analyzed the quarantine stage of a Canadian group and an American one as

well, during the pandemic period, and proved that general stress combined with isolation are the main consequences of the imposed quarantine.

The studies reveal a great degree of uncertainty regarding the near future of the education process [Akati Karata, 2020]. The pandemic had significant effects on the education system [Daniel, 2020]. Accordingly, the institution in this field of activity was forced to adapt. Romania took special measures to control the pandemic, and consequently, classes of schools, high schools, and universities moved into the online environment which required flexible teaching and learning. Digital transformation reshapes the professional world in many ways. For instance, communication and collaboration have become faster, easier, and more accessible worldwide since the expansion of the online environment paved the way to new models of business and professions, physical labor and routine tasks being taken over by robots and automatic machines [Blake, Mouron, 1982]. These changes influence the features of the job market, such as work organizing, employee-employer relationships, and qualification requirements [Crudu, Cara 2016].

ICT (information and communications technology) and digital technologies are part of the everyday life of most students [Bîrzea, 2005]. Romania has made great efforts, with exceptional results, to introduce information and communications technology in the education process. Between 2001 and 2009, in Romania, it was run the SEI program (IT-Based Educational System) that created and endowed IT laboratories, provided software, and offered training for teachers in all schools and high schools across the country. After Romania became part of the UE, access to European funds made possible the financing of many projects which included both technological endowment and appropriate training for teachers to use it in the classroom. All these actions, complemented by other initiatives, created the opportunity for developing a solid "foundation" that cleared the way for the building of the digitalization edifice [Noveanu, Potolea 2008]. The children of the future are quite familiar with digital tools such as PCs, laptops, tablets, and smartphones and have been interacting with virtual games and stories from an early age. However, as they grow up and enroll in the mass education system, they can see there is quite a gap between reality and what they learn in school. Thus, by adopting new technologies, schools can come closer to children, and, here we are speaking of real digital instruments that can provide extraordinary support, complementing the learning process. They already exist and are used in Romanian schools [Angheluță, 2020]. Nevertheless, it is also important that the teacher is properly trained to use digital resources and convinced by the usefulness of interactive lessons.

The theoretical analysis of the literature in the field has shown that analyses on improving the efficiency of distance learning with the assistance of digital instruments, particularly in the case of Romania (a country with certain issues in implementing the digitalization transformation), have proven insufficient. Considering this, we can state that this research endeavor contributes to filling in the blanks in the literature.

Quantitative analysis of the questionnaires

To demonstrate and provide the logical argumentation of this research enterprise, the analysis has focused on the links between the research objectives, highlighted by the questions in the survey form, and the research hypotheses (Table 2). Accordingly, each objective will be investigated with the help of a question included in the questionnaire.

Each objective has a corresponding hypothesis which is either validated or not. Thus, we have performed, at an early stage, quantitative research which helps collect the necessary data for confirming the hypotheses for reaching the goal and objectives of the research. The inquiry is the method of choice, which helps collect and analyze the necessary data for the research undertaken. The application of the method allows on-site data collection under investigation, provides the possibility of ensuring the privacy of subjects' data, offers the possibility of abstractization to analyze the necessary phenomena only, provides the opportunity that the interviewed subjects benefit from explications in case of misunderstandings, namely the possibility of shaping/ reshaping the discussion to get the necessary information, and last but not least, offers the possibility of monitoring the data collection process and measuring the phenomena suggested for research purposes (Doncean și Suslenco 2022).

The questionnaire is a tool used for quantitative analysis that gets precise quantifiable results about the phenomena suggested for research purposes. The results intended for research purposes are largely objective and accurate. During the development of the research, within a survey based on a questionnaire (an instrument used for data collection), run at the headquarters of a pre-university education institution located in Iași city, there were 60 students (of different grades) who took part in this project. Accordingly, the current research project had a batch of 60 subjects aged between 13 and 14 years old. The respondents were predominantly female (60%), and male (40%). They were recruited by email or online messages sent to study groups. The implementation period of the questionnaire extended from April 2022 to June 2022, during which time 60 questionnaire forms were filled in, and 57 of them proved valid in the end. The questionnaire under discussion included 8 questions that were clearly, objectively, and precisely formulated. The research instrument has been designed in ways that provide the possibility of reaching the research scope and objectives, and the validation of the research hypotheses as well. The questionnaire comprises simple and complex questions to detect the research problematic and reach the objectives (Table 1). We complied with the logic behind formulating the questions, the sequence, and the interconnection as well. Each question led to reaching an objective and validating a hypothesis.

Table 1 Questions and answers of the questionnaire

<i>Questions of the questionnaire</i>	<i>Answers of the questionnair</i>
1. Which are the ways preferred by students to perform distance-learning activities with teachers during the period concerned?	Telephone - 49% Skype -20% Online platforms such as Classroom, Zoom – 45% Viber, Messenger – 28% Others – 4%.
2. Which are the types of distance-learning activities where students got involved?	Individual Tasks –76% Tests –70% Online Lessons – 40% Guided Lecture – 24% Educational Projects – 20%
3. How much do students think they understood the tasks for individual homework?	Very much – 22,7% Much – 38,8% Moderate – 27,9% Little – 7.1% In the least – 3,5%

4. How long did it take, during the school day, to do the tasks suggested by teachers?	From one hour – 7% 2 hours – 28% 3 hours – 19% 4 hours – 10% More hours – 7%
5. How was the organization level of the distance-learning process?	Excellent – 7% Very well – 15% Well – 55% Low – 20% Very low – 3%
6. How did parents understand and involved in the distance-learning process?	Excellent – 5% Very well – 10% Well – 45% Average – 33% They did not have a certain opinion – 7%
7. What was the parents' attitude about the organization of distance learning?	30% accept the fact that their children are busy doing something useful. 25% are actively involved and offer their children the necessary support. 20% do homework with their children. 15% do not see the point of learning during school break time, while 10% have even displayed indifference toward the matter.
8. After the first 2 weeks of distance learning, how was the evolution of organizing the educational process?	The number of students involved in online classes grew. More teachers started to use online platforms. The volume of homework was cut down, and in some cases, it was eliminated. Students worked according to a schedule. The work time was reduced, and the creative tasks were highlighted..

Source: data processed by author

The qualitative analysis of the questionnaires helps us identify the issues faced by the educational actors, namely clarification of positive features recorded in the online / distance-learning period of the education system. In the context of the COVID-19 pandemic, the results of the questionnaire, complemented by the virtual discussions held with educators, students, and parents on social media (mainly Facebook Platform) about the effects, benefits, and some disadvantages of the distance-learning system, we have noticed mixed opinions about the issues mentioned above:

Some think that teachers, students, and parents handled quite well the situation, organizing in an efficient way the learning and teaching processes with the help of digital

Others noticed issues they faced on a daily basis (deficit of organization, lack of direct contact with teachers and classmates/ colleagues, poor involvement of parents, lack of advanced technique, etc).

All the interviewed persons stressed the high importance of relationships between humans, communication, and care about close people. All these attitudes and values are, in fact, the very basis of the new paradigm that emerged within the Romanian education system.

Mathematical algorithm

The mathematical algorithm proposed by the author of this paper is basically the mathematical processing of data through MatLAB program (it performs the operational calculus with numerical values). Accordingly, each question matches an objective. The first question matches the O1 objective which includes 5 vectors, specifically telephone (49%), Skype (20%), online platforms (Classroom, Zoom – 45%), Viber, Messenger (28%), and others (4%).

Table 2. Correlation between the research objectives and hypotheses and the questions of the questionnaire

Objectives Y	Hypotheses X	Questions
Y0=FX0= sum FXi, i=1...8		
O0: evaluation of the influx of harnessing the human potential in building sustainable pre-university education institutions. Importance coefficient Ci – sum (cij)=1	H0: harnessing the human potential has a positive influence on reaching a sustainable level of the pre-university education institutions.	Questions 1-8
Y1=FX1		
O1: identifying ways of harnessing the human potential in pre-university education institutions considering the COVID-19 pandemic. <i>Importance coefficient - 0,2</i>	In education institutions, unlocking the human potential registers a positive trend in the context of the pandemic.	Please assess the ways favored by students in terms of performing distance learning activities with teachers during the period concerned.
Y2=FX2		
O2: identifying types of activities within the pre-university institutions considering the COVID-19 pandemic. <i>Importance coefficient - 0,2</i>	The most important way of harnessing the human potential in the education institutions is the teacher-student collaboration in the research-innovation domain.	Please assess the types of distance learning activities where students got involved.
Y3=FX3		
O3: evaluation of the students' involvement in performing the tasks related to reaching sustainability. <i>Importance coefficient - 0,1</i>	Reaching sustainability is a must of competitive pre-university education institutions.	Please assess the extent to which students show interest in the tasks for individual homework.
Y4=FX4		
O4: evaluation of students' involvement in activities related to reaching sustainability. <i>Importance coefficient - 0,1</i>	Students' involvement in reaching the sustainability of education institutions that show progress.	Please assess the time necessary for performing the tasks.
Y5=FX5		

O5: identifying the key factors for implementing a sustainable organization of the pre-university education institutions. <i>Importance coefficient - 0,2</i>	Implementing the organization of the sustainability of the pre-university education institution.	Please assess the organization level of the distance learning process.
Y6=FX6		
O6: identifying the main measures <i>Importance coefficient - 0,1</i>	The main measure is the parents' involvement in distance learning.	How did the parents understand and get involved in the distance learning process?
Y7=FX7		
O7: identifying the main attitudes related to organizing distance learning. <i>Importance coefficient - 0,1</i>	The main measure is the parents' attitude related to the organization of distance learning.	What was the parents' attitude related to the organization of distance learning?
Y8=FX8		
O8: identifying the evolution of the educational process after 2 weeks of online teaching/ learning. <i>Importance coefficient - 0,1</i>	The main measure is organizing the educational process after 2 weeks of online teaching/learning.	What was the evolution of organizing the educational process after 2 weeks of online school?

Source: developed by the author

For each objective of the research O1-O8 which correspond to the 8 questions, it was done similarly, in the sense that data were rendered as importance coefficients and later developed as matrixes. The polynomials for each objective are calculated according to the primary data collected from the respondents of this present study. To perform a mathematical algorithm, a general econometric model has been used as it follows:

Y0=FX0=SUM Fxi, i= 1.....8, figure Y0 (sum of the partial models)

And partial econometric models – on submodels (on each objective)

Yi=FXi, and the importance factors Fij, i=1 8, j=1.....28, figures Yi

Y1=FX1

Y2=FX2

Y3=FX3

Y4=FX4

Y5=FX5

Y6=FX6

Y7=FX7

Y8=FX8

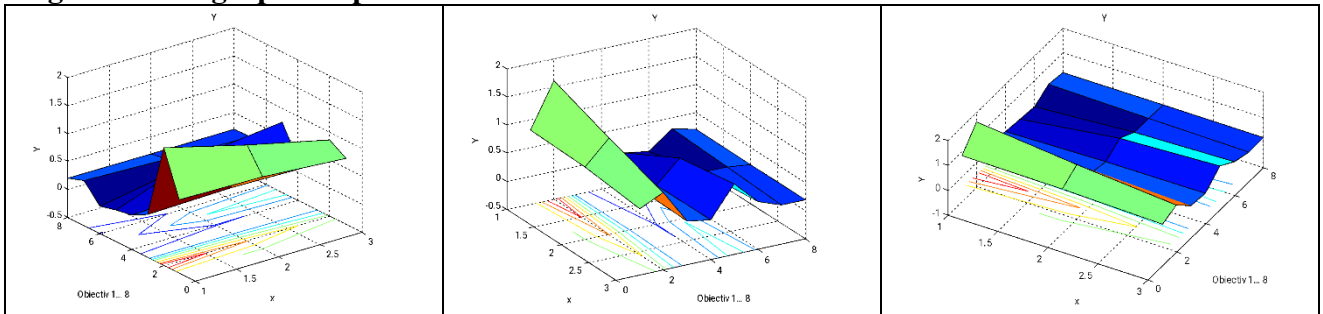
As variable of research, the following variables stands out, namely **Yi independent variable** that expresses the harnessing of the human potential, and **Xi dependent variable** that indicates the sustainability of the pre-university education institutions **i = 18**.

Considering the importance coefficient Ci (shown in Table 2) and the percentage which each of these questions represent from the total criterion of importance for the objectives O1-O8, after the optimization with the assistance of the MatLab program, we get the following solution:

$$Y = \begin{bmatrix} 0.8206 & 0.7937 & 0.6754 \\ 1.6034 & 1.2103 & 0.8686 \end{bmatrix}$$

0.2698	0.3053	0.2704
0.1094	0.1943	0.2106
0.0549	0.5846	0.7571
-0.0097	0.2509	0.3557
0.3000	0.2500	0.2000
0.2000	0.2000	0.2000

Figure 1. The graphic representation of the Y function is as shown below:



Source: developed by the author

The graphical representation of this solution shows us that in the case of $x = 1$, we have a maximum reported to the variable y_1 . Thus, for question no.1 of the questionnaire, there is the optimization possibility in terms of identifying the ways of maximum valorization of the human potential in pre-university education institutions. It is thus confirmed the hypothesis according to which in pre-university education institutions, the valorization of the human potential registers a positive tendency in the context of the COVID-9 pandemic. Further, coming back to the purpose of this research project, namely *the input evaluation of harnessing the human potential to reach the sustainability of pre-university education institutions*, we can state that, based on the research done, we had the possibility of assessing the input of harnessing the human potential on reaching sustainability of the pre-university education institutions.

The general hypothesis of the research „valorization of human potential has a positive influence on reaching the sustainability of pre-university education institutions” – was validated based on the answers given by the respondents of the research.

Conclusions and recommendations

The research conducted here brings a valuable contribution to management science on the sustainability of pre-university education institutions in light of innovational changes. The specific objectives of the research are detailed features of the scientific investigation derived from the general objective, namely harnessing the human potential for developing pre-university education units. Accordingly, based on the research carried out here, we have assessed the input of harnessing human potential on reaching the sustainability of pre-university education institutions. At the same time, following the results obtained, a mathematical algorithm was developed to point out the interconnection between human potential and the sustainability of pre-university education institutions.

The results of this scientific endeavor show that Romanian students trust their own capacity to grow within an online system. The students showed great interest in school success, being open to modernization and improvement of the distance educational process, and also came up with suggestions for the overall reforming of the educational system.

An encouraging fact is that parents got actively involved in expressing their opinions about organizing the distance learning system. Most of them have proven responsible and open to efficient communication, ready to offer support to the students whenever necessary. During the organization period of distance learning, the part played by parents became rather complex. For instance, a key role was providing a well-defined workspace which helped psychologically the students to take the learning activities more seriously and, generally, get more responsible.

In the organizing process of distance learning emerged some difficulties in terms of organization, especially for certain curricular subjects where the organization of lab works and practical activities was not possible. Real interaction with students, as it happened before, was no longer possible. And in the cases where there was not available a PC, laptop, tablet, etc., the relationship with students was kept through telephone calls or chat. The teacher had to identify any way of communication for providing the materials and tasks for homework, sometimes with the help of other students.

This research enterprise complements, to an extent, the literature in the field by providing the perceptions of Romanian students regarding the implementation of online education during the pandemic period. The results represent a starting point for designing a future strategy of education at the national and institutional levels, as a hybrid system could replace the classical education system in the near future, and, coming back to the traditional educational system may never happen again.

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THE MENACE OF VOTE BUYING IN NIGERIA ELECTORAL SYSTEM: ISSUES, CAUSES AND SOLUTIONS 2015-2023

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Abstract: *Vote-buying and other forms of electoral inducements are common phenomenon in Nigerian politics. This is so because the average voter is not only poor but also illiterate and unable to resist the alluring effects of uncontrolled electoral gratifications that come in cash or kind or both. Vote-buying is inherently a derivation of election fraud. Vote buying is the root cause of bad governance and a facilitator of the imposition of the incorrect and incompetent group of individuals to fill positions in governance. This study examines the menace of vote buying in Nigeria electoral system with focus on the issues, possible causes and solution within a defined period. The study revealed that the ripple effects of vote-buying which stems from bad governance includes the insecurity of lives and properties, wide spread corruption and general lack of accountability by the ruling elite. It further revealed that the menace breeds incompetent leadership, and incompetence breeds illiteracy, unemployment, and poverty. The paper suggests among other things that the deployment of modern technologies to enable prospective voters vote from their homes using their phones would be the game changer for future elections in Nigeria.*

Keywords: *Elections, vote, vote buying, menace, issues, money politics, Nigeria.*

Introduction

In recent years, the problem of vote buying has become a major feature in the Nigerian political system. The problem of vote buying has trumped the goal to establish a democratic form of governance. The democratic economic institution is being rapidly weakened by this situation. Nigeria's political politics can be appropriately described as a "cash and carry democracy" given the extent to which votes are exchanged for cash. If this scenario is not promptly resolved, it poses a serious threat to the future of the Nigerian political system. Vote buying is "the exchange of money and material compensation by a voter to a political party or candidate to cast a vote in his favour or even to abstain from voting so as to boost the candidates chance of winning the elections," according to the definition of the term. Therefore, the issue of vote buying is viewed as a contract between the voter and the candidate or political party doing the purchase. Recent evidence suggests that vote purchasing takes place during voter registration, the nomination process, Election Day, and campaigning. However, they were virtually in charge throughout the election in order to get people to vote for the candidate they could afford.

Vote-buying is a commercial process in which candidates for public office, political parties, or their agents negotiate to purchase the voters' votes from the sellers. It is the same as exchanging products and services for agreed-upon rates in a public market. The

procedure appears to be an auction sale where the voters sell to the highest bidder when there is fierce competition. With an emphasis on its risky with vote-buying (cash-and-carry democracy), other electoral misdeeds, ethnic chauvinism, religious extremism, and politically motivated violence and killings, contemporary social science and humanities scholars trace the historical origin of elections and electoral processes in Nigeria (Onuoha & Okafor, 2020; Adigun, 2019; Olaniyan, 2020; Amao, 2020; Onapajo et al., 2015; Olorunmola, 2016.). This is in addition to the compromise of election standards by INEC officials in favour of their preferred candidates in most of the elections conducted since 1999 to date, (Efebeh, 2011).

The majority of vote buying, a phenomenon that possibly represents the essence of politics and elections, is at the centre of Nigeria's political process, which Onapajo et al. emphasize has "always been notorious for its chaotic nature" (2015, p. 2). Amao (2020) supports this claim by emphasizing that the Nigerian electoral process has frequently been criticized for its violent, corrupt, and chaotic tendencies, which include the use of thugs and the maiming of political opponents by those attempting to gain electoral positions through electoral fraud. Therefore, it should not come as a surprise that almost all elections held in Nigeria were dogged by controversy, with both their processes and results suffering from a crisis of integrity, credibility, and legitimacy. Onuoha and Okafor (2020) assert that as videos and images reveal the illegal practice of political aspirants and party agents distributing money, materials, and other incentives among the electorates in order to persuade voters to vote for their candidates, vote-buying has recently increased in proportion, scope, and sophistication. According to Onwudiwe and Berwind-Dart (2010, p. 1), *there are still significant doubts about Nigeria's ability and political will to hold free, fair, and peaceful elections while Africa's largest democracy gears up for the vote. Nigerian politicians have developed a habit of fraud, corruption, intimidation, and violence as if they believe these are the essential tools of political winners since the country's independence in 1960, when violence and numerous irregularities have persistently marred the process of electing the nation's leaders.*

According to Olorunmola (2016), financial resources are important for political parties to manage their operations both before and after elections. Unchecked use of resources, whether they are public or private, for political purposes has the power to undermine democratic ethics, practices, and principles; it bestows unfair advantages and unfairly modifies voters' options. "The 2015 general election was one of the most lavishly funded elections, with the two front-runners competing to spend more money than the other. Vote buying was blatantly and audaciously done in the 2015 and 2019 elections, often involving electoral officials and security personnel (Adigun, 2019. p. 21). In the same vein, the 2023 general election also saw the massive usage of funds from the various party primaries to the main elections in February and March, even upon the scarcity of funds accessioned by the naira redesign policy of the Federal Government. Thus, the monetisation of the Nigerian political space has made it difficult for people of impeccable characters to seek political elective positions thereby making charlatans with very little or no genuine intentions for the Nigerian people to take over the space for self aggrandizement, (Efebeh, 2018). The cases of Olisa Metuh misusing N400 million and US\$2 million originally intended for national security to sponsor President Jonathan's re-election bid through vote-buying (Yahaya, 2020); Sambo Dasuki misusing US\$2.1 billion and N19.4 billion originally intended for the purchase of arms for the army to sponsor

President Jonathan's re-election bid through vote-buying (Nnoch, 2016); and Diezani Alison-Madueke Officials from the INEC received \$115 million, those from the Fidelity Bank received N185,842,000, Fidelia Omoile, the electoral officer, received N112,480,000, Uluochi Obi-Brown, the INEC administrative secretary, received N111,500,000, Edem Okon Effang, the former INEC deputy director, received N241,127,000, and Immaculata Asuquo, the INEC head of voter education, received N241,127,000 Resident Assistant Inspector General of Police in Kwara State is paid N1 million, Kwara State Commissioner of Police is paid N10 million, Deputy Commissioner of Police in charge of operations is paid N2 million, Assistant Commissioner of Police in charge of operations and administration is paid N1 million, Resident Electoral Commissioner is paid N10 million, and Administrative Secretary is paid N5 million. INEC's Head of Department (Operations) and direct reports received N5 million, while line officials received N2 million. The paramilitary organizations received N20 million, the officer in charge of the mobile police received N7 million, the second in charge of the mobile police received N10 million, the director of state security services received N2.5 million, and the military personnel in Kwara State received N50 million. All of these sums were intended to tamper with the results of elections (Alli, 2016; Kayode-Adedeji, 2015; Onyekwere, 2017).

In the majority of situations, these electoral bargains have thrown democracies off course, resulting in the loss of lives and property, political instability, underdevelopment, poverty, and poor governance. The vote-buying syndrome, one of the main causes of electoral fraud, is neither a recent development nor unique to Nigerian politics. The development efforts and consolidation of democratic politics have been ruined for years by a widespread, international political ailment. It extends beyond the continent of Africa to other regions of the world. Vote-buying, for instance, is a common political tactic to entice votes in the United States, the Philippines, Britain, Pakistan, India, and several other European nations. Nicaragua, Argentina, Taiwan, and Lebanon are additional nations that use it during elections. Nigeria, Kenya, Ghana, Sao Tome Principe, Rwanda, Equatorial Guinea, Burundi, Uganda, Liberia, Togo, Sierra Leone, the Democratic Republic of the Congo, Tanzania, etc. are all countries in Africa where vote-buying is extremely common (Ovwasa, 2013; Efebeh, 2013, Baidoo et al., 2018; Onuoha & Ojo, 2018; Romero & Regalado, 2019). The situation is compared to a market where the buyers are the political candidates and the sellers are the votes, and the medium of exchange is money. Before or after the vote is cast, the voter receives payment for buying their vote along with proof that the vote was indeed cast.

The extent of politicians' eagerness to win a local election determines the worth of a vote. Although purchasing votes can be accomplished with money and other valuables, political actors have opted for two basic strategies. The practice of purchasing votes, which is against the law, has recently put the Nigerian electoral system under scrutiny. The study aims to evaluate the threat of vote buying in the electoral system of Nigeria, including problems, effects, causes, and solutions.

Statement of the Problem

The problem of vote buying is fast undermining Nigeria's democratic values. The threat has damaged Nigerians' sense of integrity. The unfettered expression of the voters'

will has been purposefully curtailed. The issue calls into question the election's legitimacy, integrity, and credibility. Vote buying results in terrible governance; because the mechanism that produced the leader was unconstitutionally sound, the voters might not have the right to challenge it when things go wrong and the promises made are not kept. Sometimes, the costs of voting greatly outweigh the rewards, and it is the economy that suffers, not the kids or the future. Politicians then reclaim these funds from the system as a cost of running for office. The study's challenge is to evaluate the threat of vote buying in Nigeria's electoral system, including its causes, effects, and remedies.

Research method

This research, which is qualitative in nature, concentrated on the secondary way of collecting information from pre-existing sources. The documentary method is based on the descriptive examination of documents that contain crucial information about the topic being studied. "Describe the documentary approach as the strategies used to categorize, investigate, evaluate, and highlight the limitations of physical sources, most typically written documents whether in the private or public domain," say Payne and Payne (Mogalakwe, 2006). "The application of documentary methods relates to the investigation of records that contain information about the topic under research," claims Mogalakwe (2006). Social scientists have the wrong idea that professional historians, librarians, and information science specialists dominate this type of research methodology. In his opinion, certain social scientists "frequently depict the qualitative approaches as a pointless endeavour, incapable of aiding in the study of social phenomena let alone prescribing for its resolution or amelioration," according to Umar (2016, p. 127) Burnham et al. (2004, p. 168) contend that it is therefore "rather remarkable that the majority of social research techniques texts fail to provide documentary materials more than a fleeting reference."

Theoretical framework

The study's theoretical framework of analysis is reciprocal determinism theory. According to the theory of reciprocal determinism, a person's behaviour both influences and is affected by their personality traits and their environment. The environment, the individual, and the behaviour-three key factors that affect behavioural pattern - are the foundation of the theory's concept. The model illustrates how the three elements are interconnected and how this leads to their interdependence and cooperative production of reflective answers. Individual behaviour is influenced by the environment, and individual responses also have an impact on the environment. The theory thus examines how our actions affect the environment. An early proponent of this notion was psychologist Albert Bandura (Singh, 2018). Harris (1998) and Akoul were two other defenders of the thesis (1998). Akoul provided information on earlier claims made by a child that kids were passive recipients of environmental effects and that kids were easily shaped in whatever way parents, teachers, and other caregivers chose to work. According to the theory of reciprocal determinism, as their environment shapes them, newborns become more participatory and practical members of society. Given that their traits, emotions, ideas, and behaviours affect how they interact with and respond to their environment, it would be

challenging for them to act as a result of learned connections or reinforcing (Cherry, 2018; Singh, 2018).

The foundation of this theory is the idea that there is a connection between human behaviour and the environment, whereby the environment affects human behaviour. To put it another way, the environment that results in the very poor behaviour of elected public office holders, the appalling performance of the government in power to provide good governance, the inability to deliver public services effectively, the lack of infrastructural facilities and the welfare of the public, which is paramount in governance, the poor legislation and a disservice to the people, the incompetence of government functionaries, and the unique experiences of voters fanned their sense of injustice; this also influences the ways and manner a state actor is perceived within the comity of nations in contemporary global relations, (Efebeh, 2020; Efebeh & Okereka, 2020). For instance, a lack of honest electoral procedures, openness, and accountability in government created a mindset among voters where they would react to the environment by exchanging their votes for cash and/or goods. Reciprocal determinism describes how the environment has an impact on a person's personality. Cherry (2018, p. 2) emphasizes that the environment component consists of the person's immediate physical surroundings that may contain reinforcing cues, such as other people who are there (or absent). Just as the behaviour itself may have an effect on the environment, the environment affects the activity's frequency and intensity. The individual component, on the other hand, consists of all the traits that have previously been rewarded.

A person's expectations, beliefs, and distinctive personality traits are all crucial psychological and cognitive aspects that influence how they behave. Vote-buying serves as a stimulation or environmental effect on the voters before and during election times in Nigeria, and vote-selling is a response to the stimulus on the environment. According to the reciprocal determinism theory, vote-selling is a reaction of voters to the environment, whereas vote-buying is a symbol of a severe lack of leadership and poor government. A critical paradigm shift from a behavioural perspective to a social-cognitive approach to behaviour understanding has been proven by Bandura's theory. While behaviourists held that an individual's behaviour is entirely influenced by their environment, Bandura recognized the importance of the interaction between people, their behaviours, and their environments. It shows, in large part, that while people are impacted by their individual experiences in their environment, they also have the power as a group to change their condition and circumstances by selfless actions and problem-solving techniques.

Manifestation of vote-buying in election periods

Depending on the history, culture, political experience, and election models of the people, the term "vote-buying" might have different meanings to different people or countries. There isn't a typical, single definition of "vote buying" that is accepted worldwide. While Bryan and Baer (2005, p. 4) defined vote-buying as "the use of money and direct benefits to influence voters," Etzioni-Halevy (1989, p. 287) defined the notion as "the exchange of private material rewards for political support." The two definitions emphasized the goal of vote-buying, which is to obtain immediate socio-economic advantages in exchange for voters' political support. Money politics' revolting appearance in Nigeria's political system is a deliberate violation of the country's electoral rules. Vote-

buying opportunities arise from politicians' apparent lack of adept use of opposing political ideologies and problem-solving manifestos to appeal to voters' consciences and persuasively influence the political behaviour of electorates in addressing risky social issues that would affect their individual or collective lives and interests.

In order to promote good governance, political elites often resort to mudslinging, non-issue-based campaigns, hate speeches, and inflammatory utterances because they lack innovative political knowledge, are unaware of their political parties' platforms, and are at odds with the raging socio-economic and political debates. Vote-buying and other electoral fraud are the only feasible, enticing alternatives available to these unsalable candidates or political parties to support or rest on their excessive goals (Sarkariyau et al., 2015).

Vote-buying in 2015 general elections and money politics in Nigeria

The goal of vote-buying in the general elections of 2015 is to sway voters' voting decisions, tip the political scales in the buyers' favour, and realize the goal of securing electoral success. Vote-buying boosts election enthusiasm and encourages high voter turnout in exchange for financial or material incentives. According to Nurdin (2014), this high voter turnout for incentives has a big impact on voting behaviour, though not necessarily for the sake of voting per se but rather for the purpose of collecting the rewards. Nigeria's politics are dominated by and determined by money. Because of their limited resources, the poor are a vulnerable group of voters who are more likely to be victimized, intimidated, and duped by vote-buying. Examples of such inducements include promises of basic goods, small sums of money, or job opportunities (Abba & Babalola, 2017; Onapajo & Babalola, 2020). According to Baidoo et al. (2018, p. 3). Three main justifications for the roots of vote-buying in elections have been recognized by theoretical viewpoints. In the first place, it is suggested that socio-economic conditions, particularly poverty, unemployment, and illiteracy, significantly contribute to the market for votes in democracies.

Second, it is asserted that a certain electoral system's voting procedures may also ensure the prevalence of vote-buying during elections. The third theory is based on the idea that polarization and party organization in a given state are what lead to vote-buying. Votes are not purchased without taking the voter's affiliation into account. Three voting groups have been identified, including opposition supporters, swing voters, and core supporters (Baidoo et al., 2018). Every election is focused on one of these three groups; they are the target audience for vote-buying. Vote-buying proposals frequently centered on either voting preferences or voting participation with the aim of persuading people to vote a certain way or not to vote at all. In order to encourage the uninformed and underprivileged to vote during elections, political parties create both monetary and non-monetary incentives. President Goodluck Jonathan's donors received billions of naira from anonymous friends, individuals, ambiguous groups, and corporate bodies with somewhat "fictitious" names during the 2015 presidential election, and Mohammodu Buhari's donors (as shown above) went against the constitutional provision in Section 225(2), which states: "Every political party shall submit to the Independent National Electoral Commission" (Federal Republic of Nigeria, 1999, p. 116). The cash-for-vote phenomenon has brought up important questions about political legitimacy in Nigeria, where candidates for office are constantly engaging in unchecked corruption.

Vote-buying was blatantly visible during the PDP and APC conventions' intra-party candidate nomination processes, particularly during the APC's 3-day Lagos presidential primary prior to the 2015 general elections (the origin of Nigeria's current problem). There were 7,214 delegates present at the convention, and each one was supposedly given US\$5,000 by the two main competitors. The Atiku Abubakar camp was supposed to provide the delegates \$2,000 apiece, while the Muhammadu Buhari group was supposed to give them another \$3,000 each. There were 7,214 accredited delegates that cast ballots in the APC primaries. Atiku's group may have spent more than \$14,428,000 and Buhari's group more than \$21,642,000, respectively, solely on buying votes, omitting expenses for lodging, food, and transportation during the primary. It was a game where the person making the largest offer would win. The People's Democratic Party, on the other hand, was accused of using public funds to support President Goodluck Jonathan's reelection as the only candidate on its presidential ticket, as shown in Appendix A1. These unannounced campaign visits to the palaces of the monarchs in the north and west were also alleged to be vote-buying tactics (Owete, 2014).

Vote-buying in general elections and money politics in Nigeria

The APC-led government deployed its intimidating public resources and vast coercive arsenal during the 2019 general elections to harass and control opposition parties and their followers, which resulted in the widespread use of vote-buying. On February 22, 2019, during the presidential election, Bola Tinubu, the APC's national leader, drove two bullion-vans into his home. These vehicles had significant amounts of cash that were being carelessly distributed to party operatives for vote-trading. However, neither the security personnel nor the Economic and Financial Crimes Commission (EFCC), nor the Independent Corrupt Practices and Other Related Offenses Commission (ICPC), nor the INEC (the regulatory body) looked into the matter after the image of the bullion vans and the crowd of potential vote-sellers went viral on the social media. According to the 1999 Constitution, the president appoints the chairman of INEC, members of the Management Board from each of the six geopolitical zones, the chairman of the EFCC, the chairman of the ICPC, the Inspector-General of Police, the Service Chiefs, and the heads of paramilitary agents. These organizations are merely the presidency's tentacles, and they blatantly advance the interests of the ruling party rather than those of society. Voters were forced to avoid polling places due to the misuse of security agents, such as the military, paramilitary personnel, and police, and their unwelcome activities that disrupted polling units and collation centres, as well as the military's unlawful arrest and detention of INEC officials and the forced confiscation of election materials and collated results in order to advance their own agendas.

In order to undermine the will of the electorate, INEC acknowledged that military forces and armed gangs violently raided collation centres, intimidating INEC staff, and unlawfully detained them. The participation of military forces in Nigeria's 2019 general elections was denounced by the European Union Election Observation Mission, the NDI, the NDI, the Centre for Democracy and Development, and Integrity Friends for Truth and Peace Initiative (Bassey, 2019; WANEP-West Africa Network for Peace Building, 2019).

The Effect of Vote Buying in Nigeria Electoral System

The Westminster Foundation for Democracy (2018) acknowledged or affirmed that voters in Nigeria are given cash, goods like food and clothing, and jobs. This conduct is supported by rewards that aren't expressly and formally connected to voting booth reciprocity. The generality of the people are believed to be unaware of the detrimental repercussions of buying and selling votes. Money-grubbing politicians prioritize their own interests over that of the general people. The results of vote buying or vote selling to the general public and the 2019 general elections are listed below.

Denying the Dividend of Democracy

The impact of buying or selling votes is so great that most uninformed people are unaware that political gladiators who provide peanuts in exchange for votes are doing it against the interests of the electorates. When they come into positions of authority, many of them turn their backs on the populace and become inaccessible. Their loved ones come first; they don't have the general good of society at heart. Their children go to school abroad, while others who cannot afford expensive tuition stay in Nigeria to attend schools that have outdated equipment, decaying buildings, subpar standards, and many other detrimental elements that harm our educational system.

Emergence of Incorrect Candidate

People suffer when the wrong candidate emerges, even if their candidacy is devoid of ambivalence, resentment, and eccentricities. Vote buying helps the wrong candidate win because money-bag politicians are determined to gain power at all costs. Keep in mind that if you sell your votes, you will lose out on some democratic rights and benefits. Every citizen has a right to all the benefits that the government is required to provide for its citizens. Every representative should be required to contribute to the development projects of their constituents. These initiatives are typically not completed because the persons who represent them are unqualified. They might have manipulated their way into the positions they have. Vote buying has been practiced in the past, albeit on a small scale and only in relation to pipelines, and was not as blatant as it is now.

Stagnation of Development

The problem of vote buying is detrimental to our 19 years of uninterrupted democracy and slows down development. Selling votes implies selling the social benefits that electorates would have received. Greedy politicians who offer the voters four to five thousand naira to vote for them have purchased the community's bad roads.

Massive threat to Democracy

The multiplying consequences of vote buying on Nigerian democracy have been strongly emphasized by academics. It should be remembered that in Nigeria, poor governance led to the military seizing control from the civilians. Because of military assaults, intimidation, and excessive censorship, it never boded well with the people who yearned for democracy. Why can't they refuse to buy votes for the public good and Nigerian democracy now that they are reaping the benefits of democracy? Negative Image: A nation needs to have a great reputation among other countries in order to draw its neighbours and

leaders from other countries to establish bilateral relations. Corruption and electoral offenses are blamed for the terrible reputation; Nigerians should avoid any behaviour that would harm our nation's reputation.

Poverty

According to the United Nations' estimate of poverty in Nigeria, the average Nigerian lives on less than \$1 per day. This validation is somewhat accurate because, if an assessment of poverty among Nigerians is made, you will agree with the UN's position. Nigeria is blessed with arable land, human and natural resources that if judiciously harnessed, would be competing with developed nations and our economy would be robust than we ever anticipated. The issue is that Nigerians were historically robbed of their ability to live better lives by corrupt government. Now is the time for Nigerians to elect reputable leaders whose goal is to reduce poverty by starting initiatives that directly benefit the public.

Dwindling life Expectancy

The reality of life is that if you have money, you can probably afford the needs of life, including quality medical care. However, in an emergency case, you risk easily dying if you have no money. Many people have died as a result of poor medical care. In Nigeria, malnutrition and starvation have contributed to the deaths of countless people (Yiaga Africa, 2018). For instance, the problem of young irregular migration in Nigeria resulted from individuals looking for a better life; hundreds of them died while foraging for greener pastures elsewhere. Those who would typically have had a longer life expectancy have passed away due to one issue or another.

Electoral Malpractice:

According to the Electoral Act of 2010, any person who, by themselves or by another person, at any time after the date of an election has been announced, directly or indirectly gives, provides, or pays money to or for any person with the intention of corruptly influencing that person or any other person to vote at such election, or on account of that person or any other person having voted at such election, or on account of that person or any other person having refrained from voting at such election, is liable for a fine of up to N100,000 or 12 months imprisonment or both. Vote buying will have a significant impact on the 2019 general elections. There will probably be significant frauds and irregularities. The wrong leaders will win the upcoming elections because they will utilize coercive tactics and aggressively escalate vote buying ploys to achieve their victory.

Conclusion

One of the elements working against Nigeria's democracy's longevity and political progress is vote-buying. The nation is implementing a "patronage democracy," which involves a carrot-and-stick arrangement between vote-buyers and vote-sellers to further commercialize politics. The amount of money used in the election flooded political development. Vote-buying is common in Nigeria because the average voter is poor and unable to resist the alluring effects of uncontrolled electoral enticements in cash or kind, wooing voters with alleged job opportunities, and the political elites' disposition to

capitalise on the weak-voters' unity in vulnerability to exploit the situation and render them politically powerless to control their rights to vote for candidates of their individual preference. The bane of development can be traced to the emergence of charlatans who runs the affairs of the state as though it is their private estates, and thus access to power implies an unhindered access to the nation's treasury, (Efebeh, 2017). Scholars have identified poverty, unemployment, and illiteracy as the main drivers of vote-buying. According to the study, vote-buying is inherently a derivation of election fraud. Vote buying is the root cause of bad governance and a facilitator of the imposition of the incorrect and incompetent group of unsalable individuals to fill positions in governance. The results of vote-buying include the insecurity of lives and property, ethnic division, secessionist agitations from numerous ethnic groupings, widespread bloodshed throughout the nation, and a severe infrastructural deficit. The menace breeds incompetent leadership, and incompetence breeds illiteracy, unemployment, and poverty. These revolve around the fact that, the monetization of politics makes it possible for only those who can afford to buy their ways through and not for those who can fix the societal problems. To that extent, mediocrity becomes the order of the day rather than competence.

Recommendations

Emphasis should be placed on the ability to bring legal action against the guilty parties and the aggressive fight against vote-buying. The government through INEC must look beyond rhetoric and take proactive measures against political parties, politicians, or their agents, as well as any delinquent anti-graft organization that has been found to have participated in vote-buying or assisted and abetted vote-trading. There is the urgent need to deploy modern technology to the Nigerian voting public such that electronic voting that would enable prospective voters to cast their vote at home using their phones. This way, the practice of buying votes by distributing money to prospective voters who are on queue waiting for their turns to vote would be totally eliminated. To stop electoral irregularities, the use of working card readers for identifying eligible voters must be maintained. To ensure that secret voting is not only a right but also a strict requirement that must be upheld during election times, the principle of ballot secrecy needs effective election legislation.

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THE ROLE OF THE INFORMAL SECTOR IN UNEMPLOYMENT REDUCTION IN NIGERIA

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Abstract: *This study focused on the role of the informal sector in unemployment reduction in Delta State vis-a-vis Ethiope East local government area. Unemployment has been a hydra problem in the country, and the youths happen to be the most vulnerable cum volatile among the population of the country. In that regard, there have been incessant calls by various top government functionaries, economic experts, international organizations, bureaucrats, and academics, for a diversification of the economy but to no avail. One sector that has not been given full support by the Nigerian government is the informal sector. Failure to focus on this sector and at least put in some measures so as to ensure that development occurs in this sector of the economy, has to some extent been responsible for chronic unemployment in the state. In ensuring that objectives of this research are attained, the secondary data were resorted to in the research. The Keynesian unemployment theory guided our work. This theory is known as the cyclical or deficient-demand unemployment. It is of the view that, unemployment happens when there are not enough aggregate demand in the economy to provide job for everyone who wishes to work. The following findings were obtained: that failure to encourage small and medium scale enterprises, skill acquisition and what have you, is a cause of rise in unemployment rate. That the informal sector development is a veritable source of employment for the unemployed in the country, as it gives these persons some level of leverage. That failure to industrialize the economy and create room for economic diversification is to some extent responsible for Nigeria's unemployment brouhaha. That unemployment in Nigeria has continued to be on the increase despite the abundant human and natural resources available in the country. In conclusion, the following recommendations were suggested: that there should be the introduction of a progressive tax system in the country stemming from the Federal down to local government areas. That the mode of production in the country should be transformed from the primitive, subsistence cum crude form, to the production of manufacturing as well as, finished products.*

Keywords: *informal sector, unemployment, reduction, Ethiope East, Delta State.*

Introduction

The rate of unemployment in Nigeria has continued to be on the rise regardless the plethora of human and natural resources available in the country. Chronic unemployment is evident in Nigeria chief amongst the youth population which invariably represent the

driving force for development. For the youths to become useful resources, they must be gainfully employed- they could be the most volatile when their energies are misdirected or channeled into wrong endeavors, which invariably would lead to social unrest and economic instability (Hassan, 2013). The International Labour Organization (ILO) defines unemployment as total numbers of the economically productive population who are without work but available for and seeking work, as well as people who have lost their jobs, and those who voluntarily left their work (World Bank, 2008). In that regard, people willing to work but not presently working are unemployed. The "unemployed" comprise all individuals who are above a specified age who during reference period were;

- i. "Without work", i.e that are not on a paid employment or self-employment.
- ii. "Currently available for work", that is, were willing to accept a paid employment or a self-employment during the reference period.
- iii. "Seeking work" that is, had taken on proactive steps to seek for a paid employment or self-employment.

According to the Federal Ministry of Employment, Labour and Productivity (FEML&P), unemployment figures include, those out of work, eligible for work and looking for a job, but no readily available one's. This definition is to be extended to include those unemployed persons who give up job seeking out of frustration and retrenched or laid off persons. Unemployment is most often than not, grouped according to the following variables; age, sex, education, duration of unemployment period and kind of education and economic activity previously carried out. Although there seems to be aggressive convergence on this concept, its definition have been plagued by series of problems across countries. As observed by Awogbenle and Iwuamadi (2010), from the excerpts of statistics obtained from the National Manpower Board and Federal Bureau of Statistics, Nigeria has a youth population of over eighty (80) million representing 60 percent of the total population of the country. Sixty four (64) million of them are unemployed while one million six hundred thousand (1.6 million) are underemployed. KPMG (2023) asserts, Nigeria's unemployment rate would rise to 41% in 2023. From the analysis, rate of unemployment in Nigeria in 2022 had increased to 37.7 percent, and will further increase to 40.6 percent, as a result of incessant inflow of job seekers (4.5 millions) into the job market. Unemployment has become a main challenge plaguing the lives of Nigerian youth causing depression, loss of hope, frustration, dejection, devastation and dependency on family members and friends, who also have their own problems to contend with. The high rate of unemployment in Nigeria has contributed to the high rate of poverty and insecurity in the country. Although, unemployment is a worldwide economic problem, causing poverty and lack in which nations of the world are greatly concerned.

Adejumo and Tayo-Olajubulu (2009), contended that unemployment has been identified as one of the major causes of social vices, viz armed robbery, destitution, prostitution, political thuggery, kidnapping and lots more. Musari (2009) corroborated this assertion by saying that over 4.5 million individuals enter the labour market yearly without any bearing cum hope of getting employment for life sustenance. This precarious situation has left a whole lot of individuals in the country in a vicious cycle of poverty that daily erodes their self-confidence and bright future. Findings have shown that, unemployed Nigerians are disproportionately most likely to be perpetrators, as well as victims of crime and violence (Okafor, 2011). Each day, the gap between the rich and the poor is ever increasing, and it affects the society vis-a-vis unemployment situation. It has been

exacerbated by societal upheavals viz political corruption, poverty, poor governance, increasing population, and lack of policy initiatives and implementation to some extent encouraged criminal groups to thrive across Nigeria most especially Delta State.

Research Questions

This following research questions would form the basis for this study:

What are the causes of unemployment in Delta State?

What are the effects of unemployment on the socio-economic development of Delta State?

To what extent has the Nigeria government gone in exploiting the beauty of entrepreneurship development as a strategy in addressing the unemployment situation?

Can the informal sector serve as a strategy to reducing unemployment in Nigeria particularly Ethiope East local government area of Delta State?

What should be done to minimize the employment situation in Ethiope East local government area and Nigeria at large?

Objectives of study

The objectives of this study are as follows:

Identify the causes of high level of unemployment among the people of Ethiope East Local Government area of Delta State.

To examine the extent to which activities in the informal sector through trade craftsmanship and skills acquisition have been able to minimized the unemployment problem in Delta State.

To understudy the role of informal sector development as a medium of reducing unemployment in Delta State.

To find out the possibility of curbing the unemployment problem in Delta State through the informal sector.

Literature Review

The Concept of Unemployment

According to Briggs (1973) unemployment is the gap between the amount of labour employed at current wage lends and working conditions, as well as the amount of labour not hired at these levels. Gbosi (1997), defined unemployment as a situation in which persons who are ready and willing to work at a prevailing wage rate are unable to find these jobs. In that regard, everyone who is not to be counted as part of the unemployed labour force, in order to avoid overestimation of the official rate of unemployment. More recently and acceptable, is the definition of unemployment as put forward by the International Labour Organization (ILO), "the unemployed is a member of the economically active population, who are without work but available for and seeking for work, including people who have lost their jobs and those who have voluntarily left work (World Bank, 1998). The application of this definition across countries has been faulted, most especially for the purpose of comparisons and policy formulation, as countries are peculiar in their regard vis-a-vis their commitment to resolving unemployment problems, moreso, the preponderance of housewives who possess the ability and willingness to work, the definition of the age bracket all stand as limitations to the definition by ILO (Douglasson et al, 2006).

According to the Central Bank of Nigeria (2003), the unemployment rate nationally, increased from 4.3 percent in 1970 to 6.4 percent in 1980. The high rate of unemployment noticed in 1980 was qualified largely to depression in the Nigerian economy in the late 1970s. Specifically, the economic depression led to the implementation of stabilization measures viz restrictions on exports, which caused import dependency of most Nigerian manufacturing enterprises, which in turn resulted in operation of many companies below their installed capacity. This development led to the folding up of many industries whilst the survived few were forced to retrench and layoff a large proportion of their workforce. Furthermore, the Nigerian government also placed an embargo on employment. Total disengagement from the Federal Civil Service rose from 2,724 in 1980 to 6,294 in 1984 (Odusola, 2001). In this regard, the unemployment rate nationally fluctuated around 6.0% until 1987 when it rose to 7.1 percent. It is imperative to admit that, SAP adopted in 1986, had serious implications on employment in Nigeria, as unemployment rate declined from 7.1 percent in 1987, to as low as 1.80 percent in 1995, after which it rose to 3.4 percent in 1996, and hovered between 3.4 and 4.7 percent between 1996 and 2000 (Douglason et al, 2006).

The educational status analysis also reveals that, people who have been majorly affected by unemployment are those void of basic education. For instance, persons with and without basic education accounted for 76.8/80.6 percent of the unemployment within 1974 and 1978. Recently however, the situation has been compounded by the increasing unemployment of professionals viz accountants, engineers, amongst others. According to a 1974 survey, reported by Aigbokhan (2000) unemployed graduates accounted for less than 1 percent of the unemployed, in 1974. By 1984, the proportion rose to 4 percent for urban areas and 2.2 percent in the rural areas. Graduate unemployment, (Dabalén et al, 2000) accounted about 32% of the unemployed labour force between 1992 and 1997. However, in 2003, the Nigerian's unemployment rate declined substantially to 2.3 percent. This decline was attributed to the various government efforts aimed at addressing the problem through poverty alleviation programmes. This decline also pointed to an increased number of people who got engaged in the informal sector activities. A couple of recent studies have attempted to examine the contributions of the informal sector in employment creation. Ajibefun and Daramola (2003) examined the efficiency of micro enterprises in the Nigerian economy using a sample of 180 micro enterprises. They reported evidence of a wide variation in technical and allocative efficiencies, both within and across industries. They also found that education of owner of a business enterprise was a significant factor influencing efficiency. They conclude that the evidence of variation in efficiency is indicative of the need for more proactive actions to raise the level of efficiency and employment amongst the firms in the sample. Also, Sanda et al (2006), used a sample of 360 firms on Kano and its environs to examine whether or not, in comparison to large firms, small firms are relatively better at creation of employment opportunities. Their results were positive in that small firms were found to be relatively better, and the conclusion they derived was that a policy that gives special preference to small firms is justified.

The Informal Sector

The informal sector is unorganized, deregulated and more of legal, yet unregistered. As observed by Todaro (1997), the massive additions to the metropolitan labour force by

this sector is not captured in formal modern sector unemployment indexes. The large chunk of new entrants to the urban labour force creates their own employment or work for small (at times medium) scale family owned enterprises. The term "informal sector" since its coinage in the 1970s has attracted much interest, discussion, and argument. There are two known approaches in recent times, to defining informal sector activities viz the definitional and behavioural (Farrel, Roman and Fleming, 2000). Whilst Farrel defines the informal sector as one which comprises economic activities that are not recorded in the gross domestic product (GDP) and/or the national income accounts. The behavioural (which is a times referred to as the legalistic) definition is premised on whether or not an activity complies with the established judicial, regulatory, and institutional framework (Feige, 1990). Sethuraman (1981) defines the informal sector as comprising small scale units engaged in production and distribution of goods as well as services with the sole purpose of creating employment and income, regardless of the constraints on capital, both physical and human, and the technical-know-how. Arimah (2001), asserts that the informal sector does not seem to have a meaning independent of the formal sector, as it only finds its meaning vis-a-vis the formal sector. Ademu (2006) also defines the formal sector as consisting those employment generating activities of some urban residents, carried out for survival in the absence of formal employment. These activities are identified by the lack of rules and regulations by institutions of society in a social and legal environment in which similar activities are regulated. Common features of operators in the informal sector include:

Easy access to production factors that are derivable from social organization of family and friends.

Involves entrepreneurs in almost all aspects of the economy viz productive activities, general services and specialized services.

Technology is a function of the constraints of social relations.

Motivation for production by the actors in the informal sector is becoming more profit oriented (Ademu, 2006).

The nature of the forms of work

Most empirical studies on the informal sector have evaluated mode of labour utilization on the premise of conventional occupational categories viz entrepreneurs, self-employed and associated workers, salaried workforce (skilled, semi skilled and unskilled) and unpaid workers (family workers and apprentices). Findings has also focused above all at unveiling the employment as well as training potentials of the informal sector. The characteristics of self-employment probably vary based on the form of production. It may be relatively independent, or rely on other forms of production. It may be a regular activity or intermittent and what have you. In other words, aggregation of various forms of self-employment denies analysts relevant information that could be of help in understanding the important aspects of the social dimensions. In that regard, the status of wage employment in the informal sector depends on the form of production. In small capital intensive units in certain sectors (mechanical engineering, woodwork, commerce), skill levels, forms of remuneration and regularity of work, mean that wage workers are in much the same situation as employers of large modern sector enterprises. On the other hand, in the majority of other small enterprises which make up the heart of the informal sector, what is known as "paid employment", largely takes the form of semi-paid family work with

many features of traditional society patterns. Although this grouping is a simplification, one important point is clear; the status of the paid workforce in the informal sector changes according to the forms of remuneration and labour utilization. In that regard, even within the informal sector, the stage of advanced transition of certain forms of production includes the use of a paid workforce sharing common characteristic features with the workforce of large enterprises in the modern sector. At the same time, the modern sector sometimes uses part time workforce - temporary workers paid by the day, on piecework or seasonally - which is similar in many regards to certain forms of paid employment in the informal sector.

Challenges and constraints facing the informal sector

The activities in the informal sector are bedeviled with considerable risks which may force people to change occupation in order to survive. Bad economic conditions can affect supply of inputs and sale of products, and this may ruin business for those involved. Most informal sector activities have no insurance against risks and any disaster may shatter the means of livelihood of the owner. Informal manufacturing also faces some worrisome constraints. In most cities the overwhelming majority of large public and private sector companies have direct access to basic utilities viz water and electricity but some of the informal manufacturers are denied access to these utilities. Hostility to the informal sector is manifest from the ILO study in zoning laws which cocoons small firms to sub-urban well away from commercial centers of towns where we have large concentration of market opportunities. Periodic demolition of squatter areas, destruction of illegal structures, relocation of markets and artisan workshops, can be quite frustrating for entrepreneurs who would pay more to set up new premises. As more government now seem to acknowledge the informal sector in statistics and development strategies, policies to promote it can still be problematic.

Government intervention could imply applying regulations such as wage and price control, quality and licensing requirement. The danger here is of formalizing it and destroying those conditions which are its essence. Surveys have shown that direct state Intervention is not welcomed by the majority of entrepreneurs who relish their official anonymity and independence. King (1979) for instance, asserts that, most self employed groups share a perpetual dislike for higher taxation and bureaucratization. The question to be answered at this juncture is, why the sector still persists regardless of all these uncertainties, insecurity and instability. If we take the Nigerian case for instance, the ill-fated government of President Muhammadu Buhari in the year 1984 tried to edge out the casual traders by destroying unlicensed trading stalls and strongly enforcing the ban on street trading and this remain pervasive in many states across the Federation. Official market sites were established then and direct sales of products from the factory gate to consumers were encouraged. The Buhari's aggression towards casual traders was only a quasi success. Some people did abandoned their life on the crisis of the city to begin farming in the villages, whilst many more just went underground to become "guerilla traders", setting up their businesses in the not so watchful eyes of the law. Neither was the clampdown on traders popular with consumers. In fact African street sellers are observed by many as a relevant sector of the continent; in a society where transport is always a contentious issue, the local street seller, hawker and what have you, provides a valuable service just as the road side mechanic, water seller and the unlicensed motor-cyclists and

taxi drivers. Such services are ever increasing in importance to the macroeconomic fluctuations, social challenges and structural problems in the Nigerian economy. NEEDS as a development strategy premised on the private sector to trigger wealth creation, employment generation as well as, poverty reduction. Being a medium-termed reform based development strategy and action plan for the period 2003-2007, the impact of NEEDS is yet to be felt, in combating unemployment problem and this further points to the need to seek help in the informal sector drastically, as a panacea to unemployment reduction. In tackling this pervasive level of unemployment in the country, any programme aimed at producing self-reliant entrepreneurs is most welcome by the government.

Employment role of the Informal sector

Employment indexes show the informal sector, as the second largest employer of labour after agriculture in the world. Throughout the Third World, people find refuge in the informal sector. These include retrenched workers from the formal sector, unemployed youths and fresh university graduates. The informal sector is in fact a necessary feature of capitalism. Smaller wages are paid and people make up with informal sector activities. Some persons even leave the formal sector for the informal. Governments (of late) rather than harass or demolish informal sector areas of operation now encourage and give them some sense of direction. Different countries studies have shown that, informal sector forms an integral part in the overall industrial sector and plays an active role in the growth and development of these countries (Akintoye, 2008). In Nigeria the informal sector is responsible for about 70% of total industrial employment; it generates about 6.2% of the aggregate employment in United States; 22.3% in China; 80% in India and about 50% in Israel. In a survey of Port Harcourt 1985, Ekpenyong observed that 84% of respondents said that their incomes were irregular, 72%, felt their jobs does not have security or fairly secured and complained about short average job tenure. On the other hand, nearly 48% of the respondents expressed a desire to obtain formal sector work; while the majority who prefer to remain in the informal sector admitted, it was all that they were able to do in terms of their education, training and experience and that it was an addendum to the bread winners income. In that regard, it means that most of these jobs are subsistence oriented.

An Overview of Ethiope East Local Government Area

Ethiope East local government area of Delta State has an area of 380km² and a population projection of 275, 400 (City Population, 2022). There have been a consistent increase cum growth in the population of Ethiope East local government area. According to City Population report (2023), in November 1991 the population of the area was 113,929. The Census conducted in March 21, 2006 shows a population of 200,942. It was projected that by March 21, 2022, the population of Ethiope East local government area would be 275,400. Ethiope East has a total of 67 settlements.

Districts & Villages Under Ethiope East LGA

Ethiope East local government area comprises three districts, which are:

i. Abraka ii. Agbon iii. Isiokolo.

Villages

Ethiope East local government area comprises sixty-seven settlements, which are:

Ajalomi, Akpoho, Ekrejeta, Erho, Ofuoma, Ogheje, Okagbare, Oria, Ugolo, Umeghe, Urhuagbesa, Urhuogo Inland, Urhuoka, Urhuovie, Urhuovie Inland, Adarode, Asoro,

Edafe, Egbogho, Ekirigbo, Ekpan, Ekraka, Ekrudu, Eku, Emakpo, Emehwu, Erhokori, Ibada-Okuegharbo, Ichikirhe, Iguh, Kokori Inland, Obuegharbo, Oburobi, Oghoghome, Oguma, Ogurivwe Utuyo, Okorogba, Okpara Inland, Okpara W/Side, Okriore, Okuaghamu, Okuekpagha, Okuemaka-Okuodo, Okuighele, Okuimodje, Okuisiorho, Okuke, Okuloho, Okune, Okuokpokpo, Okurhokpe, Okurishue, Okurode Osajaye, Okuronika, Okuroworho, Okuruvo, Okwe-chi, Olukobare, Omukufor, Onnumane, Orhokpo, Orhono/Area, Otumara Ovorie Ovu-Inland, Ovwere, Samagidi, Umuahwa (Finelib, 2023).

Theoretical Framework

A theory is an idea or belief about something arrived at through assumption and in some cases a set of facts, proposition, or principles analyzed in their relation to one another and used, especially in science, to explain a phenomena. To have any value, a theory must be able explain or suggest ways of explaining why a subject matter has certain characteristics. In other words a theory must have explanatory, predictive, and problem solving value and not just an intellectual exercise that simply seek to provide new set of categories or paradigm(s). Thus this research work will adopt 'The Keynesian Theory of unemployment and the Marxist Theory of unemployment' as it best captures the issue that triggers this intellectual research.

Keynesian Unemployment Theory

The Keynesian theory is also known as the cyclical or deficient-demand unemployment. The cyclical or Keynesian economists uphold the view that unemployment happens when there is insufficient aggregate demand in an economy that will provide job for everyone who wishes to work. According to this school, "when demand for most goods and services falls, a decline in production will occur, with attendant fewer workers needed, while wages slightly reduce but do not fall to meet the equilibrium level, and increase in unemployment statistics (Wikipedia Encyclopedia, 2013). The name cyclical is coined from the "consistent shift in the business cycle, although unemployment can also be persistent". Take for instance, the Great Depression of 1930s, which affected labour market across the globe. In Germany, unemployment rate rose nearly to 25% in 1932. In some towns and cities in the north-east region of England, unemployment climbed as high as 70%; Canada rose to 27% at the heat of the depression in 1933. The United States unemployment rate is at an average of 3% in 1929. However, in 1933, 25% of all American workers and 37% of all non-farm workers were unemployed. In recent times, it repeat itself again when more than 25 million people in the world's 30 richest countries will have lost their jobs and join the list of unemployed workers between the end of 2007 and the end of 2010, as the global economic meltdown pushes most countries into recession again (Wikipedia Encyclopedia, 2011).

Nigeria happens to be one of the most affected. For example, while many government agencies and parastatals placed embargo on employment in the last two decades, within the same period, governmental reforms laid off about 121,731 workers from the public service between 2006 and 2007. During phase one of the rightsizing process of the 2005 public service reform, about 30,000 officers of the core civil service were disengaged from service (Adegoroye, 2006). The banking sector also had setbacks of the financial crisis. Some banks in the industry largely reduced manpower in a bid to remain

in business and this has greatly increased the rate of unemployment in the country. The Keynesian economists assert further that the number of unemployed workers are more than the number of job vacancies, that even if full employment were achieved and all vacant jobs were filled, some persons still be unemployed due to some in balance in the economy. Some has linked this theory to frictional unemployment because the factors that cause the friction are partly due to cyclical variables. For instance, a sudden decrease in the money supply may surprise rational economic theorists and suddenly impedes aggregate demand. Hence, Keynesian economists see the lack of demand for jobs as potentially resolvable by government intervention. Their analysis for reducing unemployment is deficit spending by government to boost employment and increase in aggregate total demand. It further recommended intervention through an expansionary monetary policy that increase the rates thereby leading to an increase in non-government spending (Haris, 2005), and policies that supports and strengthens more private investment (Obadan and Odusola, 2010).

Research Methods

Methodology refers to the procedures for obtaining and utilizing data. Thus it involves the procedures employed in conducting a research.

This study employs the secondary method of data collection. It made ample use relevant literatures, journals, books and etcetera.

Combating Unemployment via the Informal Sector

Studies on industrial development of different countries have shown that the informal sector constitutes an integral part in the overall industrial sector and play a major role in the growth cum development of these countries. These enterprises supports significantly to the employment generation and output growth of different developed and developing countries (Quarterly News letter of IYMC, 2005). In Nigeria, this sub-sector accounts for about 70% of the total industrial employment, generates about 6.2 percent of the aggregate employment in the United States, 22.3 percent in China, about 80 percent in India, as well as about 50 percent employment in Israel (Maryland, 2004). The foregoing therefore points to the fact that the informal sector given the needed support and regulatory framework could be a major player in the combat against unemployment saga in Nigeria, as well as in other developing countries. However, the informal sector cannot operate effectively at this task without the support of other key players, which is basically the availability of credit, as the best of ideas may never translate to reality without the wherewithal to make it happen - CREDIT, FUND; hence the availability of credit to finance the informal sector cannot be under placed.

Roles of the Micro Finance Institutions

Over the years, Micro Finance has continued to assume increasing relevance due to the foregoing. The emphasis on micro credit in contemporary times is such that the Global conscience admits that should unemployment reduce, the world would be a better place as poverty would reduce, an improvement in standard of living, increased productivity, and an attendant effect of an enhanced economic performance. Khandker (1998) opines that the lack of savings cum capital makes it somewhat herculean for poor people to become self-employed and to undertake productive employment generating activities.

Furthermore, lack of capital makes it difficult for the less privileged to become self-employed. In that regard, the informal sector's productive base and contributions remain small due to lack of accessibility to credit (Ademu, 2006). To this end, micro finance institutions in any social and economic climes can deliver credit to the informal sector which in turn makes use of the borrowed fund profitably, thereby reducing the level of unemployment in the country. Microfinance service providers are anticipated to:

- (i) Provide efficient and effective financial services, such as credit, deposits, commodity/inventory collateralization, leasing, and innovative transfer/payment services;
- (ii) Undertake appropriate recruitment and retention of qualified professionals through transparent and competitive processes;
- (iii) Adopt continuous training and capacity building programmes to improve the skills of staff; and
- (iv) Strictly observe their fiduciary responsibility, remain transparent and accountable in protecting savers' deposits.

Goals of Micro Finance Banks

The creation of microfinance banks has become pertinent in serving the purposes below:

To provide diversified, affordable and reliable financial services to the very poor, in a prompt and competitive manner, that enables them to embark on and develop long-term, sustainable entrepreneurial skills;

To generate savings for intermediation;

To create employment opportunities and improve the productivity of the poor in the country, with the attendant increase in their personal household income and improve their standard of living;

To enhance well planned, systematic and deliberate participation cum engagement of the poor in the socio-economic development cum resource allocation process;

To provide suitable platforms for the administration of the micro credit programmes of government and high net worth individuals on a non-recourse case basis. Specifically, this policy allows that state governments shall save an amount of not less than 1% of their annual budgets for the on-lending activities of microfinance banks in favour of their residents; and

Rendering payment services, viz salaries, gratuities, and pensions for the levels of government. With the effective implementation and monitoring of the on-going micro finance policy in Nigeria, it is expected that the issue of unemployment in Nigeria will be a thing of the past by the year 2020.

Central Bank of Nigeria (CBN)

The roles of the CBN shall include the following:

Establishing a National Microfinance Consultative Committee.

Evolving a clear micro-finance policy that spells out eligibility and licensing criteria, provides operational/prudential standards and guidelines to all stakeholders;

Evolving a microfinance sub-sector and institutional policies aimed at) providing regulatory harmony, promoting healthy competition and mainstreaming micro financing with formal intermediation;

Adopting an appropriate regulatory and supervisory framework; Minimizing regulatory arbitrage through periodic reviews of the policy and guidelines;
Promoting linkage programmes between universal/development banks, specialized finance institutions and the microfinance banks;
Continuously advocating market-determined interest rates for government-owned institutions and promote the channeling of government microfinance funds through MFBs;
and
Implementing appropriate training programmes for regulators, promoters and practitioners in the sub-sector, in collaboration with stakeholders.

The roles and Responsibilities of Stakeholders

The roles and responsibilities of stakeholders in ensuring the effective performance of the informal sector are hereby outlined. Government shall be responsible for:

- i. Ensuring a stable macro-economic environment, providing basic infrastructures (electricity, water, roads, telecommunications, etc), political and social stability;
- ii. Fostering adequate land titling and other properly rights sufficient to serve the collateral needs of borrowers and financial institutions;
- iii. Instituting and enforcing donor and foreign aid guidelines on micro-finance to streamline their activities in line with this policy; and
- iv. Setting aside an amount of not less than 1% of the annual budgets of state governments for on-lending activities of microfinance banks in favour of their residents.
- v. Implementation of appropriate training programmes for regulators, promoters cum practitioners in the sub-sector, in collaboration with key actors.

Donor's agencies and NGO's

Donor agencies offer free or subsidized funds, donations or technical assistance for the development of the microfinance industry in Nigeria. These services include bilateral and multilateral institutions, NGOs as well as missionaries with a poverty orientation. Services provided by donor agencies includes grants, donations, technical assistance, etc. Donor agencies, whilst conducting their microfinance activities, shall be in consonance to the relevant provisions of this policy. The expected promoters of donors' support may include: MFIs, NGOs, regulators as well as other key agencies. However, for the purpose of leveraging the evolving micro financial initiative, donors are expected to direct most of their assistance to licensed MFBs to ensure an orderly resource injection, transparency and synergy. (CBN, 2005).

Conclusion

Unemployment which has been a major issue in the country needs to be tackled with all strictness and zealousness. This study has been able to establish the importance of the informal sector in reducing unemployment in Ethiopia East, Delta State and Nigeria at large. The sector (Informal) if well-developed is a very good strategy that could be used towards reducing unemployment. For the development of the informal sector to occur all the actors (both state and non-state), and citizens must work in unity. The smooth passage of it all is the creation of a forum or committee whose focus is based on developing the informal sector as it plays a major role in the development of any country. This committee

should introduce programmes such as; Youth empowerment, entrepreneurship development, and skill acquisition. In that regard, the government, multinational companies, organizations and etcetera) can create jobs for the unemployed and teaming population thereby reducing unemployment rate. Various levels of government should introduce a progressive tax system, so that money generated from it can be channel to other sectors viz the informal sector of the economy.

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MANAGING CHANGE IN NIGERIA NATIONAL PETROLEUM COMPANY: STAKEHOLDERS' CONCERNS, CHALLENGES AND THE WAY FORWARD

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Abstract: *The enactment of the Petroleum Industry Act (PIA) 2021 by the Federal Government of Nigeria marks the culmination of a 20-year effort to reform the oil and gas sector, creating a conducive environment for growth and addressing community grievances. This study utilizes a change management approach, employing a portfolio management framework to assess the preparedness of the Nigeria National Petroleum Company (NNPC) and industry stakeholders for implementing the Act's stringent timeline. Drawing on chaos theory and complex systems theory, the research examines the challenges of change management in the oil and gas industry, considering cultural differences, miscommunications, and coordination issues among multinational players. The study emphasizes the importance of cultural, historical, and leadership factors, along with policies, processes, accountability hierarchy, change agenda, human resources, and technological integration in assessing change readiness and preparedness. The findings reveal that stakeholders and other predictors hinder favorable change execution, emphasizing the significance of change management in assessing readiness. Additionally, the study highlights the need for deep reform in the NNPC and the potential benefits of privatization, with a commerce-oriented board and direct public ownership. Recognizing the interdependencies within the petroleum industry, the research underscores the importance of identifying and integrating systems in the change plan. By contributing to the understanding of how PIA implementation affects industry players' willingness to change, this study offers implications for oil and gas firm managers and policymakers to enhance change management preparedness. This study recommends transparency, accountability, and a business model that benefits the country, thereby repositioning the new NNPC into a new style and philosophy, akin to successful entities like Saudi Arabia's Aramco and Brazil's Petrobras.*

Introduction

This paper focuses on the study of Managing Change in the Newly Incorporated NNPC Limited: Stakeholders' Concerns, Challenges, and Moving Ahead to enhance effective knowledge management processes. The research addresses several key research questions, including stakeholders' fears, concerns, challenges, and apprehensions regarding the way forward for the newly incorporated NNPC. It also explores how these changes can improve the operational efficiency of NNPC and examines the initiation of knowledge management processes within the organization. Furthermore, the study aims to bridge the gap in knowledge management practices in Nigeria through research in this field. The Nigerian Government signed the Petroleum Industry Act (PIA) into law on August 16,

2021, marking the end of a 20-year effort to reform the oil and gas sector. The reform aims to create a conducive environment for growth and address the grievances faced by communities impacted by extractive industries. Over the past two decades, the petroleum industry has undergone significant changes both domestically and globally, with the emergence of more indigenous players in Nigeria. While militancy has declined since the amnesty program, climate change concerns have increased, leading to divestment by major industry players such as Royal Dutch Shell. The PIA reflects Nigeria's recognition of the changing environment. The oil and gas sector has been the country's primary foreign exchange earner, accounting for approximately 95% of foreign exchange earnings and 80% of budget revenues. The PIA provides a legal, governance, regulatory, and fiscal framework for the Nigerian petroleum industry, including the development of host communities.

This study also examines the change that was brought about by the legislation in the industry and how the newly incorporated Nigerian National Petroleum Corporation (NNPC) Limited will manage the transition from a government-controlled company to a private company registered under the Company and Allied Matter Act of 2020. It explores the extent to which the PIA will meet Nigeria's aspirations and the measures put in place to manage the change. Assessing the legacy organization's readiness to change within the petroleum industry has received little attention. Therefore, this two-part study series adopts change management concepts and principles to evaluate and understand NNPC's preparedness for change from a projectized organization perspective. Additionally, this study investigates the history, current strategies, and future prospects of the Nigerian National Petroleum Corporation (NNPC). The corporation's role has included managing Nigeria's interests in the oil and gas industry, influencing industry policy, performing regulatory functions, and driving the country's economic, technological, and industrial development through the development of endogenous capacities and self-reliance in upstream and downstream operations. The mission of NNPC is to drive Nigeria's economic and technical advancement by leveraging the country's valuable petroleum resources.

Objectives of the study

To identify barriers and facilitators that impact the successful implementation of change in NNPC Limited.

To assess the current change management practices and strategies implemented in NNPC Limited.

To identify stakeholders' perceptions and concerns related to change management in the newly incorporated NNPC Limited.

To explore the Apprehensions Surrounding the Newly Incorporated NNPC Limited, challenges and relevance.

To propose recommendations for effective change management in NNPC Limited.

Conceptual Review

The following concepts will be examined as they relate to this study:

Change Management

Change management involves aligning portfolio activities (programs and projects) with the organization's strategy and transitioning portfolio results into operations to achieve

strategic business benefits. A project requires a well-defined start date and boundaries, including a statement of work that describes the project's deliverables and their relationship to the business need. The scope of a project extends beyond typical boundaries and includes initiation activities before project chartering and transition activities to successfully deliver and sustain the change. These activities encompass change formulation, planning, product support, service management, change management, user engagement, and customer support, extending beyond traditional project scope. The objectives range from dynamically evaluating the initiative's benefits to realigning project activities and integrating them into the business to add value and sustain competitive advantage. The change process spans all levels of a business, from strategic objectives aligned with organizational strategy to evaluating actual performance. Portfolios begin with formulating and planning the change, and change implementation produces tangible business deliverables (products, services, and results) that are transitioned into the organization's operations to generate benefits and add value to the business.

Change Transition Process

The process of change is measurable and quantifiable. Olson, & Simerson, (2015), *Leading with strategic thinking*: It is essential for organizations to adopt tested strategies for managing corporate change effectively. Stakeholder involvement at different stages of the change life cycle is crucial for making informed project decisions, Hill, (2007). During implementation, activities mainly focus on component oversight and integration. At the end of the complete cycle, when the program concludes, activities cease. However, a continuous activity level may be maintained to ensure the transition to business-as-usual and the successful integration of the change. The implementation timeline for transitioning from government-owned entities to private-driven companies in the petroleum industry was initially set at one.

Changes in the New NNPC Limited

In the cause of this study, the following changes were observed; NNPC Limited has transformed into a fully-fledged limited liability (commercial) company. While the Federal Government initially subscribed to the entire share capital of 200 billion Naira, there are plans to divest a significant portion of the government's interest through an IPO soon.

Within 18 months from the incorporation of NNPC Limited, the Ministers of Petroleum and Finance will determine which assets, interests, and liabilities of NNPC will be transferred to NNPC Limited or its subsidiaries.

NNPC Limited will establish a board that will fulfill its responsibilities by the provisions of the PIA (Petroleum Industry Act), the Companies and Allied Matters Act, and the articles of association of NNPC Limited.

The board of NNPC Limited will be appointed by the President and will consist of:

A non-executive chairman

The Chief Executive of NNPC Limited

The Chief Financial Officer of NNPC Limited

A representative from the Ministry of Petroleum, holding the rank of director or higher

A representative from the Ministry of Finance, holding the rank of director or higher

Six non-executive members, one from each geopolitical zone, with a minimum of 15 years of post-qualification experience in the petroleum sector or other relevant sectors of the economy.

As a commercial entity, NNPC Limited will publish annual reports and audited accounts, distribute dividends to its shareholders, and pay taxes to relevant government agencies.

NNPC Limited will raise funds independently through various corporate strategies, including partnerships and joint venture arrangements, to support its operations.

Unlike in the past, the new NNPC Limited, as a commercial entity, will no longer remit funds to the Federation Account but will fulfil its tax obligations like any other commercial business entity.

Theoretical Review

The following theories were reviewed in the cause of this study;

Stakeholder Theory: Freeman (1984) established the foundational principles of the theory. In one of his more recent explanations, Freeman (2004) defines stakeholders as crucial groups essential to the survival and prosperity of a corporation. Stakeholder theory serves as a tool to identify vital stakeholders within the realm of change management practices, enabling the formulation of strategic developments. Additionally, stakeholder analysis has been utilized in the context of business ethics and corporate social responsibility to identify significant areas of concern Alavi, & Leidner, (2001). By employing various influencing mechanisms, public sector organizations can leverage their saliency as stakeholders to exert influence on corporate managers and investment funds. This process allows them to acquire power, urgency, and legitimacy. The stakeholder theory addresses both economic and ethical considerations, compelling companies to embrace social responsibilities and fairness towards all business participants. As a result, directors are driven to manage corporations in a manner that benefits all stakeholders. Consequently, the theory represents a valuable amalgamation of economic and ethical perspectives, facilitating corporate growth and the promotion of service. Despite facing criticism on theoretical and empirical grounds, stakeholder theory offers valuable insights into the interactions between firms, their managers, governments, and other entities, shedding light on their complex dynamics.

Resources Based Theory: The resource-based theory emerged as a complement to the industrial organization (IO) view, with Gibbert (2006) and Mwachiro (2013) being notable proponents of this theory. While the IO view focuses on the structure conduct-performance paradigm and attributes an organization's performance to external factors within its industry's structure, the resource-based theory takes a different stance. It explicitly seeks internal sources of sustained competitive advantage (SCA) and aims to explain performance differences among firms in the same industry. Therefore, the resource-based view (RBV) does not replace the IO view; instead, it complements it (Barney, 2002; Peteraf, 2003). According to the resource-based theory, strategic management's key sources and drivers of competitive advantage and superior performance are primarily associated with the attributes of a firm's resources and capabilities, which should be valuable and difficult to imitate (Mullins, 1999). Barney (1992) investigates the link between firm resources and sustained competitive advantage, assuming that strategic resources are distributed heterogeneously among firms and that these differences remain stable over time. By leveraging unique resources and capabilities to their maximum

potential, the theory expects to enhance competitive advantage. It emphasizes the importance of resource uniqueness as a foundation for sustained competition. However, the resource-based theory has faced criticism for lacking substantial managerial implications or operational validity (Priem & Butler, 2001). While it advises managers to develop and acquire valuable, rare, inimitable, and non-substitutable (VRIN) resources and establish an appropriate organizational structure, it falls short in providing guidance on how this should be accomplished (Connor, 2002; Miller, 2003). Gibbert (2006) argues that the concept of resource uniqueness, which combines heterogeneity and immobility, hinders the RBV's potential for generalization since uniqueness cannot be generalized.

Research Methods

The primary method employed in this study was a literature review. The review focused on assessing the preparedness and readiness of the petroleum industry in Nigeria to implement the Petroleum Industry Act (PIA) of 2021, considering contextual factors and technology. The study also emphasized change management theory utilizing chaos theory and complex system theory due to the nature of the industry.

Literature Review

NNPC (Historical Perspective): The Nigerian National Petroleum Corporation (NNPC) was established on April 1, 1977, to manage Nigeria's crude oil, gas, and petrochemical resources. It operates as a joint venture between Nigeria and oil multinationals and is involved in petroleum exploration and production through the country's four refineries. On July 19, a significant milestone was achieved in Nigeria's economic history as the NNPC was officially unveiled as a commercial venture by the incumbent President, following the provisions of the (Nwuke, 2021) Petroleum Industry Act (PIA). This transition marked the transformation of NNPC from a corporation to a limited liability company known as NNPC Limited. Crude oil constitutes over 80% of Nigeria's foreign exchange earnings, making it a vital resource for the country. However, Nigeria's experience with oil has been mixed and problematic, leading to calls for reforms and a change of regime. The NNPC has been at the center of the challenges faced by the country's oil and gas sector, which has been marred by politics, ethnicity, greed, and corruption. The introduction of the Petroleum Industry Bill and the subsequent transformation of NNPC into a profit-making, independent, commercial venture are significant steps towards addressing these issues. The reform aims to improve governance, regulatory frameworks, community relations, and management in the sector.

Funding The New NNPC

NNPC Limited has undergone a restructuring process that allows it to secure private funding from sources other than Federal Government interventions. This transition has transformed NNPC Limited into a profit-oriented commercial entity. As a recent example, NNPC Limited has secured a \$5 billion corporate finance commitment from the African Export-Import Bank (Afreximbank) to facilitate substantial investments in Nigeria's upstream sector,

This commitment is just one of the many fundraising initiatives currently being pursued by NNPC Limited. Consequently, the company is now obligated to distribute dividends to its

shareholders on an annual basis. Additionally, it plans to allocate 20 percent of its profits as retained earnings to support the expansion of its business operations. These actions align with the practices of other commercial entities that have been incorporated under the Companies and Allied Matters Act (CAMA, 2020).

Stakeholders' Fears and Concerns

In the course of the study, the following stakeholder's fears and concerns were identified;

Uncertainty about Future Plans: Stakeholders, including employees, investors, and business partners, may have concerns about the future plans and strategic direction of NNPC Limited. They may seek clarity on how the incorporation will impact the company's goals, projects, and long-term sustainability.

Transparency and Accountability: Stakeholders may fear a lack of transparency and accountability in the newly incorporated NNPC Limited. They may express concerns about the governance structure, decision-making processes, and mechanisms in place to prevent corruption or mismanagement.

Impact on Local Communities: Communities located near NNPC's operations may have fears and concerns about the incorporation's impact on their livelihoods, environment, and social well-being. They may worry about potential changes in community engagement, corporate social responsibility initiatives, and the overall relationship with NNPC Limited.

Job Losses and Employee Welfare: Employees and labor unions may express fears about job losses, changes in employment terms, and the overall welfare of the workforce. They may seek assurances regarding job security, fair treatment during the transition, and the preservation of their rights and benefits.

Equity and Inclusivity: Stakeholders may express concerns regarding the incorporation's impact on equity, fairness, and inclusivity within NNPC Limited. They may worry about potential inequalities in opportunities, promotions, and representation across various demographic groups.

Compliance and Regulation: Regulatory bodies and government stakeholders may have concerns about NNPC Limited's compliance with relevant laws, regulations, and industry standards. They may seek reassurances that the incorporation process adheres to legal requirements and promotes good corporate governance.

Financial Performance and Stability: Shareholders and financial stakeholders may fear a negative impact on NNPC Limited's financial performance and stability. They may seek clarity on the company's financial projections, debt obligations, dividend policies, and risk management strategies.

Apprehensions Surrounding the Newly Incorporated NNPC Limited

Job Security: Employees within NNPC might be apprehensive about their job security following the incorporation. They may worry about potential restructuring, downsizing, or changes in roles and responsibilities.

Leadership and Management Changes: There could be changes in leadership and management structures. Stakeholders, particularly employees and middle managers, may have concerns about the impact of new leadership on decision-making processes, work culture, and organizational direction.

Cultural Shift: Change in organizational structure often brings about a cultural shift. Employees may be apprehensive about adapting to a new work culture, values, and norms. The fear of losing familiar practices or resistance to change may hinder the smooth transition and integration of NNPC Limited.

Communication and Transparency: Stakeholders may express apprehensions about the level of communication and transparency during the transition process. Lack of clear and timely communication can create rumors, misinformation, and uncertainty among employees and external stakeholders.

Employee Benefits and Compensation: Changes in the incorporation process may raise concerns regarding employee benefits, compensation packages, and pension plans. Employees may worry about the continuity and adequacy of their existing benefits under the new structure.

Stakeholder Engagement: External stakeholders, such as local communities, government bodies, and industry partners, may have concerns about how the incorporation will impact their relationships with NNPC. They may seek assurances regarding continued collaboration, social responsibility initiatives, and the overall impact on the local economy and environment.

Performance and Operational Efficiency: Apprehensions might revolve around the ability of NNPC Limited to maintain or improve its performance and operational efficiency during the transition. Stakeholders may be concerned about potential disruptions, delays, or inefficiencies resulting from the change process.

Challenges to the Newly Incorporated NNPC Limited

The study revealed the following challenges -

Organizational Restructuring: Incorporating NNPC Limited involves restructuring the organization's internal systems, processes, and roles, Alolabi., Ayupp, & Dwaikat, (2021). This challenge includes streamlining departments, realigning reporting structures, and redefining job responsibilities. Managing this transition while ensuring minimal disruption to daily operations can be a complex task.

Cultural Integration: The process may lead to a clash of cultures between different entities coming together under NNPC Limited. Harmonizing diverse work cultures, values, and practices requires effective change management strategies and open communication to foster a cohesive organizational culture.

Change Resistance: ‘Dutton, (2020). Psychological Flexibility and Readiness for Organizational Change’ Change, especially at such a significant level, can often be met with resistance from employees and other stakeholders. Resistance may stem from fear of the unknown, concerns about job security, or a reluctance to embrace new ways of working.

Communication and Stakeholder Engagement: Maintaining effective communication with all stakeholders is crucial during the incorporation process. Lack of clear and timely communication can lead to rumors, misinformation, and heightened anxiety among employees, communities, and other stakeholders.

Legal and Regulatory Compliance: Incorporating NNPC Limited requires adherence to legal and regulatory requirements, including corporate governance, labor laws, and industry regulations. Ensuring compliance throughout the incorporation process and beyond is vital to avoid legal issues and maintain the company's reputation.

Technology and Systems Integration: Integrating different technological systems, data management processes, and IT infrastructure from various entities can pose technical challenges. Ensuring smooth integration, data migration, and system interoperability are critical for maintaining operational efficiency.

Talent Retention and Acquisition: The incorporation process may lead to talent attrition as employees may seek opportunities elsewhere due to uncertainty or change-related concerns. Retaining key talent and acquiring new talent with the right skill sets are challenges that NNPC Limited will need to address to maintain continuity and drive future success.

Stakeholder Expectations and Relations: Different stakeholders, such as employees, investors, communities, and government agencies, may have varying expectations from the newly incorporated NNPC Limited. Managing these expectations, fostering positive stakeholder relationships, and aligning interests will be essential for building trust and maintaining support.

Importance of Effective Change Management In NNPC

Energy Transition: The global energy landscape is shifting towards renewable and sustainable sources. NNPC, as a major player in the oil and gas industry, needs to adapt its business model to incorporate renewable energy technologies, diversify its portfolio, and reduce reliance on fossil fuels. Effective change management will ensure a smooth transition, helping NNPC explore opportunities in renewable energy while minimizing disruption to its existing operations.

Technological Advancements: Rapid technological advancements, such as digitalization, artificial intelligence, and automation, are transforming the oil and gas industry. NNPC needs to embrace these technologies to enhance operational efficiency, optimize resource allocation, and improve decision-making processes. Effective change management will facilitate the integration of new technologies, ensure workforce readiness, and foster a culture of innovation within NNPC.

Regulatory Changes: Governments worldwide are implementing stricter environmental regulations and policies to mitigate climate change and reduce carbon emissions. NNPC must comply with these evolving regulations, which may require significant changes in its operations, such as adopting cleaner technologies, reducing flaring, and implementing sustainable practices. Effective change management will enable NNPC to navigate the regulatory landscape, ensure compliance, and position itself as a responsible and environmentally conscious organization.

Market Volatility: The oil and gas industry is prone to market fluctuations, including price volatility and geopolitical uncertainties. NNPC needs to be agile and adaptable to survive and thrive in such a dynamic environment. Effective change management will enable NNPC to respond quickly to market changes, adjust its strategies, optimize costs, and seize new opportunities, ensuring its long-term sustainability.

Talent Management: With changing technologies and business requirements, NNPC needs a skilled and adaptable workforce. Effective change management will involve identifying skill gaps, reskilling and upskilling employees, attracting and retaining top talent, and fostering a culture of continuous learning and development. This will ensure that NNPC has the right talent pool to drive its adaptation to the evolving business environment.

Strategies as a Way Forward:

The following strategies are recommended as a way forward -

Communication Strategy: Establish a clear and consistent communication plan to keep stakeholders informed about the incorporation process, its objectives, and benefits “Armenakis, Harris, & Mossholder, (1993/99)”.

Stakeholder Engagement: Actively engage stakeholders throughout the incorporation process by seeking their input, addressing concerns, and involving them in decision-making whenever possible. This approach builds trust, manages expectations, and fosters a sense of ownership, “Bevan, (2011)”.

Change Management and Training: Implement a comprehensive change management plan that includes training programs to help employees adapt to the new organizational structure and culture. This facilitates a smoother transition, reduces resistance to change, and enhances employee engagement.

Employee Welfare and Job Security: Assure employees of their job security, welfare, and benefits during and after the incorporation. Provide clarity on changes in employment terms and ensure fair treatment.

Integration of Systems and Processes: Focus on effectively integrating technological systems, processes, and data management practices from different entities within NNPC Limited. Establish robust project management methodologies to ensure seamless integration, minimize disruptions, and enhance operational efficiency.

Compliance and Governance: Prioritize compliance with relevant laws, regulations, and corporate governance standards. Establish strong internal controls, risk management frameworks, and ethical practices to build confidence among stakeholders and ensure accountability.

Sustainable Community Engagement: Develop a comprehensive strategy for engaging local communities that addresses their concerns and promotes sustainable development. Ensure transparency in decision-making processes, involve communities in social responsibility initiatives, and prioritize environmental protection.

Performance Monitoring and Evaluation: Continuously monitor and evaluate the progress of the incorporation process and its impact on stakeholders, “Noruzy, Dalfard, Azhdari, Nazari-Shirkouhi, & Rezazadeh (2013)”. Set key performance indicators (KPIs) and regularly assess the effectiveness of implemented strategies. Use feedback and data-driven insights to make necessary adjustments and improvements.

Long-term Strategic Planning: Develop a strategic plan that aligns the objectives of NNPC Limited with the changing dynamics of the oil and gas industry. Identify emerging trends, assess market opportunities, and prioritize innovation, diversification, and sustainability to ensure future growth and competitiveness, “Quintas, Lefrere, & Jones, (1997)”.

Conclusion and Recommendations:

Firstly, it is crucial to acknowledge that the success of NNPC as a commercial entity is highly dependent on the commitment of the Federal Government. To ensure its long-term success, the NNPC needs to operate under a government that understands the importance of profit and loss ‘Anderson, & Anderson (2010)’. Deep reforms are necessary, and future governments should consider taking up this responsibility. Privatization could be a potential solution, allowing the NNPC to operate free from political influence and

enabling commerce-oriented experts to carry out their responsibilities. It is important for organizations to effectively utilize their change management capabilities “Argote, (2011). Organizational learning research”. In today's uncertain and volatile business environment, change initiatives often face challenges in realizing expected benefits. Organizations should view their systems holistically, recognizing the interdependencies and integrating them into the change plan, “Lengnick-Hall, & Beck, (2016)”. The petroleum industry, with its various interdependent systems, should identify and incorporate these systems into the change management process. This will enhance change readiness and improve the overall success of change initiatives. Furthermore, the unresolved issue of refineries is a significant concern. While having a national oil company is acceptable, it is crucial to address the underlying issues that have plagued the NNPC. Nigeria's inability to meet its OPEC quota and the non-functional or loss-making state of the country's refineries are pressing issues.

In conclusion, the incorporation of NNPC Limited represents a commendable step toward change, but it should be viewed as an initial phase in a broader and more comprehensive process. The efforts under the leadership of Mele Kyari, including the publication of audited accounts after 43 years, are positive developments. Moving forward, the new NNPC should aim to differentiate itself by attracting investment, fostering innovation, eradicating corruption and inefficiency, and ensuring transparency, “Desouza, & Awazu, (2005)”. It should aspire to be on par with renowned national oil companies like Saudi Arabia's Aramco and Brazil's Petrobras. The business model of the new NNPC must serve the best interests of the country and signify a genuine transition in terms of style and philosophy.

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THE RIPPLE EFFECTS OF FLOODING ON WOMEN IN NIGERIA

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Abstract: *This paper examines the ripple effects of flooding on the roles and economic activities of women in Isoko- Nation, flood-prone areas that exhibit low-lying plain that resides on the coaster region of Delta State. The region attracts high population due to flooding fluvial deposits on the flood plains that serve as fertilizer to boost agricultural activities of the people. Consequent upon this, the socioeconomic development of the region is facing reversing years of progress, socially and economically in response to the rippling effects thus crippling effective and sustainable role of the women. The situation is worsened by lack of infrastructural facilities to encourage alternative income earning activities. And the dearth of the women socio-economic status means the dearth of socio-economic development of the region therefore the need to sever the women from the rippling flood effects is vital to the sustainable development of the region. Therefore the paper discussed the implications of the downgrading and reversed economic activities of the women on the sustainable development in the region and noted that though the annual flooding occurrence in the region cannot be completely eliminated however the associated disasters can be mitigated and the rippling effects reduced. The paper recommends that a proper understanding of the season and dynamic climatic trends of the region will create conscious knowledge on the mitigation strategies to reduce the unprecedented effect of incessant flooding and ginger the effort of the government to fulfill its commitment of improving the quality of lives and standard of living in Isoko-nation. The study substantiate that provision of infrastructure would energize the women whose socio-economic status is on the decline to embrace alternative source of income that would revive their hope and faith in the economy of the region.*

Keywords: *Flooding, Ripple effect, Isoko-nation*

Introduction

Recurrent flooding has grown to be a major concern and a global phenomenon, especially in recent decades due to the danger it poses to both human life and the survival of the environment. A flood is a body of water that resides on normally dry land. It is a yearly occurrence that naturally results from God's creation and seasons, so it is neither

unexpected nor unanticipated by human existence. However, it becomes an issue when it has destructive and catastrophic effects that endanger human existence. This occurs when there are excessive rainstorms and the soil is unable to absorb the extra moisture, or when a river, lake, or even the ocean overflows its bank onto the adjacent land. Similar to how natural snowmelt can cause an enormous and excessive spread of water to previously dry areas, leading to a flood. It can also be brought about by human activity through advancements in technology for a higher standard of living. Flooding can take many different forms; vary in intensity from one year to the next, and from one country to another. Depending on the timing and the causes, it can arrive with mild effects, minimally without causing a major catastrophe, or occasionally very massive with devastating effects. In contrast to some natural disasters, flooding can be managed when proper planning and the necessary infrastructure are provided. However, lack of environmental infrastructure in the current urban planning practices, which contributes to and exacerbates flooding issues, makes flooding primarily human-induced (Agbonkhese et al., 2014; Satterthwaite 2017 Peduzzi, Doa, Harold and Mouton (2009) noted that “the rate of flood occurrence in recent years has been unprecedented having at least 70 million people as victims of yearly flooding and more than 800 million living in flood-prone areas globally. Nigeria in this last decades witnessed intermitted flooding but the situation in 2012 and the recent 2022 in particular seem to be the most critical in terms of coverage and disastrous impact. For weeks, most Nigerians in the affected areas were locked up in waterlogged homes and the major route across the southern parts of the country were submerged which made them impassable while citizens faced with search for alternative routes which were not readily available particularly the 2022 flood incidence. Travelers were not only frustrated but all their economic activities were in standstill because the floods were instantaneously hazardous and devastating. It was a case of irreversible destruction and losses as the unpredicted heavy rainfalls collided with vulnerable environment without human resistance. Heavy rainfall combined with irresponsible environmental behavior and a lack of drainage infrastructure in the majority of Nigerian cities has left hundreds of people homeless and in distress.

While climate change has caused more rain than in the past, increasing the frequency of flooding in Nigeria, the country's flooding is primarily caused by human activity and made worse by interactions between humans and nature.(2012)Aderogba. Additionally, the Lagdo Dam in Northern Cameroon's water release is responsible for the flooding in Nigeria. The lack of a corresponding dam in Nigeria makes it more difficult for the already overflowing river banks to disperse the excess water over the nearby dry land after it is released. Every aspect of life is disrupted when flooding occurs. By virtue of natural occurrences, it is expected that human existence should be adequately prepared to mitigate flooding and its devastating effects on human life and property, but this yearly event frequently manifests as a result of individual or governmental under preparedness. Even government agencies frequently respond poorly to flood warnings, which shows a serious disregard for the welfare of the nation's citizens. For instance the United Nations (UN) has expressed concern over the flooding in Nigeria, saying it will lead to negative ripple effects “We are gravely concerned that the flooding will worsen the already alarming food security and malnutrition situation in Nigeria” (Dujaric, S. UN Spokesman) Oct. 2021). It is expected that this concern should serve as warning signal for proactive strategy yet no attention was adequately given to this statement to safeguard the 2022 flooding

incidence. Aguyi (2022) “It is worthy to note that the National Emergency Management Agency and other associated agencies have been reactive in handling issues of flooding rather than proactive. What is usually done can be described as post-disaster management....I would like to confirm that the Nigeria Meteorological Agency (NIMET) releases regular weather data and predicts the rainfall pattern which is seldom used for planning by the agencies in charge of disaster management.” Flooding has thus been a frequent occurrence over the past few decades, and when it does, it has devastating consequences such as the loss of life and property as well as environmental degradation, which has a significant negative impact on the social, economic, and political development of the country. The destruction and damaging effects of flooding on social life, the economy, and environmental health notwithstanding, floods can be very beneficial to the environment because of the rich, fertile alluvium accumulation deposits on agricultural areas when it recedes and serves to replenish channels for irrigation.

The history of flooding in the nation has seen enormous catastrophes that have affected people in many different ways and caused years of gains to be lost at each occurrence, but no proactive measures have been put in place to lessen future severe occurrences. For instance, the recent flooding episode which has been described as the worst and deadliest ever witnessed in the series of this decade aside the 2012 flooding with very high impacts and an estimated loss of 2.2 trillion to the country in terms of human, material and production is an evidence of the country’s poor response or negligence to early warnings. The 2022 flooding update has recorded 34 against 30 states affected in 2012 and having 3.2 million against 2.1 million persons affected with 603 deaths against 365, 2400 against 585 injured and others. (2022 flood update –Nov.2nd & 2012 Flood Post-Disaster Needs Assessment report, June 2013). In realness, the extent and nature of flooding in Nigeria are mostly sporadic and unprecedented such that the accurate data for displacements, losses, and fatalities cannot be truly ascertained. The immediate negative flooding impacts and post-flooding catastrophes on the social economic and political status of the nation are much more evidenced or pronounced on the flood-prone areas that exhibit low-lying plain that resides on the coast region of the nation such as Isoko-Nation of Delta State where there is total reliance on farming and fishing as the major economic activity shouldered mostly by women. And because of their social and economic roles they suffer lengthen recovery period, the risks of secondary stressors arising and worry about the frequent recurrence of flooding. It is on this dimension this study examines the ripple effects of the flooding on women who double as home builder and a major proponent of social and economic growth of the society in Isoko-Nation.

Statement of problem

The issue of incessant flooding of the decade has become an evolving challenge that needs investigations to avert the associated risks and hazards as well as the post-flood ripple effects. Accordingly, understanding flood hazards requires a better comprehension of the types and causes of flooding, their probabilities of occurrence and their velocity (Nwoke and Okoro, 2012). This is necessary in designing measures and solutions which can prevent or reduce the damage from specific type of flood. Added, it is important to have a thorough knowledge of the population that resides at potentially flooded areas, the level of their vulnerability and assets at risk and how often flood events are likely to occur. The flood-prone region of Isoko-nation is undergoing a serious and growing developmental

challenge with the ripple effects of flooding in recent years which requires some investigations. This is specifically important as it applies to the women whose economic status and role have been the bedrock of the economic growth and development of the region is facing a major decline and threats because they are the most vulnerable to the flooding disasters and fatalities.

While the flooding in the region has been seen and accepted as annual event in the years past, the intensity of disaster and devastating rippling effects associated with evolving dynamic flooding undermines the natural annual event, nevertheless the emerging plaguing situation could be avoided if adequate and appropriate measure is put to checkmate the occurrence and manifestation. Besides, there is absolute absence of infrastructural facilities meaning lack of Government impact in the region that heightened the vulnerability of the women being myopic to alternative source of income.

Objectives

The general objective of the paper is to examine the ripple effects of flooding on women in Isoko-Nation which include their economic activities and socioeconomic status. To examine the extent to which the victims cope with the rippling effect of post flood disasters.

To investigate the post flood ripple impact on the growth and economic development of the region. And to find out what could be the most effective mitigation strategies based on the study of the region.

Conceptual and theoretical framework

The recent floods and their effects around the world are becoming too frequent and pose a threat to sustainable development in human settlements, especially in the wetlands of the world like Nigeria. Flood is an overflowing or eruption of a great body of water over land not usually submerged. (Daniel and Udo, 2019). And flooding has been defined as "a natural process that occurs when the level of a body of water rises until it overflows its natural banks or artificial levels and submerges areas usually dry. It is a natural occurrence with both positive and negative effects on the ecosystems it affects". (Encyclopedia of Engineering, Geology, 2016). It is an extreme weather event naturally caused by rising global temperature which results in heavy downpour thermal expansion of ocean and glacier melt, which in turn result in rise in sea level, thereby causing water to inundate coastal lands. (Magmi et al. 2014). That is to say flooding is a general temporal state of partial or completely submerged inundation from infrequent and rapid collection of runoff. It is one of the worst natural hazards with the potential of negatively affecting lives, leading to loss of properties and ultimately resulting in the extinction of species in the environment of occurrence. In other word, flooding is not only a threat that determines the sustenance of the environment but a defining factor of environmental quality of the inhabitants or indwellers.

According to (Akolokwu, Adesogba, & Bariweni , 2012) , flooding is a significant environmental challenge that requires global intervention . Because it has an impact on human health, the environment, the economy, and social life, flooding poses a threat to sustainability. Depending on the type and cause of the flooding, it can pose a serious threat anywhere it occurs, including outside of flood-prone areas of any nation. Flooding has a

variety of effects on human behavior and changes environmental history, which can reverse socioeconomic development and political progress in the affected countries. The effects of flooding vary from country to country, but the poorer countries are more vulnerable to flood disasters, and the number of people killed by floods is lower in developed countries than it is in developing countries because the latter lack effective zoning regulations, flood controls, emergency response infrastructure, and early warning systems (Stephen, 2011).

While flooding can be viewed as devastating in terms of the loss of human life and property, the paralysis of production, the breeding of deadly diseases, and the trauma of starvation on those who survived due to the negative impact on the ecosystem, it also brings nutrients and essential elements for life. Seasonal flooding can revitalize ecosystems by supplying water that is vital in many different ways. The effects of floods are not always as negative as most people think; they can actually have some positive effects because natural flooding benefits nature more than its complete absence. What makes natural flood a disaster is when food waters occur in areas populated by humans and areas with significant human development but when left in its natural state, the benefits of floods outweigh the adverse effects. (Abowei and Sikoki (2005)& Bradshaw et al (2007)).

In other words floods have some positive impacts on aquatic life as a result of nutrient deposition and when flood recede the sediment and nutrients left on the floodplains gives rich, natural fertilizer that improves soil quality that has a positive effect on plant growth, thus increasing productivity in the eco system. Further still, flooding recharge ground water when it occurs which the ecosystems greatly rely on during dry season for the supply of fresh water. This positively impact on soil health that leads to more productive cropping and pasturing lands. Floods play a pivotal part in the maintenance of the earth natural cycles though its intermittent and the magnitude of occurrences manifest ripple effects on humans and the ecosystem. That is to say that the flooding provokes negative multiplier effects with chain reaction on human existence and the environment. And women who impact natural resource management through their various roles in households, the economy and society are more vulnerable to environmental degradation and climate change due to natural frailty and low socio-economic status therefore suffer in several ways and levels of ripple flooding. According to American Dictionary (Google) a ripple is a small wave or slight movement of a surface especially the surface water as flood. It can be seen as sound or feeling that is slight but noticed. Ripple effect means series of things that happens as a .result of a particular action or event. Also the phrase or term ripple effect has been defined by Oxford Language (Google) as “the continuing and spreading results of an event or action- the ripple is huge when something happens” The ripple effects are the series and chain reactions or consequences of flood disasters that may bear irreversible hardship on human life, social, economic, political and environmental sustainability unto sustainable growth and development of the nation. For instance the after-effect of flooding can be evident on the degradation of environmental soil by the spread of chemical pollutants in the flood plains. This in turn affects the fertility leading to lowers productivity and scarcity of food that engenders hunger and starvation that breeds malnutrition birthing ill-health and eventual dead as well as strangulate social and economic status of the inhabitants and so incapacitates sustainable growth and development at large. Essentially the most important flooding and post-flooding impacts are socio-economic, health-related, ecological and cultural issues which further manifest

ripple effects that threatens human existence and growth particularly the women folks who more vulnerable and susceptible to flood disasters.

This study employs The Vulnerable theory and Pressure and Release framework which show that a disaster happens only if a hazard meets a vulnerable situation. Vulnerability is conceptualized here in rural live perspective that focuses on agriculture, as a principle source of income which recognizes a variety of means through which an individual (or more often a household) can earn a living. It is connected conceptually to external stresses and shocks and internal coping capacity. Chamber & G, R. Conway (1992). The theory focuses on why people and communities are susceptible to loss from disaster. Accordingly, the root cause of a disaster or social disaster occur when unsafe condition intersect with environmental hazards, 'The release' part of the model suggests that these conditions can be reversed and vulnerability reduced if we know what they are and mitigate them. Zakour and Gillespse,(2013). The theory originated in 1970 when researchers reported that even though the number of disaster remain about the same, the losses were rising significantly and further, disaster of the same magnitude often produce vastly different consequences. It was hypothesized that disasters were not only influenced by the physical environment but also deeply rooted in social systems thus vulnerability became a central focus in reducing losses from disaster. Hewitt,(1983, Cunny.1994, Wiykman &Timberlake, 1984)

Accordingly the cause of vulnerability can be traced back from the unsafe condition, through economic and social change pressures to underlying root cause. Pressure model is an organized framework outlining a hierarchy of causal factors that together constitute the pre-conditions for a disaster. It can be described as a pathway, progression of vulnerability or a chain of causation. It is a sequence of factors and processes that leads one from a disaster event and its proximate causes back over more distant factors and processes that initially may seem to have little to do with causing the disaster (Wisner et al. 2004). In other words, it is a ripple effect a situation in which one event of disaster produces effects which spread and produce further negative effects even small changes. The threats of incessant flood hazards particularly in the wetland regions of the country have become complex and interrelated while vulnerability is fast growing. The flood disaster led to the devastation of the environment that occasioned food shortage and lack of shelter manifesting in hunger that further increased the vulnerability of victims, immensely depreciating their nutritional status and currently impacting heavily on their health.

Pressures are caused and increased by a set of inherent factors which give those in position of power to exhibit certain behavioral attributes. These underlying causes may be political ideas, economic principles or due to cultural issues or practices. People's vulnerability at local and international levels can often be linked back to poor governance, inequality, greed, injustice and prejudice (Wisner et al. 2004). These issues though may seem far from the rural community they can have a powerful and far reaching influence in terms of government provision of infrastructure for development. Invariably, the poor response attitude and lack of preparedness despite the meteorological warning on inherent flooding often make the flood prone victims vulnerable to the yearly flood disaster and irreparable devastation in Nigeria. In Isoko-Nation the people are linked with poverty because of lack of government presence and so vulnerable to flood and its rippled disasters. The flooding in Nigeria is caused by dam failure, overflowing of major rivers, coastal

storms, ignorance of warning from Nigeria meteorological agency, delay in evacuation of flood victims and settlement of people at flood prone areas such as riverine and sea coast. (Google pdf.) According to Etuonovbe (2011) Lack of provision for drainage is one of the main causes of urban flooding in Nigeria. There is a pressing need to construct drainage system to tackle the flooding problem. Poor attitude to sanitation and waste management system often leads to blockage of drainage blockage that results in flooding during raining seasons. Unregulated Urbanization and Population growth lead to deforestation for building expansion and conversion of agricultural land for residential areas to accommodate the growing population and industrial needs without spatial planning. Nigeria's flooding is inextricably linked to poor urban development practices. (Omoboye Festus 2014).

In the flood prone region, the people see flooding as integral part of their lives due to proximity to their sources of economic livelihood therefore they are faced with three stages of life styles annually, the period before, during and after flooding. And to sustain this inherent life style the area requires government infrastructural development. Isoko-Nation is one of the most dominant affected area in the Delta region of Nigeria where flooding is an annual event that its rippling effects are mostly irreversible and the women who are more vulnerable physically, socially, economically, politically and culturally are the worst victims. The study focused on how Isoko women respond to protect and cope with the continuous exposure to disruption of physical structures, risk- income, personal belongings, and loss of lives, injuries and trauma of flooding living in this area.

Causes of flooding

Flooding is a recurring natural occurrence brought on by atmospheric conditions or human activity as a result of infrastructure development. Depending on the nature and cause affecting multiple communities, floods can happen anytime, anywhere, and without prior notice. Numerous factors, both natural and human-caused, have been connected to flooding. In Nigeria flooding has remained a prevalent environmental problem, (Sulebet al, 2016, Bamidele and Badiora , 2019). The studies pointed to the fact that flooding has negatives implications on the survival of livelihoods, social and economic activities. Accordingly, flooding in Nigeria is caused by weak implementation of planning policies, streams and channel obstructions due to indiscriminate waste disposal habits and human activities. Odume (2022) identifies three different types of flooding that are connected because their peaks can all occur at the same time in Nigeria during a given season. These floods include fluvial flooding, which happens when rivers overflow their banks, coaster flooding, which happens when water from a marine environment submerges low-lying adjacent lands, and pluvial flooding, which happens when there are intense heavy rainstorms. Additionally, flooding in Nigeria can be viewed from the perspectives of river flooding, which happens in the flood plains of larger rivers, and flash flooding, which is sudden and fleeting and associated with inland rivers where torrential and destructive rains frequently occur, causing great trauma to the locals who have little warning. And urban flooding, a major problem in cities where existing drainage systems are clogged with garbage (Folorunsho & Awosika, 2002)

Flooding can be exacerbated by increased amount of impervious surface or by natural hazards such as wildfire which inhibit vegetation from absorbing excess rain water. Floods often happen without warning, when the capacity of the rivers is not enough to carry the water that has entered the river network from heavy rains or damaged constructed dam leading to bank overflows. The area that gets inundated quite regularly is therefore called flood plain that delivers surprise package to unprepared community (EMA, 2014; Etuonovbe 2011). Bariweni, et al (2012) also attribute incessant flooding to climate change as a chain reaction to warmer climate leading to heavy rains provoking the rise of sea level exacerbating flooding in the food prone zones. Human induce flooding emanates from poor or non-existence of drainage systems that characterized most residential areas particularly the rural setting where they rely mostly on natural drainage channels. According to Etuonovbe (2011) Lack of provision for drainage is one of the main causes of urban flooding in Nigeria. There is a pressing need to construct drainage system to tackle the flooding problem. Poor attitude to sanitation and waste management system often leads to blockage of drainage blockage that results in flooding during raining seasons. Unregulated Urbanization and Population growth lead to deforestation for building expansion and conversion of agricultural land for residential areas to accommodate the growing population and industrial needs without spatial planning. Nigeria's flooding is inextricably linked to poor urban development practices. (Omoboye Festus 2014). While flooding is nexus of dam failure, overflowing of major rivers, coastal storms, human activities and ignorance of warning from meteorological agency the decade's incessant flooding across the nation conglomerates all, however the intensity of disasters and the rippling effects varies from region to region depending on the location.

Women and flood disasters

It is impossible to ignore the role of women in the family and their socioeconomic and political contributions to sustainable growth and development. Women are mothers and homemakers whose main concern is to make sure the family has access to the necessities of life, such as a steady supply of food, clothing, and shelter, as well as to maintain a healthy family. Women therefore strive to achieve socioeconomic status that includes aspects of quality of life as well as opportunities and privileges that society can support. In order to meet the demands of society, women need to be able to predict a wide range of outcomes over the course of their lives, including those affecting their physical, social, economic, and psychological health. Despite their important role, women still make up a disproportionate number of the world's most vulnerable populations because of the persistently male-dominated access to resources and positions of power. By elevating women's status, the United Nations Conference on Environment and Development (UNCED) in 1992 made a significant provision for the recognition of women's contribution to equitable and sustainable development. In other words there is a new focus on women's empowerment, fostering gender parity not only as human rights but a catalyst in the arena of politics for socio- economic and political development strategies that is currently birthing equitable and sustainable national development across the globe. It is aimed at poverty reduction, and improved living standards, good governance and productive investments premise on equal political opportunity provided by the genders as well as unrestrained access to decision-making and policy implementation processes.

Consequently, former Secretary General of the United Nations Kofi Annan argued that achieving gender equality is a “prerequisite” to achieving the other Millennium Development Goals (MDGs) including eliminating poverty, reducing infant mortality,, achieving universal education and eliminating gender gap education. The assertion is justified not only because of the need to promote equality but a key factor necessary to accelerate the growth and the sustainability of nations’ development.

In other words sustainable socio-economic status of women exhibits a progressive growth which is continuous with positive changes in terms of meeting the present needs of the family as well as progressively meeting the future needs of the family and by extension the society of habitation. Therefore socio-economic status is a key factor in determining the quality of life for women which strongly influence the lives of the children and families and the society at large.

The environment is the based factor for women social and economic existence and poverty is the greatest problem to women in achieving traditional, social, economic and political status in the society. Women are the family income managers as wives, mothers, health officers, recreations and helpmates to men, therefore eliminating poverty and improved standard of living become overall success for women. The foremost assignment of women is the eradication of hunger predicated on poverty which is the most important threat to sustainable family and national growth but critically lies under the negative threat of ripple annual flooding. As the most devastating natural disasters in the world, flooding disrupts every facet of human life leading to challenges in the environment and in most cases brings regression in development and the wellbeing as well as reduction in standard of living. Floods worsen the existing poverty and poverty in turn makes impact of the flood more severe on women by increasing their vulnerability and ultimately impairs the progress and development of women which is sacrosanct to the actualization of the dream of meeting the domestic food needs and to actualize the zero hunger policy. While the women strive hard to balance the standard of living and the environmental protection, incessant flooding in the area opposes this drive by its devastating impacts on the environment and the related activities making the desire unattainable. Women are the most vulnerable due to their low adaptive capacity in terms of physical strength, low socio-economic and political status. Women by nature are too fragile and lack resilience to manage the unexpected but devastating appearance of floods so are less able to cope with flooding swage than the male counterparts. Flooding in most instances are unannounced and women and their children become the first victims of shock and trauma that paralyses the social, economic and their health culminating to instant dead in some cases. That is to say the impacts and losses are more pronounced on women and even in flood hazardous predicament women status is worsen in the provision of protection and rehabilitation. The study focused on the ripple effects of flooding on women and the impacts on sustainability of the family and the Isoko-nation.

Methodology

Study area

The region often refers to as Isoko- Nation is made up of the defunct Isoko local government area borne under old Midwest State of Nigeria now Isoko North and Isoko South local Government areas with a total population size of 196,700 and 322,300

respectively. (National Population Commissions, 2022 projection.) The region came to fore as 'Isoko Nation' with Isoko nationalists struggle in 1963, for a separate division from the tutelage and overwhelming-dominant subjugation of the Urhobos under the common name of the 'Sobo' in the Old Western region of Nigeria with the creation of Midwest State. The region situated in the southern part of Delta state, lies at the coastal low-lying flood prone area of the Niger Delta Basin sandwiched between streams and distributaries of the river Niger. It is a tropical climate region that exhibits two distinct seasons annually (the dry and the rainy seasons) that manifest very high torrential rain falls and high humidity most times. The annual rains which are between July and October are often laden with recurrent flooding inflicting unprecedented devastating impacts on the region as a result of outburst overflows from the river Niger. Besides this natural occurrence, the incessant flooding is mostly aggravated by human activities and the occasional push of the released water flow from the Cameroon Lagdo Dam via the river Benue to Niger Deltaic region of Isoko- Nation, as gravely witnessed in 2012 and in the Nigeria recent worst flooding of 2022. Flooding in the region has two-side effects. While the human-induced flooding comes with devastating impacts on lives and properties and its lingering negative ripple effects, the natural annual event flooding recedes with fluvial deposits on the flood plains that serve as fertilizer to boost agricultural activities of the people.

Activities of Isoko woman

The region attracts high population due to its fertile soil that pave way for farming opportunity as well as room for fishing activities enabled by the numerous streams, canals and the rivers. This further explains the traditional occupation of the Isoko people particularly the women who are less privilege in migrating to the urban industrial cities for white-collar jobs or greener pasture except few involved in teaching and petty trading while few of the men are into the production of palm oil and kernels. The Isoko economy is therefore based on farming, fishing, and the production of palm oil and palm kernel. The major food crops include cassava which is processed locally into garri and eatable starch, yams and off season farming supplement such as corn, groundnut, pepper etc. Prior to the advent of petroleum-production in the area the male were known as the main cultivators of yams while the women were left to the planting of cassava and other crops, however the discovery of petroleum product in the area led to the abandonment of farming and to some extent fishing as the main economic venture to whim and caprices of women. This was heightened with the male continuous migration to urban cities in search for greener pasture as there are no industries in the area to cater for the growing population while the women are mostly left behind to take care of the farm and the environment. Notably the Isoko culture bequeath land and landed properties to men by traditional heritage and the men outside the family members rent or let the farming plots to women for seasonal farming therefore the economic ventures on the land belong to women while the plots of land remain the men's. The Isoko women are not only very industrious; they tend to be laying foundation for future generation farmers in line with sustainable development of the United Nations Millennium Development Goals. This was evidence under the Okowa led administration's message of self reliant through agriculture in 2018. "We panted cassava and we are now trying to spread them into the area in order for our women to benefit from them. The cassava stems are high profile species that contain vitamin A that will help those who are suffering from diabetes and eye problems and so reduce the sickness in the area.

In the future, the youths from the area will involve in the process to encourage them to be self reliant through agriculture, but for now the process is basically for women” (Ilolo, 2018). Isoko women were empowered in the area with high profile cassava stems species from International Institute for Tropical Agriculture (IITA) Ibadan who found them to be very industrious under the Okowa-led administration’s message of self reliant through agriculture in 2018 (Vanguardngr, 2018). Essentially, the socioeconomic activities in Isoko region is women dominated and the dearth of socio-economic status of the women means increase in poverty level and eventual decline in the standard of living in the region and its development at large.

Comparatively, the Isoko region of the Deltaic low-lying plains stands the worst flood prone than other areas of the State. When the floods come the water not only destroys the farmlands and crops but their homes are submerged leading to their displacement without alternative homes. The incessant flooding of the decade (2012-2022) has not only left the environment degraded but has led to retrogression of the developmental stride of the region. Two of the flooding incidence of the decade ‘2012 and 2022’ has been described as abnormal due to the magnitude of their devastating effects in the history of the area. Ossai in Sahara Reporter (2012) noted that “The most unfortunate of it all is that this is not a natural disaster per se but a man-made tragedy. There were warnings yet the relevant authorities kept mute. This tragedy is as a result of government negligence.” The region was submerged by water for weeks and majority of the people were displaced and rendered homeless.

Study Data

The study covers the two most devastating years (2012 and 2022) of the decade’s flooding incidence in the region due to the long stay, volume of disasters suffered and the irreversible rippling effects based on the available data. The region was submerged by water for weeks and victims were rendered homeless and properties destroyed there were neither instant records nor accurate information to ascertain the depth of devastation or losses. This notwithstanding, perennial by the number of persons recorded as victims it is obvious from the number displaced that irreparable havocs have been sustained due to the disaster in the region. Notably, lives were lost and all the mud houses in the region were completely lost to the floods besides properties while internally displaced camps were set up to temporarily accommodate the homeless victims while some relocated to other cities for refuge with relations or friends. The two local government councils and some private community camps in 2012 and 2022 quartered over 11,739 and 16,801 flood victims respectively in the region though there are no accurate records on the incidence. Of the total number of the victims women were more in number including pregnant women and nursing mothers as the most vulnerable group. The women were 5100 (43%) against 2078(18%) men in 2012 and 6672 (40%) against 1327(9%) in 2022 with a total number of 4561(39%) and 88802(52%) of children respectively under their care. And among them are the older women who suffer innate vulnerability, such as physical or sensory impairment which often lead to mental health and eventual death. Even the casualties recorded more women than men in each year as shown in the table below.

The 2022 flood incidence shows an increase of 16,801 (59%) in the number of victims against 11,739 (41%) in 2012 the two most disastrous years of the decade which invariably represent the level of impact and disasters. Although year 2022 has been

described as the worst of the decade, it largely demonstrated the lack of preparedness to resist the evil flood and poor response attitude of the government to mitigate the flood disaster in the region even with the new technological mitigation strategies. Despite the early warning, there were no proactive measures for potential future occurrences and awareness programmes on the new trends of flooding put in place to save lives and property after the 2012 incidence, consequently the environment and the inhabitants became more vulnerable in 2022 flood disasters. This also explains poor response attitude and gross negligent to the development of the region.

Available Statistical Data of Flooding – (2012 and 2022).

Year	Male	Female	Children	Total	Nursing mother	Pregnant women	Casualties	
							Male	Female
2012	2,078	5,100	4,561	11,739	319	79	2	13
2022	1327	6672	8802	16,801	416	106	3	18

Source: Field assessment (statistics from the two Local Government Councils and Community Leaders) December, 2022.

The ripple effects of flooding on Isoko women

The impacts of these floods are more pronounced on the women who are more vulnerable and mostly in disadvantage position physically, socially, economically; culturally and politically yet they uphold the economic status of the region. They constitute the house wives, widows, single mothers, pregnant mothers and nursing mothers and their children. In Isoko- nation women majorly play the role of the men as head of their homes because of their higher economic status. Majority of the husbands migrate to the urban cities for greener pasture as a result of incessant flooding and lack of infrastructural facilities which left them with no alternative sources of livelihood thereby increasing the domestic workload on women. Essentially women are the major victims in terms of population and their roles for family survival in flooding and post flooding predicaments. In the onset of hazards of flood the women are at greater risk of injury and death due to societal restriction and gender roles. Culturally in Isoko, swimming is not a skill for women nor can they respond to immediate warning to step out of the house without the male companion or directive. This impairs their decision and ability for immediate response to forestall certain casualty. Despite their incapability to swim women take the responsibility of carrying children and the elderly to safety as their domestic role as family administrators and care givers. They are therefore easily truncated and traumatized with the sudden appearance of flood leading to mental imbalance and physical instability because of fear and family security. More women die for struggling to save properties and children. Most of those who survived the flood are often reported stressful to heart attack as a result of panic and fear of future survival of the family. Even as a wife the intermittent or the sporadic nature of flooding in the region creates an atmosphere of uncertainty and traumatic environment that work against ability of woman to inspire the man for provision for the family.

Socially the Isoko women are ill-equipped with knowledge to overcome the immediate challenge and risk of flooding because of lack of access to warning signals and lack of environmental regulations. Whereas they prepare for the annual event which they see as a blessing to improve the soil and make remedial preparation the sudden and intermittent occurrence of flooding destroy transportation and communication network which often lead to social disruption that destabilizes the selling and buying of their piled up products provoking drastic economic losses. Incessant flooding in the region has been linked with the water pollution that is responsible for the increase in the number people contracting water-borne diseases and other widespread outbreak of health hazards. The affected areas depended on the streams/ wells for drinking water which are now exposed to contamination or pollutant of flooding and after flooding water, therefore the hope to live a healthy life is often derailed. This has greatly affected the women with less resistance and more vulnerable who suffer physical and emotional trauma triggered by the struggle to get the family healthy water. During the flooding periods the few hospitals are equally submerged by water therefore the women are left as the medical officers in the family and even in the camps where they are relocated. The children are acutely malnourished which poses a major concern for women. The pregnant women and the nursing mothers not only suffer stress but acutely malnourished leading to serious health hazards unto miscarriages and premature labour and birth in certain cases.

The impact of repeated flooding on the environment has led to the desertification; deforestation and land degradation of the hitherto fertile land making farming activities less lucrative and attractive for the men thus making it the business of women who are culturally less privilege to migrate to the urban cities particularly after the 2012 incidence. Consequent upon this, the economic status of the women determines the socioeconomic development of the region. Continuous farming is important not only as the major source of income but it facilitates the sustenance of their economic status and the development of the region. Instant flooding inflicts direct lost of source of income due to loss of economically productive time. In this economic endeavour, Isoko women are not given to own plots by tradition, they either farm on the husbands' plots or leased plots to grow their economic status therefore the massive loss and destruction on farm crops by flooding, impact heavily on women sources of income or employment. Besides the appearance of flood brings large water sedimentation and pollution that immediately disrupt farming activities, destroying the crops while the women remain idle for the period of flooding because of lack of alternative source of livelihood or economic activities. The women therefore suffer dislocation and the dysfunction of normal life with psychosocial effects as a result of loss of livelihood.

The long run effect is the permanent loss of income currently pervading the land consequent on their lack of saving habit in the banks or investment on other income generating activities. This is exacerbated from the lack of income or cash requirement to start fresh farming in terms of purchasing seedlings or cassava stems. For instance the 2022 flooding witnessed a total destruction and complete wipe out of all the special species of cassava stems in Isoko land where they now import from Edo state and Delta North at a very high price for planting as the flood receded. The 2022 flood incidence has worsened the women fluctuating socio-economic status arising from the incessant flood disasters of the decade so multiplying their social and economic vulnerability with no hope for the future which negatively affect the socio- economic development of the region. As the major

arable farmers the Isoko women contribute largely to food and agricultural production in the region and supply to other parts of the country as their source of income generation. Food security is the key to eradicating hunger and according to UN Declaration of 1996 World Food Summit, "it is when all people at all times have physical and economic access to sufficient safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life". The declaration commits countries to eradicate hunger and prevent all forms of malnutrition worldwide, particularly under nutrition in children, anemia in women and children among other micronutrients deficiencies –as well as reverse the trend in obesity. The conference identified four pillars of food security as availability, access, utilization and stability of food.

Again the Second International Conference of Nations (ICN2) of 2014 in Rome, Italy which emphasised 'Better Nutrition Better Lives' and that 'Hunger and Malnutrition are unacceptable in a world that has both knowledge and resources to end this human catastrophe' and commits all nations to eradicate hunger at the earliest possible date. The framework proposes the creation of an enabling environment for effective action and for strengthening sustainable food system, including through investments in pro-agriculture and small holder agriculture to improve diet and raise level of nutrition. The multiplier or value chain effect rest on social protection, strengthening health system for addressing specific conditions, improve water, sanitation and hygiene unto food safety. and agricultural products to which the Isoko-Nation has excelled for several past decades until the turn of events in this last decade of devastating flooding beyond the annual natural event. The region is today experiencing food shortage. Frequent flooding in the region (2012-2022) is responsible for the environmental change with the multidimensional devastating impacts. And the ripple effects are currently incapacitating the women in actualizing this role.

The yearly flooding has direct detriment to family food security culminating in hunger in the land that the women now find it difficult to meet the family needs. For instance it is widely reported that some women and their children often resist living the yearly Internally Displaced Persons (IDP) Camps provided by the Government to their homes even when the flood recedes because of the fear that there will be no harvest from the flooded farmlands for a long time for their sustenance and survival. As the key to sustainable quality life of the family, the Isoko women are under the psychological stress in fulfilling the role of eliminating poverty and the hunger doom currently pervading the region consequent on repeated flooding. Every flooding incident increases the degradation of the environment making the land unproductive thus deepens their vulnerability to starvation and hunger with no hope for the future. Today hunger births poverty in Isoko-Nation, a land once known for its food production and economic activities while the population is on the increase. Managing this growing population with diminishing resources and depleting income generating activities has a great tow on the lives of the women.

Poverty in Isoko land is an endemic problem due to lack of infrastructural facilities such as good roads and electricity to promote other economic activities worsened by unceasing flooding of the region. The yearly devastating flooding hampers the women social capital formation due to intensity of degradation of the environment which is their economic base. The imminent flooding also leads to morbid fear that erases their confidence and enthusiasms in the business which defines the current declining economic

status and standard of living. Most families and individuals still live in mud houses that suffer immediate destruction at onset of flooding which render the women homeless at the recession of floods. Consequent upon this the Isoko women live with insecure, low status jobs having high level of negative life events particularly after flooding incidence, for example insecure housing tenure, more chronic stressors and reduced social support which explains the women high poverty rate. The lack of safe, affordable housing often puts the women and children at greater risk of violent and society victimization and depression. Poverty therefore has creeping negative effects that greatly incapacitate the women in actualizing their economic responsibility in the home and the nation at large. Therefore the most severe impact of the ripple flooding on the women is the scarce resources expended on recovery instead of growth and development of the region.

Conclusion and recommendations

Flooding is essentially an annual occurrence that has an impact on flood-prone areas of the nation. However, the recurrent flooding incidence of the past ten years has become a global concern due to its catastrophic effects on people and the environment. Isoko-Nation is one of the most flood-prone areas in Delta State due to its location on the Deltaic flood plains, where the decade's constant flooding has had increasingly negative effects on both the environment and people and that the magnitudes of floodings' effects vary. The study investigated the ripple effects of flood disasters in the area with special focus on women as a result of their vulnerability to flooding disasters in respect to their socioeconomic role and sustainable development in the region. The persistent flooding has worsened the degradation making the land less fertile for massive agricultural venture and unattractive business to the male folks who now migrate to urban areas in search of greener pastures, exposing women to the risks of farming and stifling the region's economic development. Consequently the repeated flooding have now resulted in a steady decline in the socioeconomic standing of the women who, up until now, have been the main drivers of the area's socioeconomic growth. The vulnerability of the women and the environment to the incessant flood disasters reign multiplier socioeconomic effects which is now a defining factor of the economic growth and sustainable development of the region. The study revealed that Isoko-Nation, a region once known for production and supply of food items to other parts of the country now experience food shortages as a result of repeated flooding and the associated rippling disaster effects. *Currently, the socioeconomic development of the region is facing reversing years of progress, socially and economically in response to the rippling effects thus crippling effective and sustainable role of the women. The situation is worsened by lack of infrastructural facilities to encourage alternative income earning activities. The implications of the downgrading and reversing economic activities of the women is the dearth of their socioeconomic role and the dearth of the women socio-economic status means the dearth of socio-economic development of the region therefore the need to sever the women from the rippling flood effects is vital to the sustainable development of the region.*

According to the aforementioned, though flooding is a natural occurrence that cannot be completely eliminated, some actions can be taken to lessen the potential ripple effects on women. These include the types of measures that could guarantee the safety of people and property, especially the vulnerable women in the Isoko-region.

1. Similar to their male counterparts, women should be given awareness and orientation of the new trends of flooding, which go beyond the annual natural occurrence, and be exposed to early warning systems to save lives and property, as well as proactive measures for potential future occurrences. On this flood forecasting and flood warning backed up by improved communication system and community awareness programmes be introduced.
2. Detention basins should be put in place in the flood plain as a temporary measure to catch floodwater and provide room for people to flee or be evacuated as well as the provision of good standard and healthy flood emergency shelters.
3. To lessen the effects of any disaster, the populace should be encouraged to preserve or reforest the flood-prone area. Flood hazard mapping with land use and building controls should be enforced in the flood-prone areas.
4. The regional infrastructure needs to be developed better by the government in order to promote alternative income sources and raise the living standards.
5. The government should support the region's agricultural drive by providing cassava stems and other farm seedlings/tools to address the losses and thereby revitalize the economic activities as well as restore hope and status of women in the pursue of sustainable development.

The study aligned with the fact that flooding in the region cannot be totally eliminated and the inhabitants cannot be relocated due to their natural attachment and means of livelihood. The need for proper sensitization and routine orientation on the new climate trends and its implication on the environment is crucial to reduce the flood disaster. That the issue of flooding and the disaster effects require the collaboration between the three levels of government, the communities and other Nongovernmental bodies to manage the victims and help to curtail the rippling effects. There is need to embark on yearly proactive and invigorative measures to tackle the issues of flooding by the introducing modern mitigation strategies as practice in the developed world setting rather than the reactive strategies often employed. The provision of infrastructural facilities that would enhance alternative sources of income in the area will encourage diversion from the mono economy in the region unto enhancing standard of living.

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**PRACTICAL ASPECTS REGARDING THE PERFORMANCE
EVALUATION PROCESS OF PUBLIC OFFICERS IN THE
REPUBLIC OF MOLDOVA**

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Abstract. *The development of a modern public administration is conditioned by a series of economic constraints on the public sector, by the need to increase the quality and efficiency of public services. Thus, in this context, an effort is necessary to change the organization, to adapt and respond to the needs of citizens, through the new public management, which includes the orientation towards the formation of a culture of performance of the sector. public, characterized by efficiency, effectiveness and the quality of public services. Therefore, there is a clear need to assess the performance of civil service personnel, which is supposed to deliver quality public services.*

Keywords: *performance, evaluation process, performance management, public services, civil servant, public administration*

Introduction

The evaluation of staff performance is a necessity for all entities, considering that in the existing competition conditions it is not possible to have staff with inadequate training, with poor results at work that can affect the results of the entire organization, especially in the public sector (Pitariu, 2006). At the same time, there is a need for an evaluation of the performances as correct and as truthful as possible in order to be able to know exactly the quality of the human resources available to the public institution. Thus, the performance evaluation is carried out in order to determine the way and the extent to which the employee fulfills the tasks and responsibilities of the position, compared to the established standards and the communication of the results to the employees (Gheorghiu, Țepordei, 2010). Therefore, the evaluation procedure of civil servants aims to improve organizational performance by assessing individual professional performances and developing the professional and personal skills necessary for civil servants (Cojocaru, 2014). In another vein, the evaluation of civil servants appeared as a necessity in the improvement of the internal management system within the public authority, which allows for better planning, coordination and organization of the activity of the civil servant, subdivision/public authority. This means that the evaluation is necessary both for the leader and for the evaluated civil servant.

On the one hand, evaluation gives the civil servant the opportunity to judge how well he has met his objectives, or at least how well his management believes he has fulfilled

the role assigned to him within the subdivision (Ionescu, 2011). On the other hand, the evaluation provides the management with information about the results obtained by each civil servant. In this way, the information collected during the evaluation can be used by the management of the public authority to identify the factors that influenced the achievement or non-achievement of the institutional objectives, the efficiency of the distribution of resources in the subdivisions of the institution or in the specific work processes. Following the analysis of the information, management can intervene to eliminate gaps, redistribute resources or make work processes more efficient, implicitly improving the results of the institution in general. The scientific novelty of the research consists in the theoretical-applicative analysis of the impact of evaluating the performances of civil servants on the administration process in the Republic of Moldova. The analysis of the practical aspects, regarding the impact of the evaluation of the performances of the civil servants on the national administration process, allowed the elaboration of the institutional performance indicators.

The need to evaluate the performance of civil servants

An important aspect of human resources management is the performance management system applied within the public authority, including the organizational performance evaluation system, because through evaluation we can better understand how individual results were obtained, at the level of subdivision and public authority, what were the barriers and what is the optimal way to overcome them (Gheorghiuța, Levița, 2011). One of the roles of each subdivision or public authority leader is to ensure effective management of subordinate personnel to achieve optimal results at all levels (individual, subdivision, public authority). Thus, the head of the subdivision/public authority, in order to ensure and maintain an increased performance of the staff, applies managerial techniques and tools to maintain a positive motivational work climate and continuous professional development. One of the key functions of management is performance management and performance evaluation, with application both at the organizational level and at the individual level (Nica, 2012). These two key processes cannot be separated from each other, as performance management is both a predecessor and a successor of performance evaluation. The traditional level at which performance management is used in organizations is the individual level, dedicated to improving the performance of employees in an organizational context. At the individual level, performance management is an integrated system used to constantly improve the performance of all employees (Nicolescu, 2004). This involves the definition of objectives and evaluation criteria, the evaluation of performance in relation to these standards, the active coordination of all levels of performance and the maximization of the learning and development process (Ghid, 2010). Table 1 provides the most essential differences between performance management and performance appraisal.

Table 1. Differences between performance management and performance evaluation

Performance management	Performance evaluation
Performance management is a complex and integral process through which performance is managed at all levels in order to ensure optimal performance	Performance evaluation is integrated into performance management

Performance management is a continuous process. The performance of subordinate employees is one of the basic tasks of leaders/ managers	The performance evaluation takes place in a certain period of time, usually annually
The purpose of performance management is to optimize organizational processes and ensure optimal performance	The purpose of the performance evaluation is to assess the quality and quantity of the results obtained and to identify the skills necessary for the civil servant to perform better at work

Source: developed by the author

The performance of civil servants is influenced by several factors. The factors that directly influence performance are:

- *effort* - performance at work is the direct result of the civil servant's effort, influenced by his abilities and the perception (understanding) of his tasks and objectives. Therefore, performance can be seen as being closely related to the effort made by the civil servant, his abilities, the perception of the place and role of his position within the public authority (Pitariu, 1994). Effort, which results from motivation, refers to the amount of energy (physical and/or mental) used by an employee to perform a task;
- *professional skills* are the personal characteristics of the civil servant used to perform the tasks. They do not change much in a short period of time, but can be developed under the influence of training activities and the accumulation of experiences;
- *the perception (understanding)* of his role in the public authority refers to the direction in which the civil servant believes he should channel his efforts at work;
- *the personality traits (temperament and character)* of the civil servant can influence work productivity through the attitude shown towards work, the level of responsibility and his spirit of activism and initiative. In order to reach an acceptable level of performance, these factors, described above, must exceed an acceptable level.

There are also factors that indirectly influence the performance of civil servants, which are not under their control, but which can affect their performance level. Some of the most commonly encountered obstacles to performance are (Platon, 2007):

- working conditions (temperature, brightness, noise);
- work overload;
- inappropriate promotion and salary policies;
- lack of cooperation at the workplace (conflicts between employees, faulty communication);
- the management and supervision style of the direct manager.

The evaluation procedure of civil servants aims to improve organizational performance by assessing individual professional performances and developing the professional and personal skills necessary for civil servants. Thus, the evaluation of the professional performances of civil servants contributes to (Popovici, Popovici, 2019):

- the direct correlation between the activity of the civil servant and the priorities/ objectives of the subdivision and/or public authority of which he is a part;
- the objective and impartial assessment of the performances of civil servants by comparing the results obtained with the established objectives;
- ensuring a performance management system and continuous improvement of performance by coordinating and monitoring performances at individual, subdivision and public authority level;

- ensuring a financial and non-financial motivation system for civil servants who have demonstrated high performance in their professional activity;
- identifying the professional development needs of civil servants;
- identification of risks, barriers and gaps in the fulfillment of established objectives in order to intervene at the right time;
- identifying the gaps and problems in the resources made available to the civil servant, as well as their redistribution to improve his performance.

Individual performance is closely related to group performance (subdivision) and organizational performance (public authority), thus, the quantity and quality of individual results obtained influence the level of performance of the subdivision to which the civil servant belongs and the performance of the public authority (Profiroiu, Profiroiu, 2007).

The assessment is required for:

- making managerial decisions (promotion, transfer, professional development, etc.);
- employees' knowledge of how their strengths and weaknesses are perceived;
- establishing the individual and group contribution to achieving the objectives of the public authority;
- elaboration of decisions to reward the submitted activity;
- identifying training needs at the level of each civil servant and subdivision within the public authority;
- ensuring a feedback/reaction response, provided periodically, by the manager and the evaluated civil servant.

Table 2 lists the most important advantages and disadvantages of the performance appraisal process.

Table 2. Advantages and disadvantages of the performance evaluation process

Advantages/ Benefits	Disadvantages/ Difficulties
<ol style="list-style-type: none"> 1. provides valuable information about employees and the exact nature of their tasks; 2. often provides information on the hitherto unknown competences and abilities of the evaluated civil servant; 3. provides important information regarding the training needs of the assessed civil servant; 4. improves communication relations between managers and subordinates; work issues are discussed; the employee knows exactly what is expected of him, understands his role as seen by his superior; 5. ensures the correct and consistent application of promotion and salary policies in the public authority; 6. increases the performance of civil servants through objective appreciation and encouragement. 	<ol style="list-style-type: none"> 1. the use of resources and time are more expensive than the effects of the evaluation (at the beginning of the implementation of the procedure); 2. if the procedure is not applied correctly and objectively, it may have negative effects on the motivation of performing civil servants; 3. the lack of an organizational performance evaluation system at the institution and subdivision level may create some difficulties regarding the correct and objective assessment of individual performance.

Source: developed by the author

The information collected during the evaluation can be used by the management of the public authority to identify the factors that influenced the achievement or non-achievement of the institutional objectives, the efficiency of the distribution of resources in the subdivisions of the institution or in specific work processes (Profiroiu, 2002).

Following the analysis of the information, management can intervene to eliminate gaps, redistribute resources or make work processes more efficient, implicitly improving the results of the institution in general.

The evaluation of the civil servant is carried out in accordance with the following basic principles:

a) objectivity - the factors involved in the evaluation process will make decisions impartially based on arguments and concrete facts, so as to reproduce as accurately as possible the merits, performances, as well as the deficiencies and non-achievements recorded in the activity of the evaluated;

b) continuous cooperation and communication - ensuring a cooperative environment and maintaining open and permanent communication relationships between all factors involved in the evaluation process;

c) respect for dignity - ensuring an environment in which the dignity of every civil servant is respected and a climate free from any manifestation and form of harassment, exploitation, humiliation, contempt, threat or intimidation.

These basic principles are very important to ensure a cooperative and open environment between the evaluator and the evaluated civil servant. Failure to comply with these principles by the factors involved in the evaluation process can lead to the appearance of negative effects and the inefficiency of the implementation of the evaluation process in general.

The main objective of the evaluation of civil servants is to identify the results and problems related to the institution's performance. There is a very close connection between the individual performance of civil servants and the performance of the institution, so that these two processes cannot be treated separately. The performance of civil servants implicitly influences the achievement of strategic objectives at the institution level.

Leaders of public authorities use the information collected in the evaluation process of civil servants to (Pîrvan, 2020): adjust work processes within the public authority; distribution of tasks to civil servants who have the necessary capacities for their effective implementation; redistribution of resources based on needs and priorities; intervention with training activities regarding increasing the capacity of civil servants for new or difficult processes/tasks, etc.

The relationship between individual performance and institutional performance

Management by objectives represents the management model promoted and applied in the public service in the Republic of Moldova. The model of management by objectives represents one of the planning and control systems with the widest use in organizations both in the public and private sectors. Management by objectives consists in setting objectives at all levels (organization, subdivision, civil servant), planning the activity to achieve them; it is a process of self-control and a periodic review system, followed by a performance evaluation.

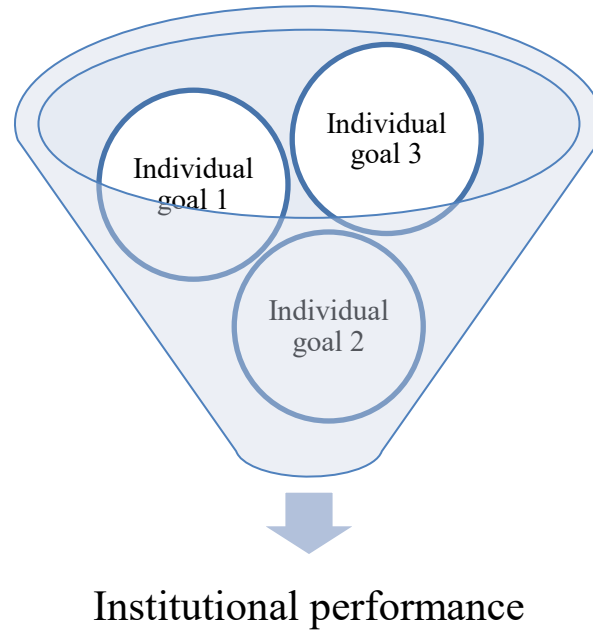


Figure 1. Institutional performance in the public sector
(Source: elaborated by the author)

A condition in the effective application of management by objectives is the active involvement of all employees in setting objectives. Also, if there is a feedback system, performance improves obviously (Savca, 2011).

Management by objectives is based on the following principles:

- formulating cascade objectives;
- establishing specific objectives for each employee;
- participatory decision-making;
- concrete terms of achievement;
- evaluation and feedback system

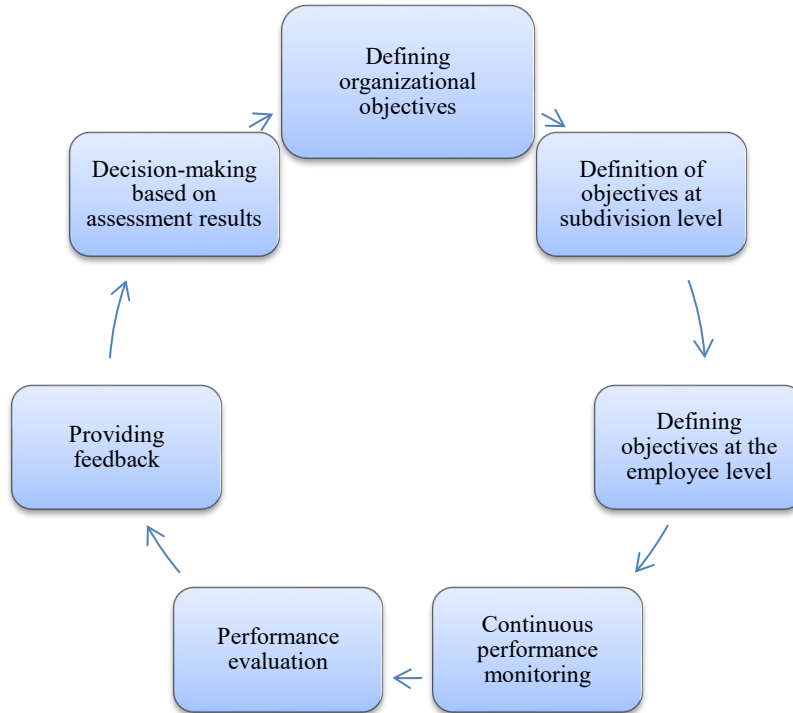


Figure 2. The model of management by objectives in the public sector of the Republic of Moldova
(Source: developed by the author)

Normally, there must be a "General Objective" - "Special Objective" connection between the strategic objectives of the public authority and the objectives of the civil servants in this authority. This connection is expressed by the fact that the achievement of individual objectives influences the achievement of institutional objectives. The set of individual objectives achieved is included in the performance obtained by the subdivisions, and the performance of the subdivisions in the institutional performance (figure 3).

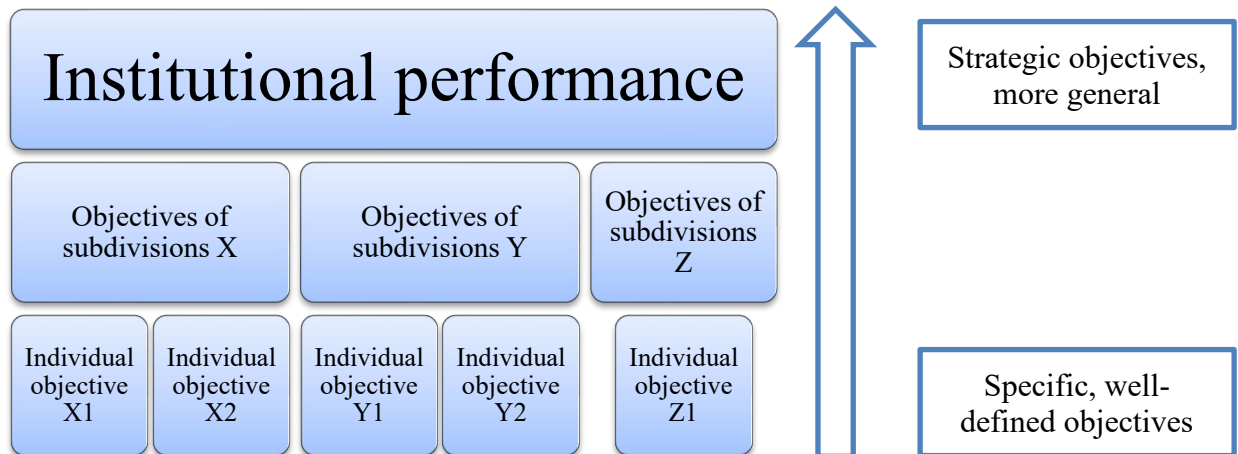


Figure 3. The relationship between the institution's objectives, subdivision level objectives and individual objectives
(Source: developed by the author)

The link between individual objectives and institutional objectives is defined in human resource management studies as "cascading objectives". Through this process, it is possible for the strategic objectives, established at the public authority level, to derive into specific objectives for the subdivisions of the institution, and the latter to derive into even more specific and concrete objectives for the civil servants in the subdivision. The objectives at the institutional level are established in several strategic documents (Sandor, Raboca, 2004). In the ministries, the most important document for establishing institutional objectives is the Strategic Development Program (SDP), previously called the Institutional Development Plan - IDP and the annual activity plans of the public authority. In other public authorities - the social-economic development strategies of the locality/district and the annual activity plans of the public authority are the main sources for the formulation of institutional objectives. The most important role in this process belongs to the head of the institution. He must actively participate in the establishment of the objectives at the institution level and then in the establishment of the objectives for each individual subdivision. It is recommended that, before the evaluation period, the head of the public authority and the heads of subdivisions establish, in a participatory manner (in the form of a discussion with all the factors involved), the objectives for the next year both at the level of the institution and at the level of subdivisions, based on the above-mentioned documents. This procedure will facilitate the task of the evaluators to establish the individual objectives for subordinate civil servants, in the same way, in a participatory manner.

As with the top-down goal-setting process, the evaluation of results at the institution level must be linked to the evaluation of each civil servant. Normally the evaluation of the institution's performance/ achievements must anticipate the individual evaluation. Thus, the results highlighted at the institution level can be distributed at the level of each subdivision and civil servant, depending on their contribution. The advantages of this system are the following:

- there is clarity regarding the results obtained by the institution;
- the leaders highlighted the subdivisions that achieved their objectives at a higher level;
- the results of the subdivisions will be reflected in the evaluation of the heads of subdivisions;
- the heads of subdivisions, as evaluators, in the process of evaluating subordinate civil servants, will focus on the achievements of the subdivision and their own evaluation. Thus, the evaluation of civil servants will be more objective.

It should be noted that the most important role in this process belongs to the head of the institution, because he must lead the process of evaluating the institutional results and objectively evaluate the heads of the subdivisions. If the evaluation at this level is objective, then there is a good chance that the entire evaluation process at the institution level will be objective. The evaluation of the results at the institution level, first of all, is done through annual activity reports, discussed within the institution. These activity reports, as well as the results obtained, must be the basis of the evaluation of the subdivisions and, secondly, the basis of the evaluation of civil servants. The SDPs contain objectives and performance indicators at the institution level. A correct and objective evaluation of the degree of achievement of the objectives in the SDP would be the first step for an objective evaluation of the management and execution civil servants (Şaptefrăți, Golban, 2007).

It must be taken into account that there are certain situations when the institutional objectives are not achieved for objective reasons that cannot be attributed to the civil servants meant to contribute to their achievement.

Institutional objectives are influenced by several factors originating from:

- politics - for example, the political situation in the country in a certain period does not allow the making of decisions and the approval of normative acts;
- economic - for example, during the years 2009-2010, many Government projects, major investments and structural reforms were stopped due to the global economic crisis, which led to the redistribution of public finances to priority branches for the Government;
- international – for example, projects involving the participation of several countries are influenced by the contribution of each one.

In the evaluation process of civil servants, these external factors of an objective nature, which influenced the non-achievement of the respective objectives, must be taken into account. In these situations, the evaluators must evaluate the promptness and effort made by the civil servant and not the final result. In order to reduce the negative effects of the situations in question, it is recommended to monitor the achievement of institutional and individual objectives. As a result, the objectives can be revised and/ or the efforts of civil servants redirected towards the achievement of other objectives.

Conclusions

Concluding the mentioned, it is appreciated that the evaluation of civil servants appeared as a necessity in the improvement of the internal management system within the public authority, which allows better planning, coordination and organization of the activity of the civil servant, subdivision/public authority. In the Republic of Moldova, in general, and within the administrative system, in particular, the evaluation of professional development activities is carried out through different methods and tools, including reports, questionnaires, tests and interviews. The important scientific problem is the scientific foundation of the impact of evaluating the performances of civil servants on the public administration process in the Republic of Moldova, which led to the identification of the modalities of optimizing the performance evaluation in order to make the public administration process more efficient.

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**PERSPECTIVES ON THE RELATIONSHIP BETWEEN
STRATEGIC MANAGEMENT INSTRUMENTS AND
PERFORMANCE OF PUBLIC (SECTOR) RESEARCH,
DEVELOPMENT AND INNOVATION SYSTEM**

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Abstract: *The study aims to contribute to the scholarship on the performance of organisations belonging to public RDI and identify its relationship to the strategic management instruments applied by the main actors involved in management and execution processes. The analysed operating instruments comprise processes, methods and operating procedures in a written form and whose content has been established by an issuing body, and which are available for all organizational levels. We will outline the specific aspects found in the evaluation rankings, as well as the measures adopted for increasing scientific performance. The assessment of the national research, development and innovation system, and of the Romanian Academy regarding the applicable operating instruments enabled us to draw a set of conclusions that we hope will be appreciated positively. This paper contributes to the organisational management literature by investigating the elements of strategic planning and management of public RDI in Romania and by studying how they are connected to the achieved performance.*

Keywords: *public sector performance, RDI, strategic management instruments, Romanian Academy.*

Introduction

Public sector decision-makers have been forced to identify specific *methods, techniques, means and working instruments* needed to ensure conditions for society's progress due to transformations faced by countries, their economies and organisations

brought by such systemic challenges as economic growth slow-down, burdening debts, aging of population, social unrest, healthcare and security crisis (Ferguson, 2014). A public system is closely linked to any state's functioning. Employees, politicians and scientists working in public sector are interested in the reorganisation, improvement and optimisation of operations, especially of those related to provision of financial resources. Today's budgetary system of Romania comprises and provides funding to public institutions that were set up and are operating based on their own legal provisions. These days the working environment of public institutions is becoming more and more complicated. Public transparency and adherence to various international organisations bring new rules, regulations and requirements that should be met. Growth and decrease of the level of funding depends both on the desire of decision-makers to provide specific public services, and on their capacity of supporting them financially due to reasons related to other commitments.

Dealing with lack of sufficient funds, governments often adopt specific measures that whether fall within planned budgets, or comply with other conditions. For this purpose, „public sector performance is measured, which involves making a distinction between the following terms occurring in a production process - input, throughput, output and outcome”. (Profiroiu *et al.*, 2007). The authors of this study also suggest that „on the one hand, we could establish a link between the outcomes and the input used for achieving them, and on the other, between the objectives reached through these outcomes”, although not always a direct link between the inputs and outputs is found. It mainly depends on the type of process, time frame and the moment when the outcome appears. We refer here to research articles that could be written over several years, and the outcomes (books, articles, patents, etc.) could be recorded long after the end of an activity. According to the Frascati Manual (Frascati Manual, 2015, accessed on 08.07.2023), there are two main approaches to measuring research performance in the public sector in terms of public funding. One approach considers the amounts received and reported by state institutions over a specific period. Another approach takes into account the amounts for RDI performance over a fixed period of time that the governments commit to pay (planned for a period of 5-6 years under national RDI strategy), or which have already been paid. A periodic review is conducted using different types of indicators matching the aim of the review.

There have been academic debates on the optimisation or achievement of higher efficiency in the functioning of public entities (including those carrying out RDI) which often put forward highly advanced solutions. Still, public sector entities are both complex and twisted, as well as fragile and less adaptable. A wide range of events may seriously disrupt the entire system's functioning. The events related to restructuring, underfunding, adjusting the mission and aims, fluctuating staff, non-eligibility of payments, retrocessions and other disputes often turn into real challenges for public entities. Continuation of activities entails the existence and application of working instruments (strategies, standards, regulations, procedures, etc.) complying with specific requirements, bringing benefits to organisations. Unless these are clear, specific, correlated or adapted to the applied field, they become useless. Complicated inaccurate working instruments, or having a content „not being aligned with what an organisation says, invests in, or does” (Bryson, 2002), just turn them into a bureaucratic tick. The strategy as an „extension of any organisation's mission, making a bridge between itself and its environment, ... is usually created to cope with strategic problems, and formalises organisation's response to the tasks

it deals with” (Bryson, 2002); being the main instrument we have included into the analysis carried out in this study.

We have described up to now the main arguments that made us extract an important public sector segment, namely, the research, development and innovation system (RDI), and analyse the strategic management instruments in an attempt to see their usefulness in practice. We therefore view science as a „global public good” [36 accessed on 19.06.2023] that may contribute have a significant contribution to people’s prosperity.

Literature review

As a function of top management, strategic management integrates vision, values, opportunities and capacities which may lay the foundation of coordinated actions (Johnsen, 2015). It made its way into the public sector entities and has become pervasive (Poister, 2010). Strategic instrument is a „generic name for any method, model, technique, framework, methodology and approach used to facilitate a strategic activity”, being mainly developed by the consultants for big international corporations (Stenfors *et al.*, 2007). The authors of a relatively new study looked into the working instruments in the managerial and execution activities, reaching the conclusion that „supporting instruments in strategic decision-making have become more and more popular” (Stenfors *et al.*, 2007). The study found that the executive directors of analysed companies „use extensively a variety of instruments to support important decisions”. The study respondents mostly viewed as complicated and difficult to handle the challenges associated with the application of instruments in the three analysed phases – searching, implementation and use. Nevertheless, the respondents’ views show that there are real opportunities for consolidating the position held by the instruments at strategic level due to their high impact on top management, and the need for collaboration in different sectors emphasises the strategic role of such instruments (Stenfors *et al.*, 2007).

A more recent study (Rozario, 2021) on the application of strategic management instruments, containing hypotheses on the use of a high number of instruments, showed that if the number of strategic management instruments and methods is high, organisational performance is higher. A comparative analysis of empirical studies on strategic management instruments and techniques (Berisha Qehaja *et al.* 2017) found that there are important gaps between theoretical models and evidence on the use in practice of strategic management instruments and techniques, and an awareness of their use is needed to maximise their potential for diminishing the number of cases of entrepreneurial failure. Assessment of public sector performance has been widely discussed, being noted that it is „a highly difficult” process due to several reasons, such as multitude and diversity of stakeholders of public institutions, nature of provided service, lack of competitive environment, complexity of the socioeconomic environment, influence of political values, as well as differences in values and perceptions of performance (Androniceanu, 2003: 380). Still, public funding is based on specific instruments called „budgetary programs” aimed to „strengthen the quality of public policies”, whose content also includes sets of outcome and/or efficiency indicators, as well as the methods for monitoring if they have been reached [29: 28^5]

Measurement of public sector performance has been widely debated not only in Romania. More than thirty years ago, the Government Performance and Results

Governmental Act of 1993 (GPRA) in the US (and its amendments) imposed that all federal agencies made strategic and performance measuring plans to justify their funding. Although making profit is not a mission of not-for-profit and governmental organisations, they incur costs and are expected to manage profit well. Therefore, it is essential that all research organisations learned how „to do more with less” (Arveson, 2012). In Romania, such legislative initiatives started to be adopted at the beginning of 2000, although without specific measures for joint participation of stakeholders or determination for imposing a mandatory application, budgetary programs and performance indicators becoming operational in practice only in 2023 [17]. In Romania, the authorities committed among other things to solving the problem of public research system fragmentation by adopting a mechanism of systematic review and by encouraging research institutions to merge and also implement institutional strategic plans helping in the creation of a framework for making and spending the budgets in line with state programs, and also by using result/efficiency indicators [17] through the National Recovery and Resilience Plan (NRRP) [37, accessed on 07.06.2023], a highly comprehensive document that has been viewed by many experts as the „best plan we have had so far” [25].

As a part of medium-term strategic planning system of central public administration institutions, institutional strategic plans are the components of the quality management system, which include two elements, one related to management (office, vision, values, analysis of internal and external environment, medium-term priorities, lines of research, review, assessment and reporting) and another one dealing with budget planning [14]. In what regards other similar studies on innovation performance in countries found in the lower part of the European ranking of innovation, one study (Zajko, 2023) puts forward recommendations for the 2023-2030 National Innovation Strategy for Slovakia (the country situated in 2022 on position 23, also under the section of „emerging innovators”). After making a comparative analysis of the key factors in current innovation performance of Slovakia, the Czech Republic and Austria, the author presents a set of conclusions, out of which, we are just extracting those pertaining to management tools, „In contrast to Slovakia, the Czech government followed a systematic, ambitious and financially stable RDI strategy for its policies reflected in innovation performance. Several strategic documents attempt to fulfil the role of National Innovation Strategy of Slovakia for 2023-2030, including the National RDI Strategy Project run until 2030, whose aims, monitoring and funding indicators are still too general. A positive feature is the provisional plan of the RDI management system reform replacing the current fragmented system. However, none of these documents states the ambition of Slovakia to go back to the group of „moderate innovators” with a sufficient and sure funding for this goal.” (Zajko, 2023).

There could be many working instruments, specific to types of activities, which depend on the need, interest and involvement of regulation decision-makers. On the other hand, these help decision-makers provide intervention methods and the means for understanding the environment and describing the methods. For example, regarding the „procedure for the approval of research funds”, a recent study conducted among the researchers of the Romanian Academy found that the procedure was seen as mostly „non-transparent” (46% of respondents), only 7% viewing it as „easy to apply”, and 28 % as „hard to apply”, the other almost 20% seeing it as „transparent”(Gâlea, 2021). A study on *Strategic Planning and Public Management Reform: The Case of Romania* draws a conclusion on the attitude of local authorities towards strategic planning. So, „the main

benefits of planning are coherence in local development efforts, better local governance, and opportunity to access EU funds, while the main challenges comprise adoption of efficient instruments that would allow higher participation of stakeholders... and higher expertise and competence in this area” (Hînteş *et al.*, 2015). A similar attitude among the researchers of the Romanian Academy system was reported by a study conducted six years ago (Gâlea, 2021).

Strategic planning is based on a set of working instruments characteristic the working environment of systems and organisations. To fulfil their role properly, the working instruments should comply with a set of requirements asking that such instruments should be written down, refer to all important processes and activities in the system they serve, ensure a separation of roles (submission, checking, opinion giving, approval) and also be simple, complete, precise and adapted to processes and activities, and also be known by those applying them [33]. Strategic measures regarding the overall public system reform aim to reach such main goals as „*decentralisation for local socioeconomic development*” (Androniceanu, 1999: 230). It could also be seen in relation to the national RDI system, so we also encounter in practice regional programs of smart specialisation.

Methodology

The research was conducted using two methods, *content analysis* of such working instruments as relevant strategic documents regarding the Romanian public sector RDI and a *comparative analysis* of documents selected considering their relevance for analysing the performance of public sector RDI. Our analysis covered the period between the year of appearance of the most important act regulating research activity in Romania (GD 57), 2002, and up to now. The analysed documents were extracted from public sources, namely, the web pages of Romanian institutions (The Ministry of Research, National Institute of Statistics, other ministries and public authorities) and of the European Union. Legal acts have been extracted from the iLegis law management application. Full and partial citation of content was done by mentioning the source. We have also made *comparative analyses* of some elements of innovation performance shown using the *SCImago* rankings that classify academic and research institutions using a composite indicator combining three sets of indicators research performance (a share of 50%), innovation results (a share of 30%) and societal impact (a share of 20%) [43]. The latter is the composite in the calculation of innovation performance starting with the year 2015, when SCImago ranking comprised 5.139 institutions worldwide, and which tracks the impact on society by means of looking at aspects related to handling documents using an indicator called *altmetrics* (added to 2019 edition) but also through the *number of backlinks and web pages*.

Applied research

To bring arguments for the title formulated above through the conducted applied research, we use the following hypothesis:

Presence of strategic planning documentation as management instruments and coherence in managing the concepts have a high influence on the results and therefore system’s performance.

Therefore, we will analyse:

1. Strategic management instruments and their impact on the results and performance of the national RDI system and of the Romanian Academy
2. Steps in solving the identified problems

1. Strategic management instruments and their impact on the results and performance of the national RDI system and of the Romanian Academy

Overview

To understand better the RDI system in Romania, we will be presenting its statistical profile for the period between 2019 and 2021. Therefore, it could be observed that:

a. at the end of 2021, there were 550 RDI entities, of which, 45% or 249 entities in the public sector (governmental and universities) – see other details in Table 1 *Research and development entities by performance sectors at the end of 2019, 2020 and 2021*.

Table1 Research and development entities by performance sector at the end of 2019, 2020 and 2021

Performance sectors	Year 2019	Year 2020	Year 2021
	Number	Number	Number
Total, of which:	480	621	550
Public sector, of which:	259	252	249
- governmental sector	174	168	165
- higher education sector	85	84	84
Private sector, of which:	221	369	301
- companies	204	346	281
- private not-for-profit sector	17	23	20

source: [22, accessed on 02.06.2023]

b. there were 47.011 people employed in RDI at the end of 2021, almost 8% more than in 2019. Similar growth occurred in „ researchers” occupational group – see Table 2. *Research and development employees by occupation at the end of 2019, 2020 and 2021*.

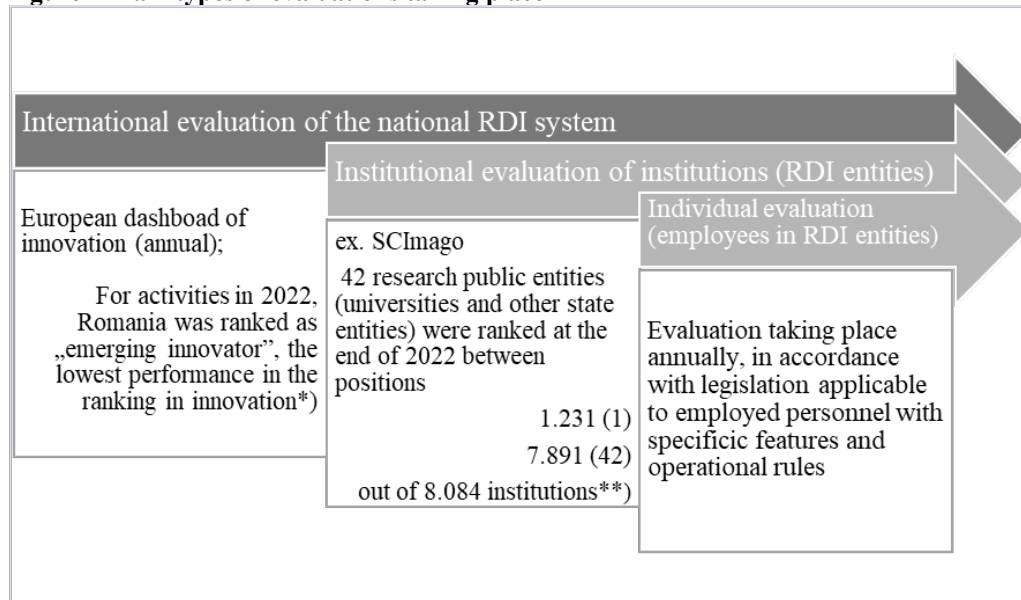
Table 2 Research and development employees by occupation at the end of 2019, 2020 and 2021

Grouping by occupation of research and development employees	Years		
	2019	2020	2021
	Number of people	Number of people	Number of people
Total, of which:	43,973	45,304	47,011
Researchers	27,168	28,090	29,347
Support staff and similar positions	6,195	6,674	7,531
Other categories of employees	10,610	10,540	10,133

source: [22, accessed on 02.06.2023]

To provide an overall image of the system, it should be noted that it operates continuously and benefits from public and private funding, undergoing different types of evaluation, such as (a) the international evaluation of the entire national RDI system, (b) international evaluation of RDI institutions (c) employee evaluation – see Figure 1 *Main types of evaluations taking place in RDI*

Figure 1 Main types of evaluations taking place in RDI



*) source: [23], **) source: [43]

The instruments used in strategic management of RDI are mainly regulatory acts and working procedures, rules and other provisions that could be used by people in charge to run specific activities so that these could contribute to reaching the mission of scientific research.

Presentation of several strategic working instruments in RDI

After having analysed several instruments related to strategic management in the Romanian RDI sector, we found that:

Some of them have been amended many times. For example, since its adoption (August 2002) and at the time of this study (June 2023), the legal act that regulates *scientific research and technological development* [35] had over 200 amendments and additions to its content through 25 legal interventions [24] and a high number of interventions was made to additional provisions (rules and interpretation provisions);

Some cannot properly play their main role due mainly to administrative reasons caused by serious delays in adoption; see examples in Table 3 *Records of 2002-2023 national research, development and innovation strategies (NS-RDI)* and in Table 4 *Records of 2002-2023 national research, development and innovation plans (NS-RDI)*, where column 7 contains information on the entry into force;

Although the programming periods remained the same (around 6 years), strategic regulation instruments of the national RDI sector grew tremendously in terms of their content, the number of characters is three times greater in the NS-RDIs. (Table 3, column 6),

The content of strategic planning, execution and control instruments for RDI has lately become very big, being correlated formally and on paper with other documents. The information included in NS-RDI and NP-RDI make references to other strategic regulatory instruments in the field, such as the National Recovery and Resilience Plan (over 1300-

pages long documentation), regional strategies and programs of smart specialisation, 2030 National Strategy for Sustainable Development of Romania (completing the three dimensions – economic, social and environmental, and 17 sustainable development objectives undertaken after Romania has signed 2030 Sustainable Development Agenda of the United Nations) [2, accessed on 17.06.2023], European and national strategies and policies, the Report of PSF experts, other plans and sectoral programs of ministries or research and development academic entities, etc.

The number of bodies (commissions, committees, councils, meetings, etc.) is very high, their efficiency is hard to assess due to lack of publicly available information on the structure, functioning, responsibility or achieved results. There also have been cases when due to failure of completing the initial goal of such bodies, their membership is changed in inappropriate way. The responsibility of such bodies is hard to evaluate. We could note the example of National Committee for Science and Technology Policy, a body that should have been set up after the approval of the act regulating the scientific research activity [34, art. 40], and which recently has been changed due to a set of reasons, such as „lack of activity of the current Council” [34].

Table 3 Records of 2002-2023 national research, development and innovation strategies (NS-RDI)

NS-RDI	Period (GD's name)	Approved by	Entry into force	Number of changes up to June 20, 2023	Approximate number of text's characters	Entered into force
1	2	3	4	5	6	7
I*)						
II	2007-2013	GD 217 of February 28, 2007 [16]	March 29, 2007	0	9.500	At the end of first quarter in the first year of implementation
III	2014-2020	GD 929 of October 2, 2014 [20]	October 28, 2014	1	14.100	in the first part of the fourth quarter in the first year of implementation
<i>Actions and activities of the NS-RDI-III continued also during 2021-2022</i>						
IV	2022-2027	GD 933 of July 20, 2022 [21]	July 27, 2022	0	31.947	in the first part of the third quarter in the first year of implementation

*) For NS-RDI-I (2002-2006), we have not identified any regulatory act to be approved

Table 4 Records of 2002-2023 national research, development and innovation plans (NS-RDI)

NS-RDI	Period (GD's name)	Approved by	Entry into force	Number of changes up to June 20, 2023	Approximate number of text's characters	Entered into force
1	2	3	4	5	6	7
I*)						
II	2007 – June 30, 2014	GD 475 of May 23, 2007 [18]	May 31, 2007	27	14.100	At the middle of the second quarter in the first year of implementation

NS-RDI	Period (GD's name)	Approved by	Entry into force	Number of changes up to June 20, 2023	Approximate number of text's characters	Entered into force
III	2015-2020	GD 583 of 22 July, 2015 [19]	6 august 2015	5	17.400	at the middle of the third quarter in the second year of NS-RDI-implementation
<i>Actions and activities of the NS-RDI-III continued also during 2021-2022</i>						
IV	2022-2027	GD 1188 of September 29, 2022 [15]	October 5, 2022	0	19.900	in the first part of the fourth quarter in the first year of implementation

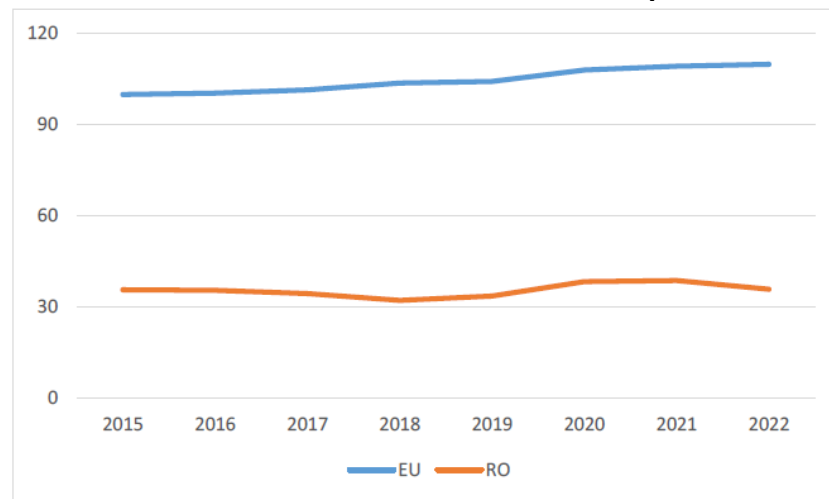
*) For NS-RDI-I (2002-2006), we have not identified any regulatory act to be approved

The impact on the results and performance of the RDI system

European evaluation of the entire RDI system in Romania

The analysis of efficiency of the results and performance of scientific research has been a constant concern of big research groups of theorists and practitioners. Nevertheless, the results were not positive and Romania was again ranked as an „*emerging innovator*” with the lowest innovation performance in the EU, according to 2022 Dashboard of European Innovation. Innovation performance of Romania accounts only for 50% of the average of emerging innovators, and the difference between performance of Romania and the EU is higher” [23] Figure 2 2015-2022 Innovation Performance Chart shows the evolution of innovation performance of Romania between 2015 and 2022 compared to the European average [9, accessed on 07.06.2023].

Figure 2 2015-2022 Innovation Performance- 2022 Dashboard of European Innovation



Source: [9, accessed on 07.06.2023]

Recent evolution has not been encouraging, so Romania is an Emerging innovator with a 33,1% performance of the EU average. Performance grows at a lower rate than that

of the EU (8,5%). „Performance difference of the country compared to the EU is becoming higher” as shown by the 2023 Dashboard of European Innovation [45, accessed on 12.07.2023]. If we correlate data in Table 3 and 4 with Figure 2, we may observe a tacit extension of 2014-2020 implementation period up to 2022 without the extension also of the plan of measures, which caused a decrease in innovation performance of Romania in 2022 compared to 2021. Setting the analysis, intervention and control parameters as variables differentiating and also enabling the comparison of results could be done by using such decisional models as that presented by the authors of the study on the Efficiency – Model for Scientific Research Evaluation (Nica & Tiță 2013), or the PRA-nX decisional model, which was built, tested and validated in another recently published study (Gâlea, 2021).

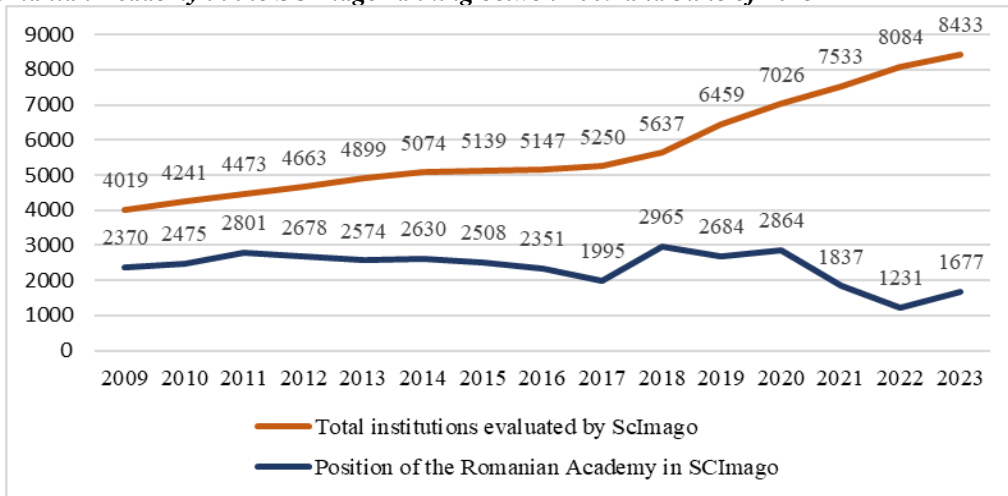
Evaluation of data on Romanian Academy

From the annual report of the Romanian Academy for 2021 [41, accessed on 09.06.2023], we find out that the institution displayed a set of *scientometrics*, of which, we would like to stress out „first place in the Romanian ranking of research, seventh place in the innovation ranking, (run by ICMPP) and seventh place in the societal impact ranking” (slide 19), the source of data being the SCImago Institutions Ranking. It should be noted that ICMPP (P. Poni Institute of Macromolecular Chemistry) holds a leading position in the 2021 innovation ranking. Taking into account that this research institute is part of the research structure of the Romanian Academy, we analysed the source of data and found that:

In the SCImago Institutions Rankings classification system, the Romanian Academy is registered as a governmental research entity with the main mission of nurturing „national history, language, literature, sciences and fine arts” and comprising 25 „subordinate organisations”, almost all of them being research entities, except for the Menachem H. Elias Family Foundation, with the registered office in Bucharest [43]. According to the web page of the Romanian Academy, the institution comprises 74 research institutes [26, accessed on 15.05.2023], which means that the SCImago ranking includes data only of a third of its research entities.

We also note that in the list of governmental Romanian entities included in the SCImago ranking, besides ICMPP, there are other three institutes with the status of a legal personality in the structure of Romanian Academy, namely, the Institute of Cellular Biology and Pathology, Simion Stoilow Institute of Mathematics, the Institute of Physical Chemistry. The Graph in Figure 3 shows the evolution of the total number of institutions evaluated by the SCImago ranking covering all sectors (governmental, universities, companies, not-for-profit and healthcare companies) during 2009 and June 2023, and also the evolution of the position held by the Romanian Academy during the same period. We found that the total number of ranked entities grew by 100%, from 4.019 in 2009 to 8.433 in June of 2023.

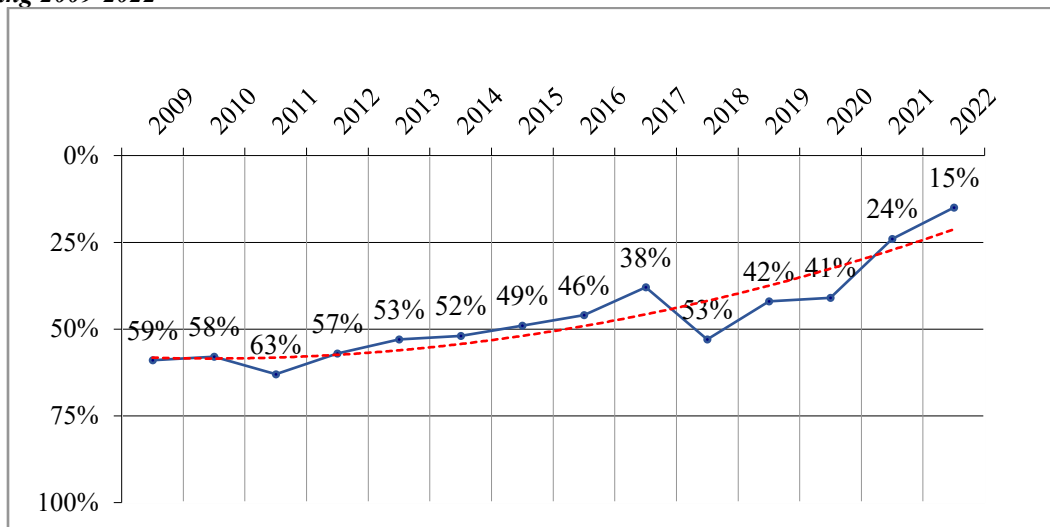
Figure 3 Evolution of the number of institutions evaluated by the SCImago ranking and the position of the Romanian Academy in the SCImago ranking between 2009 and June of 2023



Source: Made by authors using data extracted from the application [43, accessed on 20.06.2023]

Regarding the evolution of the position held by the Romanian Academy in the SCImago ranking between 2009 and June of 2023, the lowest global position was held in 2022, namely, position 1.231. Matching data shown in Figure 2 and 3, we observe that the year when Romania had the lowest value of innovation performance, in line with the dashboard of European Innovation (Figure 2), the Romanian Academy held the highest position in the SCImago ranking. We continue the analysis and exclude data for 2023 from the data set (as the year has not finished yet), and analyse the proportionality of the Romanian academy position to total number of institutions ranked by SCImago in the period between 2009 and 2022. The results are shown in Figure 4. We may note that the Romanian Academy in the past two years (2021 and 2022) was situated in the first 25% of research institutions in the SCImago ranking, and in most evaluated years, the Romanian Academy position is above 50% of total evaluated institutions, and situated between 25% and 50% in 2015, 2016, 2017, 2019 and 2020.

Figure 4 Position of the Romanian Academy compared to total number of entities ranked by SCImago during 2009-2022



It enables us to draw two conclusions, on the one hand, the support elements for the monitored performance indicators in the two rankings (SCImago and EIS) are different. To achieve the comparability of results, specific elements are required that would update the results due to the fact that scientific research activity has its specificity (multiannual activities, type of results, impact over time on society). Also, we found that there is a need and it is important that administrative issues were sorted out, such as more accurate data uploading into databases as these data are used for calculating different indicators or in establishing the institutional affiliation of researchers to recognisable names of institutions.

2. Steps in solving the identified problems

There have been conducted over time several analyses regarding the functioning and performance of the RDI system in Romania. Representatives of institutions and individuals have discussed and written a lot on this subject. We will be discussing an issue that seems relevant for our study in an attempt to draw a conclusion on the cohesion, coherence and impact of strategic management instruments. There are several viewpoints on the matter of Romanian public sector research system fragmentation. We will be discussing just a few of them in a chronological order:

During 2005-2006, a large group of experts carried out a comprehensive analysis of the *national system of research, development and innovation in the context of its integration into the European research space* in order to develop the National RDI Strategy for 2007-2013, (Agachi *et al.*, 2006). The SWOT analysis of the RDI system reported among its weaknesses the fact that *„the RDI system is fragmented both institutionally and by sector. There is also a lack of coordination between decision-makers of RDI policies on the issue of design and implementation of horizontal RDI policies”* (Agachi *et al.*, 2006: 514). The study is highly detailed and includes an overview, many comparisons, as well as conclusions and recommendations.

After more than fifteen years, in the mid-2022, the country analysis of the Romanian research, development and innovation system, the Policy Support Facility - PSF [40: 22, accessed on 05.06.2023], in its sections on the „situation diagnosis” and in the analysis of the aspects related to „underfunding and non-funding” and „fragmentation and low efficiency of public research” provided the arguments supporting the idea that there is a „vicious circle”, whose „main component” is *„the over-fragmentation of the public system of organisations”* made of *„institutions of different types and origin”* that *„have not been evaluated properly to clarify their individual and joint missions, and have not been reformed to ensure the efficiency in achieving those missions”*.

Also in mid-2022, the supporting document to the Government Decision for the approval of national research, innovation and smart specialisation strategy 2022-2027 [32] made no reference to the issue of fragmentation of the public RDI system in Romania, and therefore no legal act [21] included such a reference.

At the beginning of 2023, a legal act on the *„voluntary integration of Romanian research, development and innovation entities into the European research space”* [28] contains intervention measures for *„lowering the high degree of fragmentation of the national research and development system, such institutions being encouraged to use jointly their own resources and their infrastructure to improve their performance for a better integration into the European research space”* (Art. 1 (1)). In the presentation of

their reasons, the initiators of the regulatory act [10, accessed on 07.06.2023] state that their initiative is based on the general objectives and lines of actions included in the PNRR [37, accessed on 07.06.2023] which aims to develop a solid knowledge and innovation-based production system „ensuring socioeconomic relevance and accelerating the integration into the European research space” (pct. 2.1.). On the other hand, the introductory section related to the internationalisation and international and European cooperation of SNCISI, approved in July 2022, shows that „the national system of research and innovation is integrated into the European research space and is open to international cooperation. Romania’s participation in European programs is, at least, equal to the share of its researchers, and its contribution to international cooperation is closely linked to its strategic agenda” [21].

A few months later, in May 2023, a working document of the European Commission anticipating the 2023 Country Report mentions in its sections on innovation that there is „a high degree of fragmentation in the Romanian public research sector that led to a weak public research background. The system is made of four types of research institutions (national research and development institutes (INCD); research units of the Romanian Academy; affiliate academies of different ministries, higher education research institutions), all having a degree of autonomy, different funding rules and being under the responsibility of different ministries. They have not undergone a regular evaluation process or have not been subject to performance-based funding.” [9, accessed on 07.06.2023].

The study has found a lack of coherence and continuity in the content of the analysed managerial instruments, keeping in mind the issue of Romanian public sector system fragmentation that may impact negatively data collection and generate disruptions in achieving results and performance. We also have noticed that the strategic documents made by the Romanian entities differ from those generated by other working groups. The alignment of research evaluation standards and adaptation of strategic managerial instruments could give an opportunity to modernise governance in this field, which is often seen as a competitive advantage.

Conclusions

In theory, measuring public sector performance is easy to do but is complicated in practice, considering the nature of its results and when they are recorded. Lack of a clear link between the inputs and the outputs over a specific time frame calls for an intervention using weighting and control factors. It is even harder to evaluate the performance of the RDI results in terms of their impact on the external environment. Although it is believed that strategic planning is time-consuming (Bryson, 2002) and managerial tools are *complicated and hard to master* (Stenfors *et al.*, 2007), the results in practice show that when interventions have been „systematic and ambitious”, the results also appear without delay (Zajko, 2023). In case of Romania, lack of a national RDI strategy and a plan of measures for the 2021-2022 period, as well as other shortcomings in the system, have led to lowering in innovation performance. Other identified conceptual differences between NS-RDI-IV and PN-IV will be discussed in another study. As time passes, the regulatory legislation as management tools are becoming broader and more complicated trying to regulate as many contexts as possible. Therefore, the following risks may appear: (1)

extension and maintenance of bureaucracy, resulting in well-made documentation but to the detriment of research and its mission related to knowledge, progress and people's well-being, (2) over-regulation might turn into barriers to freedom that researchers need in order to express their creativity. That is why it is essential that a distinction should be made between „performance results” and tradition or context-based funding.

There are significant differences of vision and attitude towards strategic planning and management (for instance, *fragmentation of the Romanian public system of research*) that may have a negative effect on the results and performance of the RDI's system. We live in a global world and if we are connecting specific activities to comparative assessments and national or international rankings, it is highly recommended that we should be aware that apparently minor and bureaucratic issues could influence tremendously a ranking position and the image of an achieved performance. Speeding up the digitalisation of administrative activities could lead to lower bureaucracy and more efficient public system, with an immediate impact. The conclusion of our study lies in the fact that strategic planning tools may motivate the stakeholders of public institutions to attract interested parties and resources and may have a direct impact on stimulating and growing performance in the public research sector. Some models (Borgonovi *et al.*, 2018) could provide strategic support to RDI. A modern framework is the eGovernment Economics Project (eGEP) which includes three essential factors for society: efficiency, democracy and efficacy. It was designed to perform a multidimensional evaluation of public value generate in a specific field. The impact on society's progress is still a long-term goal and it will be analysed in a future study.

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EXPLORING URBAN GOVERNANCE IN URBAN WATER SERVICE PROVISION IN ETHIOPIA

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Abstract: *The goal of this study is to investigate the governance modalities and capacity in Ambo city water service Enterprise, as well as how the Enterprise successfully delivers the water service. Weak urban center capacity in terms of finance and personnel; as well as challenges with governance where there is a lack of accountability for services and a lack of responsiveness and transparency. These constraints continue to make the supply of water services a hollow and unmet promise, and prevent equitable access to the benefits of urban service provision. To address research objective, a qualitative methods research approach is used. The research finds that, while private sectors are the most prominent non-state actors, the public roles are still undervalued. Platforms designed in various institutional settings and reform programmes that allowed the peoples to participate are still trailing behind in the city. Water Enterprise in the city is less responsive to the demand of the public. The fundamental causes of this challenges are limitations in political interferences in prioritization, as well as manpower capacity. The lack of media coverage and proper voice tools has severely hampered public responsiveness. On the other side, there is no clear mechanism in place to hold Water Enterprise directly accountable to the water users (customers) in the city. Similarly, the key obstacles, the unbalanced allocation of budget for additional specialized themes in the Water Enterprise, made urban governance and urban water service provision problematic. These have in turn the impact of impeding the level of accountability, responsiveness, and transparency. Nevertheless, for improved performances of the Water Enterprise in the city, increasing the capacity of Water Enterprise should not be the exclusive solution. Instead, laws and policies must be implemented that empower demand sides (the general public), so that they will be able to safeguard their voice and hold service providers accountable for ensuring that the urban water service is demand-driven. This article, therefore, contends that adequate urban center capacities, consolidated accountability and transparency mechanisms, and strong collaborations between state and non-state actors could help in overcoming issues with urban governance in Ethiopia's urban centers in general, and Ambo urban center in particular.*

Keywords: *Accountability; good governance; NSAs; transparency; responsiveness; and water service*

Introduction

A nation's socio-economic development is significantly influenced by the development of its water service. It is also politically significant for maintaining regional integrity. It is an additional investment that helps other development efforts run more smoothly (Fenta, 2007). It therefore plays a facilitative role in fostering development alongside other factors like political conditions namely conducive policies, legal frameworks, and political stability; the availability of finance for investment; and high-caliber manpower capital. There is growing discontent with the delivery of urban services in the majority of developing countries. Water supply service availability, coverage, and quality problems are prevalent (OECD, 2008). For instance, according to UNDP (2006), over 1.2 billion people worldwide do not have access to enough clean water. African

countries, like the majority of developing countries, face significant challenges in giving equitable and effective and urban services (ECA, 2005b). Despite the fact that a number of causes have contributed to this occurrence, the basic challenges are essentially related to inadequate local government capacity in terms of personnel and finance, as well as governance problems characterized by a lack of responsiveness, transparency, and efficient accountability procedures over urban services. The poor are frequently excluded from the design and supervision of programmes and policies that influence their lives. The lack of service provider and government response to citizens needs and rights as well as poor levels of transparency are to blame for this. These are the primary issues that must be solved so as to offer alternatives to the incapacity of water service provision. Ostrom (1996) offered an alternative perspective on this inability to supply services, stating that rather than consolidating government agencies, effective government agency performance can only be attained by increasing their responsiveness to customers (service users).

Because of these governance issues, there may be a conflict of interests between the service provider and the public, as well as information asymmetry where service providers are more knowledgeable than the general public (Waterman 1998). The existence of information asymmetry can be attributed to government information access restrictions have resulted in poor urban service provision by government body (sector office/enterprise) and backward communication technologies. Furthermore, concentrating solely on the supply side of urban service provision does not improve efficiency; it must also focus to the demand side, where customers (service users) request improved urban service provision via better state actions and decisions. Ethiopia is the world's poorest countries, with government organizations delivering poor urban water service, as well as a lack of accountability, responsiveness, and transparency. Despite significant growth in water service provision, Ethiopia has been ranked below among the countries in the world in terms of this urban water service. With the growth of this urban water service, non-state actors' roles in urban water service provision is not as significant as it can be. Using Ambo city administration as a case study, the goal of this article is to investigate the governance modalities and capacity in Ambo city water service Enterprise, as well as how the Enterprise successfully delivers the water service. The research paper focuses on the role of various actors (state and non-state actors), as well as evaluating water service delivery in Ambo city administration from the perspective of governance principles such as accountability, transparency, and responsiveness, as well as the interaction of citizens (principals) and service providing Enterprise.

The literature review as well as an analytical framework are presented in section 2. The study's methodology and approach are discussed in section 3. The analysis is informed by a review of the relevant regional laws as well as an investigation of actual practice based on fieldwork undertaken as part of a PhD dissertation in Ambo city administration is discussed in section 4. Finally, section 5 offers a few conclusions and recommendations.

Review literature and analytical framework

Since the 1980s, following Woodrow Wilson's conceptualization of public administration, made in 1887 (Wilson, 1987), and later more theorized by the thoughts of Max Weber and Fredric Taylor (Mukanyajena, 2012), the responsibility of public service improvement and provision has been an agenda in academic debate based on various

theoretical justifications. Both the Traditional (classical) Public Administration (TPA) and New (modern) Public Management (NPM) theories were up for discussion. The TPA theory, according to Mukanyajena, derives its main theoretical foundations from the ideas of Max Weber (Germany) and Fredric Taylor (USA). The fundamental features of this theory comprises an administrative style that is solely on the basis of 'hierarchical model of bureaucracy' with the notion that the personnel is neutral, permanent, anonymous, there to serve the public interest, administers public policy that is designed by experts and politicians, and the only output of public organizations is the public service (Mukanyajena, 2012).

The state's complete control over the bureaucracy and inefficiencies in public service delivery have necessitated a new approach to public management over time. As a result, the TPA, which was primarily focused on 'planning and bureaucratic hierarchy' as well as direct control and central way of organizing and delivering public services, was transformed into the NPM, that is based on market rules (Stewart and Walsh, 1992), and the strategy has adopted a number of managerial frameworks and performance mechanisms from the private sector for use in the public sector (OECD, 2013). Despite the fact that the aforementioned two theoretical frameworks have had success stories at various periods, their primary focus for improving public service provision is from only the actors of supply side. That is, according to the TPM, the state is the exclusive provider of public services, and greater service delivery can only be achieved via the formation of central planning and a bureaucratic structure. The NPM, on the other hand, has stepped in to acknowledge the private sector roles with a market-oriented mechanism to the government sectors/enterprises so as to fill the efficiency limitation of government agencies that cannot fully satisfy the public need. Like the TPM (classical), the NPM exclusively considers the supply side that means only on the function of government agencies and private providers of public services.

This article will discuss and use a Principal Agent Theory and Responsive Governance Theory, which looks at how public service provision should take in to account urban actor roles in the demand side, in light of these theories mentioned above, and their limitation of the focus only on the supply side of the service provision. Urban service customers are referred to as the demand side in this context.

The Responsive Governance Model

In today's world, urban service provision necessitates the involvement of multiple stakeholders representing various parts and interests of society with specific ideas of governance rather than government. This means that, rather than focusing solely on the government/state as the sole provider of services, consider including the role of community members; NGOs; and private sectors, in urban service provision or improvement. Birner (2007) defined urban service provision as an action that entails identifying both demand and supply mechanisms in the responsive governance theory. As a result, an improvement in urban service provision in this case can result from a good governance system on both the demand and supply sides. The interaction of supply and demand actors can be viewed through the lens of the Principal-Agent Theory. The demand side represents the people's interests (the principals), service providers (the agents) are represented on the supply side. The supply-side strategies aim to enable poor people to interact their demand for urban service from accountable service providers, whereas the demand-side strategies aim to

capacitate and improve 'incentives of service providers' so that they offer as per the people needs. In some instances, a mixed strategy in which urban service users are directly involved in urban service provision can be used (Birner, 2007).

Demand-side strategy

This strategy focuses on voicing aspects and the accountability good governance. It is increasing citizens' capacity, particularly of marginalized societal groups, to voice their questions and complaints in order to demand better urban services, as well as ensuring the accountability of urban service provision government organizations by providing proper institutional setup to make this interaction easier. The general goal of demand side is to address the "voice, regulation, financial management, transparency, and accountability dimensions of governance" (Awortwi, 2012).

Supply-side strategy

A supply side strategy is one that focuses on improving the capacity and incentives for urban service providers so that they can meet the needs of the people. Multiple stakeholders namely CBOs; NGOs; private sectors; and citizens, are involved in the delivery and production of the service in this case (Birner, 2007). The supply side mechanism will outperform if the following conditions are met:

Although the demand side strategy provides public assurance that the urban service provider will be held accountable and citizens will be able to voice their demands, supply-side service providers must also be able to respond to people demands by providing better urban services.

New technologies and innovative approaches; fiscal and administrative decentralization; and ensuring non-state actors' roles in urban service provision.

Innovative approaches comprise of service standardization based on customer satisfaction and production quality, as well as displaying and computerizing organizational performance. This has the potential to increase transparency. Fiscal and administrative decentralization, on the other hand, strengthens local governments' by providing them with political autonomy and financial resources. It does, however, assume that service providers are efficient and effective. Finally, non-state actors can engage via outsourcing, contracting, privatization, and PPPs. This approach is used when the government agency's capacity of service provision is limited in comparison to the increased service demand, non-state actors can fill the gap by increasing their contributions in the sector.

Outsourcing (contracting) by government organizations to private sectors, as well as any interaction between them, requires a mutually beneficial bilateral agreement, assuming the government organization primarily plays 'agent' role and outsources activities that are beyond its ability to be performed by private sectors as per the time frame, quality, and quantity needed by the principals, the people. If a relationship exists between a private contracting party and urban service provider in order to meet the needs of the people, it should adhere to a series of transparent tendering processes that benefit both the urban service provider and contracting firm, as well as the people and the urban service providing agency. Giving free information to stakeholders, the media, CSOs, the general public, and how stakeholders use it, matters in terms of accountability. Transparency also allows for the highest level of accountability (Paul, 2008). Accountability is essential in any procurement and public tendering. A system lacking in accountability and transparency

may expose public resources to waste and corruption. These two elements are required even in systems with low levels of corruption and embezzlement. Because they enable the non-state actors and the government to identify existing inefficiencies and monitor each process of urban service provision, they can be reshaped to provide services that meet public demand (Bashua, 2013).

A lack of accountability encourages corruption. As a result, Brinkerhoff (2004) identified three major components of accountability. These are objectives and end-result measurements that aid in monitoring and sanctioning corrupted activities. However, an advancement in the enabling information system that aids in the measurement of output and input production and use; monitoring organizations and other CSOs seeking to expand best practices; and penalties for poor performance and incentives to improve performance are implemented.

Principal-Agent Theory

A principal agent governance theory is concerned with the interaction between the agents and the principal and its influence on the provision of urban services to the demand side (Awortwi, 2012). The Principal-Agent Governance Theory was founded in an attempt to address the Agency risk. This occurs when there is a conflict of interest between the agent and the principal, and when the principal's efforts to fulfill the interests of the agents are either expensive or unachievable that the principal outweighs the benefits. With this theory overview in hand, the following question is, who are the agents and who are the principals? Various literatures on the Principal-Agent Governance Theory used numerous entities as agent and principal as per their role in the cause of interaction between them. Gialmard (2010), for example, considered the government organs as agents and people as principals. Amagoh (2009), on the other hand, views the private sector as an agent when handling some of the government 'agencies' outsourced activities, and the government as a principal when outsourcing/contracting out some of its operations to private sectors.

The interaction between the agent and the principal is primarily characterized by information asymmetry. When information is asymmetric, occurs when information critical to achieving the principal's goals and/or assisting the agent in acting on the principal's behalf becomes asymmetric. In this instance, the information that assists the principal in achieving the goals that fulfill the demand is available to the agent at a significantly lower cost than the principals, implying that the agent is more knowledgeable than the principal. Because of these two entities information gap, the agent may benefit from having more information and be on its way to impose its interest on the other. The agents' information advantage, however, causes principals to request the service of the agent rather than pursuing their goals directly through their own methods or actions. For example, some professional services may be sought by a principal for which they lack information and professional competency. In this case, the agent may pursue its financial gain by charging the principals far more money than the work worth. Because the principals are unaware of the cost of providing the service.

Principal-Agent Governance Theory has primarily focused on agency costs, which are the costs incurred by the principal in order to minimize agency risks. The cost of agency arises as a result of the agent's bad faith and self-interest, which may cause challenges with the two entities' contractual agreements. There are two options for mitigating these risks. The first is to establish a monitoring mechanism to control and track the agent's

performance in order to determine how well it is meeting the principals' objectives and impose sanctions based on monitoring data. The second is to provide incentives for improved performance. Incentives can be distributed in a variety of methods. These are the financial incentives that enable the agent to act the best interests of the principals and compensate them when the agents fail to meet their demand. The Principal-Agent Governance Theory, however, has limitations. These are one-sided because it harmed professional ethics and the agents' loyalty while addressing their agents' goals and stained their image as if they were usually self-centered (Davis et al, 1997). In many instances, agents operate respectfully in accordance with the value of the principals' goals, such as CBOs. Naturally, the agent isn't usually expected to be self-sacrificing, but rather to recognize that mutual benefit brings more benefits. The Principal-Agent Governance Theory, on the other hand, has overlooked the Principal's opportunistic behavior, particularly when government officials seek personal gain, resulting in disagreements with private sectors (Ibid).

In the case of government agencies outsourcing activities to be performed through contractual agreements with private sectors, the question is how to deal with the private sectors' poor performance and why contract out. The main reason for contracting out some of the activities of public sector's is that governments are ineffective at dealing with the entire public sector (Huque, 2005). In this case, efficiency refers to the reason for contracting out is due to the public sector's limited capacity because of the presence of limited manpower and a cost-cutting strategy. However, contracting out has been criticized because it tends to undermine basic public values such as equality and hampers the ability of government agencies (Brown et al, 2006). The extent to which the principals as demand side actor control over the urban water service providing government body with mechanisms like accountability, transparency, and the readiness of the government bodies to inform the people via governance mechanisms like transparency and to satisfy the people needs by being responsive has not yet been assessed in Ambo city of Ethiopia. As a result, within the context of the Principal-Agent Governance Theory, this article attempts to look in to the extent to which urban governance principles are implemented, as well as the capacity and involvement of the various actors in the line of water supply service provision.

METHODOLOGY

Research focus and area

Many service provisions, including sewerage systems, roads, electricity and water, are accommodated by urban service delivery. This study, however, focuses on the water sector, which is the most helpful in the process of local development. As a result, Ambo city administration was chosen as the research topic for this study. For the following reasons, urban center government in general, and Ambo City Administration in particular, was purposefully chosen as the case for the study. The preference for urban over rural areas stems from the fact that urban centers are congested in limited areas and require more sophisticated infrastructure and services than rural counterparts. However, due to limited resources, urban centers are unable to offer all of the necessary urban services. As a result, the imbalance between demand and supply in urban services has prompted the participation of local residents in order to meet their demands. As a result, urban centers are the local administrative entities with the most mature involvement to undertake significant research.

Residents of Ambo City display a variety of occupations and professions that are both diverse and varied. Additionally, there are numerous non-governmental and governmental actors in the city that are engaged in development efforts. These criteria permit examining urban governance in water service provision and its repercussions from the perspectives of various City residents and the government. The other reason for choosing Ambo city was for the administrative ease of the research. Due to the project's restricted budget, it was impossible to conduct in-depth and dependable research in faraway locations without sacrificing the quality of the investigation. According to statistics from the Oromia Region Industry and Urban Development Bureau, Ambo city was regarded as one of the finest practices in incorporating non-state actors such as residents and private sectors in development activities among the Region's urban centers.

Data collecting methods and sampling

The study used a combination of secondary and primary qualitative data from semi-structured interviews and several published and online secondary sources of data. A desk review was done to produce policy and strategic-related information on the development and performance of the water sector. Key informant interviews were done with informants from both the demand sides (the general public) and the supply (public service providers) to acquire primary data. The interviews centered on questions about collaboration among the various actors, accountability, and transparency of Water Enterprise, as well as the issues those actors face and potential for sector development and reform. Purposive sampling was used for the sample technique to select respondents from both the urban service users and urban service suppliers. Respondents from both the demand and supply sides were classified as stakeholders in the delivery of water service. Purposive sampling was used to choose the Water Enterprise Manager and Enterprise officials for interviews. The total number of respondents from the Water Enterprise was four. Two private-sector representatives were chosen. Water customers from Kebele 01 was also used as a focus group discussant. As a result, 6 people were interviewed as respondents from both the demand and supply sides, as well as one FGD from the demand side.

RESULTS AND DISCUSSIONS

Capacity of Ambo City Water Supply Service Enterprise (ACWSSE)

Charles Polidano (2000), has identified three methods for assessing the capacity of the government sector. These include the capacity of executing government-designed policies; providing public service; and providing optional policy advice to top-level decision makers (Polidano, 2000). According to the assessment results, ACWSSE has a limitation in implementation capacity, which prevents them from fully supplying the water service to the increased public demand. The most significant capacity gap identified by the CWSSE in the city administration is a lack of financial and manpower.

Financial Capacity

Ambo CWSSE was formed in 2004 (Article 20 (1), Proclamation No. 78/2004). According to the same Proclamation, the Enterprise is administered by its own fund using the cost-recovery principle. Similarly, the same Proclamation stipulates that the Enterprise's sources of funding are water charges and sales, grant, donation, and loan

(Article 20 (2a-e), Proclamation No. 78/2004). The findings of interviews with key informants from the Enterprise's V/Manager revealed that, since its inception, the budget of the Enterprise has also been supported by external financial sources such as donor agencies, the regional government's capital and recurrent budget, and city administration. The CWSSE does not generate enough funds on its own, despite the fact that the CWSSE could have generated a large amount of its earnings on its own. Of course, the CWSSE has made an effort to maximize its own income by performing various tasks for external customers such as garage services, machinery rental and construction of water supply, among others. According to the findings of interviews with key informants from the CWSSE Manager, the Enterprise's continues to face financial constraints in order to carry out its mandate; managerial challenges related to its organizational structure as well as inadequate labor-based tools for building community water delivery lines.

Manpower Capacity

The purpose of establishing an Enterprise is to enable the Enterprise to be sustainable and efficient as well as to provide operational autonomy (Preamble, Proclamation No.78/2004). According to the findings of interviews with key informants from the CWSSE Human Resource Department, the Enterprise lacks manpower's with the appropriate educational background for full operation. The Enterprise, for example, has no people with hydrology, geology and engineering backgrounds, despite the fact that the Water Board obviously requires them. Individuals with insufficient expertise in the system of water supply design have been assigned to the technical department in the Enterprise. According to Booth (2010), the result of this gap is that growth efforts are frequently hampered by a lack of competent and skilled personnel and performance. It is frequently the result of the impact of poor or absent leaders and a system that might be perceived as a role model by subordinates who may conduct development initiatives that are prevalent in bureaucratic institutions. These issues may keep regulations from being enforced, instructions from being ignored, and functions from being carried out. Similar to this notion, other key informants stated that the CWSSE's manpower's are dominated by unskilled, elderly, and unproductive employees. Furthermore, managers with unrelated qualifications such as V/Manager & Work Process Owner of Water Supply Service; and Finance and Property Administration Work Process Owner hold the bulk of managerial posts. This could jeopardize the full execution of developmental plans, adoption of new technologies, technical manuals, regulations, laws, as well as modify the CWSSE's service provision. The overall consequence of the interview responses is that despite having a large number of personnel, the CWSSE in the city has been operating at less than full capacity.

Furthermore, some technical workers purposefully make the water distribution system ineffective so as to obtain corrupt money. According to the findings of interviews with key informants from the Enterprise, water users (customers) doing business were willing to pay for operating and maintenance expenditures. Everything becomes stuck when managers shift positions, both in terms of expertise and leadership. The free flow of institutional memory and knowledge are hampered in such cases. As a result, the Enterprise faces serious capacity issues as a result of the inability of the Enterprise to hire experienced and appropriately trained personnel and shortages of skilled personnel. Ambo CWSSE lacks sufficient and trained staff to run and govern effectively. In summary, the Enterprise's manpower and financial capacity is limited, forcing it to depend on the BoWER. Water

service governance is hampered not only by a lack of capacity at the Enterprise level, but also by a lack of institutional partnership between the concerned bodies and the Enterprise.

Urban actors in urban water sector and their role

Improving water service is a key strategy in Ethiopia's poverty-reduction strategy (FDRE, 2010). And, because its development necessitates significant manpower, financial investment, and various specializations, it is clear that governments, particularly governments in developing countries such as Ethiopia, cannot meet the demand for water services on their own. As a result, participatory governance involving various actors from the community, donor agencies, and private sectors is required to involve multidimensional knowledge, skills, and resources in numerous activities so as to meet public demand for water service. Generally, the implementation of the multi-stakeholder strategy and activities of capacity building focuses solely on capacitating service providers. The community's role is largely ignored. As a result, enabling the demand side, particularly the poor, to interact their demand for the service by holding accountability of urban service providers and the ability to voice their complaints and questions can be accomplished by providing a proper institutional setup that facilitates this relationship (Birner, 2007).

The findings of this study indicate that, apart from the state as the primary actor, non-state actors play an important role in water service provision. The activities of state and non-state actors have become intertwined, and each actor has a unique influence in the provision of urban water services. Birner (2007) stated that creating an enabling environment for the engagement of non-state actors such as the community, CBOs, private sectors, NGOs, and so on apart from the state is one of his proposed strategy so as to improve the provision of urban water services from the supply side. As a result, this section discusses the state and non-state actors who participate in urban water service, as well as the roles of the various actors involved in water service delivery in Ambo city administration.

State Actors: Who is involved and what is their role?

The state actors involved in water service delivery include the Ministry of Water Resource (MoWR); the Bureau of Water and Energy Resource (BoWER); Ambo City Administration; and Ambo CWSSE. The MoWR is in charge of developing national water policies, action plans, and strategies, as well as establishing national standards for water infrastructure, water quality and other relevant standards. The Ministry is also in charge of overseeing and monitoring the execution of policy and strategic instruments, as well as sector standards in general. At the regional level, the BoWER is an executive organ in charge of developing regional regulations and policies, as well as implementing federal strategies, policies, and action plans. The BoWER now has key primary regulatory authority over the CWSSE. As per Article 23 (2) of Proclamation No. 78/2004, the BoWER has the authority to: ensure that the services provided by the Enterprises are in accordance with Ethiopian laws and the policy of Water Resource Management of the country; create favorable conditions for the Enterprise to receive necessary support from the NGOs and government in the form of grants, loans and gifts; finalize the Enterprise's overall water tariff recommendation, amend or reject it, or implement the corrected tariff; and issuing necessary directives (Article 14 (2), Proclamation No.78/2004). Furthermore, BoWER's

mandate is to build capacity, support, and approve water project funds. The Bureau has been involved in urban water supply project monitoring, planning, and evaluation. The Bureau approves funds for water projects, whereas the Enterprise serves as a source of information, as well as facilitator, and participant in water projects. The BoWER is currently in charge of the administration of the CWSSE.

According to the interview with the CWSSE Manager, the CWSSE is making significant contributions to the development of water services in the urban administration and surrounding rural kebeles. The CWSSE is authorized and working on water distribution lines and undertaking water-related works, such as service expansion; to enter into partial contracts with other parties; to sell or procure consumable and fixed assets; to use revenue collected from drinking water services; and to engage in any relevant activity (Article 5 (1-5), Proclamation No.78/2004). Key stakeholders in the city administration, such as the Bureau of Works and Urban Development and the municipality, play a role in planning and collaborating on the expansion of water supply service, and they occasionally come to CWSSE as customers. For example, as per the interview with CWSSE Manager every year, Ambo Municipality office enters into an agreement with the CWSSE under which the Enterprise builds intercity water supply distribution lines at standard rates set by the government.

Non-State Actors: Who are they and what do they do?

The CWSSE Manager told the researcher, the community, Donor agencies, and private sectors are among the non-state actors collaborating with Ambo CWSSE. The findings in the city administration indicated that various actors were involved in the delivery of water services. Donor agencies such as the World Bank are funding water supply projects and building the capacity of the CWSSE by providing funding for long-term and short-term trainings, garage equipment, laboratory equipment, office furniture, and so on. The private sector is also a fundamental partner in the delivery of water services. Local private sectors engage in city administration, primarily by performing civil works for water supply line installation. Another aspect of private sector engagement in water supply efforts in city administration is the engagement of private small-scale plumbers in maintenance. In the city administration, members of the community are also involved in the delivery of water services. Communities, for example, contribute labor and finance voluntarily to facilitate water supply line installation. Even though the community is raising initiatives to act as a principal in requesting water service and the Enterprise must be held accountable for the late responses to their demands or questions and maladministration, the role the communities are playing in offering free labor for the maintenance and construction of urban water service is minimal. This is not due to a lack of desire on their part. However, the CWSSE has overlooked the critical role that they will play in resource mobilization and planning processes. The community is assisting the sector with financial and labor support in some villages and kebeles of the city administration to facilitate the installation of water systems at their localities through their own initiatives.

According to the interviews with CWSSE V/Manager and Planning work process owner, these non-state and state actors have direct and indirect interaction, however, all interactions are formal while donor agencies are not always directly involved. They finance water projects via the BoWER in the context of Ambo CWSSE, while they also engage in

activities of capacity building directly with the CWSSE. However, the private sector's involvement is via formal agreements and directly. The formal agreement between the private sector and the government includes a contractual agreement for the construction of new distribution lines and water service maintenance. According to Schneider (1999), the problem in such cases is not only addressing poverty reduction issues and governance issues, but also to plan and implement governance mechanisms that ensure participatory governance. The community has raised the issue of a new water supply. When they raise this question, the most common occurrence is that they contribute funds to cover at least a portion of the construction costs and to engage with their free labor.

Furthermore, as per the interview with the CWSSE Manager, the community as a whole is safeguarding water projects from theft and robbery; existing water service supplies from damage caused by farm land expansion; resolving rights of way issues via discussions with elders so that the CWSSE is encouraged to provide the best quality water supply in their area; and so on. However, from the perspective of the CWSSE, the supply of the water service does not appear to be demand driven. This is because the majority of water supply users stated that they have never participated in any planning activities with the CWSSE and believe the CWSSE is less responsive to their demands and questions. As a result, even though the CWSSE has been successful in expanding the city administration's water service and steps have been taken to allow some non-state actors into water sector governance, community participation is still in its infancy.

Good Urban Governance Principles in urban water service provision

The principles of urban good governance in urban service provision in Ambo city administration will be assessed in this section, with a focus on city water service. In recent years, policy research and forums have focused on addressing issues related to development and urban governance relationships (Grindle, 2004). Apart from its betterment of development indicators and its recognition as a goal for development, the importance of urban good governance as a means of development is becoming an issue (Gisselquist, 2012). As a result, the widespread belief in the importance of urban good governance includes its role in investment and innovation; ensuring checks and balances; reducing transaction costs; market exchange and poverty alleviation; avoiding rent seeking mentalities; contract enforcement; and ensuring community participation in development and government activities. Unless and until this happens, a lack of good governance in local government may slow development and prevent policies and public services from reaching the poor (Fenta, 2007). Urban good governance is a component of any entity's organizational management process that includes administrative issues; financial management; planning; monitoring implementation; manpower; reporting; evaluation; and communications. As a result, it is the main topic among non-state and state actors involved in urban service provision for the greater good. Government agencies are expected to be accountable for their outcomes and goals, and their governance capacity is transparently demonstrated. The following are the main urban good governance principles to be discussed in light of the findings of this study: accountability, transparency, and responsiveness.

Accountability

According to Armstrong (2005), "Accountability' is the obligation and answerability of public institutions or officials to report on the utilization of public resources and failures to serve the public as per the standard and amount set in the objectives" (Armstrong, 2005). Ambo CWSSE's accountability can be viewed in two ways: it has formal accountability to the Water Board (WB) as well as indirect accountability to the people, because the Enterprise was created to serve the peoples' best interests. Because Ambo is Oromia's second-grade urban center, the WB of Ambo CWSSE is accountable to BoWER (Proclamation No. 97/2005). Ambo CWSSE is accountable to the Bureau's Board of Directors. Top-level administrators, the BoWER, and the WB all use periodic reports on financial and physical accomplishments to ensure accountability. In theory/principle, the WB's have the responsibility to evaluate the performance of the Enterprise Manager and have the right to dismiss him/her and propose a new candidate to be appointed by them based on public opinion; financial utilization; physical progress of water supply line installation; and audit reports (Proclamation No.78/2004). However, administrative organs pay little attention to the WB and WB membership turnover is high makes to miss the accountability line. Nevertheless, as per the Key interviews with the CWSSE V/Manager and Planning work process owner, in the CWSSE, the Mayor committees/cabinets are carrying out the board's responsibilities. Since the Mayor committees'/cabinet meets to discuss all administrative issues from various sector offices, they unable to communicate water users' questions and compliant with special attention. According to the interview with the CWSSE Manager, most WB members have low feeling/self-esteem and are unaware of their accountability and responsibility.

Despite the fact that the primary goal of ensuring accountability in government is to minimize poor performance, informalities, and corruption, Bashuna (2013) argues that it should be a mandatory component of any urban service provision even in areas where corruption is low. In contrast to this notion, although the assessment results show that water users are not aware of the need to hold the CWSSE accountable, the Enterprise accountability mechanism has two significant gaps that should be addressed. To begin, the previously existing formal accountability line between the Enterprise and the WB has been severed i.e WB is not properly functional as mentioned the reasons before. Second, absence of direct mechanism in place to hold the Enterprise directly accountable to the people. According to the focus group discussion with water customers in Kebele 01 of the city, the discussants understand their role as a principal in water service delivery and that the CWSSE is an agent to serve their interests. They also understand the importance of holding the CWSSE accountable by filing a complaint. There is also agreement among water users who held the CWSSE accountable by accusing them to the city administration Mayor, which elicited a favorable response. In this regard, the focus group discussants also indicated that they are accusing the Water Enterprise of late responses to the Mayor of the city and that the city administration is acting in the best interests of the water users. As previously stated, the CWSSE has formal accountability to the WB and indirect accountability to the people because the Enterprise was formed to serve the best interests of the public. Because Ambo is Oromia's second-grade city, the Enterprise's WB is accountable to BoWER. However, shifting accountability for urban center WBs from the City Council to the BoWER goes against the water resource management system's decentralization policy. It should also be emphasized that one of the major responsibilities and activities of city councils should be checking and assisting with the water supplied to

the community they administer. What they lack is knowledge of their roles, accountabilities, and responsibilities as a result of a lack of follow-up, orientation, guidelines, trainings, and manuals.

As a matter of fact, in Ambo city, there is no mechanism in place to hold the CWSSE becomes directly accountable to the people (water users). It is critical to understand the significance of accountability in this context does not simply imply creating an organizational structure in which each institution has its own subordinate and top-level administrative sections. Rather, it entails a number of critical points. In this regard, Andreas Schedler argued how important it is to safeguard the people from political power abuse. It is also for "subjecting power to the threat of sanctions; requiring it to be exercised in open and transparent ways; and compelling it to justify its actions" (Schedler, 1999). In the absence of direct mechanisms for accountability between the urban center Enterprise and the water users (people), it is difficult to impose sanctions for irregularities and malfunctioning in the Enterprise; to compel the Enterprise to inform the people and justify the extent to which the water users' objectives are met; and force the Enterprise to perform its responsibilities and duties in a transparent manner.

Transparency

Transparency is defined as the public's unrestricted access to reliable and current information about the decisions and performance of government institutions (Armstrong, 2005). Transparency in any service provision context refers to the free exchange of information between the service users (people) and the service provider (Armstrong, 2005). Apart from the availability and readiness of a transparent working environment in any organization, the availability of appropriate institutions and media and that support in the transparency of the system is essential. Based on these findings, the following assessment of the level of transparency in Ambo urban administration water sector is presented:

The primary topics that the CWSSE is expected to publicize in any media include budget allocation to the Enterprise; contract award in terms of timelines and quality; manpower development; bid announcement and competing supplier's evaluation; and financial and physical plans as well as their accomplishments (maintenance, construction, and rehabilitation of water distribution lines). According to the assessment results on the CWSSE in the city administration, understanding on the areas/topics on which the water sector is supposed to be transparent is limited only to publicizing financial and physical plans with their accomplishment to a very limited number of stakeholders, as well as bid announcements in accessible media like local FM Radio and regional television. The remainder, such as project completion with high quality and on time, contract award, bid evaluation, human resource capacity, have been deemed unimportant by the public.

According to the interview with the CWSSE Manager, the Enterprise is publicizing and posted their semi-annual and annual performances via the public notice board. The key informants also stated that the CWSSE does not communicate with the people through any mechanism or media. They emphasize that there is a budget constraint for publishing brochures and magazines at their level. As water customers/users, the majority of focus group members stated that they had never heard anything about the CWSSE's capacity, bid process, planning and resources, planning. As per interview with the private local contractor, on the other hand, indicated that the CWSSE is not publicizing the activities of the water sector as much as it should be. Furthermore, bids are widely publicized for the

purpose of formality and attracting bidders, however, the other processes, such as evaluation bid, award, project life time, and amount awarded, are kept hidden from the people. As the assessment results show, transparency is lower, and in some cases, there is no transparency at all. Furthermore, the comprehension upon which areas/topics should be made transparent is limited only to publicizing the accomplishments and plans to a very limited set of stakeholders, particularly city council and budget providers, as well as the announcement of bids to attract competitive bidders. This entails that the CWSSE's governance capacity in the city has not been demonstrated in a transparent manner; it is difficult to assess their capacity, indicating that their service provision is not demand driven; as well as the principals are barred from accessing critical information such as information on the entire bid process to potential bidders, manpower, budget, machineries, and opportunities and challenges.

Responsiveness

For Ostrom (1975), responsiveness is concerned with the capacity of government organizations to meet citizens' demands according to their preferences. Responsiveness, on the other hand, can play an important role in connecting the supply and demand side approaches proposed by Birner (2007) by requiring service providers to work and react in accordance with the service users' preferences (the demand side). In terms of the service provided by the CWSSE, responsiveness refers to the extent to which the Enterprise responds to public inquiries about new water supply services and related infrastructure as well as upgrading existing ones of the highest quality. The following are the findings from the assessment of the CWSSE's responsiveness in Ambo city administration. As water customers/users, focus group members revealed that the CWSSE is extremely slow to respond. As a result, how long it takes them to respond can range between six months to a year. Nevertheless, when the Enterprise responded to the community's questions (maintenance existing water supply distribution lines and building new water supply distribution line), the quality of the deliverables met the society's expectations. All of the responses from the Key Informant Interviews in the City Water Enterprise have revealed that the slow response to community questions is not due to financial constraints, but rather to the enormous demand for water service which has been boosted as a result of the fact that the city was one of the enormous investment flows, which cofounded service delivery due to limited technical and manpower capacity.

As per the responses of the City Mayor and City Water Enterprise Manager, on the other hand, have revealed that the slower response is due to financial as opposed to the CWSSE, which stated reasons of manpower constraints. As a result, it has become necessary to prioritize public requests for water service delivery using the following criteria in order of importance: 1) questions about water access from the urban center's kebeles 2) some places in the new rural kebeles of the city have no access to water supply service at all; 3) investment places with limited or non-existent access water services; and 4) where the public mobilizes their own resources and able to cover the operation costs while only requiring machinery support from the CWSSE. According to the interviews with the CWSSE V/Manager and Planning work process owner, on the other hand, revealed that political meddling in prioritization; a lack of awareness on the part of the staff employees regarding the importance of serving the people as a result of internal bureaucracy impeding work processes; and capital budget delays are some of the factors that make it difficult to

carry out planned projects in the prioritized order as well as the time frame. Another major issue is a lack of community awareness about prioritization. For example, communities living in areas with low-quality water services frequently blame CWSSE for failing to improve the water service.

Nevertheless, upgrading water supply services necessitates primarily technical knowledge as well as decisions such as socioeconomic studies and, in some cases, political significance. These types of misconceptions have been explained by Stivers (1994) and Stewart and Walsh (1992) as responsiveness may result in answering public questions, but it may also redirect professionalism in service provision enterprise because they work to meet the needs of the public. Professionals are derived for the sake of democracy to satisfy broad needs of the public in an unprofessional manner. Only short-term and hot issue cases receive more attention than long-term sustaining issues. The risk that strong minority voices will pretend to represent the majority voices, leading to undemocratic decisions by the Enterprise since the Enterprise does not represent the majority. To avoid the aforementioned problems, Ambo CWSSE has been submitting a budget request proposal to conduct a study of water supply line installation of the urban center's new rural kebeles since 2021, that can be used as to avoid challenges associated with government officials' unnecessary interferences in a technical manner as well as a guiding master plan. The proposal assumes that the community would be involved in various ways in the planning, executing, supervising, and evaluation in the study of water supply line installation. For unknown reasons, as per the interview with the CWSSE Manager, however, both non-state and state financiers have rejected the proposal.

Conclusion

Water Enterprise in Ambo city administration is expanding administrative and political places for citizens to vent their concerns about water service provision, which is a positive step towards improving the water sector's performance. In spite of these, impediments to the emergence and operation of efficient governance of water service provision continue to exist, impeding accountability relationships, transparency and responsiveness. Since the role of the community was overlooked in the governance structure, water service is given on a non-demand basis. Another indicator of the existence of the situation of performing below expectations is the issue of budgetary and manpower constraints. As a result, in Ambo city a considerable proportion of coordinators and personnel's in the CWSSE are unqualified for the positions they occupy. In the case study conducted on the city of Ambo, it was determined that, besides government actors, non-state actors such as donor agencies, private sector, and the community have been engaging in water supply service to varying degrees, each with their own separate role. Nonetheless, the community's involvement as a tool to improve water service provision through demand-side strategies remains limited, resulting in water service provision that is not driven by demand.

The study focused on non-state actors' engagements in water service provision. The study's main argument was that today's urban governance system is characterized by a complex pattern of interdependence among different actors. In the context of the study, three sets of institutions that are important for enhancing water service provision: the government, the private sector, and the local people. To this effect, the decision mechanism

in urban governance is primarily based on consensus, and decisions are executed based on the interdependence of non-state and state actors. In practice, however, the decision-making in service provision is highly hierarchical, institutionalized and centralized. Decisions that affect the choices and lives of the masses, particularly those related to strategies/policies in development and the political actors who decide strategies as a dominant or hegemonic party. To this end, the solution to solving urban challenges through strategies and policies was provided solely at the request of state actors; problem solving in these circumstances is unlikely to benefit residents because desirable alternatives for non-state actors were not explored.

In Ambo city, the government/state actors dominated decision-making about water service provision. The result of this research provided insight on the government's hegemony over the private sector and the local people in decision-making about water service provision. Insufficient non-state actors' engagement in water service provision would have impeded collaborative development. Failure to increase genuine non-state actors' engagements would jeopardize their contribution to improving effective water service provisions. As a result, it hampered the role of non-state actors' engagements in bridging the city's gap in water service provisions. The main symptom of low non-state actors' engagements in the case city was the urban governance politics, which refers to those who engages in water service provision. In the case study of Ambo, state actors dominated decision-making in water service provision. The participation of non-state actors in water services contributed less to incorporating the voiceless voice into decision making. As a result, the role of partnership in bringing non-state actors who are not part of the decision-making process into it have received insufficient attention.

Recommendations

Collaborations between government and non-state actors must be strengthened. Certain collaborations have already been formed in order to improve water service. Nevertheless, there is no well-defined plan in place to develop and sustain the collaborations. As a result, clear strategies are needed to lay the groundwork for and support productive collaborations between non-state and government entities. The City Water Enterprise must improve accountability and transparency. Water Enterprise in the City ought to implement an information system that is sensitive to demand and supply information. Water Enterprise in the City must introduce a mechanism to assure the regular delivery of information to water users (clients), both with and without particular requests. Citizens should be provided opportunities to engage in the planning, management, and design of water service so as to enhance accountability.

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PARTIAL LEAST SQUARES REGRESSION (PLSR) APPLIED FOR ASSESSING THE ECONOMIC RESILIENCE IN EU COUNTRIES

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Abstract: *The assessment of the economic resilience requires the analysis of the resilience as a process by using a multidimensional approach. In the paper, by using two quantitative measures of economic resilience, the GDP growth rate and the employment rate, we identify the most important determinants which have an influence on economic resilience for the EU countries, taking into account the economic, social and institutional dimensions. By applying the partial least squares regression (PLSR) for data registered for the period 2008-2021, we estimate a model for the European Union countries, distinct for the three stages of the resilience process: resistance, recovery and transformation. Our results show that the crisis of 2008 was felt more on the economic and social dimensions, resilience in the EU countries getting higher scores with the solidity of their institutional system.*

Keywords: *economic resilience analysis; multivariate analysis; partial least squares regression.*

Introduction

The analysis of economic resilience and a country's ability to recover after a shock is one of the most debated topics in the literature. The global financial crisis from 2009, the health crisis which occurred in 2020, the war from Ukraine and the multiple, global economic, social and political challenges it generated accentuated the importance of identifying paths for resilience growth of a country. The complexity of resilience analysis is given by the need to approach resilience from a multidimensional and systemic approach. A resilient economy is resistant to change and conservation of existing structures (Folke, 2006) and it has the ability to build and increase the capacity to adapt to changes and to transform by creating a new system (Berkes et al., 2003). To measure the economic resilience, the literature uses two indicators: the GDP growth rate (Davies, 2011; Pontarollo and Serpieri, 2020) and the employment rate (Sensier et al., 2016; Fingleton et al., 2012; Doran and Fingleton, 2015; Giannakis and Bruggeman, 2020). Higher growth rates for the GDP may show a more resilient economy, capable to tackle shocks and recover more rapidly, while higher workforce occupancy may indicate a more resilient economy with more employment and stability opportunities on the labor market.

In the current paper, we will analyze economic resilience from a multidimensional perspective, by taking into consideration the economic, social and institutional dimensions. The economic dimension of economic resilience refers to the ability of an economy to resist and recover after certain economic shocks, as well as its ability to maintain its stability, to adjust to changing conditions and recover after unforeseen events. The institutional dimension of economic resilience points out to the characteristics and effectiveness of official institutions in a society such as governmental agencies, regulatory bodies, legal

framework, governance structures, which may strengthen its capacity to resist and recover following certain economic shocks. The social dimension of economic resilience means a society's ability to recover after the occurrence of economic shocks without getting the welfare and social cohesion of its members affected.

The analysis of economic resilience as a process will be performed by considering the three stages, of resistance, recovery and transformation. The boundaries among these periods will be set up in accordance with the most important resilience indicator, namely the *employment rate*, for all EU countries. Given the short time period since the COVID-19 health crisis, the delimitation of these periods in relation to this moment is not possible. In the paper, the objectives pursued have been to identify the main influence factors on the capacity of economic resilience of EU countries, for each of the three periods of the resilience process. For the data registered for the period 2008-2021, we applied the *partial least squares regression (PLSR)* considering as dependent variables the GDP growth rate and the employment rate, while as independent variables we considered 19 indicators which measure the economic, social and institutional dimensions. The data processing was conducted by using the *R* software.

The paper is structured as follows: in Section 2 we will briefly present the literature study on economic resilience. Section 3 presents the data and methodology used for the analysis of economic resilience capacity while Section 4 describes the empirical analysis for the 27 EU countries. The last sections draws the main discussion and conclusions of our empirical results.

Literature review

The economic resilience is the ability of the economy to maintain or return to an equilibrium state after the occurrence of exogenous shock. Various authors (Feyrer, Sacerdote and Stern, 2007; Blanchard and Katz, 1992) studied the extent to which the national economy can return to its previous level of output or employment after an external shock. Martin (2012) highlights that the main stages of resilience analysis as a process are resistance – absorption, recovery and transformation. Resistance, that is the vulnerability or the sensitivity of a regional economy to various disturbances such as recessions, is an economy's ability to resist economic shocks and minimize their impact. The resistance of an economy can be supported by prudent fiscal and monetary policies, solid regulations and legal framework as well as by managing risks and economic volatility (Albala-Bertrand, 1993; Rose, 2007) or through infrastructure investments and health and education services needed to mitigate the risks associated with natural disasters (Albala-Bertrand (1993). At the same time, economic and revenue diversification may mitigate the economic vulnerability to market fluctuations and to shocks in the export sector (Hausmann et al., 2011).

Recovery refers to the recovery speed after such a disturbance. Recovery means an economy's ability to return to a normal functioning level or even improvement after an economic shock or a crisis. A resilient economy has the capacity to recover quickly and to return to a sustainable economic growth after a decline period. Adequate policies to stimulate the economy, infrastructure investments and the support of affected sectors may contribute to the rapid recovery of an economy after a downturn period (Blanchard, 2019; IMF, 2020).

Transformation refers to the renewal degree or restart of the growth period that characterized the regional economy before the shock. This process can be supported by investments in research, development, education and training as well as by stimulating innovation and entrepreneurial spirit (Romer, 1986; Mazzucato, 2018) or by means of incentive policies for research and development, promotion of collaboration between the public and private sector as well as the support of start-ups and innovative companies. Aghion and Howitt (2009) state that constant innovation and renewal are essential in order to support long-term economic growth and to ensure the economic resilience faced with technological and market changes. The authors underline that investing in research and development, innovation and adjustment to the new technologies can contribute to economic renewal and maintenance of the competitive edge of an economy. Economic renewal may enhance the creation of new sources of economic development, the development of new markets as well as the adaptation to technological and market changes.

Data and methodology

In the paper, we will analyze economic resilience of the European Union countries, using indicators that reflect the economic, social and institutional dimensions from the period 2008-2021. As dependent variables, we took into consideration two quantitative measures of resilience that focused on the labor market and economic growth aspects: the *GDP growth per capita* (%) and *Employment rate* (%). The independent variables under consideration are registered for the assessment of economic, social and institutional dimensions, used in a previous paper (Ifrim & al. 2022). In this paper, we will analyze the economic resilience capacity, differently for each of the three stages of the resilience process.

For the economic resilience, we took into account the following indicators as variables: *government budget deficit ratio* (% of GDP), *national debt* (% of GDP), *size of government* (the ratio of government expenditures to the total output of the economy, % of GDP), *freedom to trade*, *foreign direct investment - net inflows* (% of GDP), *the value added of agriculture, services and industry* (% of GDP) and *inflation* (%).

The social dimension is evaluated by means of the following indicators: *education index*, *population by educational attainment level* (% of a country comprised between 15 and 64 years old according to the educational level, kindergarten, primary and secondary) and *life expectancy at birth* (years). For the institutional dimension, we considered the following indicators: *government effectiveness*, *regulatory quality*, *rule of law*, *control of corruption*, *political stability and absence of violence/terrorism*, *legal system and property rights* and *voice and accountability*. The data sources used are World Bank, Eurostat, OECD, Econstats, The Global Economy, Country Economy.

In order to identify the main influence factors on economic resilience, we applied the *Partial Least Squares Regression* (PLSR) method. The PLSR method is a recent technique that generalizes the Principal Component Analysis (PCA) method and the multiple linear regression, which aims to predict a set of dependent variables by means of a set of independent variables. This prediction is performed by extracting a set of orthogonal factors named latent factors that explain the highest percentage of the variance explained. PLSR is a method that is applied when the number of predictors is high. As in

the multiple linear regression, the main goal of the PLSR regression is to build a linear model that can be written under a matrix form as follows:

$$Y = \beta X + \varepsilon$$

where X is a matrix of the form $I \times J$, having the elements x_{ij} , Y is a matrix of the form $I \times K$ with the elements y_{ik} , β are the regression coefficients, and ε is the residual.

The matrices X and Y are as a rule, standardized. The PLSR model produces latent vectors under the form of linear combinations of the original predictors.

PLSR decomposes X and Y as a product of a common set of orthogonal factors and a set of specific loadings.

Therefore, the variable X is decomposed as:

$$X = TP^T, \text{ with } T^T T = I,$$

where I is the identity matrix. T is the score matrix (or the latent vectors matrix), while P is the matrix of components or loadings (in the PLS regression, as well as in PCA, the loadings are orthogonal). At the same time, Y is estimated as:

$$\hat{Y} = TBC^T,$$

where B is a matrix diagonal with the “regression weights” on the main diagonal and C is the “matrix of weights” of dependent variables. When the number of columns in matrix T is equal to the order of X , an exact decomposition of X is being made.

Latent vectors are calculated by means of iterative applications by using *Singular Value Decomposition* (SVD). Each SVD iteration leads to obtaining orthogonal latent vectors for X and Y and for the corresponding regression coefficients. For PLSR, this comes down to finding two sets of weights w and c to create a linear combination of columns for X and Y , so that their covariance is maximum. More exactly, the goal is to obtain a first pair of vectors $t = Xw$ and $u = Yc$ with the limitations: $w^T w = 1$, $t^T t = 1$ and $t^T u = Xw$ should be maximum.

Empirical results

In the empirical study undertaken for the 27 European Union countries, we analyzed the resilience as a process and we identified the three stages of this process (resistance, recovery and transformation), by taking into consideration *employment rate*, for all EU countries. For each of these three periods, the PLSR method was applied, taking into account *GDP growth rate* and *employment rate* as dependent variables and the economic, social and institutional dimensions as independent variables. Following the descriptive analysis of dependent variables, the authors present the results regarding the estimation of the PLSR models for the 3 stages and the main influence factors on the economic resilience capacity of EU countries.

Data summary

The evolution of the occupancy rate of the EU countries during the period 2008-2021 is presented in the figure below:

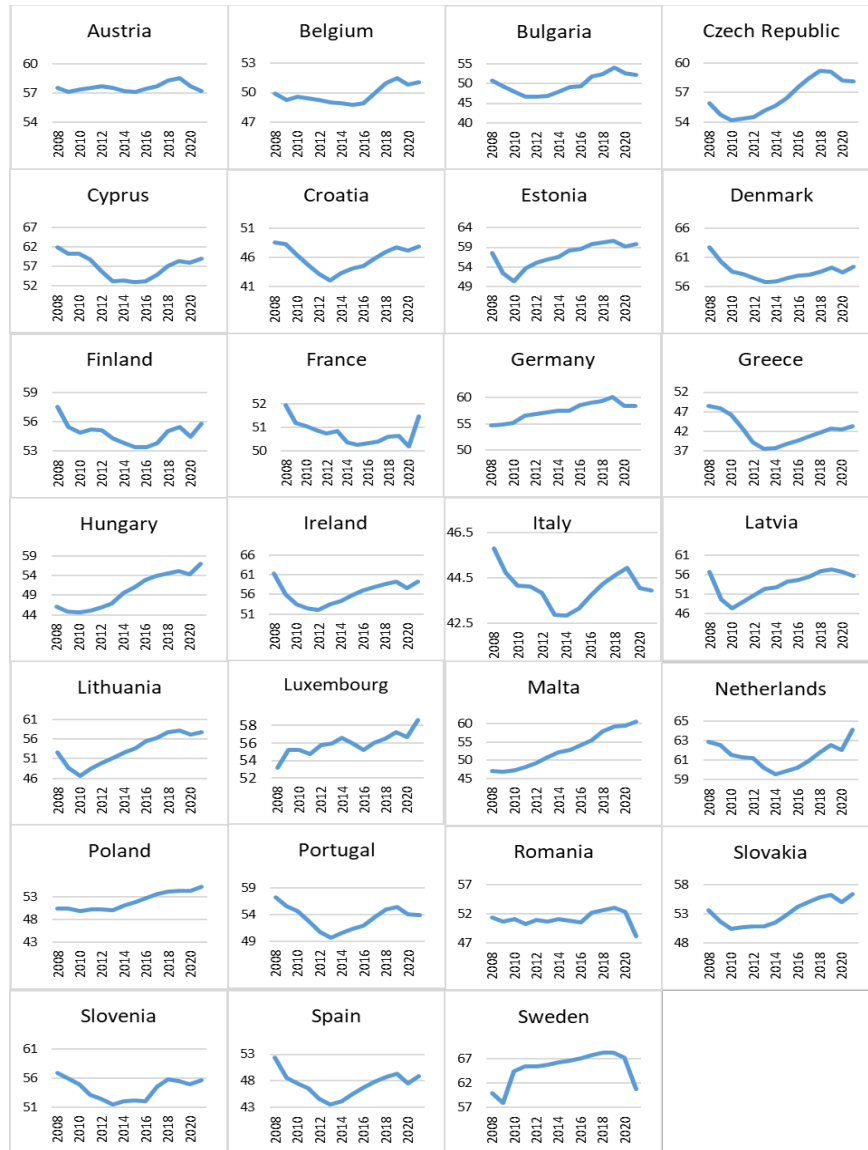


Figure 1. Dynamic of employment rate in EU countries, during 2008-2021

The diagram in the figure above highlights that the majority of EU countries recorded a descending trend of the occupancy rate after the start of the global financial crisis in 2008 while the mitigation rhythm was different. Austria, Belgium, Poland and Romania were the countries that registered the smallest variations in the occupancy rate after the shock, while Luxembourg, Malta and Germany are the countries which were not affected by the 2008 crisis from the point of view of occupancy rate.

The evolution of GDP growth rate of EU countries during the period 2008-2021 is presented in the figure below:

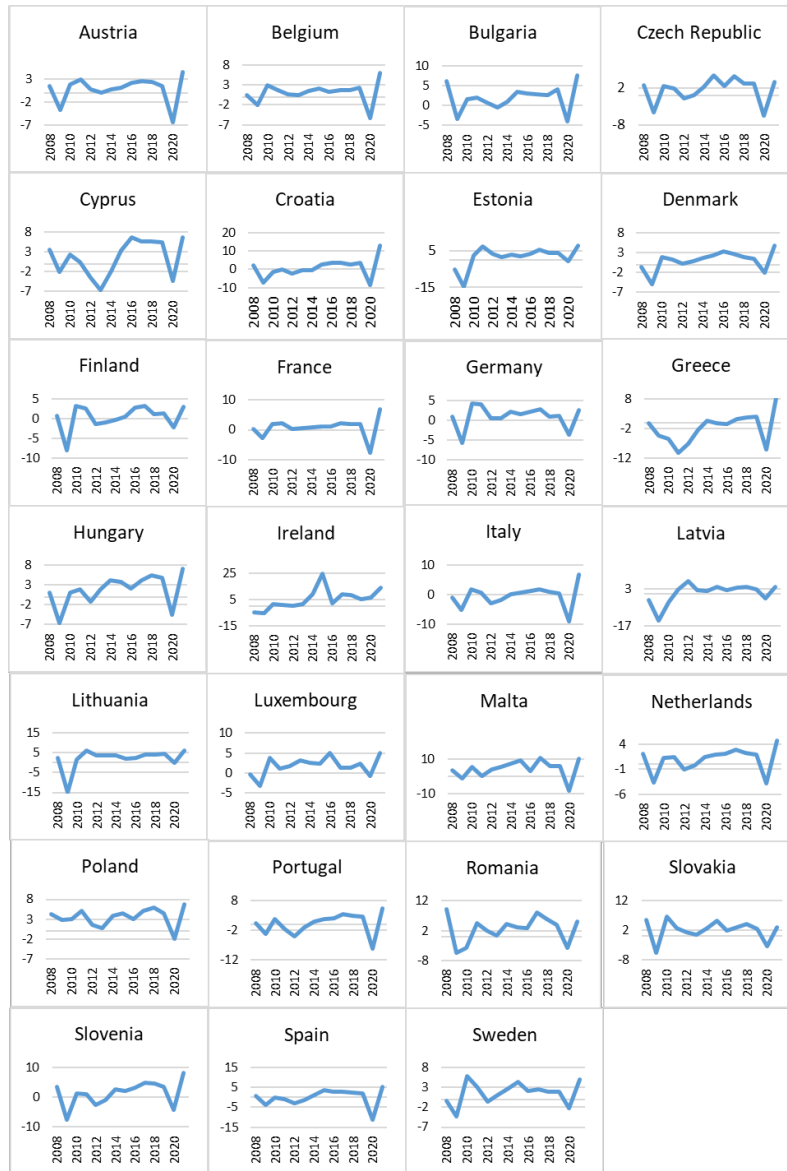


Figure 2. Dynamic of GDP growth rate in EU countries, during 2008-2021

The diagram in the figure above highlights that the EU countries registered high variations of the GDP growth rate, after the year 2008. The highest reductions in the GDP growth rate were registered by Estonia, Latvia and Lithuania, of approximately 14%, in 2009. Poland is the only country that had a positive GDP growth rate of 2.8%, in 2009.

Defining the periods specific to the resilience process

The determination of the resistance, recovery and transformation periods was performed by analyzing the average value of the *employment rate* at EU level, which is thought to be the main indicator for the analysis of economic resilience (Sensier et al., 2016; Davies, 2011; Doran and Fingleton, 2015; Giannakis and Bruggeman, 2020; Pontarollo and Serpieri, 2020; Beyers, 2013).

The period 2008-2021 was split in three intervals corresponding to the three stages of resilience – resistance, recovery and transformation. For their time delimitation, we took into consideration the shock caused by the economic crisis that occurred in 2008. Thus, we registered the maximum value of the variable recorded during the period 2007-2008-2009 (the period before the economic crisis), while the year corresponding to the maximum value is the year when the crisis was felt the strongest after the shock caused by the crisis. The graphical representation of the average rate of workforce occupancy for EU countries used to identify the three periods of the resilience process, is conducted in the figure below:

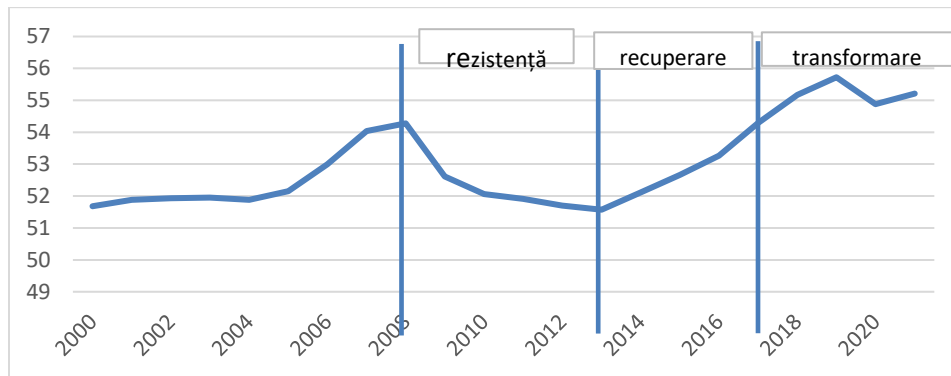


Figure 3: Average workforce occupancy rate for the European Union countries

As it can be noticed in the figure above, the three periods identified in the evolution of the average occupancy rate at the level of EU countries are the following:

the resistance period: 2008-2013;

the recovery period: 2013-2017;

the transformation period: 2017-2021.

We must mention that for the transformation period, Finland was eliminated from the analysis because it did not succeed to reach again/to exceed the maximum value from before the shock for none of the dependent variables.

Presentation of the PLSR model

After defining the three periods, we applied the PLSR model separately for these periods, considering as dependent variables *GDP growth rate* and *employment rate*.

4.2.1 Choosing the factors that explain the highest weight of the variance explained

For the choice of the number of factors that explain a high percentage, of over 75%, of the total variance of dependent variables, we used the adjustment criterion *FIT*. The synthetic presentation of the variance of dependent and independent variables explained by the factors extracted is performed in Annex 1 (Tables 1, 2 and 3), individually for the 3 periods of the resilience process.

The data from table 1 (Annex 1) highlight the fact that for the period 2008-2013, for most of the countries, the highest percentage of the variance is explained by the first two factors. The exception is represented by Poland, Romania, Slovakia and Hungary. For the period 2013-2017, most of the variance of independent, respectively dependent variables, is explained by the first two factors. For the last period under consideration,

2017-2021, the variance of independent, respectively dependent variables is explained by the first two factors for all countries, with the exception of Belgium and Portugal. Given the reduced number of countries for which three factors were extracted, the identification of the variables which explain the analysis of these factors will be performed only for the first two factors.

4.2.1 Identifying the influence of factors on the dependent variables

To identify the influence of factors on the dependent variables, we took into consideration the correlation matrix between the dependent variables and each factor. After summarizing the results obtained, the groups of countries are presented in the following table.

Table 9: Arranging the countries in relation to the dependent variable defined by each factor

Period	Factor 1		Factor 2	
	Employment rate	GDP growth rate	Employment rate	GDP growth rate
2008-2013	Austria, Belgium, Bulgaria, Czech Republic, Croatia, Cyprus, Denmark, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Lithuania, Malta, Luxemburg, The Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden	Czech Republic, Cyprus, Estonia, Ireland, Latvia, Lithuania, Poland, Romania	Czech Republic, Estonia, Hungary, Latvia, Lithuania	Austria, Belgium, Bulgaria, Czech Republic, Croatia, Cyprus, Denmark, Finland, France, Greece, Germany, Hungary, Ireland, Italy, Lithuania, Luxemburg, Malta, The Netherlands, Poland, Sweden, Portugal, Romania, Slovakia, Slovenia, Spain,
2013-2017	Belgium, Bulgaria, Czech Republic, Croatia, Denmark, Estonia, France, Finland, Germany, Greece, Ireland, Latvia, Lithuania, Luxemburg, Malta, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, Hungary	Austria, Bulgaria, Cyprus, Croatia, Finland, France, The Netherlands, Czech Republic, Denmark, Italy, Greece, Germania, Spain, Latvia, Poland, Slovenia, Romania, Portugal	Austria, Belgium, Czech Republic, Cyprus, Finland, France, Germany, Italy, The Netherlands, Slovenia, Portugal, Romania,	Belgium, Bulgaria, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Ireland, Latvia, Lithuania, Luxemburg, Malta, Poland, Romania, Slovakia, Spain, Sweden, Hungary
2017-2021	Austria, Czech Republic, Cyprus, Denmark, Estonia, France, Germany, Greece, Italy, Latvia, Luxembourg, Malta, The Netherlands, Poland, Portugal, Spain, Sweden, Hungary	Belgium, Bulgaria, Croatia, Cyprus, Denmark, Estonia, France, Germany, Ireland, Lithuania, Luxembourg, Portugal, Romania, Sweden, Slovakia, Slovenia, Spain	Belgium, Bulgaria, Croatia, France, Ireland, Lithuania, Luxembourg, Romania, Spain, Slovakia, Slovenia	Austria, Czech Republic, Cyprus, Denmark, Estonia, Germany, Greece, Italy, Latvia, Luxembourg, Malta, The Netherlands, Poland, Portugal, Sweden, Spania, Hungary

As it can be observed, during the resistance period (2008-2013), for most of the countries, a higher influence on *employment rate* was registered. The countries for which the GDP influence was higher are Czech Republic, Cyprus, Estonia, Ireland, Latvia, Poland and Romania. These countries, especially Estonia and Latvia, registered significant GDP falls in the first year after the start of the economic crisis. Poland is the only country which did not register an economic downturn after that moment.

During the recovery period, 2013-2017, for the majority of the EU countries, a significant influence on *employment rate* and *GDP* was registered. During the transformation period, 2017-2021, for some countries, the influence on GDP was higher (Bulgaria, Croatia, Lithuania, Romania, Slovakia and Slovenia).

4.2.1 Identifying the variables which explain the factors

The presentation of variables which explain the analysis of factors is performed synthetically in Annex 2, distinctively for each of the stages of the resilience process.

The results obtained highlight that during the period 2008-2013, the main variables that explain the factor whose highest influence is on employment rate are *national debt*, *life expectancy at birth*, *population by educational attainment level* (Belgium, France, Italy, Finland, The Netherlands, Ireland, Luxembourg, Spain, Croatia, Denmark and Poland). To these variables, we can add *the value added of industry (% of GDP)*, *government effectiveness*, *regulatory quality and education index*, in the case of Denmark and Poland, and *the value added of services (% of GDP)*, *voice and accountability* and *political stability and absence of violence*, in the case of Ireland, Luxembourg, Spain and Croatia. These results emphasize that during the resistance period, the institutional dimension had a higher impact on the labor market than on the economy.

During the period 2013-2017, the main variables which explain the factor whose highest influence is on employment rate are *national debt*, *political stability and absence of violence*, *corruption control*, *life expectancy* and *population by educational attainment level* in the case of Belgium, Germany, Denmark, Finland and Hungary, and *the value added of industry (% of GDP)*, *the governmental budget deficit*, *the value added of services (% of GDP)* and *the legal system and the property rights* in the case of Estonia, Lithuania, Bulgaria, Spain, Malta and Ireland. The results obtained show that during the recovery stage, the economic and social dimensions had a higher impact on the labor market than on the economy.

For the same period, the variables which explain the factor analysis with the highest influence on the GDP growth rate are *the value added of industry (% of GDP)*, *government effectiveness*, *population by educational attainment level* and *life expectancy at birth*, for France, The Netherlands, Romania and Slovenia. During the period 2017-2021, the factor which influences the workforce occupancy rate is explained by *the value added of industry (% of GDP)*, *the governmental budget deficit* and *the educational attainment level* for most of the countries such as Austria, Czech Republic, Cyprus, Estonia, Greece, Malta, The Netherlands, Poland, Hungary, Portugal and Germany. At the same time, other variables that explain the factor analysis 1 are: *the value added of services (% of GDP)* present in Austria, Czech Republic, Denmark, Estonia, France, Germany, Greece, Malta, The Netherlands, Poland and Hungary; *control of corruption* present in the following countries: Austria, Czech Republic, Cyprus, Denmark, Estonia, France, Greece, Italy, Luxembourg,

Malta, The Netherlands, Poland and Hungary; *freedom of trade*, a variable present in Cyprus, France, Germany, Greece, Italy, Malta, The Netherlands and Portugal.

When speaking about the influence of factor 1 on the GDP growth rate, we can state that for Belgium, Bulgaria, Croatia, Ireland, Lithuania and Slovenia, this factor is described by the *inflation of consumption prices*. In the case of Belgium, Croatia, Ireland, Lithuania and Slovenia, the factor is also explained by *the size of the government*. For Slovenia, Slovakia, Romania, Croatia and Belgium, the variable *freedom of trade* also explains factor 1.

Discussion

Assessing the resilience of a system after the installation of a crisis is quite important for the strategic planning process, because in such critical moment the weaknesses of the countries can be identified with more precision. Through their knowledge and awareness, the institutions can intervene specifically, so that disasters do not cause significant disruptions to the quality of life and the smooth running of society. The research applied for evaluating the economic resilience in EU countries highlighted that for *the period of resistance (2008-2013)*, the largest explained variance of the independent variables was in the case of Belgium (68.82%) for factor 1, most of the selected indicators influencing the employment, excluding inflation, which for this state had a greater impact on GDP. The Czech Republic, on the other hand, has the lowest explained variance of the independent variables for factor 1 (22.93%), among the institutional indicators the one relating to governmental effectiveness having influence on employment, and the one concerning political stability on GDP. Romania records the following values: variance explained of the independent variables: 40.01% for factor 1 and 26.64% for factor 2, and the variance explained of the dependent variables: 37.6% for factor 1 and 25.28 for factor 2. According to PLS regression, in Romania, during the period of resistance, employment has been modelled by several factors, such as: FDI, inflation, rule of law, government effectiveness, and control of corruption. GDP experienced changes depending on the government deficit/surplus, the education level of the population and political stability. Regarding the Baltic States, they have relied on the service sector, industry and agriculture to recover after the crisis, these areas having repercussions on both GDP and employment. For *the recovery period (2013-2017)*, the highest variance explained of the independent variables is in the case of Malta (65.37%), with influences on employment from FDI, industry, agriculture, services, trade, but also as a result of some government indicators (government size, government deficit, legal system, etc.). Austria has the lowest variance (30.81%), the educational index and political stability being among the indicators that contributed most to GDP growth. In Romania, it seems that in the period 2013-2017, political stability had a particular impact on employment. If inside a country there are no disputes between governing parties, which could jeopardize the dynamics of the business environment, there is a greater probability of increasing resilience, because in this way there is no diversion from the problems of national interest, which should be resolved immediately, without affecting the economy. On the contrary, in the case of political disputes, the resolution of various issues is postponed, they become more and more serious and difficult to solve. *The transformation period (2017-2021)* meant, in the case of many EU states, exceeding the GDP and employment levels compared to those from the moment when the 2008 crisis appeared, and Table 3 (Appendix 1) shows that the

largest variance explained of the dependent variables is found in the case of Luxembourg (89.86%) for factor 1 and Hungary (61.07) for factor 2. Both countries channelled their efforts to accelerate resilience by increasing the employment rate, investing in education and corruption control. The other dependent variable, GDP, was mainly influenced by FDI and trade freedom.

Conclusions

The analysis of economic resilience has become one of the most debated topics among experts from different areas, especially during the current period, after the numerous economic shocks generated by the COVID-19 crisis, the war from Ukraine, the increase in energy prices and the various global economic, social and political challenges. Given the complexity of the resilience process, the current paper analysed the economic resilience capacity of the European Union countries, distinctively for the stages of resistance, of recovery and of transformation (Martin, 2012). For the data registered during the period 2008-2021, we applied the *partial least squares regression* (PLSR) method, by taking into consideration as dependent variables *employment rate* and *the GDP growth rate*, and as independent variables 19 indicators that measure the economic, social and political dimensions.

The road to resilience of EU countries was not identical after the 2008 crisis, the two dependent variables (GDP growth and employment rate) being influenced by the weight of internal factors. Anyway, the dynamics of each national economy has been modeled by the condition in which it was when the global crisis triggered: if the economic and institutional climate had been sound at that time, this would have led to a higher capacity to withstand the shock, while countries that were not adequately equipped with intervention tools suffered worse consequences (Nijkamp et al., 2022). For the three analyzed periods, the factors that have been shown to have a great impact on the level of employment are those regarding national debt, control of corruption, the educational level, regulatory quality and the rule of law. Countries that record high public debts, widespread corruption, poor education, accompanied by weak regulations and a deficient functioning of the rule of law do not have the ability to attract foreign direct investments and to create new jobs, which explains why, on average, the EU states recovered more difficult in terms of employment than in relation to GDP after the crisis and especially the Mediterranean ones, where there is no wide diversification of economic activities, the emphasis falling more on tourism. In Eastern Europe, agriculture is a basic field of activity, but many people are employed seasonally or part-time. Then, the crisis forced many entrepreneurs to close their businesses, the unemployment rate increasing a lot, particularly among young people, which aggravated the situation. The average employment rate in the EU states decreased continuously after 2008, and the lowest rates were recorded around 2013-2014 years, when Europe faced a new crisis, that of refugees, which deepened the employment problems. The EU started to recover its pre-crisis thresholds and to sit on the transformation path only after 2017. Regarding the GDP, from 2008 to 2021, it seems that it was mainly influenced by governmental surplus/deficit, inflation, trade freedom, FDI, size of government and political stability. Financial mechanisms can regulate economic activity, including the commercial side, and those countries whose exports are growing will have the capacity to increase their GDP and overcome shocks, passing on the road to recovery or

transformation. Also, political stability in a state gives confidence to investors and thus, its implications would spread both at the level of GDP and at the level of employability. Overall, the crisis of 2008 was felt more on the economic and social dimensions, resilience in the EU countries getting higher scores with the solidity of their institutional system (Nijkamp et al., 2022). Finally, resilience can be analyzed through the prism of many other indicators and we intend to extend the research, looking beyond GDP and employment.

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Appendix 1. The variance of dependent and independent variables explained by the factors extracted

Table no. 1: Variance of the variables for the period 2008-2013

	Factor 1		Factor 2		Factor 3	
	Variance explained of the independent variables	Variance explained of the dependent variables	Variance explained of the independent variables	Variance explained of the dependent variables	Variance explained of the independent variables	Variance explained of the dependent variables
Austria	35,24%	71,25%	9,2%	26,82%		
Belgium	68,82%	44,02%	10,71%	41,04%		
Bulgaria	50,15%	58,69%	29,43%	25,23%		
Czech Republic	22,93%	49,27%	22,4%	31,12%		
Cyprus	60,07%	92,38%	16,74%	5,3%		
Croatia	66,12%	48,5%	12,76%	35,98%		
Denmark	54,72%	53,52%	16,41%	33,4%		
Estonia	48,27%	43,88%	25,84%	35,51%		
Finland	59,23%	48,77%	14,63%	42,61%		
France	49,18%	52,89%	20,01%	37,7%		
Germany	44,69%	62,81%	14,92%	34,96%		
Greece	60,68%	58,7%	18,31%	35,33%		
Italy	48,95%	48,28%	22,05%	32,73%		
Ireland	50,36%	85,47%	17,65%	6,87%		
Latvia	47,4%	39,92%	27,05%	52,07%		
Lithuania	30,58%	59,88%	43,09%	20,62%		
Luxembourg	49,49%	53,92%	23,27%	23,13%		
Malta	45,27%	59,2%	33,49%	21,3%		
The Netherlands	54,84%	47,84%	23,10%	30,61%		
Poland	53,08%	39,49%	23,92%	25,42%	10,92%	15,29%

Portugal	50,3%	58,07%	12,97%	27,57%		
Romania	40,01%	37,6%	26,64%	25,28%	17,86%	18,69%
Slovakia	44,87%	44,11%	27,59%	23,07%	12,51%	23,81%
Slovenia	46,74%	48,27%	27,15%	38,35%		
Spain	62,45%	59,50%	18,94%	29,54%		
Sweden	37,62%	55,14%	43,94%	17,55%		
Hungary	42,59%	47,88%	29,01%	14,95%	13,24%	21,65%

Table no. 2: Variance of the variables for the period 2013-2017

	Factor 1		Factor 2	
	Variance explained of the independent variables	Variance explained of the dependent variables	Variance explained of the independent variables	Variance explained of the dependent variables
Austria	30,81%	64,76%	39,17%	33,03%
Belgium	50,61%	43,79%	19,5%	41,54%
Bulgaria	51,09%	74%	23%	14,22%
Czech Republic	48,53%	77,68%	31,25%	13,27%
Cyprus	56,25%	64,72%	17,69%	31,87%
Croatia	41,45%	89,2%	22,24%	7,28%
Denmark	53,72%	94,04%	16,74%	4%
Estonia	57,31%	71,17%	16,66%	23,34%
Finland	54,44%	74,76%	23,12%	22,13%
France	42,73%	66,38%	18,53%	29,7%
Germany	63,4%	79,82%	17,86%	11,93%
Greece	39,23%	80,72%	21,64%	17,69%
Italy	39,1%	88,01%	26,8%	11,07%
Ireland	51,02%	51,09%	32,82%	33,61%
Latvia	42,73%	72,77%	18,16%	21,35%
Lithuania	59,6%	48,83%	22,67%	42,96%
Luxembourg	42,18%	53,44%	23,78%	29,76%
Malta	65,37%	56,91%	13,07%	28,82%
The Netherlands	63,24%	65,08%	21,65%	33,21%
Poland	55,02%	74,04%	15,31%	21,66%
Portugal	59,65%	95,81%	13,28%	2,88%
Romania	60,28%	57,54%	13,36%	39,58%
Slovakia	32,05%	60,05%	31,8%	31,82%
Slovenia	43,17%	77,99%	37,53%	10,51%

Spain	55,01%	84,5%	24,81%	12,67%
Sweden	50,14%	57,59%	21,9%	35,96%
Hungary	48,34%	57,77%	14,96%	35,5%

Table no. 3: Variance of the variables for the period 2017-2021

	Factor 1		Factor 2		Factor 3	
	Variance explained of the independent variables	Variance explained of the dependent variables	Variance explained of the independent variables	Variance explained of the dependent variables	Variance explained of the independent variables	Variance explained of the dependent variables
Austria	51,24%	49,48%	29,74%	46,91%		
Belgium	32,93%	50,96%	49,48%	21,86%	14,32%	27,08%
Bulgaria	27,03%	47,99%	28,49%	44,09%		
Czech Republic	51,97%	46,22%	29,03%	38,37%		
Cyprus	55,27%	44,29%	24,62%	42,93%		
Croatia	41,7%	54,03%	32,58%	34,52%		
Denmark	51,1%	54,67%	24,32%	27,52%		
Estonia	53,93%	38,4%	29,38%	37,12%		
Finland	35,21%	72,13%	47,21%	15,24%		
France	43,42%	56,51%	34,52%	33,7%		
Germany	62,14%	44,13%	17,83%	49,71%		
Greece	40,71%	57,02%	21,8%	35,04%		
Italy	59,05%	40,84%	23,66%	43,35%		
Ireland	29,04%	56,13%	52,59%	23,59%		
Latvia	36,13%	45,72%	19,3%	51,92%		
Lithuania	39,69	89,86%	35,55%	9,16%		
Luxembourg	55,32%	51,38%	22,47%	43,37%		
Malta	55,66%	46,52%	19,62%	46,43%		
The Netherlands	56,06%	46,22%	21,95%	52,28%		
Poland	62,02%	34,23%	21,75%	35,11%	10,83%	26,51%
Portugal	53,95%	44,34%	22,47%	54,85%		
Romania	32,85%	62,62%	40,91%	29,42%		
Slovakia	33,41%	64,89%	19,39%	21,81%		
Slovenia	44,57%	61,11%	29,39%	21,32%		
Spain	46,35%	72,82%	37,79%	23,02%		
Sweden	56,67%	38,39%	18,83%	61,07%		

Appendix 2. The variables that explain the analysis of factors extracted

Table 1: The variables that explain the analysis of factors extracted for the period 2008-2013

Countries	Factor 1 (influence on employment)	Factor 2 (influence on GDP)
Austria	Agric_value added, Inflation, Govern. deficit, Freedom_trade, Size_Government, Legal system, Life_exp_birth	
Belgium	National_debt, FDI, Industry_value added, Size_Government, Serv_value added, Political_Stab, Govern_Effect, Reg_Quality, Rule_Law, Control_Corruption, Legal system, Life_exp_birth, Education_Index, Pop_educ	Inflation
Bulgaria	National_debt, FDI, Agric_value added, Inflation, Services_value added, Voice_Account., Reg_Quality, Life expect., Education_Index, Pop_educ	Gover_deficit, Govern_Effect, Control_Corruption, Legal system
Czech Republic	Inflation, Gover_deficit, Govern_Effect	Political stability, Life expect.
Cyprus	National_debt, Industry_value added, Services_value added, Freedom_trade, Voice_Account., Govern_Effect, Reg_Quality, Rule_Law, Legal system, Life expect., Education_Index, Pop_educ	Agric_value added, Political stability
Croatia	National_debt, FDI, Industry_value added, Agric_value added, Services_value added, Freedom_trade, Voice_Account., Political stability, Rule_Law, Control_Corruption, Legal system, Life expect., Education_Index, Pop_educ	Inflation, Gover_deficit
Denmark	National_debt, Agric_value added, Freedom trade, Voice_Account., Govern_Effect, Reg_Quality, Rule_Law, Legal system, Life expect., Education_Index, Pop_educ	Inflation, Size_Government, Control_Corruption
Finland	National_debt, Industry_value added, Agric_value added, Gover_deficit, Services_value added, Size_Government, Govern_Effect, Reg_Quality, Rule_Law, Control_Corruption, Life expect., Pop_educ,	Inflation
France	National_debt, Industry_value added, Freedom_trade, Size_Government, Voice_Account., Govern_Effect, Reg_Quality, Rule_Law, Legal system, Life expect., Education_Index, Pop_educ	FDI, Agric_value added, Inflation
Germany	Industry_value added, Agric_value added, Services_value added, Freedom_trade, Govern_Effect, Life expect., Education_Index, Pop_educ	
Greece	National_debt, Industry_value added, Agric_value added, Freedom_trade, Voice_Account., Political stability, Govern_Effect, Reg_Quality, Rule_Law, Control_Corruption, Legal system, Life expect., Education_Index, Pop_educ	FDI, Size_Government
Ireland	National_debt, Industry_value added, Services_value added, Voice_Account., Political stability, Reg_Quality, Control_Corruption, Life expect., Education_Index, Pop_educ	Gover_deficit, Freedom_trade, Legal system
Italy	National_debt, Industry_value added, Services_value added, Freedom_trade, Voice_Account., Govern_Effect, Reg_Quality, Life expect., Education_Index, Pop_educ	Inflation, Political stability, Rule_Law
Luxembourg	National_debt, Industry_value added, Freedom_trade, Gover_deficit, Services_value added, Voice_Account., Political stability, Control_Corruption, Life expect., Education_Index, Pop_educ	Agric_value added, Inflation, Govern_Effect
Malta	Industry_value added, Services_value added, Political stability, Rule_Law, Legal system, Life expect., Education_Index, Pop_educ	National_debt, Freedom_trade, Size_Government, Voice_Account., Govern_Effect, Reg_Quality, Control_Corruption
The Netherlands	National_debt, FDI, Industry_value added, Services_value added, Voice_Account., Political stability, Govern_Effect, Rule_Law, Control_Corruption, Life expect., Education_Index, Pop_educ	Inflation, Gover_deficit, Size_Government, Reg_Quality
Poland	National_debt, Agric_value added, Inflation, Govern_Effect, Reg_Quality, Rule_Law, Control_Corruption, Legal system, Life expect., Education_Index, Pop_educ	Industry_value added, FDI, Size_Government, Services_value added, Political stability
Portugal	National_debt, FDI, Industry_value added, Voice_Account., Control_Corruption, Legal system, Life expect., Education_Index, Pop_educ	
Romania	National_debt, FDI, Inflation, Size_Government, Voice_Account., Govern_Effect, Rule_Law, Control_Corruption, Life expect.	Gover_deficit, Political stability, Education_Index, Pop_educ

Slovakia	National_debt, Industry_value added, Size_Government, Services_value added, Govern_Effect, Reg_Quality, Control_Corruption, Life_expect., Education_Index, Pop_educ	Freedom_trade, Govern_deficit, Voice_Account.
Slovenia	National_debt, Govern_deficit, Freedom_trade, Political stability, Govern_Effect, Reg_Quality, Control_Corruption, Life_expect., Pop_educ	FDI, Inflation, Services_value added, Rule_Law, Legal system
Spain	National_debt, Industry_value added, Services_value added, Size_Government, Voice_Account., Political stability, Govern_Effect, Reg_Quality, Rule_Law, Life_expect., Education_Index, Pop_educ	FDI, Inflation, Govern_deficit
Sweden	Freedom_trade, Voice_Account., Political stability, Govern_Effect, Reg_Quality, Legal system, Life_expect., Pop_educ	National_debt, Industry_value added, Agric_value added, Inflation, Govern_deficit, Services_value added, Size_Government, Rule_Law
Hungary	Agric_value added, Freedom_trade, Services_value added, Voice_Account., Political stability, Reg_Quality, Rule_Law, Life_expect., Pop_educ	National_debt, FDI, Industry_value added
Countries	Factor 1 (influence on GDP)	Factor 2 (influence on employment)
Estonia	Agric_value added, Freedom_trade, Govern_deficit, Services_value added, Size_Government, Voice_Account., Rule_Law, Control_Corruption, Life_expect., Education_Index, Pop_educ	Industry_value added, Inflation, Legal system
Latvia	Industry_value added, Services_value added, Freedom_trade, Voice_Account., Govern_Effect, Life_expect., Pop_educ	National_debt, Agric_value added, Govern_deficit, Size_Government, Legal system
Lithuania	Industry_value added, Agric_value added, Govern_deficit, Services_value added, Size_Government, Education_Index	National_debt, Inflation, Freedom_trade, Govern_Effect, Rule_Law, Control_Corruption, Life_expect., Pop_educ

Table 2: The variables that explain the analysis of factors extracted for the period 2013-2017

Countries	Factor 1 (influence on GDP)	Factor 2 (influence on employment)
Austria	Govern_deficit, Political stability, Life_expect., Education_Index	National_debt, Industry_value added, Agric_value added, Inflation, Services_value added, Size_Government
Cyprus	National_debt, Size_Government, Govern_deficit, Services_value added, Voice_Account., Govern_Effect, Rule_Law, Control_Corruption, Life_expect., Education_Index, Pop_educ	Inflation, Legal system,
France	National_debt, Industry_value added, Size_Government, Govern_deficit, Voice_Account., Govern_Effect, Life_expect., Pop_educ	Inflation, Reg_Quality
Italy	Agric_value added, Freedom_trade, Govern_deficit, Political stability, Control_Corruption, Education_Index, Pop_educ	National_debt, Industry_value added, Inflation, Services_value added
The Netherlands	National_debt, Industry_value added, Freedom_trade, Govern_deficit, Services_value added, Voice_Account., Political stability, Govern_Effect, Reg_Quality, Control_Corruption, Legal system, Life_expect., Education_Index, Pop_educ	Agric_value added, Inflation, Rule_Law
Romania	FDI, Industry_value added, Agric_value added, Size_Government, Services_value added, Voice_Account., Govern_Effect, Reg_Quality, Rule_Law, Control_Corruption, Legal system, Life_expect., Education_Index, Pop_educ	Political stability
Portugal	National_debt, Inflation, Freedom_trade, Size_Government, Services_value added, Voice_Account., Political stability, Reg_Quality, Control_Corruption, Life_expect., Education_Index, Pop_educ	FDI, Industry_value added
Slovenia	Industry_value added, Size_Government, Govern_deficit, Govern_Effect, Control_Corruption, Legal system, Life_expect., Pop_educ	National_debt, Agric_value added, Inflation, Services_value added, Political stability, Reg_Quality
Countries	Factor 1 (influence on employment)	Factor 2 (influence on GDP)
Belgium	National_debt, Industry_value added, Govern_deficit, Services_value added, Political stability, Govern_Effect, Rule_Law, Control_Corruption, Life_expect., Education_Index, Pop_educ	Freedom_trade, Size_Government
Bulgaria	Industry_value added, Agric_value added, Govern_deficit, Services_value added, Voice_Account., Govern_Effect,	Inflation, Political stability, Life_expect.

	Reg_Quality, Control_Corruption, Legal system, Education Index, Pop educ	
Czech Republic	National_debt, Agric_value added, Freedom trade, Gover_deficit, Political stability, Govern_Effect, Control_Corruption, Legal system, Life expect., Education Index, Pop educ	FDI, Industry_value added, Inflation, Size_Government, Services_value added, Rule_Law
Croatia	Industry_value added, Freedom trade, Size_Government, Gover_deficit, Pop educ	Services_value added, Voice_Account., Govern_Effect
Denmark	National_debt, Industry_value added, Size_Government, Voice_Account., Political stability, Reg_Quality, Control_Corruption, Legal system, Life expect., Pop educ	Agric_value added, Inflation
Estonia	National_debt, Industry_value added, Agric_value added, Size_Government, Gover_deficit, Services_value added, Voice_Account., Political stability, Govern_Effect, Legal system, Education Index	FDI, Inflation
Finland	National_debt, Agric_value added, Inflation, Political stability, Govern_Effect, Life expect., Education Index, Pop educ	Industry_value added, Gover_deficit, Services_value added
Germany	National_debt, Industry_value added, Freedom trade, Size_Government, Gover_deficit, Services_value added, Political stability, Govern_Effect, Reg_Quality, Control_Corruption, Legal system, Life expect., Education Index, Pop educ	FDI, Rule_Law
Greece	Industry_value added, Gover_deficit, Reg_Quality, Rule_Law, Education Index, Pop educ	Voice_Account., Control_Corruption, Legal system
Ireland	National_debt, Industry_value added, Size_Government, Gover_deficit, Services_value added, Govern_Effect, Rule_Law, Legal system, Life expect., Education_Index, Pop educ	FDI, Inflation, Voice_Account., Reg_Quality, Control_Corruption
Latvia	Industry_value added, Political stability, Control_Corruption, Legal system, Life expect., Education Index, Pop educ	National_debt, Rule_Law
Lithuania	FDI, Industry_value added, Freedom trade, Size_Government, Gover_deficit, Services_value added, Voice_Account., Rule_Law, Control_Corruption, Legal system, Life expect., Education Index, Pop educ	National_debt, Inflation, Govern_Effect, Reg_Quality
Luxembourg	National_debt, Industry_value added, Agric_value added, Size_Government, Gover_deficit, Political stability, Govern_Effect, Legal system, Life expect.	Control_Corruption, Pop educ
Malta	National_debt, FDI, Industry_value added, Agric_value added, Freedom trade, Size_Government, Gover_deficit, Services_value added, Rule_Law, Control_Corruption, Legal system, Life expect., Pop educ	Inflation
Poland	Freedom trade, Size_Government, Gover_deficit, Voice_Account., Political stability, Reg_Quality, Rule_Law, Control_Corruption, Life expect., Education Index, Pop educ	National_debt
Slovakia	National_debt, FDI, Political stability, Reg_Quality, Rule_Law, Control_Corruption	Industry_value added, Size_Government, Services_value added
Spain	Industry_value added, Agric_value added, Freedom trade, Size_Government, Gover_deficit, Services_value added, Voice_Account., Political stability, Control_Corruption, Legal system, Pop educ	National_debt, Inflation, Reg_Quality, Rule_Law
Sweden	FDI, Inflation, Size_Government, Gover_deficit, Voice_Account., Political stability, Govern_Effect, Reg_Quality, Life expect., Education Index, Pop educ	National_debt, Rule_Law, Legal system
Hungary	National_debt, Voice_Account., Govern_Effect, Reg_Quality, Control_Corruption, Legal system, Life expect., Pop educ	FDI, Size_Government

Table 3: The variables that explain the analysis of factors extracted for the period 2017-2021

Countries	Factor 1 (influence on employment)	Factor 2 (influence on GDP)
Austria	National_debt, Industry_value added, Gover_deficit, Services_value added, Voice_Account., Reg_Quality, Rule_Law, Control_Corruption, Life expect., Education Index	National_debt, Industry_value added, Gover_deficit, Services_value added, Voice_Account.
Czech Republic	National_debt, Industry_value added, Inflation, Gover_deficit, Services_value added, Voice_Account., Control_Corruption, Life expect., Education Index,	Freedom trade, Size_Government, Govern_Effect, Rule_Law, Legal_System, Pop educ
Cyprus	National_debt, FDI, Industry_value added, Freedom trade, Size_Government, Gover_deficit, Voice_Account., Political	Agric_value added, Inflation, Services_value added, Reg_Quality

	stability, Rule_Law, Control_Corruption, Legal_System, Education_Index, Pop_educ	
Denmark	Industry_value added, Agric_value added, Inflation, Size_Government, Services_value added, Govern_Effect, Rule_Law, Control_Corruption, Legal_System, Pop_educ	National_debt, Life expect., Education_Index
Estonia	National_debt, Industry_value added, Freedom_trade, Gover_deficit, Services_value added Political stability, Govern_Effect, Reg_Quality, Rule_Law, Control_Corruption, Education_Index, Pop_educ	FDI, Inflation, Size_Government, Legal_System, Life expect.
France	FDI, Inflation, Freedom_trade, Services_value added, Control_Corruption, Life expect.	National_debt, Industry_value added, Size_Government, Gover_deficit, Govern_Effect, Rule_Law, Legal_System, Education_Index, Pop_educ
Germany	National_debt, Industry_value added, Freedom_trade, Gover_deficit, Services_value added, Political stability, Govern_Effect, Reg_Quality, Rule_Law, Education_Index	Inflation, Size_Government, Life expect., Pop_educ
Greece	National_debt, Industry_value added, Freedom_trade, Size_Government, Gover_deficit, Services_value added, Voice_Account., Govern_Effect, Rule_Law, Control_Corruption, Education_Index, Pop_educ	FDI, Agric_value added, Inflation
Italy	National_debt, FDI, Freedom_trade, Size_Government, Gover_deficit, Voice_Account., Govern_Effect, Reg_Quality, Control_Corruption, Life expect., Education_Index, Pop_educ	Industry_value added, Inflation, Services_value added
Latvia	FDI, Size_Government, Political stability, Life expect.	National_debt, Industry_value added, Agric_value added, Freedom_trade, Gover_deficit, Services_value added, Voice_Account., Reg_Quality, Control_Corruption, Education_Index, Pop_educ
Luxembourg	Agric_value added, Inflation, Size_Government, Control_Corruption, Legal_System, Life expect., Pop_educ	National_debt, FDI, Freedom_trade, Gover_deficit, Govern_Effect
Malta	FDI, Industry_value added, Agric_value added, Gover_deficit, Services_value added, Freedom_trade, Political stability, Reg_Quality, Rule_Law, Control_Corruption, Education_Index, Pop_educ	Inflation, Size_Government, Govern_Effect
The Netherlands	Industry_value added, Agric_value added, Freedom_trade, Size_Government, Govern_Effect, Reg_Quality, Rule_Law, Control_Corruption, Legal_System, Education_Index, Pop_educ, Services_value added	Inflation, Voice_Account.
Poland	FDI, Industry_value added, Agric_value added, Inflation, Services_value added, Voice_Account., Govern_Effect, Control_Corruption, Legal_System, Life expect., Education_Index, Pop_educ	Gover_deficit, Freedom_trade, Rule_Law
Portugal	National_debt, FDI, Industry_value added, Agric_value added, Freedom_trade, Size_Government, Gover_deficit, Voice_Account., Political stability, Govern_Effect, Reg_Quality, Rule_Law, Control_Corruption, Life expect., Education_Index, Pop_educ	Inflation, Services_value added, Legal_System
Spain	National_debt, Freedom_trade, Gover_deficit, Voice_Account., Govern_Effect, Reg_Quality, Rule_Law, Life expect.	Industry_value added, Size_Government, Political stability, Legal_System, Education_Index, Pop_educ
Sweden	FDI, Industry_value added, Size_Government, Govern_Effect, Rule_Law, Legal_System, Life expect., Education_Index, Pop_educ	Inflation, Gover_deficit, Freedom_trade, Voice_Account., Reg_Quality, Control_Corruption
Hungary	Industry_value added, Agric_value added, Inflation, Gover_deficit, Services_value added, Political stability, Govern_Effect, Reg_Quality, Control_Corruption, Life expect., Education_Index, Pop_educ.	FDI, Freedom_trade
Countries	Factor 1 (influence on GDP)	Factor 2 (influence on employment)
Belgium	Inflation, Freedom_trade, Size_Government, Services_value added, Legal_System, Life expect.	FDI, Industry_value added, Gover_deficit, Voice_Account., Political stability, Govern_Effect, Reg_Quality, Control_Corruption, Education_Index, Pop_educ
Bulgaria	FDI, Inflation, Rule_Law	National_debt, Agric_value added, Size_Government, Political stability, Legal System, Pop_educ

Croatia	Industry_value added, Agric_value added, Inflation, Freedom_trade, Size_Government, Govern_Effect, Control_Corruption	Gover_deficit, Voice_Account., Legal System, Education_Index, Pop_educ
Ireland	Inflation, Size_Government, Voice_Account., Political stability, Rule_Law, Control_Corruption, Legal_System, Pop_educ	Gover_deficit, Services_value added
Lithuania	FDI, Industry_value added, Inflation, Size_Government, Gover_deficit, Political stability, Legal_System	Govern_Effect
Romania	National_debt, Industry_value added, Agric_value added, Gover_deficit, Services_value added, Freedom_trade, Political stability, Reg_Quality, Life expect., Education_Index, Pop_educ	FDI, Size_Government
Slovakia	FDI, Freedom_trade, Services_value added, Control_Corruption	Inflation, Political stability, Govern. Effect, Legal_System, Life expect., Education_Index, Pop_educ
Slovenia	FDI, Industry_value added, Inflation, Freedom_trade, Size_Government, Legal_System	Reg_Quality, Rule_Law



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DETERMINANT FACTORS OF ECONOMIC RESILIENCE OUTPUT INDICATORS. A PRINCIPAL COMPONENT REGRESSION APPROACH

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Abstract: *This paper investigates the determinant factors influencing economic resilience output indicators in a sample of European Union (EU) countries using a principal component regression (PCR) approach. Economic resilience, defined as a country's ability to withstand and recover from economic shocks and crises, has become an increasingly crucial aspect of economic policymaking in a highly interconnected global landscape. To identify the key drivers of resilience, we employ principal component analysis (PCA) to reduce the dimensionality of a comprehensive set of potential determinants. The retained principal components serve as predictors in a linear regression model to estimate their impact on economic resilience output indicators. The study's findings reveal a set of critical factors that significantly influence resilience, enabling policymakers to design targeted strategies and policies to enhance countries' capacity to navigate economic uncertainties and challenges effectively. The research contributes to the understanding of economic resilience and offers valuable insights for policymakers aiming to foster sustainable economic growth and stability in the EU.*

Keywords: *economic resilience, principal components regression, social dimension, institutional dimension*

Introduction

The way a socio-economic system develops is closely linked to its ability to implement reforms during periods of radical changes and economic, political, and social instability. Therefore, it is crucial to identify common solutions, both internally and externally, in order to integrate a systematic analysis of these changes and vulnerabilities, for their appropriate addressing. In the last decade, in the context of rapid transformations in the economic, social, and natural environment, such as natural disasters, economic crises, or political changes, the concept of resilience has gained increasing attention in specialized literature. According to relevant studies (Friedman, 1993; Hill, 2008; Shaw,

2013; Cellini, 2014; Boschma, 2015; Martin, 2015), resilience can be defined as the capacity of a socio-economic system (such as a city, region, or country) to pursue a sustainable development path, considering a multitude of internal and external factors.

Through resilience analysis, vulnerabilities of a system can be identified in the face of various types of shocks, which can provide insights into its capacity to withstand, recover, and adapt, thereby adopting a new pattern of development and economic growth. The objective of this paper is to identify determinant factors of the main output indicators of economic resilience. The determinant factors cover three important dimensions, namely they measure the economic, social and institutional impact on economic resilience. To achieve this objective, we employ a principal component regression (PCR) approach, which combines the benefits of principal component analysis (PCA) and linear regression. PCA reduces the dimensionality of a wide range of potential determinants, capturing the underlying patterns of variability among these variables. The retained principal components, serving as proxies for the latent factors influencing resilience, are then used as predictors in a linear regression model to estimate their impact on economic resilience output indicators. By employing a PCR approach, this study offers a comprehensive and innovative analysis of the multifaceted determinants of economic resilience. Understanding these factors not only contributes to the theoretical understanding of economic resilience but also has practical implications for policymakers and stakeholders in the EU. The findings of this research can assist policymakers in developing targeted strategies and evidence-based policies to enhance economic resilience, facilitate sustainable economic growth, and foster regional stability.

The rest of the paper is organized as follows: Section 2 provides a review of relevant literature on economic resilience and its determinants. Section 3 outlines the data and methodology used in the analysis, including a detailed explanation of the PCR approach. Section 4 presents the empirical results, highlighting the significant determinant factors influencing economic resilience output indicators in EU countries. The paper concludes by summarizing the key findings and emphasizing the importance of promoting economic resilience in the EU to navigate an increasingly complex and uncertain economic landscape.

Literature review

Economic resilience is defined as the ability of an economy to maintain its stability and recover swiftly following periods of instability or economic crises. A resilient economy can successfully adapt to abrupt changes in the economic environment, preserve its stability, and continue to grow and develop even in challenging circumstances. Economic resilience refers to the capacity to avoid or minimize the negative impact of economic shocks, as well as the ability to adapt and recover from them. Economic resilience is a complex and multidisciplinary concept that has gradually evolved across various fields and contexts. However, the term "resilience" began to be used in economic context in reports of international organizations, academic papers, and government documents starting in 1975. A concrete example in the field of economics can be found in the work of American economist Hollis B. Chenery published in the journal "American Economic Review" in 1975, where he used the term "economic resilience" to analyze the capacity of economies in developing countries to adapt and recover after economic disruptions. In subsequent

years, the term "economic resilience" has become widely used in various contexts, including reports by international organizations such as the World Bank, the World Economic Forum, and the United Nations. These reports address the importance of building resilient economies capable of coping with economic challenges and risks.

In recent years, due to global events such as the 2008 financial crisis, increasing economic uncertainty, climate change, as well as the COVID-19 pandemic and the economic consequences of the 2022 military conflict, the interest in analyzing economic resilience has significantly increased in discussions on the economy and sustainable development. According to analyses and research in the specialized literature, there are several key elements that contribute to the economic resilience of a country or region, including the following:

1. Economic diversification: it plays a vital role in ensuring economic resilience, as it reduces the likelihood of a downturn in one sector significantly impacting the entire economy. Diversification may involve expanding and developing sectors such as agriculture, industry, services, technology, tourism, and others, in line with the country's or region's resources and comparative advantages. In a report conducted by the World Bank in 2019, the essential role of economic diversification in promoting economic resilience was highlighted. According to Sekar et al. (2019), economic diversification can reduce the risk of exposure to fluctuations in a single sector and enhance economic resilience by creating opportunities in multiple domains, thus providing compensation for potential declines in other sectors. Likewise, a study by S. Lange et al., (2019) found that the diversification of the economy at the regional level contributes to increasing economic resilience in the face of economic shocks, such as financial crises or decline in a certain sector.

2. Stable Financial System: A stable financial system is also important for a resilient economy. According to Claessens et al. (2018), a sound and well-regulated financial system can contribute to economic resilience by stabilizing the economy in times of crisis. Financial institutions must be well supervised and follow strict rules and regulations to avoid financial crises that can have negative effects on the economy. Also, the stable financial system was studied by S. Claessens and M. A. Kose (2017). The authors argue that a stable financial system that is well supervised and well-regulated can help reduce the risks of financial crises and increase the resilience of the economy as a whole. In a report published in 2016, the European Central Bank (ECB) emphasized that ensuring financial system stability is essential for strengthening economic resilience in the euro area, and that the implementation of appropriate policies and measures is necessary to prevent the occurrence of financial crises.

3. The ability to cope with shocks: A resilient economy is characterized by its ability to absorb and adapt to economic shocks through appropriate fiscal and monetary policies. These policies are designed to mitigate the negative impact of shocks and support economic recovery (Cerra et al., 2020). Additionally, implementing social protection measures can provide support to vulnerable populations and alleviate the social impact of economic crises.

4. Robust infrastructure: A well-developed and resilient physical and digital infrastructure is essential for ensuring economic resilience. According to a study conducted by the World Bank (2019), it has been found that well-established infrastructure, such as transportation, energy, and communication networks, plays a crucial role in the ability to recover quickly

after natural disasters and supports long-term economic development. Moreover, digital infrastructure, such as internet access and communication technologies, can enhance the economy's capacity to adapt and innovate in the face of rapid changes in the business environment.

5. Human and social capital: The level of education, along with social cohesion and community stability, the skills and health of the population, are essential elements in enhancing economic resilience. For example, a strong human and social capital can support the creation of a skilled and flexible workforce, capable of adapting to technological and economic changes. Additionally, the health status of the population plays a crucial role in economic resilience, as a healthy population is more capable of engaging in economic activities and coping with crises. (World Bank, 2020).

6. Sustainable approach: Adopting a sustainable approach to economic development can support the building of long-term economic resilience. In a United Nations report from 2015, it was emphasized that embracing a sustainable economy can reduce vulnerability to climate change, shifts in resource markets, and risks associated with environmental degradation. At the same time, promoting and developing renewable energies can decrease dependence on unsustainable and volatile energy sources, positively impacting long-term economic stability (World Bank, 2021).

7. Effective governance: An effective, transparent, and accountable governance system is essential for economic resilience. According to a study by the World Bank (2020), strong governance and institutions can play a key role in building economic resilience by promoting sound fiscal management, effective regulation and fair competition in the private sector. Also, appropriate government policies and effective regulation can support long-term economic development by helping to create an environment conducive to business and investment (Hallegatte et al., 2018).

8. Capacity to innovate: The potential to innovate and adopt new technologies can strengthen economic resilience. Innovation is a crucial element in stimulating economic growth and supporting sustainable development, with a positive impact through the creation of new jobs, increased productivity, and economic diversification (OECD, 2021). Therefore, collaboration between governments, the private sector, and research institutions can facilitate the promotion of innovation and technology transfer in the economy, contributing to enhanced competitiveness and the ability to adapt to economic changes.

9. Capacity to attract investment: In a resilient economy, there is an observed capacity to attract foreign direct investments and encourage domestic investments. According to a recent report by the United Nations Conference on Trade and Development (UNCTAD, 2021), foreign direct investments play a significant role in supporting economic development, with a positive impact on job creation, technology transfer, and the development of the private sector. Thus, creating a conducive business environment characterized by stability and predictability, and implementing effective regulations, can play a crucial role in attracting investments and strengthening economic resilience (Lazorec and Pintilescu, 2023).

10. Responsible public debt management: Administration of public debt is crucial for maintaining macroeconomic stability and promoting economic resilience. In addition, high levels of public debt can constrain the ability of a government to interfere in the economy in the event of a crisis. Consequently, the conscientious management of public debt is

crucial for maintaining economic stability and preventing financial crises (Fontana et al., 2021).

According to the research conducted by Reinhart and Rogoff (2009), an excessive level of public debt can have serious consequences on economic stability and diminish the economic resilience of a country in the face of economic turbulence. According to the analysis performed by the OECD, a rapid increase in public debt can lead to higher financing costs, a downgrade in sovereign rating, and a decline in investor confidence, which can negatively impact the economy and restrict the government's ability to respond to a crisis. To prevent such scenarios, it is crucial to conduct rigorous monitoring of the level of public debt, assess the risks associated with debt accumulation, and adopt appropriate long-term debt management strategies with a strong emphasis on fiscal sustainability. Additionally, it is essential to have transparency in managing public debt, including proper reporting of data related to the level, structure, and costs of debt, to maintain investor confidence and support macroeconomic stability (Reinhart and Rogoff, 2009).

11. International cooperation: To support economic resilience, international cooperation and collaboration are essential aspects. According to a study published by the International Monetary Fund (IMF), intensifying international cooperation can mitigate systemic risks and optimize the functioning of the global financial system. Additionally, international partnerships and trade linkages can provide opportunities for market diversification and facilitate access to resources and technologies, while also offering support during times of crisis. Moreover, international cooperation can promote the development of common solutions to global economic challenges, such as climate change or pandemics, thereby reducing the adverse impact of these issues on national economies (IMF, 2021).

Finally, developing a resilient engaged economy or global approach that includes economic diversification, the ability to manage shocks, a sound financial system, strong human and social resources, strong infrastructure, a sustainable approach, capacity for innovation and international collaboration. These elements can work together to develop an economy capable of adapting, responding to economic challenges and progressing in the long term, thus guaranteeing sustainable economic resilience.

Data and methodology

Economic resilience refers to the ability of an economy, region or sector to withstand and recover from economic shocks, disruptions or challenges. It involves the ability of an economic system to maintain its stability, adjust to changing conditions and recover from negative events, such as economic decline, market fluctuations, trade disturbances or other economic crises. Indicators of economic resilience are quantitative or qualitative measurements that assess an economy's ability to withstand shocks, recover from disruptions, and adapt to change. These indicators provide data on the economic resilience of a nation, geographic area, or domain, and can support policymakers and stakeholders in identifying strengths, weaknesses, and areas for improvement. However, it is essential to emphasize that economic resilience is a complicated and ever-changing concept that can be affected by different factors, and its assessment can differ depending on the particular context and level of analysis.

- **GDP Growth Rate:** The Gross Domestic Product (GDP) growth rate is a commonly used indicator to assess the economic resilience of an economy. Higher GDP growth rates may indicate a more resilient economy, able to withstand shocks and recover more quickly.
- **Employment rate:** The employment rate, which measures the proportion of the working-age population that is employed, is an important indicator of economic resilience. A higher employment rate may suggest a more resilient economy with more job opportunities and stability in the labor market.
- **Diversification of economic sectors:** The diversity of economic sectors, measured by the contribution of various industries to the overall economy, can indicate the level of resilience of an economy.

Economies with a diversified range of industries are less dependent on a single sector and may be more resilient to shocks in specific sectors. Diversification of trading partners and markets can be an indicator of economic resilience. Economies that have diversified trade relationships are less dependent on a single market and may be more resilient to disruptions in specific trade relationships.

- **Foreign direct investment (FDI):** investments made by foreign companies in the domestic economy) can also be an indicator of economic resilience. Higher inflows of FDI can suggest a more resilient economy, attractive to foreign investments, and capable of withstanding shocks.
- **Innovation and technological capabilities:** Indicators related to innovation and technological capabilities, such as research and development (R&D) expenditures, patents, and technology adoption, can indicate the level of economic resilience of an economy. Innovative and technologically advanced economies may be more resilient to technological changes and have a competitive advantage in times of crisis.
- **Macroeconomic stability:** Macroeconomic stability characterized by indicators such as inflation, public debt level, appropriate fiscal and monetary policies, budget deficit, and the size of the government can contribute to economic resilience. Economies with a stable macroeconomic foundation may be less vulnerable to shocks and have the capacity to manage crises more effectively. An economy with adequate foreign exchange reserves and sustainable levels of external debt may be better equipped to handle external shocks and maintain financial stability.
- **Infrastructure and natural resources:** The quality of infrastructure and the availability of natural resources can influence the economic resilience of an economy. A robust infrastructure, including transportation infrastructure (quality of air, maritime, and railway infrastructure), energy (access to electricity, energy imports), communications, and water, can contribute to a rapid recovery after a shock. Additionally, available natural resources such as energy resources and raw materials can impact an economy's capacity to cope with changes and adapt.
- **Foreign exchange reserves and the level of external debt:** The level of foreign exchange reserves and external debt can be indicators of economic resilience at the macroeconomic level. An economy with adequate foreign exchange reserves and sustainable levels of external debt may be better able to withstand external shocks and maintain financial stability.
- **Poverty and inequality:** Indicators of poverty and inequality can be used to assess the social and economic resilience of an economy. Economies with low levels of poverty and inequality may be more resilient to social shocks and can benefit from a stable social

foundation. Poverty and inequality indicators, such as the poverty rate, Gini coefficient, and access to basic social services, can impact economic resilience.

There are various ways to assess the level and type of resilience of a region in the face of an economic shock. In the specialized literature, different approaches are identified to address this issue, ranging from descriptive case analyses to complex economic and statistical models, aiming to evaluate regional recovery rates and other relevant characteristics. Multivariate statistical data analysis is defined by a set of techniques that focus on investigating correlations (associations) between several statistical variables and/or grouping statistical units into homogeneous sets (clusters) based on their similarity in relation to the recorded variables. The complexity of the economic and social reality requires the consideration of a variety of influencing factors on a phenomenon. Studying the concurrent impact of these factors requires the use of multivariate statistical data analysis techniques.

The main methods of multivariate data analysis are the methods of factorial analysis and the methods of classification of statistical units. Factorial analysis methods aim to highlight the similarities and differences between the statistical units, as well as the variables "responsible" for these approaches or oppositions between the units. The purpose of principal component analysis (PCA) is to reveal how different variables vary in relation to each other and how they are associated. This is done by transforming the correlated variables into a new set of uncorrelated variables using a covariance matrix or its standardized form - the correlation matrix. The lack of correlation in the principal components is a useful property. This indicates that the principal components measure different "statistical dimensions" of the data.

PCR is a simple extension of Principal Component Analysis and Multiple Linear Regression. The first step is to determine the principal components. Scores of the most important principal components are used as observations of independent variables that are part of a multiple regression predicting a dependent variable. PCR is a method used to model the dependent variable when there are a large number of independent variables (predictors) and they are highly correlated or even collinear. The method constructs new predictor variables, known as components, as linear combinations of the original independent variables. PCR creates components to explain the observed variability in the predictor variables without considering the response variable at all. Because the dependent variable is not taken into account, a disadvantage of PCR is that we may retain some variables in the model that are not strong predictors of the response variable, and we may drop some variables that are excellent predictors. We want to analyze the resilience of the countries of the European Union. For this analysis we will use data from the period 2000-2019. I chose this interval, because it can be considered as a period in which the economies of Central and Eastern European countries can also be considered as market economies, as a result of the economic reform processes implemented after 1990. As dependent variables we considered two quantitative measures of resilience that focused on aspects of the labor market and economic growth: GDP growth rate and Employment rate. The impact of a crisis first manifests itself on the labor market, which will in turn affect the economy of a country. To reduce costs, companies will adjust their workforce, and under these circumstances, the analysis of employment conditions will support understanding the impact of the crisis at the national level.

Table 2. Description of the dependent variables

Variable	Definiton
GDP growth per capita- anual (%)	The annual percentage increase or decrease in gross domestic product compared to the previous year.
Employment rate (% population>15 years)	It represents the share of the active population in age group x/ the total population in the same age group x.

The independent variables considered are 21 in number and are presented in the table below. The data sources used are: The World Bank, Eurostat, OECD, Econstats, The Global Economy, Country Economy, Worls Economic Forum, HDR, Numbeo, EuCham, Statista and Our Worls in Data.

Table 3. Description of independent variables

Dimension	Variables	Definition
Economic dimension	Government budget deficit ratio (% of GDP)	The difference between government revenues and expenditures. A budget deficit occurs when the expenditures of an entity (a government) exceed receipts.
	National debt (% of GDP)	It represents the total financial liabilities incurred by a nation's government.
	Size of Government (% GDP)	The ratio of government expenditures to the total output of the economy.
	Freedom to trade (rank from 0 to 100)	The higher this value, the lower the prices of goods entering the market.
	Foreign direct investment- net inflows (% of GDP)	Foreign Direct Investment (FDI) flows represents the new investment inflows less disinvestment in the economy from foreign investors.
	Agriculture, forestry, and fishing, value added (% of GDP)	It includes forestry, hunting and fishing, as well as crop cultivation and livestock production. Value added is the net output of a sector after adding up all outputs and subtracting intermediate inputs.
	Services, value added (% of GDP)	The services provided for the population include those activities that are the subject of sale and purchase on the market, mainly for the population, regardless of the time of payment, the type of price applied (sale price, tariff, etc.) and the collection methods (excluding transport services, post and telecommunications).
	Industry (% of GDP)	It comprises value added in mining, manufacturing, construction, electricity, water and gas.
	Inflation consumer prices- annual (%)	The CPI measures the overall evolution of the prices of goods purchased and the rates of services used by the population in a certain period, called the current period, compared to a previous period or the base period (reference).
Social dimension	Education Index- (ranging from 0 to 1)	It is calculated using the average number of years of schooling and the expected number of years of schooling. A high value indicates an educationally developed country (at least 0.8).
	Income Index (ranging from 0 to 1)	It is calculated according to the formula: $(\ln \text{GNI} - \ln 100) / (\ln 75000 - \ln 100)$. GNI measures a country's income (includes income of that country's residents and businesses and earnings from foreign income).

	Population by educational attainment level - Less than primary, primary and lower secondary education, levels 0-2 (%)	Proportion of the population between 15 and 64 years old by level of education (kindergarten, primary and secondary).
	Life expectancy at birth (years)	The average number of years a newborn is expected to live if current mortality rates continue to apply.
	Labor market regulations (rank from 0 to 10)	Labor market regulation plays an important role in protecting workers. This indicator is composed of other indicators such as: (i) Employment and Minimum Wage Regulations (ii) Employment and Firing Regulations (iii) Centralized Collective Bargaining (iv) Hours Regulations (v) Mandatory Cost of Firing Workers (vi) Recruitment . A higher value means greater efficiency in the labor market (increase in productivity).
Institutional dimension	Government Effectiveness (ranging from -2.5 (weak) to 2.5 (strong))	It reflects perceptions of the quality of public services, the quality of the public service and its degree of independence from political pressures, the quality of policy formulation and implementation, and the credibility of the government's commitment to such policies.
	Regulatory Quality (ranging from -2.5 (weak) to 2.5 (strong))	It reflects perceptions of the government's ability to formulate and implement sound policies and regulations that enable and promote private sector development.
	Rule of Law (ranging from -2.5 (weak) to 2.5 (strong))	It reflects perceptions of the extent to which agents trust and respect the rules of society and, in particular, the quality of contract enforcement, property rights, the police and courts, and the likelihood of crime and violence.
	Control of Corruption (ranging from -2.5 (weak) to 2.5 (strong))	Reflects perceptions of the extent to which public power is exercised for private gain, including both petty and grand forms of corruption and state 'capture' by elites and private interests.
	Political Stability and Absence of Violence/Terrorism (ranging from -2.5 (weak) to 2.5 (strong))	It measures the perception of the likelihood of political instability and/or politically motivated violence, including terrorism.
	Legal System & Property Rights (rank from 0 to 10)	The Legal System and Property Rights focuses on the importance of the legal system as a determinant of economic freedom. The higher the score, the more protected the rights are by law.
	Voice and Accountability (rank from 0 to 100)	It reflects perceptions about the extent to which a country's citizens can participate in selecting their government, as well as freedom of speech, freedom of association and a free media.

Empirical results

Principal component analysis (PCA) on the independent variables corresponding to the 27 countries, allowed the extraction of factorial axes, which represent linear combinations of the independent variables. The choice of these axes is made according to

the explained variance associated with each one. The number of factors and the variables explaining each factor within countries are shown in the table below.

Table 13. Number of factors and variables explaining each factor

	Factor 1	Factor 2	Factor 3	Factor 4	Factor 5
Austria	Life_exp_birth_total (-)	Voice_Accountability (+)	Reg_Quality (+)	Size_Government (+)	Infl_cons_prices (+)
	National_debt (-)	Labor_market_reg (+)	Rule_Law (+)		
	Industry (+)	Gover_deficit (-)			
	Agric_for_fish (+)				
	Govern_Effect (+)				
	Reg_Quality (+)				
	Control_Corruption (+)				
	Freedom_trade (+)				
	Education_Index (-)				
	Legal_Syst_Prop_Rights (+)				
	Pop_educ_level (+)				
	Income_Index (-)				
	Serv_value_ad (-)				
Belgium	Life_exp_birth_total (-)	National_debt (+)	Gover_deficit (+)	Voice_Accountability (-)	
	Industry (+)	Reg_Quality (-)			
	Agric_for_fish (+)	Rule_Law (+)			
	Pol_Absence_Violence (+)	Control_Corruption (+)			
	Govern_Effect (+)				
	Freedom_trade (+)				
	Size_Government (+)				
	Education_Index (-)				
	Labor_market_reg (-)				
	Pop_educ_level (+)				
	Serv_value_ad (-)				
	Income_Index (-)				
	Bulgaria	Life_exp_birth_total (+)	FDI (+)	Reg_Quality (+)	Legal_Syst_Prop_Rights (+)
National_debt (-)		Infl_cons_prices (+)		Gover_deficit (+)	Rule_Law (+)
Agric_for_fish (-)		Govern_Effect (-)			
Freedom_trade (+)					
Education_Index (+)					
Labor_market_reg (+)					
Pop_educ_level (-)					
Serv_value_ad (+)					
Income_Index (+)					
Czechia	Life_exp_birth_total (+)	Voice_Accountability (+)	Industry (-)	Infl_cons_prices (-)	Control_Corruption (+)
	Rule_Law (+)	Pol_Absence_Violence (+)	Reg_Quality (+)		Freedom_trade (+)
	Size_Government (+)	Govern_Effect (+)	Serv_value_ad (+)		
	Education_Index (+)				
	Legal_Syst_Prop_Rights (+)				
	Labor_market_reg (+)				
	Pop_educ_level (-)				
	Gover_deficit (+)				
	Income_Index (+)				
Cyprus	Life_exp_birth_total (+)	Freedom_trade (+)	Govern_Effect (+)	Voice_Accountability (+)	
	National_debt (+)	Size_Government (+)	Reg_Quality (+)		

	FDI (+)	Legal_Syst_Prop_Rights (+)	Rule_Law (+)		
	Industry (-)	Income_Index (+)			
	Agric_for_fish (-)				
	Infl_cons_prices (-)				
	Education_Index (+)				
	Labor_market_reg (+)				
	Pop_educ_level (-)				
	Serv_value_ad (+)				
Croatia	Life_exp_birth_total (+)	Pol_Absence_Violence (+)	Voice_Accountability (-)	Gover_deficit (-)	
	National_debt (+)	Reg_Quality (+)	Control_Corruption (-)		
	FDI (-)	Income_Index (+)			
	Industry (-)				
	Agric_for_fish (-)				
	Infl_cons_prices (-)				
	Rule_Law (+)				
	Freedom_trade (+)				
	Size_Government (+)				
	Education_Index (+)				
	Labor_market_reg (+)				
	Pop_educ_level (-)				
	Serv_value_ad (+)				
Denmark	National_debt (+)	Infl_cons_prices (+)	Industry (+)	Voice_Accountability (-)	Rule_Law (+)
	Agric_for_fish (+)	Govern_Effect (+)	Gover_deficit (-)		
	Pol_Absence_Violence (+)	Reg_Quality (+)	Serv_value_ad (+)		
	Freedom_trade (+)	Control_Corruption (+)			
	Education_Index (-)				
	Labor_market_reg (-)				
	Income_Index (-)				
Estonia	Life_exp_birth_total_y (+)	National_debt (+)	Size_Government (+)		
	Pol_Absence_Violence (-)	FDI (-)	Gover_deficit (+)		
	Govern_Effect (+)	Infl_cons_prices (-)	Serv_value_ad (-)		
	Rule_Law (+)	Reg_Quality (+)			
	Control_Corruption (+)				
	Freedom_trade (-)				
	Education_Index (+)				
	Legal_Syst_Prop_Rights (+)				
	Labor_market_reg (+)				
	Income_Index (+)				
Finland	Life_exp_birth_total_y (-)	Agric_for_fish (+)	FDI (+)	Infl_cons_prices (+)	
	National_debt (-)	Reg_Quality (+)	Govern_Effect (-)	Voice_Accountability (-)	
	Industry (+)	Freedom_trade (+)			
	Pol_Absence_Violence (+)	Income_Index (-)			
	Control_Corruption (+)				
	Size_Government (+)				
	Legal_Syst_Prop_Rights (+)				
	Pop_educ_level (+)				
	Gover_deficit (+)				
	Serv_value_ad (-)				

France	Life_exp_birth_total (-)	Control_Corruption (+)	Gover_deficit (+)	Income_Index (+)	Voice_Accountability (+)
	National_debt (-)	Size_Government (+)		Reg_Quality (+)	
	Industry (+)	Legal_Syst_Prop_Rights (+)			
	Agric_for_fish (+)				
	Pol_Absence_Violence (+)				
	Govern_Effect (+)				
	Education_Index (-)				
	Pop_educ_level (+)				
Serv_value_ad (-)					
Germany	Life_exp_birth_total_y (+)	FDI (+)	National_debt (-)	Infl_cons_prices (+)	Rule_Law (+)
	Reg_Quality (+)	Govern_Effect (+)	Control_Corruption (+)		Size_Government (+)
	Education_Index (+)				
	Legal_Syst_Prop_Rights (-)				
	Labor_market_reg (+)				
	Pop_educ_level (-)				
	Gover_deficit (+)				
Income_Index (+)					
Greece	Industry (+)	Size_Government (+)	FDI (-)		
	Agric_for_fish (-)	Income_Index (+)	Labor_market_reg (-)		
	Pol_Absence_Violence (+)		Pop_educ_level (-)		
	Control_Corruption (+)		Gover_deficit (-)		
	Freedom_trade (+)				
	Education_Index (-)				
	Serv_value_ad (-)				
Ireland	Life_exp_birth_total_y (-)	Industry (+)	FDI (+)	Reg_Quality (+)	Voice_Accountability (+)
	Agric_for_fish (+)	Rule_Law (-)		Control_Corruption (+)	
	Infl_cons_prices (+)	Size_Government (+)			
	Pol_Absence_Violence (+)	Gover_deficit (+)			
	Govern_Effect (+)	Serv_value_ad (-)			
	Freedom_trade (+)				
	Education_Index (-)				
	Labor_market_reg (-)				
	Pop_educ_level (+)				
Income_Index (-)					
Italy	Life_exp_birth_total (-)	Agric_for_fish (+)	Voice_Accountability (+)	Gover_deficit (+)	
	National_debt (-)	Govern_Effect (+)			
	Industry (+)	Rule_Law (+)			
	Infl_cons_prices (+)	Freedom_trade (+)			
	Reg_Quality (+)	Education_Index (-)			
	Size_Government (+)	Legal_Syst_Prop_Rights (+)			
	Pop_educ_level (+)	Labor_market_reg (-)			
	Serv_value_ad (-)				
	Income_Index (+)				
Latvia	Life_exp_birth_total_y (+)	FDI (+)	Gover_deficit (+)	Voice_Accountability (+)	Size_Government (+)
	National_debt (+)	Infl_cons_prices (+)			
	Industry (-)				
	Agric_for_fish (-)				
	Govern_Effect (+)				

	Reg_Quality (+)				
	Rule_Law (+)				
	Control_Corruption (+)				
	Education_Index (+)				
	Labor_market_reg (+)				
	Pop_educ_level				
	Serv_value_ad (+)				
	Income_Index (+)				
Lithuania	Agric_for_fish (-)	Life_exp_birth_total_y (+)	Freedom_trade (+)	Pol_Absence_Violence (+)	
	Govern_Effect (+)	National_debt (+)	Gover_deficit (+)		
	Rule_Law (+)	FDI (-)			
	Education_Index (+)	Industry (-)			
	Legal_Syst_Prop_Rights (+)	Voice_Accountability (+)			
	Pop_educ_level (-)	Control_Corruption (+)			
	Income_Index (+)	Serv_value_ad (+)			
Luxembourg	Life_exp_birth_total_y (-)	Govern_Effect (+)	Voice_Accountability (-)	FDI (+)	
	National_debt (-)	Rule_Law (+)	Size_Government (+)		
	Industry (+)	Freedom_trade (+)	Gover_deficit (+)		
	Agric_for_fish (+)	Labor_market_reg (+)			
	Control_Corruption (-)				
	Education_Index (-)				
	Legal_Syst_Prop_Rights (-)				
	Pop_educ_level (+)				
	Serv_value_ad (-)				
	Income_Index (+)				
Malta	Life_exp_birth_total_y (+)	National_debt (+)	Govern_Effect (+)	FDI (+)	
	Industry (-)	Control_Corruption (+)	Reg_Quality (+)		
	Agric_for_fish (-)				
	Pol_Absence_Violence (-)				
	Freedom_trade (+)				
	Education_Index (+)				
	Labor_market_reg (+)				
	Pop_educ_level (-)				
	Gover_deficit (+)				
	Serv_value_ad (+)				
Income_Index (+)					
Netherlands	Life_exp_birth_total_y (-)	National_debt (+)	Reg_Quality (+)	Voice_Accountability (+)	FDI (-)
	Agric_for_fish (+)	Rule_Law (+)	Legal_Syst_Prop_Rights (+)	Control_Corruption (-)	
	Pol_Absence_Violence (+)	Size_Government (-)	Gover_deficit (+)		
	Govern_Effect (+)				
	Freedom_trade (+)				
	Education_Index (-)				
	Labor_market_reg				
	Pop_educ_level (+)				
	Serv_value_ad (-)				
	Income_Index (-)				
Poland	Life_exp_birth_total_y (+)	Voice_Accountability (+)	Industry (+)	Control_Corruption (+)	
	National_debt (+)	Pol_Absence_Violence (-)	Legal_Syst_Prop_Rights (+)		

	Agric_for_fish (-)	Rule_Law (+)	Serv_value_ad (-)		
	Infl_cons_prices (-)				
	Freedom_trade (+)				
	Education_Index (+)				
	Labor_market_reg (+)				
	Pop_educ_level (+)				
	Income_Index (+)				
Portugal	Life_exp_birth_total_y (-)	Pol_Absence_Violence (+)	Size_Government (+)	FDI (+)	
	National_debt (-)	Govern_Effect (+)	Gover_deficit (+)		
	Industry (+)	Rule_Law (+)			
	Infl_cons_prices (+)	Freedom_trade (+)			
	Control_Corruption (+)				
	Education_Index (-)				
	Labor_market_reg (-)				
	Pop_educ_level (+)				
	Serv_value_ad (-)				
Roumania	Life_exp_birth_total_y (+)	National_debt (-)	Industry (-)	Govern_Effect (+)	Pol_Absence_Violence (+)
	Agric_for_fish (-)	FDI (+)	Serv_value_ad (+)	Gover_deficit (+)	
	Infl_cons_prices (-)	Size_Government (+)			
	Reg_Quality (+)				
	Rule_Law (+)				
	Control_Corruption (+)				
	Freedom_trade (+)				
	Education_Index (+)				
	Legal_Syst_Prop_Rights (+)				
	Labor_market_reg (+)				
	Pop_educ_level (-)				
	Income_Index (+)				
Slovakia	Life_exp_birth_total_y (+)	National_debt (-)	Voice_Accountability (+)	Pol_Absence_Violence (-)	
	FDI (-)	Industry (+)			
	Agric_for_fish (+)	Govern_Effect (+)			
	Infl_cons_prices	Reg_Quality (+)			
	Freedom_trade (+)	Control_Corruption (+)			
	Education_Index (+)	Size_Government (+)			
	Legal_Syst_Prop_Rights (-)	Labor_market_reg (+)			
	Pop_educ_level (-)				
	Serv_value_ad (+)				
	Income_Index (+)				
Slovenia	Life_exp_birth_total_y (+)	FDI (+)	National_debt (-)	Rule_Law (+)	
	Agric_for_fish (-)	Size_Government (+)	Control_Corruption (+)		
	Infl_cons_prices (-)	Gover_deficit (+)			
	Voice_Accountability (-)				
	Govern_Effect (+)				
	Education_Index (+)				
	Legal_Syst_Prop_Rights (+)				
	Labor_market_reg (+)				
	Pop_educ_level (-)				
	Income_Index (+)				
Spain	Life_exp_birth_total_y (-)	Agric_for_fish (+)	Labor_market_reg (+)	Legal_Syst_Prop_Rights (+)	

	National_debt (-)	Pol_Absence_Violence (+)	Income_Index (+)		
	Industry (+)	Govern_Effect (+)			
	Infl_cons_prices (+)	Freedom_trade (+)			
	Voice_Accountability (+)				
	Reg_Quality (+)				
	Rule_Law (+)				
	Control_Corruption (+)				
	Size_Government (+)				
	Education_Index (-)				
	Pop_educ_level (+)				
	Serv_value_ad (-)				
Sweden	Life_exp_birth_total_y (-)	Gover_deficit (+)	Education_Index (+)	Control_Corruption (+)	Infl_cons_prices (+)
	National_debt (+)			Legal_Syst_Prop_Rights (+)	
	Industry (+)				
	Agric_for_fish (+)				
	Pol_Absence_Violence (+)				
	Freedom_trade (+)				
	Labor_market_reg (-)				
Hungary	Income_Index (-)				
	Life_exp_birth_total_y (-)	National_debt (-)	Freedom_trade (-)	FDI (+)	
	Infl_cons_prices (+)	Agric_for_fish (+)	Size_Government (+)		
	Voice_Accountability (+)	Education_Index (-)			
	Govern_Effect (+)	Labor_market_reg (-)			
	Reg_Quality (+)				
	Rule_Law (+)				
	Control_Corruption (+)				
	Legal_Syst_Prop_Rights (+)				
	Pop_educ_level (+)				
Gover_deficit (-)					
Income_Index (-)					

These factors are used in the next paragraph as independent variables, considering the same dependent variables as in PLS regression.

Estimated PCR regression equations

As we have already stated, the factors obtained above are used as independent variables for two multiple regressions: in the first regression we will use the employment rate as the dependent variable, and in the other regression we will use the GDP growth rate as the dependent variable). The estimates obtained for each country are shown in Tables 14 and 15.

Table 14. Regression coefficients for the model with the dependent variable employment rate

	Constant	F1	F2	F3	F4	F5	F stat
Austria	56.482***	-0.851*** (0.000)	-0.116 (0.480)	0.109 (0.506)	-0.155 (0.348)	0.121 (0.461)	6.204*** (0.003)
Belgium	48.965***	-0.775***	-0.011 (0.911)	0.040 (0.685)	0.310*** (0.005)		19.037*** (0.000)

		(0.000)					
Bulgaria	47.558***	3.156*** (0.000)	0.074 (0.836)	0.726* (0.056)	0.785** (0.041)	0.692* (0.067)	19.080*** (0.000)
Czechia	55.827***	1.173*** (0.000)	-0.175 (0.332)	0.372* (0.051)	-0.287 (0.122)	0.872*** (0.000)	15.705*** (0.000)
Ciprus	57.975***	- 2.243*** (0.000)	1.104*** (0.001)	0.849*** (0.004)	0.710** (0.013)		29.427*** (0.000)
Croatia	45.618***	-0.710** (0.012)	0.957*** (0.002)	0.705** (0.012)	- 0.775*** (0.007)		10.203*** (0.000)
Denmark	60.785***	0.656*** (0.001)	1.174*** (0.000)	1.609*** (0.000)	0.000 (0.998)	0.142 (0.403)	32.493*** (0.000)
Estonia	55.348***	2.679*** (0.000)	0.796 (0.129)	-0.098 (0.846)			10.560*** (0.000)
Finland	54.924***	0.715*** (0.000)	- 0.572*** (0.000)	-0.124 (0.266)	0.492*** (0.000)		23.688*** (0.000)
France	50.668***	0.302*** (0.002)	0.405*** (0.000)	-0.112 (0.186)	0.254*** (0.007)	0.132 (0.125)	10.711*** (0.000)
Germany	55.288***	2.256*** (0.000)	0.426** (0.012)	-0.339** (0.037)	0.089 (0.556)	-0.412** (0.014)	51.158*** (0.000)
Greece	44.644***	1.542*** (0.000)	3.288*** (0.000)	1.375*** (0.001)			47.069*** (0.000)
Ireland	58.129***	1.257*** (0.000)	1.921*** (0.000)	- 1.276*** (0.000)	1.370*** (0.000)	1.465*** (0.000)	85.877*** (0.000)
Italy	44.147***	0.628*** (0.000)	- 0.487*** (0.000)	0.521*** (0.000)	0.002 (0.988)		19.881*** (0.000)
Latvia	52.409***	2.081*** (0.000)	1.288** (0.011)	1.146** (0.021)	0.918* (0.056)	-0.117 (0.794)	8.442*** (0.001)
Lithuania	52.194***	1.828*** (0.000)	0.630** (0.023)	2.099*** (0.000)	0.222 (0.389)		32.844*** (0.000)
Luxembourg	53.738***	- 1.512*** (0.000)	-0.149 (0.254)	-0.073 (0.570)	-0.301** (0.030)		38.249*** (0.000)
Malta	48.511***	2.086*** (0.000)	- 1.851*** (0.000)	-0.436* (0.073)	- 1.579*** (0.000)		51.135*** (0.000)
Netherlands	60.968***	0.119 (0.435)	-0.443** (0.010)	-0.116 (0.446)	- 0.627*** (0.001)	0.407** (0.016)	7.156*** (0.002)
Poland	49.611***	2.212*** (0.000)	-0.243 (0.409)	1.226*** (0.001)	2.183*** (0.000)		34.424*** (0.000)
Portugal	55.146***	2.598*** (0.000)	0.494* (0.068)	0.829*** (0.005)	- 0.962*** (0.002)		34.024*** (0.000)
Romania	51.912***	- 1.862*** (0.000)	- 0.974*** (0.005)	1.074*** (0.003)	-0.637** (0.048)	-0.269 (0.376)	13.997*** (0.000)
Slovakia	51.579***	1.838*** (0.000)	0.304 (0.382)	-0.184 (0.594)	0.701* (0.056)		8.739*** (0.001)

Slovenia	54.348***	0.201 (0.409)	0.727*** (0.008)	1.181*** (0.000)	-0.015 (0.949)		8.782*** (0.001)
Spain	48.110***	1.865*** (0.000)	- 0.903*** (0.000)	1.667*** (0.000)	0.766*** (0.000)		124.756*** (0.000)
Sweden	59.074***	-0.105 (0.248)	0.269*** (0.008)	0.479*** (0.000)	-0.175* (0.063)	0.415*** (0.000)	13.700*** (0.000)
Hungary	48.057***	- 2.821*** (0.000)	0.757** (0.048)	-0.910** (0.021)	0.250 (0.489)		18.963*** (0.000)

* Significance at the 0.1 level ** Significance at the 0.05 level *** Significance at the 0.01 level

Table 15. Regression coefficients for the model with the dependent variable GDP growth rate

Țara	Constant	F1	F2	F3	F4	F5	F statistic
Austria	1.641***	0.321 (0.317)	-0.513 (0.119)	0.197 (0.534)	0.836** (0.017)	0.448 (0.169)	2.734* (0.063)
Belgium	1.688***	0.203 (0.470)	-0.197 (0.484)	0.725** (0.019)	0.030 (0.913)		2.013 (0.144)
Bulgaria	3.629***	-1.059** (0.025)	0.818* (0.074)	0.008 (0.985)	1.696*** (0.001)	-0.441* (0.315)	5.426*** (0.006)
Czechia	2.861***	-0.181 (0.734)	-0.353 (0.511)	-1.083* (0.057)	-0.861 (0.122)	1.176** (0.041)	2.523* (0.079)
Ciprus	2.495***	-1.978*** (0.001)	0.949* (0.052)	-1.760*** (0.001)	1.002** (0.042)		10.992*** (0.000)
Croatia	2.026***	-0.925 (0.108)	-0.434 (0.435)	-1.117* (0.057)	-1.895*** (0.003)		5.022*** (0.009)
Denmark	1.410***	0.221** (0.582)	-0.938* (0.031)	0.712 (0.091)	-0.098 (0.806)	-0.153 (0.702)	1.916 (0.155)
Estonia	4.070***	-1.294 (0.209)	0.057 (0.955)	3.783*** (0.001)			5.467*** (0.009)
Finland	1.647**	1.128* (0.069)	0.313 (0.595)	1.559** (0.016)	-0.077 (0.896)		2.866* (0.060)
France	1.420***	0.331 (0.273)	-0.146 (0.623)	0.727** (0.025)	0.094 (0.750)	0.045 (0.880)	1.596 (0.225)
Germany	1.368***	0.362 (0.397)	0.753 (0.091)	-0.109 (0.796)	1.182** (0.013)	0.361 (0.398)	2.611* (0.072)
Greece	0.399	3.522*** (0.000)	1.247*** (0.004)	-1.530*** (0.001)			38.221*** (0.000)
Ireland	4.996***	-0.033 (0.973)	3.725*** (0.001)	3.433*** (0.003)	-0.312 (0.747)	-0.210 (0.828)	5.759*** (0.004)
Italy	0.392	0.243 (0.520)	0.778* (0.052)	0.456 (0.235)	0.985** (0.017)		3.402** (0.036)
Latvia	3.818***	-2.157*** (0.002)	2.556*** (0.000)	4.472*** (0.000)	-0.437 (0.440)	-0.335 (0.553)	20.787*** (0.000)
Lithuania	4.153***	-0.740 (0.395)	-2.283** (0.016)	2.526*** (0.009)	2.021** (0.030)		5.690*** (0.005)
Luxembourg	3.100	0.485 (0.499)	0.062 (0.931)	0.753 (0.299)	0.487 (0.497)		0.532 (0.714)
Malta	4.001***	1.379** (0.046)	-0.326 (0.615)	-0.755 (0.252)	-0.979 (0.144)		2.198 (0.119)
Netherlands	1.565***	0.177 (0.493)	-0.577** (0.038)	1.262*** (0.000)	0.288 (0.272)	-0.535* (0.052)	7.329*** (0.001)
Poland	3.830***	-0.058 (0.777)	- 1.136***	0.693*** (0.003)	-0.232 (0.263)		11.461*** (0.000)

			(0.000)				
Portugal	0.874**	0.167 (0.686)	0.422 (0.314)	1.138** (0.013)	-0.597 (0.162)		2.823* (0.063)
Roumania	4.064***	-0.566 (0.394)	2.245*** (0.004)	0.986 (0.148)	1.542** (0.031)	-0.324 (0.623)	4.247** (0.015)
Slovakia	3.798***	-1.138* (0.081)	1.511** (0.025)	1.116* (0.087)	0.703 (0.266)		3.589** (0.030)
Slovenia	2.412***	-0.441 (0.349)	2.236*** (0.000)	-0.427 (0.364)	-1.274** (0.014)		8.430*** (0.001)
Spain	1.846***	0.813** (0.014)	1.606*** (0.000)	1.036*** (0.003)	0.628* (0.050)		13.606*** (0.000)
Sweden	2.295***	0.350 (0.551)	0.646 (0.279)	0.175 (0.765)	-0.288 (0.624)	-0.005 (0.993)	0.397 (0.843)
Hungary	2.632***	-0.429 (0.319)	2.154*** (0.000)	-0.897** (0.048)	0.144 (0.735)		8.144*** (0.001)

* Significance at the 0.1 level ** Significance at the 0.05 level *** Significance at the 0.01 level

The obtained results highlight the fact that the influence of the economic, social and institutional dimensions manifests itself mainly on the employment rate compared to the GDP growth rate. Regarding the influence on the employment rate, in the case of the Western European countries, a positive influence of the economic and social dimensions is observed, in contrast to the countries of Central and Eastern Europe, where alongside the economic dimension, the institutional dimension also appears as significant. Regarding the GDP growth rate, a significant influence of the economic and social dimension is observed for most countries in the European Union. The meaning of this influence is positive, except for a few countries (Bulgaria, Cyprus, Slovakia).

Identifying the main drivers of economic resilience in EU countries is essential for guiding policy decisions, managing risks, promoting sustainable development, and building a more robust and competitive economic environment in the European Union. Countries with higher economic resilience are often more competitive globally. By understanding the main drivers, EU countries can improve their competitiveness and seize opportunities in international markets. Furthermore, economic resilience is not a static characteristic; it requires adaptability. Identifying the main drivers allows for continuous monitoring and adjustment of policies to meet changing economic conditions and emerging challenges. By focusing on strengthening the identified drivers, governments can enhance their country's ability to withstand economic shocks and recover more quickly from crises.

Conclusions

The paper's objective is to identify the main economic, social and institutional drivers for two of the most important output indicators of economic resilience, GDP growth rate and Employment rate, for the countries in the European Union. The results of the analysis revealed several important aspects:

- The influence of the economic, social and institutional dimensions is mainly manifested on the employment rate compared to the GDP growth rate.
- Regarding the influence on the employment rate, in the case of the countries of Western Europe, a positive influence of the economic and social dimensions is observed, in contrast

to the countries of Central and Eastern Europe, where the institutional dimension appears as significant along with the economic dimension.

- Regarding the GDP growth rate, a significant influence of the economic and social dimension can be observed for most countries in the European Union, the influence being positive, except for a few countries (Bulgaria, Cyprus, Slovakia).

Analyzing economic resilience in European Union (EU) countries is of paramount importance due to several reasons, such as:

- Economic Stability: Economic resilience measures a country's ability to withstand and recover from economic shocks and crises. Given the interconnectedness of EU economies, a shock in one country can have ripple effects across the region. Understanding the resilience of individual EU countries helps policymakers identify vulnerabilities and design appropriate measures to manage and mitigate potential economic crises;

- Investment Decision-Making: For investors, economic resilience is a critical factor in determining where to allocate resources. Countries with higher resilience are often seen as safer investment destinations, as they are better equipped to weather economic downturns and provide more stable returns;

- Social Well-being: Resilient economies are better equipped to maintain employment levels and protect the well-being of their citizens during challenging economic times. Understanding resilience helps policymakers design social safety nets and support mechanisms that can safeguard people's livelihoods during economic disruptions;

- Sustainable Development: Economic resilience is closely linked to the concept of sustainable development. Countries with higher resilience are better positioned to address environmental, social, and economic challenges in a sustainable manner. By fostering resilience, countries can work towards achieving the United Nations Sustainable Development Goals (SDGs) in a more robust and effective manner;

- Regional Cohesion: The EU aims to promote cohesion among its member states, reducing economic disparities and fostering shared prosperity. Analyzing economic resilience can help identify regions and countries that may require additional support to strengthen their economic foundations and contribute to overall regional cohesion.

Overall, analyzing economic resilience in European Union countries provides valuable insights that can inform policy decisions, foster stability and growth, and contribute to the long-term prosperity and well-being of both individual member states and the EU as a whole.

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IMPACT OF CORRUPTION ON ECONOMIC GROWTH: AN EMPIRICAL EVIDENCE FROM NIGERIA

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Abstract: *This study examines the impact of corruption on economic growth in Nigeria from 1986 to 2019. The study used the Johansen cointegration test and vector error correction tests for the data analysis. The study shows that increases in the level of corrupt practices significantly inhibit economic growth in Nigeria in the long run but are insignificant in the short run at the 5% level of significance. The study further reveals that there is a weak transmission effect of corruption on economic growth in Nigeria through household consumption, foreign direct investment, domestic investment, government spending, export and import of goods and services in Nigeria. The study recommends that in fighting corruption, Nigeria requires good and virtuous leaders who are honest with integrity, discipline and trustworthiness, the creation of employment, and the upgrading of Nigeria police among others and that the Nigerian government should advance the use of anti-corruption agencies such as the Independent Corrupt Practices Commission to properly investigate corrupt practices and to apportion appropriate sanctions, strengthen its institutions, and intensify efforts to create more agencies beside the Economic and Financial Crimes Commission and Independent Corrupt Practices Commission to address cases of corrupt practices in the economy.*

Keywords: *Consumption, corruption, economic growth, government expenditure, investment.*

JEL Classification: *D73, O47*

Introduction

Corruption is a complex and multifaceted phenomenon with multiple causes and effects, as it takes on various forms and functions in different contexts. It ranges from the broad terms of "misuse of public power" and "moral decay" to strict legal definitions of corruption as an act of bribery involving a public servant and a transfer of tangible resources (Andvig, *et al.*, 2000). For simplification, it can be seen as the abuse of public office for private gain or the abuse of entrusted power (World Bank, 2012; Transparency

International, 2013). Corruption is a global problem, and no country of the world is totally free of its menacing grip (Chimakonam, 2011). It has been seen as a structural problem of political, economic, cultural and an individual's malaise (Akor, 2014). It has affected many countries all over the world, especially developing countries (Nageri, *et al.*, 2013). It is found not only in democratic and dictatorial societies but also in feudal, capitalist and socialist economies. Christian, Muslim, Hindu and Bhuddist cultures are equally bedeviled by corruption (Dike, 2005). Corruption exists in the public and private sectors, profit and nonprofit as well as charitable organizations. It subsists both in developing and developed nations but is predominant in developing countries; hence, it remains a symptom of a poorly functioning nation. Although corruption is a global issue, it is a recurring issue in the Nigerian discourse. It is a significant obstacle to businesses in Nigeria, as companies are very likely to encounter bribery and other corrupt practices. Thus, corruption inhibits economic growth and affects business operations, employment and investments (Šumah, 2018). Not only does corruption affect economic development in terms of economic efficiency and growth, it also affects equitable distribution of resources across the population, increasing income inequalities with a much skewed income distribution, undermining the effectiveness of social welfare programmes, and weakening effective demand in an economy and ultimately resulting in lower levels of investment, trade flows, government effectiveness, and generally human development. This, in turn, may undermine long-term sustainable development, economic growth and equality (Transparency International, 2014). According to (Transparency International, 2014), corruption has a direct impact on economic growth and development and indirect effects on a country's economic performance by affecting many factors fueling economic growth, such as investment, taxation, composition and effectiveness of public expenditure. Also, (Ugur & Dasgupta, 2011) posit that corruption has indirect effects through transmission channels such as investment, human capital and public finance/expenditure.

Scholars have long identified a number of channels through which corruption may affect economic growth (Mauro, 1995; Tanzi, 1997; Gupta, Davoodi & Alonso-Terme, 2002; Gyimah-Brempong, 2002). They have argued that corruption distorts incentives and market forces, leading to misallocation of resources; diverts talent and resources, including human resources, toward "lucrative" rent-seeking activities; acts as an inefficient tax on business, ultimately raising production costs and reducing the profitability of investments; decreases the productivity of investments by reducing the quality of resources; and creates inefficiencies, fuelling waste of resources and undermining the efficiency of public expenditure (Transparency International, 2014). However, the level of economic growth is the priority of every nation. It occurs when a society becomes more productive and is able to produce more goods and services without misuse and misappropriation of resources. Nigerian macroeconomic performance over the last four decades can be described as being chequered (Lawal & Ijirshar, 2015). This is because an average annual GDP per capita growth of 2.81% was recorded between 1961 and 1970 and 2.11% between 1971 and 1980. While the country has remained one of the most corrupt countries, the rate of economic growth decreased drastically to -3.12% between 1981 and 1990 and -0.16% between 1991 and 2000, depicting negative growth for the economy. The growth, however, improved significantly between 2001 and 2010, leaving an average GDP per capita growth at 7.95% and 2.5% in 2011, which suddenly declined to -0.4% in 2019. The GDP per capita growth further declined to -4.3% in 2020 (World Bank, 2022).

The consequences of these corrupt practices on economic growth in Nigeria are assumed to be scaring and tend to deteriorate the whole economic system. Several studies have revealed negative effects of corruption on the growth of an economy (Ngutsav, 2018; Asom & Ijirshar, 2017; Ajie & Gbenga, 2015; Nageri, *et al.*, 2013; Adewale, 2011). Even Adewale (2011) posits that although corruption is a universal phenomenon, its magnitude and effects are more severe and deep-seated in Nigeria. These seem to have trapped the pace of economic growth in Nigeria, as argued by several authors (Enofe, *et al.*, 2016; Ajie & Gbenga, 2015; Nageri, *et al.*, 2013; Hodge, *et al.*, 2009; Adewale, 2011; Adenike, 2013; Kyarem, 2015). In addition, Tolu and Ogunro (2012) argued that the futile attempt by the government to fight the cankerworm stems from the fact that the government itself is greatly infected with the virus and an average Nigeria is seen as corrupt in most parts of the world.

On the other hand, other scholars have counterargued that corruption is a beneficial grease that lubricates the engine of economic growth (Aidt, 2009; Leff, 1964; Huntington, 1968; Summers, 1977; Lui, 1985). Given the above controversies with the high incidence of corrupt practices and the staggering nature of economic growth in Nigeria, the empirical verification of the economic growth effects of corruption is an exercise whose need cannot be disputed. Moreover, despite having the world's seventh largest reserve of crude oil coupled with other resources in Nigeria, poverty and underdevelopment still ravage the country with unstable economic growth. This can be seen from all indices of development over the years. The dwindling or staggering economic growth is witnessed with numerous economic challenges, such as heightened levels of poverty, unemployment, insecurity, and high inequality gaps, which have left the country in a fragile state. Given that the empirical evidence known to the researcher has not satisfied the researcher's assessment of the relationship between corruption and economic growth. This is because, as alluded to earlier, corruption has direct and indirect effects on economic growth. The basic motivation in this study is therefore to examine the direct impact of corruption on economic growth in Nigeria and the indirect effects of corruption on economic growth through the drivers of economic growth, such as household consumption, investment (foreign direct investment and domestic investment), government spending and trade flows, as posited by Keynes. Against this backdrop, this paper examines the relationship between corruption and economic growth in Nigeria from 1986 to 2019. This period covers the post-SAP era to 2019 while excluding the recent periods recorded economic recession due to the lockdown that orchestrated by the COVID-19 pandemic.

Literature Review

Theoretical Review

The theories reviewed in this study include principal-agent theory, moralist theory, revisionist theory, cultural and customary activity theory, Marxian theory of corruption, beneficial grease theory, rent seeking theory, Keynes general equilibrium theory, and policy-oriented theory of corruption.

Principal-Agent theory: Corruption is viewed by the principal-agent theory. The theory of the principal-agent follows from the relationship between an agent and a principal. The principal is a task-giving person, and the agent is the person who receives and executes the task. The agents have to attempt to complete the task, which also involves some sacrifices.

The problem that can happen is when asymmetric information is revealed to the principal and the agent. The sum is that the principal and the agent have distinct objective interests in the beginning (Becker & Stigler, 1974; Persson, Rothstein & Teorell 2013). In this study, the principal is often embodied as the public interest and the agents as people pursuing corrupt transactions. Corruption happens when, for the sake of his or her own self-interest, an agent misleads the principal's interests. This is possible due to the asymmetry of information that has emerged between the two elements.

Revisionist Theory: Revisionist theory suggests that corruption is inevitable in developing countries because it is part of precolonial societies' social norms, traditions and practices (Kyarem, 2015; Burns, 1960; Gordon & Scott, 1965). According to Bayley (1966), the man who is in a non-Western country is corrupt and not condemned at all by his own society; indeed, he may conform to a pattern of behavior his/her peers, family and friends since they strongly support and applaud it. Implicit in the revisionist postulations is the salient focus on both the unavoidable existence of the character of corruption at certain stages of development and the implied contributions of the practice to the process of modernization and development. This theory stressing the universality of corruption is firmly opposed by (Akinpelu, 1983; Nnoli, 1980), among many others (disregarding colonial backgrounds). They also show in these separate studies that individualistic and materialistic tendencies and corruption were not promoted by precolonial societies (Kyarem, 2015).

Beneficial Grease Theory: This theory is also called “virtuous bribery” by Wei (1998). Wei (1998) claimed that corruption can make positive contributions to an economy's economic and political growth. Scholars such as Merton (1958), Myrdal (1968), and Leff (1964) pioneered this theory. The premise of this theory is that corruption, especially bribes, often act as 'grease' when the wheels commence or when the bureaucratic bottlenecks in trade and industry constitute a stumbling block to efficiency. To Wei (1998) corruption can be like grease, speeding up the wheels of commerce, and if corruption does slow down economic growth, East Asia must be an exception because while the region seems corrupt, it is able to attract lots of foreign investment and generate growth. More so, Myrdal (1968) and Leff (1964) averred that corruption, especially when it serves as a deliberate weapon against administrative delay (which attracts more bribes) and thus a lubricant to a stagnant economy, can make positive contributions to the growth of an economy. Liu (1985) agreed with this point of view that corruption minimizes the average time cost of waiting for public sector services to materialize, albeit typically very late. Among many economists, the theory of grease has generated moral bitterness. To Hindricks, *et al.*, (1998), in only exceptional instances when bad regulations and financial harassment are considered exogenous, the grease theory is true. However, grease theory was strongly opposed by Kaufman (1998) on empirical grounds. In their theoretical postulations, Mauro (1995), Knack and Keefer (1996), and Rose-Ackerman (1996) all show that development is moral and ethical, and corruption is immoral and unethical and that there is no morality in immorality, so corruption as a norm cannot result in development. However, this may be seen as more inclined and dogmatic to ethical grounds than economic benefits that may be obtained from the act.

Rent Seeking Theory: The theory of rent seeking claims that too much government interference in economic activities generates opportunities for rent-seeking. According to Klitgaard (1988), unethical rent-seeking practices arise when a public official has a monopoly on products or services and decides who gets what, when and how much the

beneficiary gets. To Obuah (2010) public officials' rent-seeking activities harm creative activities and thus slow down a country's technological growth. Shleifer and Vishny (1993) also claim that rent-seeking practices can much more seriously hamper growth than production. The concept of rent-seeking was developed in 1967 (Tullock, 1967), while Krueger (1974) coined the expression rent-seeking in 1974. The word "rent" here does not refer to a lease payment but stems instead from the division of income into profit, wage, and rent. The term's origin refers to the acquisition of control over land or other natural resources. Rent-seeking is an attempt to obtain economic rent by manipulating the social or political environment in which economic activities take place, rather than manipulating the social or political environment in which economic activities take place, that is, the portion of income paid to a production factor in excess of what is necessary to keep it employed in its current use by manipulating the social or political environment in which economic activities occur, rather than by creating new wealth. Rent-seeking means gaining uncompensated value without making any contribution to production from others.

Keynes General Equilibrium Theory: The theory was developed by (Keynes, 1936). According to Keynes (1936), national income is determined by government, foreign trade, individuals, businesses and trusts. Keynes categorized the different sources of income into four sectors: the household sector, business sector, government sector, and foreign sector (Nitisha, 2019). Prior to the four-sector model, the two-sector model of the economy involves households and businesses only, while the three-sector model represents household businesses and the government. On the other hand, the four-sector model contains expenditure by households, investment by businesses, spending by the government, and transactions from the foreign sector, as noted earlier. According to Keynes (1986), equilibrium employment (income) is determined by the level of aggregate demand (AD) in the economy, given the level of aggregate supply (AS). The concept of Aggregate Demand (AD), as argued by (Keynes, 1936), refers to the total demand for goods and services in an economy. AD is related to the total expenditure flow in an economy in a given period. It is symbolically expressed as:

$$Y = C + I + G + (X - M) \quad (1)$$

Y is national income, C is consumption demand by households, I is investment demand, G is government expenditure, and (X – M) is net income from abroad. This theory explains the determinants of national income or economic growth. However, the growth of an economy is often not exogenously determined but depends on other factors from which corruption is one of them. It may either grease the wheels or sand the wheels of economic growth.

Therefore, this study is anchored on the theories of corruption and the Keynesian theory of economic growth. Regarding corruption theories, corruption can either grease the wheels or sand the economic growth wheels. This may hurt the economy directly or affect the drivers of economic growth, as highlighted in the Keynesian model.

Empirical Review

There are several panel studies on corruption and economic growth. Using 185 countries from 2005 to 2015, Hoinaru, *et al.* (2020) explored the manner in which

corruption and the shadow economy affect economic and sustainable growth. The study discovered a negative relationship between corruption and the shadow economy on the one hand and economic and sustainable growth on the other, using pooled OLS, fixed-effects and random-effects (GLS). To account for the dynamic effects of corruption, Sharma and Mitra (2019) assessed the impact of corruption control and regulation quality on growth across countries from 1996 to 2015. The study used dynamic panel data models to account for the endogeneity problem. The study found that there is more support for ‘sand the wheels’ theory at the aggregate level as well as for lower- and lower-middle-income countries. Also, Tidiane (2019) also studied the relationship between corruption, public spending and economic growth in the countries of the Economic and Monetary Union of West Africa (WAEMU) between 2001 and 2014. The Panel Vector Auto Regressive (VAR) model was used. The study found that corruption lowers public expenditure ratios and has a negative effect on economic growth in WAEMU countries. Also, Gründler and Potrafke (2019) also examined the nexus between corruption and economic growth covering 2012 to 2018 for 175 countries. Using fixed effect and random effect regression models, the study found that the cumulative long-run effect of corruption on growth is that real per capita GDP decreased. Improving on the methodology, Also, Saha and Sen (2019) also examined the role of political institutions in mediating the corruption–growth relationship using panel data of 100 hundred countries covering 1984 to 2016. The two-stage least square technique and dynamic panel-system-GMM methods were utilized to account for ethnic tensions and lagged variables. The study found that the corruption–growth relationship differs by the type of political institution, and the growth-enhancing effect of corruption is more likely in autocracies than in democracies. Also, Vieira (2018) also evaluated the impact of corruption on economic growth using unbalanced panel data with 2907 observations from 174 countries and 23 years between 1995 and 2017. The study estimated using bootstrapping that the impact of corruption on growth is negative and that the hypothesis “greasing the wheels” is not supported in the data. Thach, *et al.* (2017) studied the effect of corruption on economic growth by using data from 19 Asian countries from 2004 to 2015 with DGMM data processing techniques and quantile regression while evaluating the impact of corruption on Asian countries' economic growth. The study found that corruption is an obstacle to these Asian countries' economic development.

The effect of corruption on economic growth in developing countries is assessed by Fraj and Lachhab (2015) using panel data for 26 developing countries covering the period 1996 to 2013. For data analysis, fixed and random effects were employed. The study found that corruption has a detrimental effect on human capital accumulation, which threatens developing countries' economic growth. Also, Bounoua and Matallah (2014) also investigated the impact of corruption on economic growth in Algeria from 1995 to 2011. The Johansen cointegration test and vector error correction model (VECM) were employed, and the findings indicated that both ‘freedom from corruption’ and ‘control of corruption’ have long-term positive effects on enhancing economic growth in Algeria. They used control for corruption for the measure of corruption. The causal relationship between economic growth and corruption was examined by Wright and Craigwell (2013) in 42 developing countries using linear and nonlinear panel methods over the period 1998 to 2009. The study found that corruption appears to Granger cause economic growth. Also, Amin, *et al.* (2013) also examined the relationship between corruption and economic

growth in Pakistan from 1985 to 2010. Using a multiple regression technique, the study found that corruption has a negative impact on per capita income in Pakistan.

Studies on corruption and economic growth from outside countries are as follows. In trying to establish the threshold, Alfada (2019) used a nonlinear approach to measure the impact of corruption on economic growth in Indonesia from 2004 to 2015 using the instrumental variable two-stage least squares (2SLS) estimator. The study found that for provinces with corruption levels below the threshold, the impact of corruption suggests a growth-deteriorating effect, and the destructive effect of corruption appears greater for provinces with corruption levels above the threshold and that most provinces are struggling with corruption problems, even if they have succeeded in retaining their corruption levels. Furthermore, the study shows that some provinces, such as Riau and West Java, have significant corruption issues and have been in a high-corruption category, while some provinces, such as Lampung and North Sulawesi, are able to reduce their levels of corruption and switch to a low-corruption group. To examine the impact of corruption on growth, Dwiputri, *et al.* (2019) used ordinary least squares (OLS) and two-stage least squares (TSLS) methods with an instrumental variable. The analysis uses panel data from countries in Asia from 2000 to 2015 and finds that corruption could reduce the share of capital in the gross domestic product (GDP) as well as decrease capital growth, especially in countries with weak institutional systems.

Contrary to other scholars, Cabaravdic and Nilsson (2017) support the idea of corruption as a greaser for economic growth. In their study of the effect of corruption on economic growth in Southern Europe, using a linear panel data regression model with robust standard errors with fixed effects, they observed that corruption has a positive effect on the real gross domestic product per capita of 14 countries in the Southern European and the Balkan regions. Similarly, Nyagwui (2017) also examined the causal relationship between corruption and economic growth in 28 developing countries using panel data with fixed effects to control for unobservable heterogeneity over the period 2002 to 2016. The study found that corruption has a positive correlation with economic growth, while the rule of law has a negative correlation with economic growth. To empirically test whether growth leads to lower corruption, Bai, *et al.* (2013) used cross-industry heterogeneity in growth rates within Vietnam. The study used survey data collected between 2006 and 2010 from over 13,000 Vietnamese firms and a strategy of instrumental variables focused on business growth in other provinces. The study findings showed that firm growth actually causes a decrease in bribe extraction. The study suggested that as poor countries grow, corruption could subside on its own, and they demonstrated one type of positive feedback between economic growth and good institutions. This justifies the endogeneity that exists between corruption and economic growth. Again, (Bai, *et al.*, 2017) again assessed whether firm growth reduces corruption using data from over 10,000 Vietnamese firms. The study employed instrumental variables based on growth in a firm's industry in other provinces within Vietnam and in China. The study found that firm growth reduces bribes as a share of revenues.

There are some time series studies on Nigeria. For instance, using annual data between 1981 and 2015, Ngutsav (2018) investigated the effects of corruption and government spending on economic development, as well as the pass-through effect of corruption on economic growth through government spending in Nigeria. The study made use of the vector error correction technique for the analysis. The study found that corruption

has a negative impact on economic growth. Analyzing the effect of corruption on economic growth and cultural values in Nigeria from 1999 to 2015, Asom and Ijirshar (2017) situated the need for value reorientation. The study utilized ordinary least squares for the analysis and found a negative effect of corruption on the economic growth of Nigeria. Corruption and economic growth in Nigeria have been discussed by Enofe, *et al.* (2016). Basically, the study centered on the impact of corruption on Nigeria's economic growth. From the public and private sectors, a sample of 100 participants was chosen. The hypotheses were tested using nonparametric statistical methodology. The outcome shows that the Nigerian economy has been pervaded by corruption and has eaten deep into the fabric of society. This research is not typical since the methodology used was nonparametric, with elements of subjectivity in obtaining the necessary data. The study has also not examined the indirect effects of corruption on economic growth in Nigeria.

In trying to subject the effect of corruption to different regions based on the level of development, Hjertstedt and Cetina (2016) examined how corruption can have different outcomes on economic growth in Sub-Saharan Africa and Southeast Asia, where corruption has different economic outcomes. The countries in the study are Botswana, Nigeria, Kenya, South Africa, South Korea, Thailand, Vietnam and Indonesia. The study used data on corruption indexes, annual growth in GDP, and socioeconomic indicators such as political stability and Rule of Law from 1996 to 2015. The results were analyzed through principal-agent theory, and the study findings showed that corruption has no direct effect on economic growth, but socioeconomic indicators have an important role in explaining the different outcomes of corruption. This study, however, did not trace the indirect effect of corruption on economic growth in the selected region. Moreover, the sample of the countries used may suffer from fallacy of composition in terms of generalization of the findings. Using time series data from 1960 to 2012, Shuaib, *et al.* (2016) investigate the effect of corruption on the growth of the Nigerian economy. The study used cointegration analysis to assess the time series data from Nigeria and used an error correction mechanism to evaluate the long-run relationship between the examined variables. The study found that bribery has an inverse relationship with economic growth. The study, however, examines only the direct effect of corruption on economic growth in Nigeria, neglecting the indirect effects that may be prominent. Using annual data spanning 1996 to 2012, Nageri, *et al.* (2013) investigated the effect of corruption on economic growth in Nigeria using ordinary least squares (OLS). The study found that corruption has a major adverse impact on economic growth and development. For the period from 1996 to 2013, Ajie and Gbenga (2015) investigated the effect of corruption on economic growth in Nigeria. The outcome of the regression analysis revealed that Nigeria has a negative relationship between economic growth and the degree of corruption. Using Granger causality and the ordinary least squares technique, Nwankwo (2014) empirically investigated the effect of corruption on the growth of the Nigerian economy from 1997 to 2010. The study revealed that the level of corruption has a significant negative impact on economic growth in Nigeria. In a similar finding, Mathew, *et al.* (2013) studied corruption and economic growth in Nigeria from 1994 to 2005 using the ordinary least squares (OLS) technique. The findings showed that corruption hurts economic growth. The crowding out effects of corruption and its destabilizing implications on the economic growth of Nigeria from 1986 to 2009 was examined by Bakare (2011) using a parsimonious error correction mechanism. The study found that there is a negative relationship between corruption and output growth in Nigeria.

Also, Rano and Akanni (2009) investigated the impact of corruption on economic growth in Nigeria from 1986 to 2007 using the traditional ordinary least squares (OLS) technique. The study found that corruption exerts a negative effect on economic growth.

Another study by Adenike (2013) empirically investigated the impact of corruption on economic growth in Nigeria from 1980 to 2009 using the ordinary least squares technique. The study showed that corruption per worker exerts a negative influence on output per worker directly and indirectly on foreign private investment, expenditure on education and capital expenditure per worker. Hodge, Shankar, Rao and Duhs (2009) explicitly modeled the transmission channels through which corruption indirectly affects growth. The results suggested that corruption hinders growth through its adverse effects on investment in physical capital, human capital, and political instability. In a closely related study, Sunkanmi and Isola (2014) examined the causality between corruption and economic growth in Nigeria from 1990 to 2010. The Johansen cointegration test, Granger causality test and ordinary least squares methods were used. Five models were identified; the first four models examined the relationship between corruption and different determinants of economic growth, while the last model examined the relationship between economic growth and corruption. The result showed that there was no substantial correlation between corruption and the determinants of economic growth (openness of the economy and globalization, government spending, foreign direct investment, gross capital formation) and that there was a positive link between corruption and economic growth. This reinforces current claims that a country's level of corruption is a relevant determinant of the level of economic growth. However, in terms of time and the methodology used, the analysis lacks sufficient coverage because OLS can lead to biased and inaccurate estimates in situations where a single equation is applied to the variables that suffer from endogeneity problems. The opposite finding in Nigeria was drawn by Onakoya and Folorunsho (2015), who assessed the effect of corruption on Nigeria's economic growth from 1983 to 2012. Johansen cointegration and vector error correction model (VECM) tests found that Nigeria has a significant positive and long-term correlation between corruption and economic growth.

Methodology

Empirical Model

This study is anchored on the theories of corruption (principal-agent theory, moralist theory, revisionist theory, cultural and customary activity theory, Marxian theory of corruption, beneficial grease theory, and rent-seeking theory) and the four-sector Keynesian model. From the corruption theories, corruption can either “sand the wheels” of economic growth or “grease the wheels” of economic growth. Hence, the economic growth model can be expressed in a functional form as:

$$Y = f(CPI) \quad (2)$$

where Y is national income or economic growth and CPI is the corruption indicator. However, corruption may hurt the economy directly or affect the drivers of economic growth, as highlighted in the Keynesian model. Thus, the four-sector Keynesian model or economic growth model can be specified as follows:

$$Y = f(C, I, G, NX) \quad (3)$$

where Y is the national income, C is the consumption expenditure, I is the Investment expenditure, G is the government expenditure and NX is the net exports (Exports-Imports). As stated earlier, the broad theories of corruption states that corruption may either grease the wheels of economic growth or sand the wheels of economic growth. Capturing Y as economic growth (rate of change of RGDP), C as household consumption, G as government spending and $EXPT$ as good and services exported while $IMPT$ as good and services imported. Incorporating the corruption index, the mode becomes:

$$ECG = f(CPI, HHC, I, GSP, EXPT, IMPT) \quad (4)$$

ECG=Economic growth: the rate of change of real GDP, CPI= Corruption Perceptions Index, HHC= Household consumption as percent of GDP, GSP= Government spending as percent of GDP, ITOP= Trade openness, EXPT=exports of goods and services, and IMPT=imports of goods and services.

Further decomposing the investment component (I) into domestic and foreign investment, the model can be re-stated as:

$$ECG = f(CPI, HHC, DIV, FDI, GSP, EXPT, IMPT) \quad (5)$$

where FDI= Foreign Direct Investment, percent of GDP and DIV= Domestic Capital investment as percent of GDP.

Converting the above equation to a probabilistic mathematical form, we have

$$ECG = \beta_0 + \beta_1CPI + \beta_2HHC + \beta_3DIV + \beta_4FDI + \beta_5GSP + \beta_6EXPT + \beta_7IMPT + \mu_t \quad (6)$$

where: β_0 is the intercept, $\beta_1 - \beta_7$ are the parameters to be estimated U_t is the error term.

However, corruption can influence economic growth through its impact on investment in physical capital (Romer, 1994; Mauro, 1995; Ades & Di-Tella, 1997; Mauro, 1997; Wei, 2000; Jain, 2001) and other growth determinants. Corruption also distorts investment in human capital. It weakens tax administration and can lead to tax evasion and improper tax exemptions, adds to the operating cost of government and affects the composition of government expenditure, which lowers tax revenue and diminishes the resources available for funding public provision of services, including education and health (Mauro, 1997; Gupta, Davoodi & Alonso-Terme, 2002). Thus, corruption has a potential impact on government size by encouraging increased and inefficient allocation of government resources as corrupt officials seek to maximize their rent extracting potential (Montinola & Jackman, 2002). Corrupt officials could also take an alternative route and maximize their rents by limiting the amount of public consumption expenditures. Corruption also affects trade balance in terms of rent-seeking activities created through quotas or licenses

(Krueger, 1974; Southgate *et al.*, 2000). Hence, VAR models were used to estimate the relationship between corruption and economic growth in Nigeria.

Data and Sources

This study employed secondary data on the relevant variables. The data on economic growth (rate of change of real GDP), household consumption as a percent of GDP, foreign direct investment as a percent of GDP, domestic capital investment as a percent of GDP, government spending as a percent of GDP, trade openness, political stability, exports of goods and services as a percent of GDP and imports of goods and services as a percent of GDP were retrieved from World Bank Statistics, while data on the corruption perception index were retrieved from Transparency International. The study has a short time frame of 34 years (1986-2019).

Method of Data Analysis

This research used both descriptive and econometric techniques. The descriptive techniques that are used include means, median, skewness, kurtosis, and Jarque-Bera (normality test), while the econometric techniques include the Augmented Dickey Fuller (ADF) test, Johansen cointegration test, and Vector Error Correction test. To avoid spurious estimates, the Jarque-Bera test of normality is adopted in this study to determine if the data sets, estimates and residuals are well modeled by a normal distribution. The vector error correction (VEC) residuals serial correlation LM test was used to determine whether there was evidence of serial correlation at d-lag. The Vector Error Correction VEC residuals normality test was used to assess whether the residuals were normally distributed, while Vector Error Correction (VEC) residuals heteroscedasticity tests were used to examine the presence or absence of heteroscedasticity in the model.

Results and discussion

Results of Unit Root Test

It is sacrosanct to test for the existence of unit roots in the variables and establish their order of integration. The results of the Augmented Dickey-Fuller test for all the time series variables used in the estimation are presented in the Table 1.

Table 1: Result of the ADF unit root test

Variables	At level	First Difference	1%Critical Level	5%Critical Level	10%Critical Level	Order of Integration
ECG Prob	-2.099316 0.2463	-10.00043 0.0000*	-3.661661	-2.960411	-2.619160	I(1)
CPI Prob	-1.536997 0.5024	-5.789469 0.0000*	-3.661661	-2.960411	-2.619160	I(1)
HHC Prob	-1.631017 0.4556	-7.952016 0.0000*	-3.661661	-2.960411	-2.619160	I(1)
DIV Prob	-1.645216 0.4486	-6.334026 0.0000*	-3.661661	-2.960411	-2.619160	I(1)
FDI Prob	-1.871339 0.1435	-7.278108 0.0000*	-3.661661	-2.960411	-2.619160	I(1)

GSP	-1.117194	-5.201088	-3.661661	-2.960411	-2.619160	I(1)
Prob	0.6967	0.0002*				
EXPT	-2.078647	-7.563218	-3.661661	-2.960411	-2.619160	I(1)
Prob	0.2576	0.0000*				
IMPT	-1.431532	-7.281346	-3.661661	-2.960411	-2.619160	I(1)
Prob	0.3171	0.0000*				

Source: Extractions from E-views 10 Output

The unit root result in Table 1 reveals that all the series are stationary at first difference because the probability values of the ADF statistics at first difference are less than 0.05 critical values. This implies that although the series have a unit root problem at level, there is no evidence of a unit root problem at first difference. Therefore, the study employs the Johansen cointegration test for the determination of long-run relationships.

Direct Impact of Corruption on Economic Growth

This study examines the long-run and short-run direct impact of corruption on economic growth in Nigeria. The results of the Johansen cointegration test and the VECM were utilized for the analysis. The study examines whether a long-run relationship exists among the variables using the Johansen cointegration test result. Hence, the Johansen hypothesized cointegration was carried out to determine the number of cointegrating vectors among the variables included in the study. It offers two tests, viz., the trace test and the max-eigen test, with a view to identifying the number of cointegrating vectors. The results are shown in Table 2 and Table 3.

Table 2: Result of Unrestricted Co-integration Rank Test (Trace)

Null hypothesis	Hypothesized No of CEs	Eigen value	Trace statistic	0.05 critical value	Prob **
r = 0	None *	0.848369	194.3393	159.5297	0.0002
r ≤ 1	At most 1*	0.685428	135.8638	125.6154	0.0102
r ≤ 2	At most 2*	0.650074	100.0110	95.75366	0.0246
r ≤ 3	At most 3	0.594729	67.45997	69.81889	0.0760
r ≤ 4	At most 4	0.396299	39.46079	47.85613	0.2424
r ≤ 5	At most 5	0.350312	23.81583	29.79707	0.2083
r ≤ 6	At most 6	0.195785	10.44670	15.49471	0.2479
r ≤ 7	At most 7	0.112282	3.692152	3.841466	0.0547

Source: Extractions from E-views 10 output. Trace test indicates 3 co-integrating equation(s) at the 0.05 level *denotes rejection of the hypothesis at the 0.05 level. **(Mackinnon-Haug-Michelis, 1999) p-values.

Table 2 reveals that there is cointegration among the variables. This is because the trace statistic values of 194.3393 for none, 135.8638 for at most one and 100.0110 for at most two are greater than the critical values of 159.5297, 125.6154 and 95.75366 at the 5% level of significance, respectively. Therefore, the study rejects the null hypothesis of at most two cointegrating equation(s). Thus, the Trace statistic test indicates 3 cointegrating equations at the 5% level of significance.

Table 3: Result of Unrestricted Co-integration Rank Test (Maximum Eigen value)

Null hypothesis	Hypothesized No of CEs	Eigen value	Trace statistic	0.05critical value	Prob **
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r = 0	None *	0.848369	58.47551	52.36261	0.0105
r ≤ 1	At most 1	0.685428	35.85280	46.23142	0.4068
r ≤ 2	At most 2	0.650074	32.55104	40.07757	0.2738
r ≤ 3	At most 3	0.594729	27.99919	33.87687	0.2135
r ≤ 4	At most 4	0.396299	15.64495	27.58434	0.6957
r ≤ 5	At most 5	0.350312	13.36914	21.13162	0.4188
r ≤ 6	At most 6	0.195785	6.754544	14.26460	0.5186
r ≤ 7	At most 7	0.112282	3.692152	3.841466	0.0547

Source: Extractions from E-views output. Max-Eigen value test indicates 1 co-integrating equation(s) at the 0.05 level *denotes rejection of the hypothesis at the 0.05 level. ** (Mackinnon-Haug-Michelis, 1999) p-values.

Additionally, the Max-Eigen value test rejects the null hypothesis if the Max-Eigen value test statistics exceed their respective critical values. Table 5 reveals that there is cointegration among the variables. This is because the eigenvalue statistic of 58.47551 is greater than the critical value of 52.36261 at the 5% level of significance. The study rejects the null hypothesis of none of the hypothesized number of cointegrating equation(s). Thus, the Max-Eigen statistic indicates 1 cointegrating equation at the 5 percent level of significance. Based on the Trace and Max-Eigen test statistics, there is a long-run relationship among the variables incorporated in the model.

The Long-run Direct Impact of Corruption on Economic Growth

In order to determine the nature of the long run relationship by using the reversed estimates of the normalized Johansen co-integrating equation this is based on the lowest log likelihood. It is stated as:

$$\begin{aligned}
 ECG = & -3.07CPI + 35.09HHC + 37.68DIV + 3.57FDI + 42.35GSP + 31.31EXPT - 31.25IMPT \\
 & (0.632) \quad (3.808) \quad (3.977) \quad (1.395) \quad (4.366) \quad (3.555) \quad (3.724) \\
 & [4.859] \quad [9.215] \quad [9.473] \quad [2.556] \quad [9.699] \quad [8.806] \quad [8.3901]
 \end{aligned}$$

Note: Standard errors are in parentheses () and t-statistics in brackets []

The estimated coefficient of the corruption perception index is negative (-3.07). This conforms to the theoretical expectation of the “sand the wheels” view of corruption. The coefficient is statistically significant at the 5% level. This implies that a one percentage change (increase) in the corruption perception index leads to a 3.07% decrease in economic growth, and vice versa, ceteris paribus. Thus, there is a strong negative influence of perceived corruption on economic growth in Nigeria in the long run. This conforms to the theoretical relationship between corruption and economic growth. This finding is consistent with that of (Adewale, 2011; Adenike, 2013), who found a negative effect of corruption on economic growth in Nigeria in the long run.

The estimated coefficient of household consumption (HHC) is positive (35.09). It is theoretically plausible. The coefficient is also statistically significant at the 5% level of significance. This implies that a one percentage change (increase) in household consumption significantly leads to increases in economic growth in Nigeria in the long run, and vice versa, ceteris paribus. The coefficient of domestic investment (DIV) is also positive (37.68) and theoretically plausible and statistically significant at the 5% level of significance. This implies that a one percentage change (increase) in domestic investment would significantly lead to increases in economic growth, and vice versa, ceteris paribus.

Thus, domestic investment has a strong positive influence on economic growth in Nigeria in the long run. Moreover, the estimated coefficient of foreign direct investment has a positive sign. The coefficient is also statistically significant at the 5% level of significance. This implies that a one percentage change (increase) in foreign direct investment significantly accounts for 3.57% of the changes (increase) in economic growth in Nigeria in the long run. This has conformed to the theoretical underpinnings of the relationship between foreign direct investment and economic growth in less developed countries. The estimated coefficient of government spending is positive, which conforms to the theoretical a priori expectation. It is also statistically significant at the 5% level of significance. By magnitude and sign, it implies that a one percentage change (increase) in government spending leads to an approximately 42.35% increase in economic growth in Nigeria in the long run and vice versa, ceteris paribus. This implies that changes in government spending exert a strong influence on economic growth in Nigeria in the long run. The estimated coefficient of export of goods and services is also theoretically plausible and statistically significant at the 5% level of significance. This implies that a percentage change (increase) in exports leads to 31.31% increases in economic growth in Nigeria in the long run and vice versa, ceteris paribus. Thus, there is a significant positive impact of export of goods and services on economic growth in Nigeria. Furthermore, the coefficient of import of goods and services is theoretically plausible and statistically significant at the 5% level of significance. This implies that a one percent increase in import of goods and services leads to economic growth in Nigeria to decrease by 3.72%.

The Short-Run Direct Impact of Corruption on Economic Growth

The error correction mechanism is used to correct or eliminate the discrepancy that occurs in the short run toward the long run. The estimated coefficient of the error-correction variable gives the percentage of the discrepancy that can be eliminated in the next time period. The estimated coefficients of the explanatory variables in the error correction model measure the short-run relationship. The results are summarized in Table 4.

Table 4: Vector Error-Correction Estimates

Variables	Coefficient	Std. Error	t-Statistic	Prob.
CointEq1	-0.00182	0.059459	-0.03062	0.9756
D(ECG(-1))	-0.3942	0.188388	-2.09248	0.0379
D(CPI(-1))	-0.24065	0.343761	-0.70006	0.4849
D(HHC(-1))	-2.9992	3.217415	-0.93218	0.3526
D(DIV(-1))	3.10729	3.265181	0.95165	0.3426
D(FDI(-1))	0.479817	0.563557	0.851408	0.3958
D(GSP(-1))	-3.0045	3.202431	-0.93819	0.3495
D(EXPT(-1))	2.80151	3.081393	0.90917	0.3646
D(IMPT(-1))	3.155587	3.207202	0.983906	0.3266

$R^2 = 0.677321$ $\bar{R}^2 = 0.553316$ F-statistic = 2.130851

Source: Extractions from E-views 10 output

The short-run estimates in Table 4 show that the corruption perception index is not statistically significant at influencing the economic growth of Nigeria in the short run at the 5% level of significance. However, it conforms to the “sand the wheels” perspective of the effect of corruption. This implies that increases in the perceived level of corruption in Nigeria do not significantly lead to a decrease in economic growth in the short run. The results of the short-run estimates also reveal that household consumption and government spending have negative but insignificant impacts on economic growth in Nigeria in the short run. This implies that spending by households on consumption and the spending by government do not exert a positive influence on economic growth in the short run but serve as temporary withdrawers. Thus, the multiplier effect of an increase in consumption and government spending is felt in the long run only.

Similarly, the short-run estimates show that domestic investment, foreign direct investment, export of goods and services and export of goods and services have positive but insignificant impact on economic growth in the short-run at 5% level of significance. The implication is that changes in domestic investment, foreign direct investment and export of goods and services have weak influence in explaining the changes in economic growth in the short-run. The estimated coefficient of error correction term is negative and it has a low magnitude of 0.18%. Its magnitude indicates that in case of any deviation, the long run equilibrium is adjusted slowly where about 0.18% of the disequilibrium maybe removed each period (that is each year). This shows that the speed of adjustment that economic growth would converge towards long-run equilibrium in case of any initial disequilibrium at the rate of 0.18%. It is also glaring from the coefficient of multiple determinations (R^2) has a good fit as the independent variables were found to jointly explain 67% of the movement in the dependent variable with the adjusted R-squared of 55%. The overall significance of the models is explained by the F-statistic of 3.130851 which is significant at 5% level. Finally, the coefficients of the short run dynamics show that corruption negatively affects economic growth of the Nigerian economy in the short-run.

The Indirect Effects of Corruption on Economic Growth

The study found that corruption has positive influence on household consumption in Nigeria in the short-run. However, it is not statistically significant at 5% level of significance. The implication is that there is weak positive instantaneous influence of corruption on household consumption in Nigeria. The study further reveals that corruption has negative influence on domestic investment, foreign direct investment, government spending, export of and import of goods and services in the short-run. The implication is that higher perceived level of corruption discourages domestic and foreign investment, hurts government spending and reduces the level of export and import of goods and services in Nigeria. It implies that there is weak transmission or indirect effect of corruption on economic growth in Nigeria. This is consistent with the findings of Sunkanmi and Isola (2014) who found that there was no significant relationship between corruption and the economic growth determinants in Nigeria. The negative influence of corruption on foreign direct inflows is consistent with the findings of (Ade, *et al.*, 2011) who found that low level of corruption in the host countries is correlated with a large amount of FDI inflows and vice versa. More so, the result on the relationship between investment and economic

growth is consistent with the findings of Balioune-Lutz and Ndikumana (2008), and Méon and Sekkat (2005) who found that corruption discourages private investment.

Impulse Response and Accumulated Forecast Error Variance

This study examines the impulse response of economic growth to shocks in corruption in Nigeria, the accumulated forecast error variance of economic growth to shocks in corruption in Nigeria, impulse response of corruption to shocks in economic growth in Nigeria and the accumulated forecast error variance of corruption to shocks in economic growth in Nigeria.

Impulse Response of Economic Growth to Shocks in Corruption and other variables in Nigeria

The result of the impulse response of economic growth to shocks in corruption and other variables is presented in Figure 1

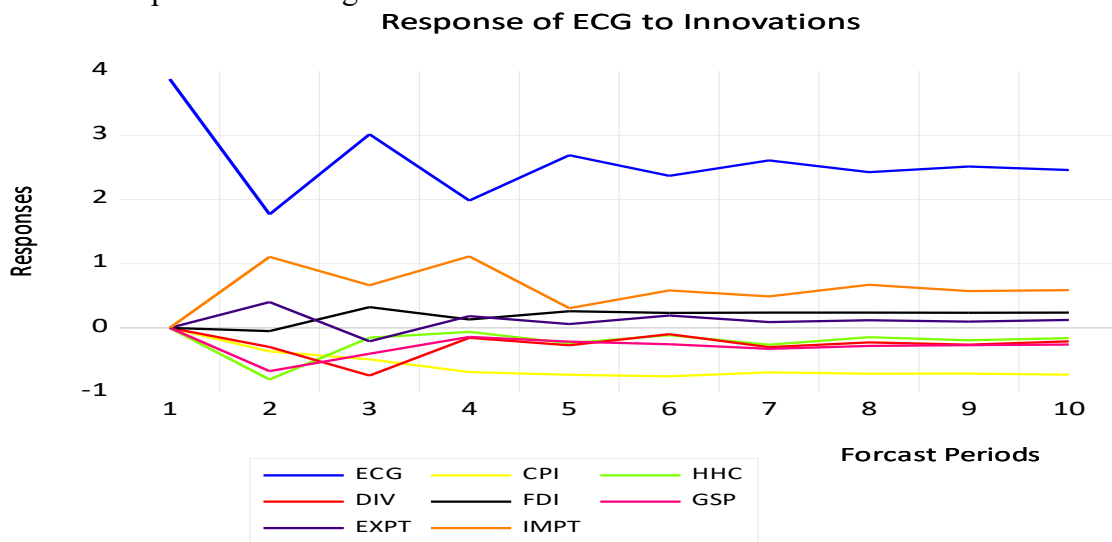


Figure 1: Response of Economic Growth to Shocks in Corruption and other Variables
 Source: E-views Output

The impulse response result reveals that economic growth would respond positively to a standard deviation own shock throughout the forecast period. The result also shows that the response of economic growth would decline in the second period and fourth period of the forecast period but recover in the third and fifth period of the forecast. The response of economic growth to own shock would recover with less fluctuations in the remaining forecast periods. The study also shows that economic growth would respond negatively to shock in corruption, domestic investment, household consumption and government spending in Nigeria. The implication is that household consumption are less productive when there is gross lack of investment turns to be counterproductive. More so, the government spending in Nigeria is marred by corruption thus would exact negative influence on economic growth in the short-run with relatively less negative effect in the long-run as compared to the short-run. However, economic growth would respond positively to shock in foreign direct investment and import of goods and services. The implication is that economic growth would increase in an event of shock in foreign direct investment flows and import of goods and services throughout the forecast period. Shocks

in export of goods and services would have initial positive influence on economic growth but turns slightly negative in the third period and reverts to positive response in the long-run. The implication is that economic growth responds negatively and permanently to shock in corruption in Nigeria.

The Accumulated Forecast Error Variance of Economic Growth to Shocks in Corruption in Nigeria

The result of the accumulated forecast error variance of economic growth to shocks in corruption in Nigeria is summarized and presented in Table 5.

Table 5: Variance Decomposition of Economic Growth to Shocks in Corruption

Period	ECG	CPI	HHC	DIV	FDI	GSP	EXPT	IMPT
Short-run (Third year)	86.39%	1.20%	2.13%	2.04%	0.34%	1.96%	0.65%	5.28%
Long-run (Tenth year)	84.71%	4.90%	1.10%	1.24%	0.57%	1.32%	0.40%	5.76%
Decision	Decreasing	Increasing	Decreasing	Decreasing	Increasing	Decreasing	Decreasing	Increasing

Source: Extractions from E-views output

Analysis of the accumulated forecast error variance decomposition covers short-run (third forecast period), and long-run (tenth forecast period). The result of the accumulated forecast error variance of economic growth to shocks in corruption in Nigeria suggests that innovation in corruption accounts for about 1.20% and 4.90% of the variations in economic growth in Nigeria in the short run and in the long run. This implies that the changes in economic growth due to shocks in corruption would increase over time. Similarly, a unitary shock in household consumption, domestic investment, government spending and export of goods and services explains about 2.13%, 2.04%, 1.96% and 0.65% of the accumulated forecast error variance of economic growth in the short-run, and 1.10%, 1.24%, 1.32% and 0.40% of the accumulated forecast error variance of economic growth in the long run respectively. This implies that variance in economic growth due to innovations in household consumption domestic investment, government spending and export of goods and services would decrease overtime. In addition, the variations in economic growth due to innovation in foreign direct investment and import of goods and services are 0.35% and 0.57% in the short-run and 5.28% and 5.76% in the long-run respectively. This implies that variance in economic growth due to innovations in government spending and import of goods and services would increase overtime. The accumulated forecast error variance of economic growth to own shock would account for 86.39% in the short-run and 84.71% in the long-run. This implies that variance in economic growth would decline over time to own shock. The result further shows that majority of the accumulated forecast error variance of economic growth would be accounted by own shocks in the short-run and long-run.

Conclusion and policy recommendations

The study concludes that corruption inhibits economic growth in Nigeria. Although, it has shown effect direct and indirect effects on economic growth in the short-run, the long reign of corruption practices decay or deteriorate the level of economic growth in the country. This further discourages foreign direct inflows and domestic investment in the country. This study has therefore debunked the perspective that corruption grease the wheels of economic growth but infers that it sands the wheels of economic growth in Nigeria. Based on the study findings, the following recommendations were made:

Given that corruption has negatively affected economic growth in Nigeria, the study recommends the strengthened and empowerment of the ant-corruption agencies to carry out the fight against the endemic corrupt practices in Nigeria. For instance, the Independent Corrupt Practices Commission (ICPC) should properly investigate corrupt practices and to apportion appropriate sanctions. This could positively influence the cultural reorientation and moral character thereby providing redemption for national consciousness, patriotism and manifestation of civilized acts by the citizens. This would help curtail the negative effect of corruption on economic growth in the country.

Consequent upon the above suggestion, the Nigerian government should improve in indicting public office holders that have found guilty of corrupt practices. This requires good and virtuous leaders who are honest with integrity, discipline and trustworthy, and the restructuring of Nigerian police force. This can be done by selecting credible leaders through transparent ways and holding the leaders accountable to the populace. This can also be achieved by reforming the Elections Committees that monitors campaign expenditures, developing a strong monitoring mechanism, and imposing stronger penalties. More so, reforming the selection process for the heads of the supreme judiciary positions by establishing an independent body of judges, ensuring total independence of the judiciary and excluding the intervention of the Executive Power from any step of this process. The Nation's effort at curbing corruption may, at best, remain an illusion if the selection process is not improved. Hence, effective fight against corruption in Nigeria requires a good and exemplary leadership with a strong will to fight corruption and with such high level of ethical and moral standards to be able to motivate and influence the citizens to voluntarily follow in the fight against corruption. The Nigerian government need to strengthen her institutions. Institutions are at the heart of every nation. Creating institutions that can sustain the economy. This should cut across all spheres. More so, the Nigerian government should also make laws that govern the activities within and outside to close avenues to avert the outflow of looted funds. This can be done by collaborations with the foreign partners to restrict the number of accounts outside the country.

The study also recommends that the Nigerian government should intensify efforts to create more agencies beside EFCC and ICPC to address cases of corrupt practices in the economy, encourage leaders that display transparency, honesty, probity, accountability, purposefulness and commitment to good ideals of the society before followers will be convinced of the ingenuity of such crusade, ensure corruption as a theme needs to be discourse on debate by government representatives at federal, State and local levels. This will create the awareness that corrupt practices are against norms, culture and social value of the society. Putting all these together will dissuade corruption and boost economic growth to increase influx of foreign investors. More so, even though there is weak direct

and indirect effect of corruption on economic growth, the increase in the level of domestic and foreign direct investment may reduce the high level of corruption in Nigeria. This is attributed to the fact that there is often times improvement in welfare when investment increase. Hence, reduces the tendencies of corrupt practices among people.

The study also suggests modalities for western countries to close rooms that accommodate stolen funds from developing countries. In most instances, funds kept in these countries are concealed under codes and not names which make them untraceable in the event of the depositors' death.

There should be re-orientation process in education system in Nigeria that would lead to redemption or retrieval and salvaging or restoring of the country's national character and image. This would cause mindset reorientation from the educational system in Nigeria. The educational sector should instill in the youth, the standard and acceptable morals. Therefore, re-structuring of the education process itself would ensure character development and transformation, skill acquisition and even entrepreneurship along with job creation. The three arms of government in Nigeria need to have unity of purpose in the fight against corruption. There should be a healthy conspiracy by the executive, legislature and the judiciary in tackling corruption head on. This can be done through collaborative efforts. Parents should endeavour to fulfill their parental roles, goals, values and manners that would influence the children's moral and social behaviour positively. These can be done through teaching and training of their children/wards and adequate monitoring and guidance of their behavioural patterns at home and developing in them, self-control in absence of external authority.

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CLIMATE CHANGE AND URBAN POOR: WATER-RELATED BEHAVIOR IN JAKARTA

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***Abstract:** Jakarta is a growing urban centre that is facing two problems: climate change and urban poverty. City authority of Jakarta has yet to prepare comprehensive public policies to address the two challenges of the city that has over 9 million population. As a coastal city, Jakarta has a coastline up to 25 km long. The average elevation of land surface is 7 meters above sea level. Around 40 percent of land surface are below the sea level. There are thirteen rivers flowing rainwater from high land of West Java through the city running into Jakarta Bay. Therefore the threat of climate change is not only due to rising sea levels but also flooding and drought. It is estimated that around 1 million of the urban poor experiencing the vulnerability since most of them are illegally occupying the low land surrounding riversides. The extreme weather is now happen frequently both in urban and rural area. Since poor farmers and farm workers have no saving, some of them have trying to get the job in cities such as Jakarta. Their daily income is around USD 6 to USD 11. This article discusses how the urban poor act toward the impact of climate change. Since the urban poor have only subsistence income, they choose to live at the riversides in the all part of the city. They utilize the water resources for many purposes, utilize the short underground water table and also dump the waste into the river. This study discusses what the poor urban know and do regarding the water resources and its relationship with any evidence of climate change impact and vice versa. As an attempt to explore the possibility of linkages with climate change as an anthropogenic behaviour, this study tries to develop how the current water governance effectively address the problem.*

***Keywords:** climate change; adaptation, urban poor, vulnerability, water governance*

Introduction

With the exceedingly rapid process of urbanization, the low-income squatter settlements are on the rise in developing countries. In 2012, more than 863 million urban residents in the developing world were living in slum conditions—up from 650 million people in 1990 and 760 million people in 2000 (MDGs and Beyond 2015 Fact Sheet). At present, more than 53 % of 253,2 million of Indonesia's population live in urban areas (BPS, 2013). Some of those are living in Jakarta, the biggest city and the capital city of Indonesia. Like most of the world's developing cities, Jakarta is a coastal city. Coastal cities face climatic problems which can be seen by the rising sea levels and storm surges. Extreme weather evokes unprecedented risks to the livelihoods of many people, property, and urban infrastructure. Coastal cities, with its ports, are most vulnerable to flooding both in the most developed and rapidly developing countries (OECD, 2013).

The Government of Jakarta faces two big problems: how to address the many problems related to the urban poverty and how to deal with the more frequent floods and droughts. Floods and droughts closely related to climate change. Some scientists suspect a link between the increases in the number of urban poor with the widespread impacts of climate change. In this regards, an integrated and rigorous study should be develop and focuses on to study the behaviour of most vulnerable inhabitant in Jakarta. Meanwhile, no doubt that most of the urban poor, particularly in coastal cities inhabit the area around water resources. Though both floods and drought is related to water resources. So the question is whether the behaviour of the urban poor who inhabit the related area of water resources related to various risks arising by floods and drought? Furthermore, is it true the common belief that the urban poor is not victims, but rather some of the causes of flooding and drought. Or, indeed as anthropogenic climate change has a connectedness with the growing number of urban poor in developing countries?

As a coastal city, Jakarta has approximately 25 kilometres of coastline. With an average elevation of seven metres above sea level, 40 percent of the city areas are below the average elevation. There are 13 rivers that run water from high land at the outside of Jakarta region to the Jakarta bay. Fairly low of average land surface elevation can be associated with the number of rivers and the floodplains in Jakarta. The area surrounding the thirteen rivers are prone to flooding. Therefore river basins were prohibited to be inhabited since the colonial era. However, lax governing tracing back nearly four decades have left squatters to freely occupy land area. Most of the floodplains has been turned to be illegal housing. An estimation said that 1 million people live illegally in the riversides and the floodplain.

Squatters occupying the area surrounding the river basin are likely to have migrated from rural areas. They need jobs for living. They left their country side to get the opportunities in urban areas since currently they have facing of hardship in their agricultural activities. With the increases threat of extreme weather, farmers in many areas surrounding Jakarta has facing the impact of extreme weather. They have lost their income because the failures of harvesting. Many farmers and farm workers need alternative jobs to live. Not so many of them suspect the extreme weather relate to climatic change and the carbon gas emission. Considering the vast array of these workers' geographical origins, informal employment in its diverse form are much different with formal employment. Informal workers are diverse in the sense that they cut across many sectors; from rubbish scavengers to fruit vendors. Moreover, these informal workers face unsafe and poor working conditions. Not unlikely do they end up living in an unoccupied or abandoned area of land and floodplains. Nowadays, illegal settlement are found along the thirteen riverbanks in Jakarta. Riverbanks are increasingly morphing into run-down slums, both dangerous and illegal.

Most of the low-income families living at unhealthy conditions along the riverbank/riverbasin. They also have no legal or permission to stay there. Their income are very low, as about USD 5 to USD 9 per day. The necessary measures to fulfill the people's need for drinking water is addressed as a public service obligation (PSO) under the Law of Public Service Provision No 25/2009 . However, the riverbank falls under the category of a floodplain. Uses any property of floodplain are restricted or prohibited. Stemming from this fact, it goes without saying that any development of public service facilities in floodplain area is not permitted. Government efforts to provide clean water have taken

many forms over the years, including the use of tanks truck to bring water supply. This step has been proven to be ineffective (Manurung, 2007).

Piped water supplies has been established and developed since the colonial period in the 1920s, and then nationalized by the government in the 1960s. In 1998, clean water supplies were privatised and handed over to international corporations with a public-private partnership scheme. Nevertheless, even to this very day, stakeholders involved in bringing adequate water supplies to homes have yet to achieve their full intent. Theoretically, climate change may intensify competition for water. Cities generally rely on their immediate surroundings for water. While the effect of climate change on the water resources of a particular city cannot be predicted at present, the competition for water can be expected to intensify in the areas that become dryer than they are now. Since current water management systems are designed for historical weather patterns, some adjustment will probably be required in most places (Hitz and Smith, 2004). As much as 50% of the urban population in Asia and Africa already lacks adequate provision of water and sanitary services (Ruth and Coelho, 2007). Drinking or recreational water can be contaminated by sewage backup, and microbial/chemical agents and biotoxins can be introduced into the water supply.

At the rate we are going, we can no longer trivialize the fact that climate change will only come to intensify the competition for water. Cities generally rely on their immediate surroundings for water. While the effect of climate change on the water resources of a particular city cannot be predicted at present, the competition for water can be expected to intensify in the areas that become dryer than they are now. The urban poor are dependent on water found in rivers, for various usages. Water obtained from the river are used for day-to-day activities—drinking, showering, laundry, even as a necessity in operating small businesses. Consequently, many of the urban poor utilize either groundwater or water obtained from rivers as a water supply for domestic use (Manurung, 2007). This research, in essence, is an attempt to discuss the behavioural aspect of the urban poor inhabiting river basin, as well as how their attitudes and behaviours along with their vulnerability affects the impacts of climate change. Floodplains are not intended to accommodate inhabitants, the areas along the river are unfit for living settlements, thus the man focus of this article is to address the limitations of the urban poor who are faced with difficult policy-related choices by which is similarly difficult to conduct by the government. Moreover, with the increased risks that extreme weather poses, policy decision-making is even less on steady ground. The government is left to make do with the only remaining policies that are relatively standard in city planning. The government is left to make do with the only remaining policies that are relatively standard in city planning (Bicknell, 2009).

Research methods

This study utilizes data from reports of studies and public policies as primary sources for literature review. To better understand the context of the problem, researchers conducted continuous in-depth interviews (via fax, e-mail, and phone call) with several speakers, including the head of Kelurahan *office*. Kelurahan is the smallest administrative unit responsible for providing most government services. Jakarta comprises 265 unites. For this research, a kelurahan was to be made an object of observation. *Kelurahan Gambir* is

located in Central Jakarta and it is where a series of in-depth research on the subject of informal sector workers took place. The area of *Kelurahan Gambir* are 258,28 acres. This particular area was chosen for its prime location, being the site of the presidential and vice presidential palace along with a scatter of prominent government offices, foreign embassies as well as the business district. Due to the strategic location of government offices and business compounds, the majority of residents in this prominent district works in the formal sector. A total of 1,376 people (42,51%) works in various governmental divisions. In the very same area, there is also a military residential complex. A total of 229 people (7,07%) are retired government employees. In terms of age, approximately 46,37% of the population were aged 0 to 29 years. Residents over the age of 29 to 65 years of age comprised 52,55% of the population, while around 6,18% of the population were aged 65 years and above. The Ciliwung River runs its course through *Kelurahan Gambir*. According to database, the total population of *Kelurahan Gambir* reaches 3,996 people. The riverbanks of Ciliwung River are unfit to accommodate families yet as many as 140 households are currently occupying the area. Around 90 households fall under the category of urban poor because they are recipient to government aid in the form of rice. From 140 households occupying illegal land area, around 40% of them are government employee. The rest of the population are involved in informal sector jobs.

Results and discussion

Climate change plays a key role in flooding and prolonged drought. An entire city may become paralyzed in the event of a flooding. Each year, it is not uncommon for severe flooding to cause casualties and destruction. On the other hand, droughts are known to last for extended periods of time, and persist long enough to cause a deficiency in the water supply. During droughts, the water table (upper level of an underground surface) of groundwater falls further below the surface. This is due to the drastic change in the climate. With the increasingly high rate of urbanization, agricultural workers have faced crop failures in the the last decade. Prolonged droughts and irregular rainfall causes inevitable damage to crops. The numbers of the poor living in urban areas has increased significantly, although it is prudent to acknowledge the various definition of 'poor'. Official government agencies proposed using a single standard of daily calorie intake to define the category of people who were not in poverty. Therefore The Central Bureau of Statistics identify the number of urban poor inhabiting Jakarta 362.000 persons. However, if residential eligibility is measured from the state of sanitation facilities and clean water sources then the number of the urban poor living in Jakarta will be 3 million people of the 9,7 million population. Meanwhile, from the legality aspect of occupancy, according to city planning analyst Nirwono Yoga, around 5 million people in Jakarta inhabit riverbanks, the bank-side reservoirs, the green belt, floodplains, railwaysides and underbridges. If the dual or dichotomous nature of jobs were to be used, it is estimated that approximately 2 million people in Jakarta work in the informal sector. Employment in the informal sector spans many categories, ranging from domestic workers (live-in servants), street food vendors, mini bus drivers along with their conductors, temporary workers, the independent drivers, motorcycle taxi driver (ojek) and so forth.

Inhabitants working for the informal sector occupy river basins. Their income fluctuates. According to a series of interviews, informal workers earn from USD 6 to USD

11 per day. Public service in the forms of piped water services or roads and streets are not accessible in illegal housing compounds. Nevertheless, electricity provided by the state are provided even in said areas due to safety reasons. Under the circumstances, people depend on groundwater and bottled water to meet their need of water. Suppose the government attempts to provide water to meet their needs, the quality and adequacy of clean water supply is not sufficient. Although water service has been privatized and converted in the form of public-private partnership since 1998, the scope of services is still too low. (Manurung, 2007).

To meet the need on water the urban poor combine groundwater mining with utilizing the river water. They use river water for washing clothes, showering, and other sanitary facilities. The urban poor choose to live in the riverbanks and surrounding area because it proves to give easier access to obtain river water for free. To meet the needs of drinking water, they buy bottled water that can be purchased and refilled by paying as little as USD 0,7 per water gallons (20 litres). Groundwater, which is below the surface, along with water obtained above the surface are relatively cheap, easy-to-access source of water supply. Inhabitants of informal settlements on the outskirts of the area of the river is essentially utilizing groundwater not too far from the ground. An electric water pump is needed to obtain the water. The low price water pump is about USD 35 per unit. The pump can suck groundwater from 5 to 10 meters deep below the land surface. One of the impacts of climate change is the alarming rise of plagues. Outbreaks of diseases such as cholera and typhus are easily spread in any illegal river side settlement. The illegal settlement, due to their low income, adding to that the collective use of unhygienic sanitary facilities that inevitably causes disease transmission. Many continue to dispose human of waste into the river, both groundwater and surface water are then prone to be polluted with other contaminants.

Squatters in the area are actually being threatened by the construction of high-rise buildings in Jakarta. With the increasing development of tall buildings; the more construction work done, the more it disturbs the water table. The water table gradually shifts and falls, making it difficult to obtain groundwater. Squatters are then in danger of water deficiency. Due to the low supply of piped water, building owners opt to drill groundwater, and in this case the government give their consent/permission but require owners to pay taxes. The water reservoir in the water table depletes and low-powered water pump is unable to obtain significant amount of water, therefore inhabitants become increasingly dependent on surface water sources and from buying water from suppliers. In a dissimilar fashion, *Kelurahan Gambir* is witness to building a high-powered water extraction. With the held of grant funding in from society, high-powered drilling, as well as water distribution, was built and possible to supply water to a number of homes in the area. The owners of buildings surrounding the illegal settlements use deep pump water to get the underground water they want with their own internal drilling installations. Most of the office buildings and hotels in Jakarta drill water after obtaining licence and also paying obligatory taxes (Manurung, 2007). In the next few years the urban poor occupying riverbanks will not be able to obtain the water they need. In the long-run, the water table continues to deplete, causing groundwater drilling to become expensive. However, the most negative outcome from this situation is competition among people in the event of drilling water for their own needs. This may turn into a serious conflict, whether among inhabitants of urban slum or between inhabitants versus building owners.

The unfortunate situation faced by the urban poor in developing countries has been studied by a number of researchers. Hill (2003), quoting Ruth and Coelho (2007), said that as much as 50% of the urban population in Asia and Africa already lacks adequate provision of water and sanitary services. With respect to the behaviour of the poor communities that inhabit the river basin, the government is faced with difficult choices, forcing them to take immediate action in relocating inhabitants from the riverbanks. This effort will be the comprehensive public policy that can address the city's adaptation to climate change, especially since it would potentially suppress incidents resulting in deaths due to flooding and infectious diseases. It could be the way to ensure the wellbeing of the people of Jakarta and surrounded cities.

Conclusion

Continued substantial population and economic growth have resulted in a rapid increase in urban areas and changes in land use. Jakarta's rapid growth and urbanization have increased large-scale infrastructure problems that are recognized by the Jakarta government, which are also experienced regularly by the community. In fact, Jakarta is very vulnerable to the impacts of climate change. This can be seen from the behavior of Jakarta's poor, who are productive and integral members of the city's economy and are also the most vulnerable to risks due to flooding. Although the Government of Jakarta has taken various actions to respond to climate change, much remains to be done to mainstream climate change across all sectors in the long term. Some basic principles can guide the way forward in responding to climate change, disaster risk, and poverty in urban areas. First, climate change adaptation should not be an additional challenge to existing policies and planning priorities. Still, an opportunity for the government of Jakarta and its key partners to implement future focuses and priorities. Policies and investments need to be made based on better information, including quantitative data and an understanding of community-level action and adaptive capacities. Second, better collaboration with neighboring provincial governments, as well as with local communities as active participants and partners, is essential for future success.

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SUSTAINABILITY, DEVELOPMENT REGIONS AND LOCAL REVENUE MOBILIZATION IN ROMANIA

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Abstract: *This research explores the potential influence that location in a development region can exert on public revenue mobilization in the case of Romanian cities, communes and municipalities. Revenue mobilization was analyzed for 3227 Romanian territorial-administrative units (almost all) for four years (from 2008 to 2011), taking into account the development regions (NUTS 2 level) in which these communities are located.*

The results corroborate previous evidence that, in the case of Romania, regions of development have an effect on revenue mobilization at the local level. According to the data, local authorities/governments from the North-West development region (with collection levels ranging from 85.54% to 90.61% from what was predicted), West (ranging from 81.69% to 87.55%) and Bucharest (ranging from 84.27% to 88.29%) have better revenue mobilization in the analyzed period. On the other hand, local authorities from the North-East development region (74.43% to 82.25%), South (73.88% to 83.43%) and South-East (with collection ranging from 78.68% to 81.89%) reached lower levels of revenue mobilization; Center and South West development regions constitute an intermediary case between the aforementioned two categories.

Keywords: *development regions; financial decentralization; Post Hoc ANOVA; sustainability.*

Introduction

As local public organizations have to serve increasingly diverse and complex community needs, both the academic and the professional environment focus on the diminishing budgetary resources available at the local level. Decentralization, which was once heralded as a tool that could eventually lead to a better match between the needs of community and the public resources available (European Commission, 2007), showed its limitations as smaller local administrative organizations were required to deliver more (centrally delegated) public goods and services, often without having sufficient financial, human or material resources at their disposal; this generated further inequalities and gaps in development between local communities. In order to reach a better understanding of financial revenue mobilization at the local level in Romania, the main objectives of this paper are: (a) to present a descriptive analysis for the 2008-2011 period, and (b) to explore if location in a particular development region (DR from here on) influences revenue collection (Proxied by the effectively collected revenues at the end of the budgetary year, after the execution phase, as a share of what was predicted to be collected at the beginning of the budgetary year (in the budget proposal).) of a local institution (N = 3,227). As such, the current research continues and builds upon previous similar efforts which analyzed the effects of particular institutional types on local revenue mobilization in Romania

(Moldovan, 2016) or explored how local revenues can be forecasted in order to reduce uncertainty (Moldovan and Macarie, 2015).

The theoretical framework will be included in Section 2, initially referring to financial decentralization and local revenue collection, a brief discussion regarding development regions in Romania and an overview of the relationship between revenue mobilization and sustainable development. Section 3 will focus on general methodological aspects of the research, especially referring to the data used for the dependent and independent variable. Section 4 will present the main empirical findings in an exploratory or descriptive perspective, while also discussing the main implications of these findings; Section 5 will continue the previous discussions by linking them with the initial theoretical perspectives, conclude and briefly address some of the limitations of the current work, while also opening future opportunities for research.

Theoretical Framework

Financial Decentralization and Revenue Mobilization at the Local Level

Financial revenue mobilization, defined in this paper as the capability of public institutions to gather funds from taxation (on property or revenue) and other potential sources (levies, licenses, royalties and so on), remains a topic of high academic interest (see Sanogo, 2019; Akudugu and Oppong-Pepurah, 2013; de Mello and Barenstein, 2001; Mahi, 2011; Dexu and Wenlong, 2022; Elezi, 2015; Opoku, Kyeremeh and Odoom, 2014; Britchenko, Bezpartochnyi and Maslii, 2019; African Development Bank Group, 2011; Danulețiu, 2010; Junquera-Varela et al., 2017), especially in the case of developing countries and with regard to the local administrative level. The need to focus, both from an academic point of view and from a public policy perspective, on public funds mobilization at the local level is frequently connected with the broader phenomena of financial or fiscal decentralization (see Profiroiu and Profiroiu, 2006, p. 119). Decentralization can be defined as the distribution or redistribution of responsibility for multiple activities, such as planning, administration and resource mobilization and allocation, from the national government and central agencies to other public organizations, often situated at local or regional level (Rondinelli, 1981, pp. 133-145; also see Stancea, 2021); from this perspective, the collection of revenues at the local level can be seen as a crucial aspect of decentralization, since the ability to actually collect sufficient revenues creates real decision-making autonomy. Decentralization is still assumed to ‘improve efficiency in service delivery, enhance political and fiscal accountability, and change the process of entering into a fiscal contract with the government’ (Junquera-Varela et al., 2017, p. 37) and often sought after by local (sub-national governments), although the implications of this administrative process are not always fully understood and taken into consideration by them. Other definitions of decentralization, such as that provided by Ștefan and Dogaru (2011, p. 130), refer to it as a ‘mechanism by means of which the local administration authorities receive the authority and the resources allowing them to make decisions concerning the provision of public services’, highlighting the significance of financial decentralization as authorities at the local level have to receive not only responsibilities and duties, but power (decision making authority and financial resources) as well, to be able to act in the interest of the communities they represent.

Gershberg (2008, p. 1) argues that decentralization policies rely on the existence of a clear, predictable and transparent mechanism for the allocation of public funds to local governments, to guarantee that they have sufficient financial resources to provide goods and services according to their duties, but Romania ‘has failed in the eyes of many analysts to develop any serious formula funding mechanisms’ until 2008, mainly due to ‘politics and power’ (Gershberg, 2008, p. 1); central government decision-makers avoided the development and implementation of a transparent mechanism for transferring financial resources towards the local level in order to maintain a degree uncertainty that could permit them to reward ‘loyal’ (politically aligned) communities/local governments. A similar argument was previously put forward by Ioniță (2005) referring to the allocation of state funds for general, infrastructure and pre-university education, while Marian and King (2016) mentioned that the patterns of government spending appear to be somewhat decoupled from the policy preferences (needs) of citizens.

Dabla-Norris (2006, pp. 100-131) analyzed fiscal decentralization in transition countries and observed that Romania (considered to be an intermediate reformer in his classification): (a) has ‘been less successful in establishing fiscal institutions, controlling fiscal imbalances, and redefining the role of the state’ (Dabla-Norris, 2006, p. 104); (b) the distribution of spending responsibilities between the local and national level is partially unclear (Dabla-Norris, 2006, p. 111); (c) has implemented a more transparent system of transfers (between local and central governments), but the system can still be improved (Dabla-Norris, 2006, p. 115); and that (d) local authorities collect consistent shares of their ‘own’ revenue, mostly from local taxes (Dabla-Norris, 2006, p. 119). Rodríguez-Pose and Krøijer (2009, p. 14) also highlighted the importance of local revenues by arguing that, independent subnational administrative bodies have a higher chance to lead to ‘greater accountability and efficiency’ in healthy institutional and regulatory frameworks, but on the background of inadequate (lower) shares of subnational ‘own source’ revenues, local public authorities (or communities in general) will remain dependent on transfers from the central level, thus negating the potential benefits of financial decentralization. If we take into consideration the fact that Romanian municipalities, cities and communes receive over 40% of their revenues as conditional grants (earmarked to support specific state functions), it seems that the financial autonomy in the case of Romanian sub-national administrative units is relatively limited (see Network of Associations of Local Authorities of South-East Europe – NALAS, 2012, p. 25). A comparable argument was made by Cristinel (2012), who showed that even if the principles of local autonomy and decentralization of public services are often mentioned in the Romanian public discourse, local authorities from counties, cities and especially communes are ‘dependent on transfers of funds from the state’ (Cristinel 2012, p. 920), a fact which limits their real autonomy.

In an attempt to evaluate financial decentralization in EU Member States, Finžgar and Brezovnik (2019, pp. 42-47) used the Conceptual Index of Fiscal Decentralization (CIFD) which takes into account five dimensions/indicators: (1) a flexibility indicator (the number and variability of financial resources available at the local level); (2) the relationship between the financial resources of a local community and their responsibility for public goods and services (measuring if ‘individual countries are able to cover local authority expenditure with centrally-earmarked financial resources’); (3) an autonomy index (the ability of local authorities to ‘determine tax rates and relief without national government consultation’); (4) an equalization index (referring to transfers made by

national governments to local authorities) and (5) the number of local communities in a country.

When NALAS (2012, p. 13) analyzed the administrative levels by which decentralization (financial and other – decision-making) is realized in Romania, the organization identified ‘four levels of sub-sovereign government’, clustered in two distinct tiers. ‘First-tier levels of local government’ consist of communes, cities and municipalities, which have similar rights and responsibilities; counties are in the second tier and they are assessed to be more alike to a ‘the provincial level’. NALAS (2012, p. 13) also observed that communes, municipalities and cities assume a more significant role as sub-national governments ‘in both fiscal terms and public service terms’ and are better connected to citizens and communities than counties. The Institute for Public Policies (IPP) claims that a cleavage was created in Romania between communities and local governments that managed to obtain sufficient funds from their own sources, thus ensure their financial autonomy, and those that did not collect sufficient own financial resources even for covering utilities bills and personnel costs (IPP 2001, p. 9); rich communities often lose sight of the European idea that sustainable development is based on economic and social cohesion (IPP 2001, p. 9) and not on assigning guilt and blaming others. Political pressure, party alignment and discretionary power (at the central government) are also important factors, as public funds are often used by national decision-makers to supplement (via transfers) the revenues of selected local budgets for political and electoral purposes, distorting the re-distribution of funds between local communities (Iorga, Moraru and Giosan, 2010, p. 6) and maintaining political dominion over certain local communities (which base their financial survival on transfers from the central level).

Alexandru and Guziejewska (2020) observed that reduced administrative capacity acted as a deterrent or constraint for fiscal decentralization in both Romania and Poland, while ‘Romania has the problem of the incomplete devolution of powers and the limited financial independence of local governments, which basically means that the principle of subsidiarity is insufficiently implemented’. Fabus et al. (2019) showed that financial decentralization goes hand in hand with a high level of economic development, especially in countries with administrative (decision-making) decentralization and established and efficient institutions. Referring to Romanian municipalities, Onofrei et al. (2023) argued that ‘fiscal decentralization determines more responsible and efficient local spending, enhancing local performance and contributing to economic growth’.

One factor which can influence (negatively) public revenue mobilization, especially in developing countries, is the ‘resource curse’; as Mawejje (2019, p. 176) has shown based on panel data for 31 sub-Saharan countries, ‘results confirm the existence of a negative relationship between revenues from natural resource sectors and tax revenues’. Another factor which can exercise a negative effect on tax revenues is trade liberalization, especially after the 1970s as ‘overall, trade liberalization led to larger and longer-lived declines in tax revenues in developing countries since 1970 than in today’s rich countries in the 19th and 20th centuries’ (Cagé and Gadenne, 2018, p. 1). Gnanon and Brun (2018) analyzed the impact that reducing the gap between a country’s Internet usage and average Internet usage at the global level has on public revenue mobilization based on a sample of 164 countries for the 1995-2013 period; the study concluded that bridging the internet usage gap has a positive impact on non-resource tax revenues, with a more pronounced effect in the case of poorer (less developed) countries.

Other variables which can influence public funds mobilization at the local level include: the professional competence and abilities of clerks/public servants specialized in finance/ revenue mobilization (see Ndunda, Ngahu and Wanyoike, 2015), corrupt practices and behaviors (see Braşoveanu and Obreja Braşoveanu, 2013, pp. 167-184), financial and economic crises (see International Monetary Fund, 2015), diminished institutional or administrative capacity, the prevalence of informal and agricultural (or under-developed) economies, tax dodging/avoidance and exemptions, unjust rent-sharing (see Mascagni, Moore and McCluskey, 2014, p. 4), shortcomings in legislation regarding income taxation, reduced transparency in the process of revenue mobilization and remittance (see Gideon and Alouis, 2013) and even deficient institutional or administrative capability to reliably estimate public revenues and their mobilization (see Moldovan and Macarie, 2015).

Revenue mobilization can also be influenced by different types of conflicts arising in a country, while taxation might also differ before, during or after a conflict (see van den Boogaard et al., 2018, p. 1), but further research is required in order to establish more clear and stable patterns. Akitoby et al. (2020) analyzed how low income countries collected large additions to tax revenue (growth in the tax-to-GDP ratio of half a percent per year over three years or more) and based on a dataset of 55 such instances and concluded that '(i) reforms of indirect taxes and exemptions are the most common tax policy measures; (ii) multi-pronged tax administration reforms often go hand in hand with tax policy measures; and (iii) sustainability of the episodes hinges on tax administration reforms in the key compliance areas (risk-based audits, registration, filing, payment, and reporting)'.

Previous work on revenue collection in Romania has shown that local revenue/financial autonomy can be improved by increasing economic development, fertility, the average living area per inhabitant and the degree of urbanization, while high demographic dependency and unemployment have an adverse effect (Jemna, Onofrei and Cigu, 2013) or that the type of territorial administrative unit has just a spurious effect on revenue mobilization (Moldovan 2016). Furthermore, the tax revenue-to-GDP ratio in Romania is consistently below the EU average or that of New EU Member States (Daianu, Kallai and Lungu, 2012, p. 156) and the low levels of revenue mobilization, which became almost an endemic problem for Romanian public administration, can be connected with social polarization (Dobre, 2015), thus having the potential to further increase disparities between communities and even regions. The pro-cyclical fiscal policy adopted between 2006 and 2015 had negative effects in regard to public revenue mobilization, both in terms of the total volume collected and in respect to revenue mobilization from different sources (Dobrotă, 2016), while the 2008 economic and financial crisis impacted the resources available to both central and local public administration (Slijepčević, 2018; Oprea and Bălan, 2015).

Development Regions in Romania: Brief History and Importance

Development regions (DR) were established in Romania since 1998 (by Law no. 151/1998) and were supposed to facilitate regional development, ensure progress towards European Union accession and then to manage post-accession funding. Albeit 'the regional development policy began to be shaped' in 1996 for the PHARE program (Pendiuc, 2014, p. 36), the initial Romanian legal framework for the regional development policy was established two years later (by the aforementioned Law no. 151/1998) and then replaced

by Law no. 315/2004 which is still in place (although it was latter supplemented and amended) and influencing regional development in Romania. Regional development (or the Economic and Social Cohesion Policy) remains a fundamental objective for the European Union (as included in Title XVIII of the Treaty on the Functioning of the EU) (Apostolache, 2014, p. 35) as ‘cohesion is necessary to promote an overall harmonious development, the general objective consisting of reducing disparities between the levels of development of the various regions and the backwardness of the least favoured regions or islands, including rural areas’ (Pendiuc, 2014, p. 37). In essence, the eight development regions established in Romania are assumed to fulfill the role of a true regional administrative level vis-à-vis economic development, but are not provided with many of the administrative powers, tools and mechanisms of a regional level.

The eight DRs which are supposed to assist in the implementation of the aforementioned regional development policy in Romania correspond to the NUTS 2 level, were created ‘through the voluntary association of neighboring counties, without being territorial administrative units or having legal personality’ (Pendiuc, 2014, p. 37) and consist of:

North East – which includes all territorial-administrative units (communes, cities/municipalities and counties) from the counties of Iași, Botoșani, Neamț, Suceava, Bacău and Vaslui;

South East– which includes all territorial-administrative units (communes, cities/municipalities and counties) from the counties of Vrancea, Galați, Brăila, Tulcea, Buzău and Constanța;

South – which includes all territorial-administrative units (communes, cities/municipalities and counties) from the counties of Prahova, Dâmbovița, Argeș, Ialomița, Călărași, Giurgiu and Teleorman;

South West – which includes all territorial-administrative units (communes, cities/municipalities and counties) from the counties of Mehedinți, Gorj, Vâlcea, Olt and Dolj;

West – which includes all territorial-administrative units (communes, cities/municipalities and counties) from the counties of Arad, Caraș-Severin, Hunedoara and Timiș;

North West – which includes all territorial-administrative units (communes, cities/municipalities and counties) from the counties of Bihor, Bistrița-Năsăud, Cluj, Maramureș, Satu-Mare and Sălaj);

Center – which includes all territorial-administrative units (communes, cities/municipalities and counties) from the counties of Alba, Sibiu, Mureș, Harghita, Covasna and Brașov); and

Bucharest – which includes all territorial-administrative units from Bucharest and Ilfov County.

Development regions are seen as the results of rather weak institutional reforms in Romania (Lupănescu et al., 2020). Furthermore, multiple researchers have shown that differences between DRs existed since their inception and that these differences persisted and development cleavages grew even after EU accession, especially during the last economic/financial crisis, in the case of socio-demographic indicators such as total population, employment and unemployment and migration, among others (Bălan and Solomon, 2010, pp. 29-38; Savu and Mîndreci, 2012, pp. 245-248). Other disparities between Romania’s DRs were explored by Russu (2014) in the case of regional GDP per

capita, physical infrastructure (referring to roads, railways and communication), education (at the pre-university and university level) and creative/innovation potential (measured by share of employment in high-tech sectors, number of patent applications EOP/1 million inhabitants).

Further inter-regional differences were observed regarding the numbers of employees in the industry, turnover, the density of firms in the industrial sector, company size (according to the number of employees) and the main activity/sector of companies (mining, manufacturing, electricity and gas, water supply and sanitation), leading researchers to conclude that ‘the territorial development of Romanian industry shows significant differences due to: natural barriers mainly; easy access to raw materials; functional profile of the area; favorable geographical position; the existence of qualified workforce; characteristics of the educated population in the area and the degree of development of the transport infrastructure’ (Iacoboaia, Alpopi and Manole, 2016, p. 36). Para, Negrut and Cismas (2019) argue that, in the case of Romania, the ‘regionalization process’ has to be redesigned, alongside administrative (decision-making) and financial decentralization in order to ensure a better transfer of competences from the national level to local authorities, thus potentially ensuring multiple benefits, as well as a better absorption of European funds. Overall, the literature seems to agree that, at least until now, the Romanian regional development policy has failed to reduce inter-regional disparities (also see Goschin 2015a and 2015b; Surd, Kassai and Giurgiu, 2011; Diaconu, 2014). A similar failure of European cohesion policies was observed by Novosák et al. (2017, p. 53) in the case of the Czech Republic, as ‘economically disadvantaged micro-regions had less structural fund allocation in the economic pillar of sustainable development’; in essence, although structural funding led to a reduction of economic disparities between micro-regions, those who were better-off at the beginning of the development process actually received more structural funding in time than those who were worse-off initially. According to Gavriluta, Onofrei and Cigu (2020), fiscal policy in Romania (decentralization) did not reduce inequality and poverty between development regions (measured with the help of the Gini index) and transfers from the state budget do not diminish inter or intra-regional differences.

One key argument often made to explain the ‘resilience’ of inter-regional disparities refers to the prevailing cultural values of each DR (Iacobuță, 2015), as the ‘persistence in time of these economic disparities can be explained by considering the cultural legacies – represented by norms, values, institutions, that impact on how people interact, communicate, investigate, think, consult, negotiate and act, influencing the behavior at community/society level’ (Oțil and Boldea, 2015, p. 74). Taking into account all the aforementioned differences between DRs (especially cultural traits/factors), we posit that the location of a territorial administrative unit (be it commune, city, municipality or county) in a certain DR will have an effect on its capacity to collect (mobilize) local public revenues.

Revenue Mobilization and Sustainable Development

Going beyond being strictly an affair of the state/government in general or public administration in particular, the issue of revenue mobilization needs to be included in any academic or policy discussion on sustainable development. ‘Strengthening domestic resource mobilization, including through international support to developing countries, to

improve capacity for tax and other revenue collection' is one of the Addis Ababa Action Agenda cornerstones for attaining the Sustainable Development Goals (see Tamarappoo et al., 2016, p. 1) and 'mobilization and effective use of domestic resources ... are central to our common pursuit of sustainable development' (Junquera-Varela et al., 2017, p. ix).

Strengthening domestic resource mobilization offers multiple benefits such as: (a) reducing the dependency on external financial flows and limiting vulnerability to external shocks; (b) creating more policy options, increasing the ownership of the (economic) development process and strengthening state capacity; (c) creating positive externalities and improving the domestic economic environment, and (d) creating 'a positive sign by donors and investors, thereby augmenting external resource inflows' (United Nations, 2007, p. 7). However, mobilizing (collecting) public resources is just the first step in ensuring sustainable development, as 'the state's strategic intervention is needed to ensure that the country's limited resources are mobilized and allocated in a way that is compatible with its overall development strategy' (United Nations, 2007, p. 98). A similar view is shared by Junquera-Varela et al. (2017, pp. 1-2) who argue that 'domestic revenues can lead to improved development only if they are translated into productive and beneficial public expenditure' and that only when the two aspects of public finances (namely revenues and expenditures) are jointly taken into consideration in broader public financial management reforms 'domestic resource mobilization (DRM) rightly becomes a development tool for generating revenues to support sustained and inclusive economic development'.

As previously mentioned, better own revenues mobilization can ensure that national and local governments have sufficient funds to invest in sustainable growth (relieve poverty, deliver superior public goods and services) without needing to resort to external or internal borrowing or to print money, thus it can be argued that domestic revenue mobilization is 'the key to economic stability; enabling investment in infrastructure, proactive social policies, and the accumulation of savings' (Fakile, Adegbe and Faboyede, 2014, p. 91). In essence, according to the aforementioned authors, 'domestic resource mobilization fulfils two key objectives sought by developing countries: predictable and sustainable financing on the one hand and a reduction in long-term dependence on aid on the other' (Fakile, Adegbe and Faboyede, 2014, p. 91; for a more detailed analysis on the interplay between foreign/external aid and revenue mobilization please see Morrissey, 2015).

Although the significance of domestic revenue mobilization for sustainable development cannot be contested (see Oprea et al., 2022) as they are 'critical to fund government services and to support development' (Modica, Laudage and Harding, 2018, p. 2), Oxfam (2019, p. 25) draws attention that we need to go beyond simple technical and administrative reforms which aim to increase the capacity of tax administrations and improve overall revenue collection and focus more on equitable domestic revenue mobilization or 'the political decision to increase equity and government revenue through fair, transparent, and accountable revenue systems'. Furthermore, equitable domestic revenue mobilization should be achieved by following a set of six principles: (1) improving the fiscal system and the net equity of tax structures; (2) ensuring an equitable composition of domestic revenues; (3) fortifying gender-responsive domestic revenue mobilization with budgeting; (4) approaching technical and administrative reform through pro-poor and gender equity lens; (5) rationalizing tax incentives and implementing more effective

corporate taxation, and (6) making public revenues more accountable and transparent for economic sectors, actors and citizens (Oxfam 2019, pp. 25-26).

Methodology

This research is based on data available from The Direction for Fiscal Policies and Local Budgets (DFPLB, 2013); the data is openly available and continuously updated. The final database (The same database was previously used by the author in Moldovan (2016)) used in the empirical analysis includes: (a) the official names and categories of territorial-administrative units (t.a.u. from here on); (b) the economic development region in which t.a.u.s are located, and (c) the revenue collection level (in percentage points, referring to what was actually collected at the end of the budgetary year as a share of what was predicted to be collected at the beginning of the budgetary year) for the 2008-2011 period, for 3,227 Romanian local t.a.u. As such, the database includes all Romanian t.a.u., with the exception of the municipality of Bucharest (the capital city) which was excluded as an outlier and which could skew the results.

The level of revenue collection represents the dependent variable of this study, while the development region (DR) in which a territorial-administrative unit is located is the independent ('explanatory') variable. The dependent variable (namely revenue collection levels for the 2008-2011 period) is ratio data, calculated with the formula: revenues effectively collected (at the end of the budgetary year, after the budgetary implementation phase) divided by revenues predicted or proposed (at the beginning of the budgetary year, during the budget proposal and adoption). The data was collected in the case of each territorial-administrative unit: country, municipality, city and commune. This indicator, although not perfect, was used as a proxy for revenue mobilization in Romania since it permits us to conduct comparisons between territorial-administrative units from different DRs, which would be impossible/irrelevant to do with other indicators (such as the total collected revenues in monetary units), as there are factual differences in tax bases between the local authorities which are located in each DR.

The DRs used in the analysis as independent variables are nominal type data, referring to the location of a particular territorial administrative unit in one of the following DRs: North East, South East, South, South West, West, North West, Center and Bucharest. Besides the inter-regional differences already mentioned in section 2.2. of the current work, Avrănescu (2012) managed to create a hierarchy of the DRs based on an index of development consisting of six indicators (GDP per capita, average net monthly earnings, unemployment rate, gross investments of active economic actors, the ratio of active economic actors per 1000 inhabitants, and research expenditures per inhabitant) for 1998 and 2009; the latter 'development region' hierarchy was as follows: (Avrănescu, 2012, p. 44): Bucharest (1st), West (2nd), North-West (3rd), Centre (4th), South (5th), South-East (6th), South-West (7th) and North-East (8th). Thus, our analysis will allow not only to test the potential effect that location in a development region has on revenue mobilization, but also to observe if the development ranking developed by Avrănescu (2012) is similar to that generated in the case of revenue mobilization.

The basic assumptions that have to be fulfilled for the one-way ANOVA (the statistical procedure which allows us to test if DRs have a statistically significant effect on revenue mobilization at the local level) will be discussed at length in section 4.2, after a

brief descriptive/exploratory analysis of revenue collection levels in the eight regions from 2008 to 2011.

Results

The results of the data analysis will be presented in a descriptive/exploratory approach in order to better observe local revenue mobilization levels for public institutions located in each development region and to further evaluate if location in a certain DR has an effect on the revenue mobilization of local authorities.

Central Tendency Indicators

A general descriptive analysis of revenue collection/mobilization for all four years (from 2008 to 2011) is presented in Table 1. The lowermost levels of revenue mobilization for the first two years, 2008 and 2009, meaning 0.00%, can be justified when considering the fact that a new t.a.u. was created in 2010, namely Racşa commune (in the county of Satu Mare), by splitting from the existing commune of Oraşu Nou (see Law no. 86/2010); since no data for Racşa was available for the first two years, as the commune did not exist, the minimum was computed as being 0.

The mean for revenue mobilization in 2008 was 79.40% (from what was estimated at the beginning of the budgetary year), the minimum (excluding Racşa) was 11.02% and the maximum 167.15%, with a range of 156.13 (Table 1). In 2009, the mean for revenue mobilization was 78.69%, the minimum (excluding Racşa) was 17% and the maximum was 127.34%, with a range of 110.34. In 2010, the mean was higher than in the previous two years (82.84%); the minimum (25.93%), maximum (172.70%) and the range (146.77) are also above previous values. In 2011, the mean revenue mobilization was even higher (84.60%), but both the minimum (24.00%) and maximum (134.80%) were lower than in 2010 (see Table 1).

Table 1: Revenue mobilization - general descriptive statistics (2008-2011)

Year	N	Range	Min.	Max.	Mean (Std. Er.)	Std. Dev.	Skewness (Std. Er.)	Kurtosis (Std. Er.)
Collection levels 2008	3,227	167.15	0.00	167.15	79.376 (0.271)	15.415	-0.778 (0.043)	1.553 (0.086)
Collection levels 2009	3,227	127.34	0.00	127.34	78.671 (0.259)	14.694	-0.822 (0.043)	1.032 (0.086)
Collection levels 2010	3,227	146.77	25.93	172.70	82.845 (0.221)	12.529	-0.636 (0.043)	1.405 (0.860)
Collection levels 2011	3,227	110.80	24.00	134.80	84.637 (0.218)	12.389	-0.910 (0.043)	1.052 (0.086)

Source: Authorial computation based on DFPLB (2013) data

Skewness and Kurtosis were also analyzed to understand better how the data is spread. The descriptive analysis from Table 1 indicates rather low values for Skewness, suggesting that differences in the case of revenue mobilization between different t.a.u. are rather small in size. The Kurtosis presents differences between the four years, is smaller than 3, but can still be considered to be in the limits of normal distribution (Table 1).

Although using the aforementioned indicators (Skewness and Kurtosis) as well as a visual inspection of Figures 1 to 4, we can assume a rather normal distribution in the case of our cases/data, more insights can be gained if we analyze the 2008-2011 trends for each DR (see Table 2).

In 2008 (Table 2) the highest mean values can be observed in the case of Bucharest (86.18%) followed by North West (85.54%), while the lowest are in North East (74.43%) and South (76.65%); North West also presents the highest level of revenue collection (positive outlier, 167.15%), while North East the smallest (negative outlier, 11.02%). In 2009, Bucharest and North West present the highest means again (87.78% and 86.17%), while South (73.88%) and South West (75.32%) have the lowest means. Extreme values are found in North East (17.00%) and North West (127.34%). In 2010, North West (89.59%) and Bucharest (88.29) averaged the highest levels of revenue collection once again, while South East (80.53%) and South (80.96%) performed the worst. Extreme examples of revenue collection are observed in North West (172.70%) and South (25.93%). In 2011 (Table 2), the highest mean was for the North-West region (90.61%), followed by West (87.55%), while the lowest means were in South East (81.89%) and North East (82.25%).

Table 2: Revenue mobilization by DR, selected central tendency indicators (2008-2011)

Development Region	Selected Statistics	Values for 2008	Values for 2009	Values for 2010	Values for 2011
North East	Mean	74.43 %	75.42%	81.05%	82.25%
	Minimum	11.02%	17.00%	37.21%	24.00%
	Maximum	100.00%	100.00%	100.00%	100%
	Range	88.98	83.00	62.79	76.00
	Skewness	-.714	-.865	-.690	-1.098
	Kurtosis	.036	.816	.128	1.676
	N	558	558	558	558
South East	Mean	81.57%	78.68%	80.53%	81.89%
	Minimum	19.53%	35.59%	33.89%	28.73%
	Maximum	132.19%	124.84%	100.00%	100%
	Range	112.66	89.25	66.11	71.27
	Skewness	-.637	-.578	-.832	-.827
	Kurtosis	1.187	.199	.414	.509
	N	396	396	396	396
South	Mean	76.65%	73.88%	80.96%	83.43%
	Minimum	12.45%	19.47%	25.93%	38.24%
	Maximum	121.35%	122.48%	108.42%	134.80%
	Range	108.90	103.01	82.49	96.56
	Skewness	-.729	-.570	-.874	-.747
	Kurtosis	.508	.210	.584	.714
	N	574	574	574	574
South West	Mean	76.90%	75.32%	81.42%	84.51%
	Minimum	20.00%	28.00%	47.00%	39.00%
	Maximum	100.00%	100.00%	100.00%	100%
	Range	80.00	72.00	53.00	61.00
	Skewness	-.906	-.734	-.598	-.844
	Kurtosis	.917	.242	-.405	.406
	N	452	452	452	452
West	Mean	82.93%	81.69%	83.92%	87.55%

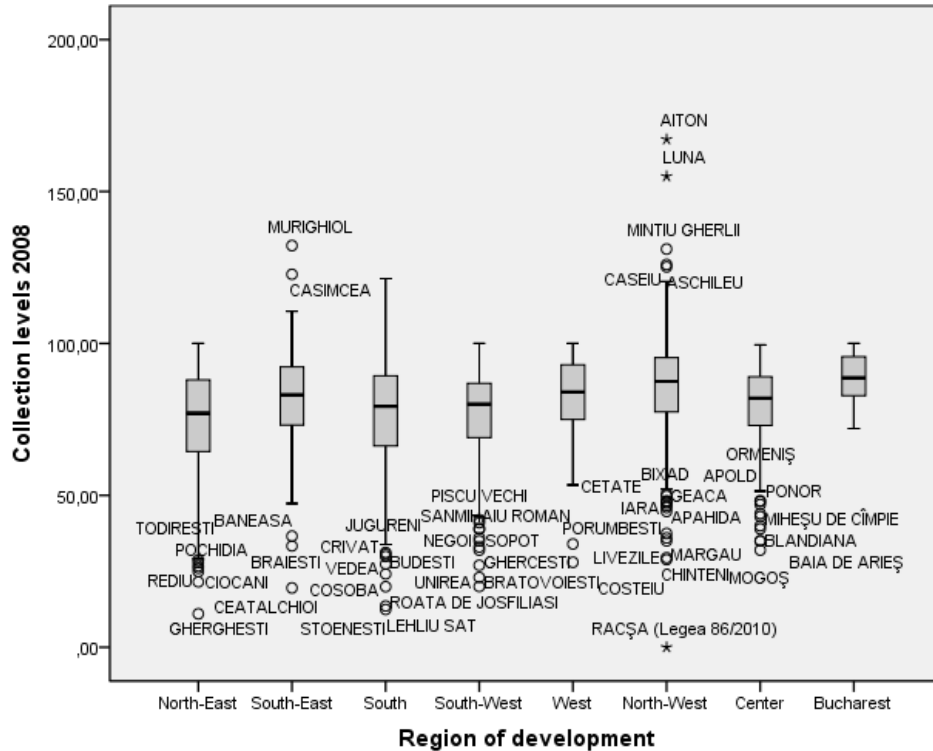
	Minimum	28.00%	38.00%	43.80%	45.28%
	Maximum	100.00%	100.00%	100.00%	100%
	Range	72.00	62.00	56.20	54.72
	Skewness	-.795	-.698	-.797	-1.251
	Kurtosis	1.138	.179	.410	1.539
	N	327	327	327	327
North West	Mean	85.54%	86.1795%	89.59%	90.61%
	Minimum	28.87%	38.43%	36.73%	40.13%
	Maximum	167.15%	127.34%	172.70%	131.47%
	Range	138.28	88.91	135.97	91.34
	Skewness	-.208	-.709	-.018	-1.168
	Kurtosis	3.519	.948	6.105	2.312
	N	452	452	452	452
Center	Mean	80.03%	81.91%	82.84%	83.49%
	Minimum	32.00%	32.40%	39.25%	47.87%
	Maximum	99.50%	99.54%	99.37%	99.45%
	Range	67.50	67.14	60.12	51.58
	Skewness	-1.010	-.877	-.881	-.857
	Kurtosis	1.322	1.465	.752	.337
	N	420	420	420	420
Bucharest	Mean	86.18%	87.78%	88.29%	84.27%
	Minimum	72.00%	75.00%	75.00%	46.00%
	Maximum	100.00%	100.00%	100.00%	100.00%
	Range	28.00	25.00	25.00	54.00
	Skewness	-.261	-.148	-.326	-1.045
	Kurtosis	-1.103	-1.077	-.961	1.286
	N	48	48	48	48

Source: Authorial computation based on DFPLB (2013) data

A visual representation of the data (see Figure 1 to Figure 4) offers more evidence for the presence of differences in revenue collection at the local level and that these differences can be connected with the DR in which a institution is situated. The Tukey box plot (Figure 1) presents an analysis of revenue collection by DR for 2008. It is noticeable that only two DRs present positive outliers (territorial administrative units that managed to collect significantly more than what they predicted), namely South East and North West. All DRs have negative outliers (local authorities that collected significantly less than what they predicted), albeit the number as well as their position differ.

Furthermore, the length of the ‘whiskers’ (the lines that start from the box) differs; they are shorter for Bucharest and longer for the rest of the regions. The same can be said regarding the height of the box. Judging by the fact that the upper whisker is shorter than the lower one (for each DR), it seems that there are more territorial administrative units that manage to collect fewer revenues (than what was initially predicted) than there are those that collected more revenues, regardless of the DR (Figure 1).

Figure 1: Revenue collection by region of development in 2008

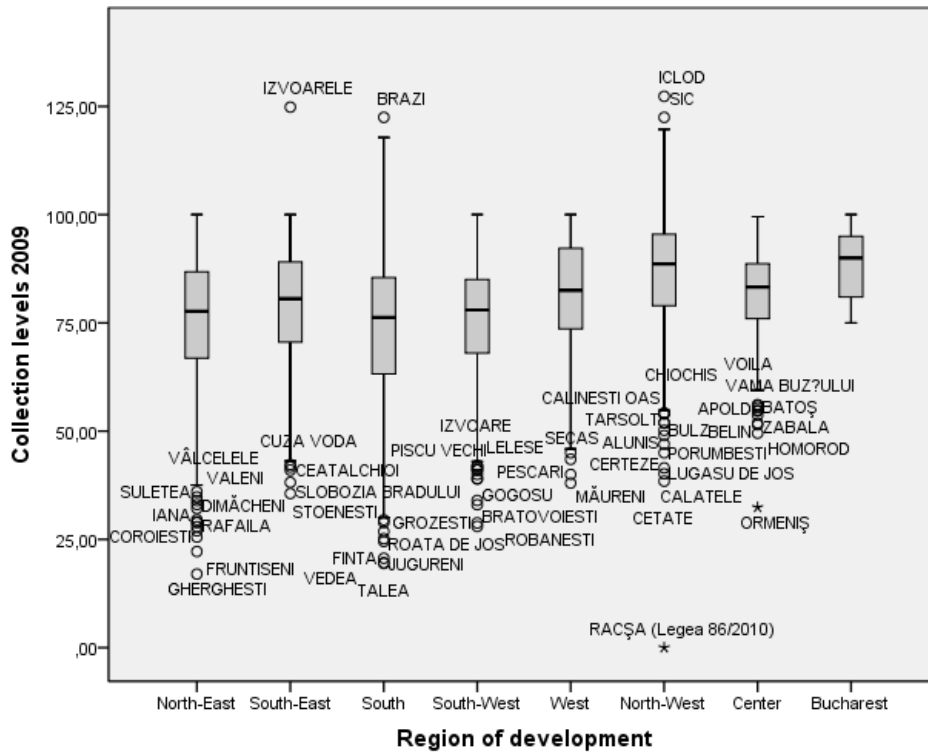


Source: Authorial computation based on DFPLB (2013) data

For 2009 (Figure 2) we can observe fewer positive outliers (only 4, in North West, South and South East). Negative outliers on the other hand are present in all eight DRs. The length of the ‘whiskers’ (following the same pattern: shorter for Bucharest and longer for the rest of the regions) seems to be bigger than in 2008, suggesting that more of the data tends toward extreme (positive and negative) values. These developments signal the existence of negative issues regarding the process of revenue mobilization at the local level and the same can be said regarding the height of the box, when compared to the previous year.

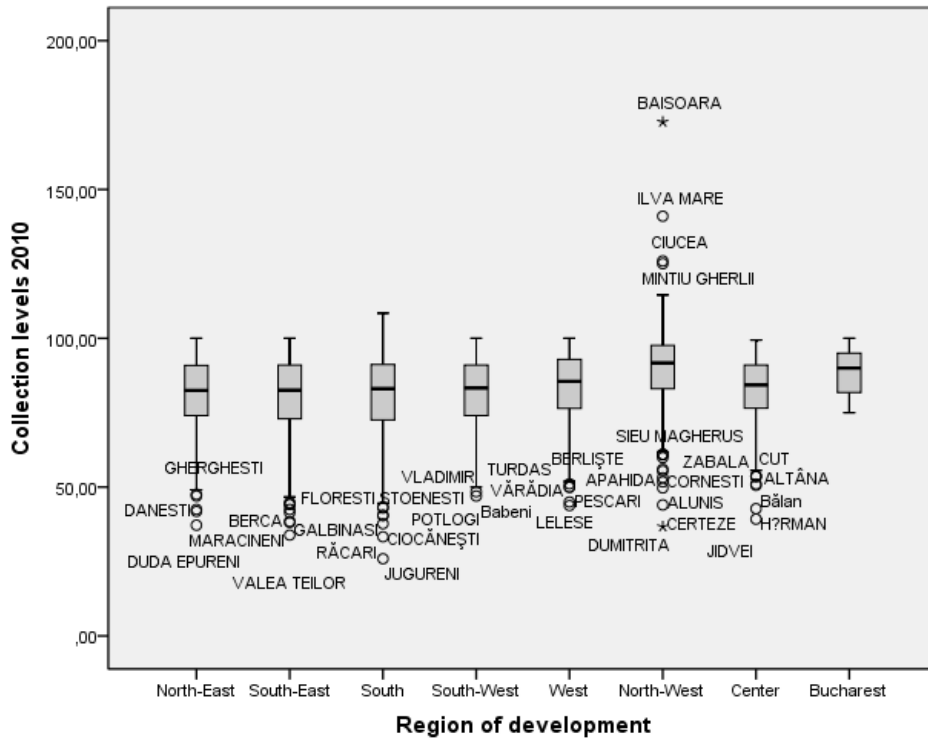
In 2010 only the North-West region maintains positive outliers, while the rest (except Bucharest) show negative ones (Figure 3). In the case of the North West, South and Bucharest regions, a significant percentage of the data is located around or above the 100 % indicator, meaning that parts of these regions managed to achieve higher levels of revenue collection than what was predicted, at least when compared to others.

Figure 2: Revenue collection by region of development in 2009



Source: Authorial computation based on DFPLB (2013) data

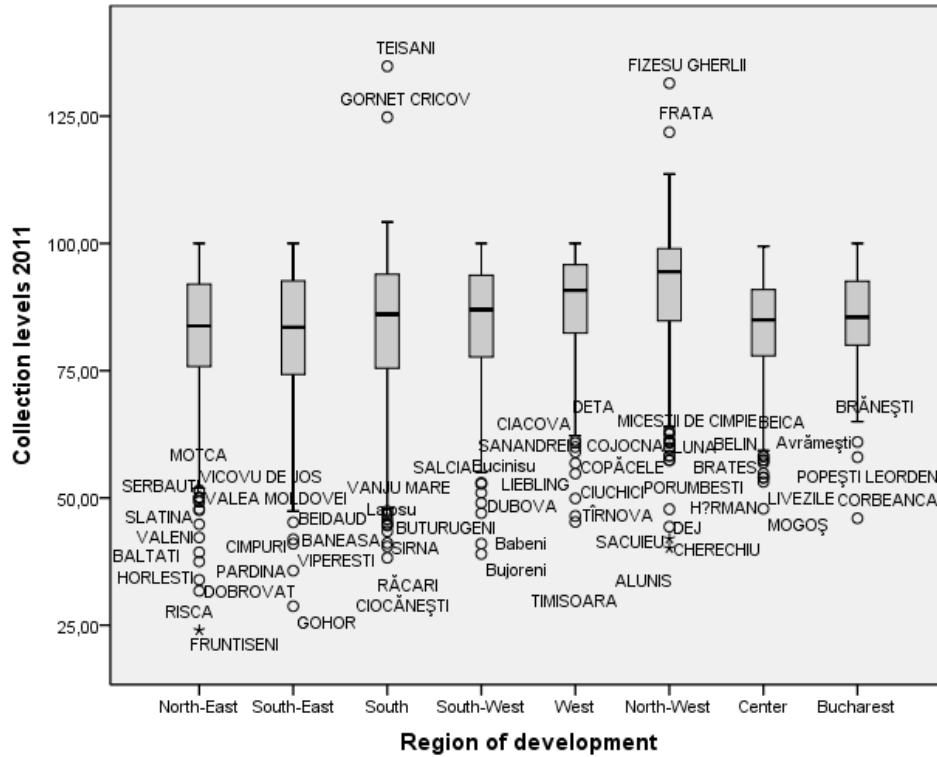
Figure 3: Revenue collection by region of development in 2010



Source: Authorial computation based on DFPLB (2013) data

In 2011 (Figure 4), besides the North West DR, positive outliers can also be identified in the South region, while all DRs have negative outliers (territorial administrative units which had significantly lower revenue collection levels than the regional average).

Figure 4: Revenue collection by region of development in 2011



Source: Authorial computation based on DFPLB (2013) data

Both the analysis of selected central tendency indicators (Table 2) and the analysis of the spread of the data according to the DR criterion (Figures 1 to 4) suggest that there is a difference between DRs regarding their influence on revenue collection. However, in order to confirm this hypothesis/observation (that the differences that can be observed between different regions of development regarding revenue mobilization at the local level are statistically significant and not due to chance) a more complex and robust analysis of variance is required.

Post-hoc ANOVA: Does DR matter?

To further test if the differences that occur between local communities situated in different DRs regarding revenue collection/mobilization are significant from a statistical perspective, an analysis of variance was conducted. A one-way analysis of variance (ANOVA) was used to observe if there are statistically significant differences between the means of multiple groups. Specifically, ANOVA tests the null hypothesis:

$$H_0: \mu_1 = \mu_2 = \mu_3 = \dots = \mu_k, \tag{1}$$

Where μ_i = group mean and k = number of groups. If, however, the one-way ANOVA returns a significant result then we must accept the alternative hypothesis (HA), namely

that there are at least two group means that are significantly different from each other. The main assumptions that have to be observed to realize a one-way ANOVA are discussed below.

The first assumption to conduct an ANOVA analysis is that the independent variable (development regions in our case) consists of two or more categorical independent groups; given the nature of our data (grouping local authorities by DRs), this criteria is met/fulfilled. The second assumption refers to the fact that the dependent variable should be either interval or ratio (continuous); this condition is also respected, since the dependent variable refers to the levels of revenue collection (collected/predicted local revenues) for the 2008-2011 period, which is a ratio measurement. The third condition requires that the dependent variable should be normally distributed for each category of the independent variable – this assumption was analyzed in Table 1 and Table 2, as well as in Figures 1 to 4 and is met by the data. The fourth assumption refers to equality of variances between the independent groups; homogeneity of variances was tested in SPSS using Levene’s Test and the Robust Tests of Equality of Means (see Table 3) – see the discussion below. The last (fifth) assumption, independence of cases is also met by our data.

A key assumption of the one-way ANOVA is that the variances of the compared groups are similar. In the case of Levene’s Test of Homogeneity of Variance (Table 3), if the statistical significance value is greater than .05, the test shows that there is homogeneity of variances. Unfortunately, the data fails to meet the assumption of homogeneity of variance, as the Sig. values are lower than .05 (meaning that population variances are not equal), thus we will take into account the Robust Tests of Equality of Means (Table 3), instead of the usual ANOVA table.

Table 3: Homogeneity of variances tests (Collected/predicted) revenues by development region

Year of analysis	Statistical tests			
	Levene’s test		Robust Tests of Equality of Means	
	Levene Statistic	Sig.	Welch Statistic	Sig.
2008	16.407	.000	32.913	.000*
2009	18.637	.000	46.958	.000*
2010	6.366	.000	28.765	.000*
2011	7.369	.000	26.832	.000*

Source: Authorial computation based on DFPLB (2013) data

With values for the Welch Statistic rather high (32.913 for 2008, 46.958 for 2009, 28.765 for 2010 and 26.832 for 2011) and *p* values below the 0.05 threshold (see Table 3), the analysis shows that there is a statistically significant difference in the mean levels of revenue mobilization between different development regions, across the entire period studied. Although there is a statistically significant difference between the analyzed groups, we are not able to determine (at this point) how the groups differ. To better observe the DRs between which there are statistically significant differences, the research continued by conducting post hoc tests (see Table 4) (the post hoc test best fitted in this case is Games-Howell because it does not rely on homogeneity of variance – this being an assumption not met by our data).

Overall, when compared to other regions, the North East region seems to collect fewer revenues than what it was proposed (Table 4). The mean difference is negative

($p < 0.05$) for all four years when compared with West, North West and Bucharest (with the exception of 2011 in the case of the latter). Negative differences can also be observed for 2008 and 2009 when compared to South East and Center DRs ($p < 0.05$), but when this region was compared to South and South West the mean differences were not statistically significant ($p > 0.05$).

The South East region presents less stable interaction over time (Table 4). In 2008 and 2009, it collected statistically significant more revenues than North East, South and South West ($p < 0.05$), but when compared to the same regions in 2010 and 2011 the mean difference (although negative) lost its statistical significance ($p > 0.05$). On the other hand, in all four years, this region collected less than North West ($p < 0.05$) and Bucharest (again, with the exception of 2011). It also collected less in 2010 and 2011 (when compared to the West; $p < 0.05$) and in 2009 (when compared to Center; $p < 0.05$), other interactions with these two regions not being statistically significant.

The South region (Table 4) managed to achieve lower levels of revenue collection when compared to West, North West, and Bucharest in all four years (with the exception of Bucharest in 2011), as well as when compared to Center (in 2008 and 2009) ($p < 0.05$) and South East (in 2009). All other mean differences proved not to be statistically significant ($p > 0.05$).

The South West DR (Table 4) collected less than the North West in the entire period ($p < 0.05$), less than West and Center (in 2008, 2009 and 2011; $p < 0.05$), less than Bucharest (in 2008-2010; $p < 0.05$) and less than South East (in 2008 and 2009; $p < 0.05$). This region did not manage to collect more local revenues than any other region.

During the analyzed period, the West region (Table 4) managed to collect significantly more than the North East and South ($p < 0.05$), but less than Bucharest and North West ($p < 0.05$). The region collected more when compared to South East (in 2010 and 2011), South West (in 2008, 2009 and 2011) and Center (in 2008 and 2011) ($p < 0.05$ in all cases), other mean differences being statistically insignificant.

The North West DR (Table 4) managed to collect more than any other region of development in the analyzed period ($p < 0.05$), with the exception of Bucharest (for the 2008-2010 period) and West (in 2008) (for these two exceptions $p > 0.05$).

Table 4: Post Hoc ANOVA, multiple comparisons, Games-Howell (Collected/predicted revenues by development region, 2008-2011)

(I) Region of development	(J) Region of development	Difference (I-J) 2008	Sig.	Difference (I-J) 2009	Sig.	Difference (I-J) 2010	Sig.	Difference (I-J) 2011	Sig.
North-East	South-East	-7,13864*	,000	-3,26038*	,013	,53339	,998	,35825	1,000
	South	-2,18593	,375	1,56994	,723	,11999	1,000	-1,18020	,788
	South-West	-2,47366	,200	,09975	1,000	-,35930	1,000	-2,26508	,063
	West	-8,50631*	,000	-6,26830*	,000	-2,8547*	,011	-5,30734*	,000
	North-West	-10,9140*	,000	-10,5564*	,000	-8,5126*	,000	-8,36619*	,000
	Center	-5,59607*	,000	-6,47954*	,000	-1,76433	,234	-1,24393	,678
	Bucharest	-14,3079*	,000	-12,3793*	,000	-7,2917*	,000	-2,01778	,948
South-East	North-East	7,13864*	,000	3,26038*	,013	-,53339	,998	-,35825	1,000
	South	4,95271*	,000	4,83032*	,000	-,41339	1,000	-1,53845	,639
	South-West	4,66498*	,000	3,36012*	,010	-,89269	,970	-2,62333	,051
	West	-1,36766	,846	-3,00792	,051	-3,3881*	,006	-5,66558*	,000
	North-West	-3,77539*	,005	-7,29605*	,000	-9,0459*	,000	-8,72444*	,000
	Center	1,54257	,700	-3,21916*	,004	-2,29771	,123	-1,60218	,531
	Bucharest	-7,16924*	,000	-9,11889*	,000	-7,8251*	,000	-2,37603	,898
South	North-East	2,18593	,375	-1,56994	,723	-,11999	1,000	1,18020	,788
	South-East	-4,95271*	,000	-4,83032*	,000	,41339	1,000	1,53845	,639
	South-West	-,28773	1,000	-1,47020	,794	-,47929	,999	-1,08488	,863
	West	-6,32038*	,000	-7,83824*	,000	-2,9747*	,010	-4,12714*	,000
	North-West	-8,72811*	,000	-12,1264*	,000	-8,6325*	,000	-7,18600*	,000
	Center	-3,41014*	,005	-8,04948*	,000	-1,88432	,207	-,06373	1,000
	Bucharest	-12,1219*	,000	-13,9492*	,000	-7,4117*	,000	-,83758	1,000
South-West	North-East	2,47366	,200	-,09975	1,000	,35930	1,000	2,26508	,063
	South-East	-4,66498*	,000	-3,36012*	,010	,89269	,970	2,62333	,051
	South	,28773	1,000	1,47020	,794	,47929	,999	1,08488	,863
	West	-6,03264*	,000	-6,36805*	,000	-2,49539	,057	-3,04226*	,004
	North-West	-8,44038*	,000	-10,6562*	,000	-8,1533*	,000	-6,10112*	,000
	Center	-3,12241*	,013	-6,57929*	,000	-1,40503	,576	1,02115	,867
	Bucharest	-11,83422*	,000	-12,4790*	,000	-6,9324*	,000	,24730	1,000
West	North-East	8,50631*	,000	6,26830*	,000	2,85469*	,011	5,30734*	,000
	South-East	1,36766	,846	3,00792	,051	3,38808*	,006	5,66558*	,000
	South	6,32038*	,000	7,83824*	,000	2,97469*	,010	4,12714*	,000
	South-West	6,03264*	,000	6,36805*	,000	2,49539	,057	3,04226*	,004
	North-West	-2,40773	,224	-4,28813*	,000	-5,65788*	,000	-3,05886*	,004
	Center	2,91023*	,023	-,21124	1,000	1,09037	,883	4,06340*	,000
	Bucharest	-5,80158*	,002	-6,11097*	,001	-4,43704*	,027	3,28956	,610
North-West	North-East	10,91404*	,000	10,55643*	,000	8,51258*	,000	8,36619*	,000
	South-East	3,77539*	,005	7,29605*	,000	9,04596*	,000	8,72444*	,000
	South	8,72811*	,000	12,12637*	,000	8,63257*	,000	7,18600*	,000
	South-West	8,44038*	,000	10,65617*	,000	8,15327*	,000	6,10112*	,000
	West	2,40773	,224	4,28813*	,000	5,65788*	,000	3,05886*	,004
	Center	5,31797*	,000	4,07689*	,000	6,74825*	,000	7,12226*	,000
	Bucharest	-3,39384	,262	-1,82285	,873	1,22085	,981	6,34841*	,018
Center	North-East	5,59607*	,000	6,47954*	,000	1,76433	,234	1,24393	,678
	South-East	-1,54257	,700	3,21916*	,004	2,29771	,123	1,60218	,531
	South	3,41014*	,005	8,04948*	,000	1,88432	,207	,06373	1,000
	South-West	3,12241*	,013	6,57929*	,000	1,40503	,576	-1,02115	,867
	West	-2,91023*	,023	,21124	1,000	-1,09037	,883	-4,06340*	,000
	North-West	-5,31797*	,000	-4,07689*	,000	-6,74825*	,000	-7,12226*	,000
	Bucharest	-8,71181*	,000	-5,89973*	,000	-5,52740*	,001	-,77385	1,000
Bucharest	North-East	14,30788*	,000	12,37927*	,000	7,29173*	,000	2,01778	,948

South-East	7,16924*	,000	9,11889*	,000	7,82512*	,000	2,37603	,898
South	12,12195*	,000	13,94921*	,000	7,41172*	,000	,83758	1,000
South-West	11,83422*	,000	12,47902*	,000	6,93243*	,000	-,24730	1,000
West	5,80158*	,002	6,11097*	,001	4,43704*	,027	-3,28956	,610
North-West	3,39384	,262	1,82285	,873	-1,22085	,981	-6,34841*	,018
Center	8,71181*	,000	5,89973*	,000	5,52740*	,001	,77385	1,000

Source: Authorial computation based on DFPLB (2013) data. Note: * the mean difference is significant at the 0.05 level

The Center DR (Table 4) collected less than North West and Bucharest (for the entire period) and West (in 2008 and 2011) ($p < 0.05$), but more than North East, South, South West (in 2008 and 2009; $p < 0.05$) and South East (in 2009) ($p < 0.05$). All other mean differences are not statistically significant ($p > 0.05$) in the case of the Center DR.

According to Table 4, Bucharest DR attained a higher level of revenue collection than any other region (except the North West) in the first three years; the mean difference ranges from 4.36 p.p. to 14.31 p.p. ($p < 0.05$). However, in 2011 Bucharest lost this advantage (from a statistical point of view) and the North West region managed to collect with 6.34 p.p. more ($p < 0.05$).

Discussion and conclusions

The descriptive analysis showed that local administrative institutions (communes, cities, counties) from North-West region, West and Bucharest attained higher levels of local revenue collection between 2008 and 2011, while the North-East, South and South-East development regions under-performed in regard to local revenue collection. No clear pattern seems to emerge in the case of the remaining two regions (Center and South West) as they constitute an intermediary level between the aforementioned two ('performers' and 'laggards') or simply to not show any consistent pattern. The Games-Howell Post Hoc ANOVA conducted for all Romanian territorial administrative units for the 2008-2011 period corroborates the main findings of the descriptive/exploratory analysis as most of the differences which were initially observed in Table 2 and Figures 1 to 4 are also statistically significant, according to the tests presented in Table 3 and Table 4.

Furthermore, our finding on revenue mobilization are rather similar with those obtained by Avrănescu (2012, p. 44) in his index of development, although the two methodologies and data sets are very different, as: Bucharest, North-West and West generally occupy the first three positions (according to both Avrănescu's ranking for 2009 and our general results, although not necessarily in the same order for the latter two DRs), while North-East and South East are generally among the last three positions in both analyses (Table 5).

Table 5: Comparative analysis of findings.

Development region	Current research ranking (based on mean, largest to smallest)					Avrănescu's ranking (development index)	
	Total*	2008	2009	2010	2011	1998	2009
North-East	27	8	6	6	7	8	8
South-East	25	4	5	8	8	6	6
South	28	7	8	7	6	3	5
South-West	21	6	7	5	3	4	7

West	12	3	4	3	2	7	2
North-West	6	2	2	1	1	5	3
Center	17	5	3	4	5	2	4
Bucharest	8	1	1	2	4	1	1

Source: Authorial computation based on DFPLB (2013) data and Avrămescu (2012, p. 44). Note: the total is based on the sum of rankings; lower total indicates a better ranking

Some differences can be observed between the two rankings presented in Table 5 in the case of the South West DR (which is an intermediary performer in our ranking, but a laggard according to Avrămescu) and the South DR (which is a worse performer according to our results, but an intermediary performer according to Avrămescu). Unfortunately, these similarities between the main findings of the two researches cannot be further explored in the present paper, but they can constitute the background of future academic works related to Romania’s DRs and their importance/role in ensuring sustainable development.

We can also assume that other factors, most likely of cultural origins specific to each DR (Iacobuță, 2015; Oțil and Boldea, 2015; Bălan and Vasile, 2015) have an important impact on public revenue mobilization, but the scientific literature is rather limited on this subject, thus analyzing the impact of cultural factors on revenue mobilization and voluntary compliance can constitute a topic of interest for future research. More in-depth research is also warranted in the case of culture and sustainable development, going beyond the economic impact of cultural artefact and heritage (see Nocca, 2017): are there regional differences in the way people perceive themselves and the state (at local and national level), differences which influence both their entrepreneurial spirit (or in general what they do to ensure a better quality of life for themselves and their family/community, thus eventually leading to development) and their willingness to pay taxes?

We must also briefly discuss a limitation of the current work: the indicator we used for revenue mobilization (the ratio between collected and predicted revenues) allows us to compare territorial administrative units from the eight DRs on a more objective basis, but it also present a shortcoming – we cannot currently ascertain, without any shadow of a doubt, that the differences observed are due to forecasting failures (as some territorial administrative units proposed unreasonably high or low forecast for what they can reasonably expect to collect) or to deficiencies and shortcomings in the actual collection process (as the initial forecasts were accurate but something else happened during the budgetary year which made that goals/objectives unattainable). We can also posit that some of these potential forecasting/estimation ‘errors’ or even the general under-performance of public institutions in the case of domestic revenue mobilization could have been averted if a more stable and performant internal public auditing would have been put into place (see Macarie and Moldovan, 2018; Moldovan and Macarie, 2022).

As previously mentioned, the research remains exploratory and descriptive at this stage; the analysis can be further continued in a confirmatory direction by including multiple control variables, such as GDP or GDP/capita, urbanization, demographic dependency, employment and unemployment, the size of the informal/underground economy, sectorial composition of the economy, population and so on, but this goes beyond the aims of the present research. Even so, the current findings can be useful for national decision-makers in an attempt to reorganize Romanian DRs or in (eventual) future

attempts to create administrative regions or macro-regions that can reduce inequalities and ensure sustainable development (Duchin, 2017; Pavel and Moldovan, 2019) for local communities. Maintaining the current development regions as the blueprint or background for a potential territorial reorganization of the country would be ill advised, as the aforementioned inter-regional differences might become more pronounced and generate even greater disparities between local communities. Extrapolating from the current findings we can hypothesize that the Bucharest, Center, North-West and West DR which attained higher levels of domestic revenue mobilization (see Table 5) will continue to do so in the future and, consequently, have more consistent and constant financial resources at their disposal to offer public goods and services and to encourage (via regional and local public policies, subsidies and tax levies) economic and social development. On the other hand, if the current situation is maintained, North-East, South-East, South and South-West DR will have less and less consistent and constant financial resources to provide public goods and services and to stimulate economic development in a sustainable manner.

However, even if the current system is not conducive to sustainable development and reducing inter-regional disparities (as the experience of the last 20 years has shown in Romania) and it would be ill-advised to implement more extensive administrative changes based on the current DR (i.e. transforming development regions in administrative ones and potentially reducing the authority and power of other administrative levels – national, county or city/commune), there are some limitations if we want to offer a more complex solution for national policy makers only based on the current data. One could offer a potential solution under the form of using NUTS-I macro-regions instead of NUTS-II regions as the background for an territorial-administrative reform, but the literature shows that in the case of Romania development gaps exist even at the macro-regional level (see Oțil and Părean, 2010; Florea, 2014; Ionescu, 2016), thus this solution would also fail to ensure sustainable development and reduce development gaps. Another more feasible potential solution would be to recombine the current DR established at the NUTS-II level and transform them into different NUTS-I territorial-administrative macro-regions, but multiple other factors (for example: GDP, population, geographical proximity, transport infrastructure, economic characteristics, socio-cultural affinities and history, ethnicity and minorities, natural resources and so on) would have to be taken into consideration beside revenue mobilization in order to ensure sustainable development.

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RESETTLEMENT AS A DEVELOPMENT PROJECT FOR PASTORALIST COMMUNITIES IN ETHIOPIA

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Abstract: Resettlement programme has become an integral part of the national economic and social development programme in Ethiopia. Villagization has been considered as one of the key and quickest ways to achieve food security in a short and medium-terms and socio-economic development in the long run and the Ethiopian government considers villagization as a final strategy to transform the life of pastoralists. The purpose of this study was to examine the extent to which villagization programme in Afar Regional State has helped in transforming the socio-economic life of pastoralist communities. The study used explanatory research designs. Data for this study were collected through qualitative methods like informant interviews, observation, focus group discussions and document analysis. Ninety-six participants were interviewed and eight focus group discussions were conducted. The qualitative dataset was thematically analyzed through deductive identification of themes. The central argument of this study is that villagization programme in Afar Regional State didn't not achieved its intended purpose, improving the living conditions of pastoralist communities due to failure of the government to fulfill the necessary inputs and services, pastoralists' and regional leaders' negative attitude towards the programme and absence of proper organizational structure of the unit responsible to follow up and coordinate the implementation of villagization programme. The researcher recommended that the government has to fulfill the necessary inputs and infrastructures; sufficient awareness has to be created among the community to get their consent and to make the programme meet its purpose.

KeyWords: Afar Region, development, Ethiopia, pastoralists, villagization programme

Introduction

Ethiopian regimes have been implementing villagization programme as a development project. Inter-regional resettling of people were carried out during the Imperial (1930-1974) and the military (1974-1991) regimes. The Government of EPRDF that came to power after the overthrow of the military regime restructured the country along ethnic lines which made inter-regional settlement programme difficult. Thus, intra-regional settlement has been conducted since 2003 particularly in developing regional states largely inhabited by pastoralist communities. The government of Ethiopia gave emphasis to the settlement of pastoralists because it is believed that food insecurity and poverty are as pervasive and deep in pastoral communities across the country. It is with this assumption that villagization programme has been carried out in Afar region since 2012. The paper analyzes the contribution of villagization programme in ensuring food security and improving the living conditions of Afar pastoralist communities. The paper begins with a brief account of villagization programme across regimes. This was followed by an analysis the implementation and challenges of villagization programme in Afar Regional State and its impacts on the socio-economic development of Afar Regional State.

Literature review

Implementation of villagization programme in Ethiopia

Villagization Programme has been implemented as a development project by Ethiopian regimes. The programme was practiced during the Imperial regime (1930- 1974). For instance, Clark (1986) mentioned that some 20,000 families were settled mainly from the drought afflicted and over populated north to the south before the military seizure of power. Nevertheless, the villagization programmes carried out during the imperial period were not successful due to inadequate planning of programmes, inappropriate settler selection, inadequate budgetary support, and inexperienced staff (Dessalegn, 2003). Villagization programme was also carried out during the military regime (1974-1991). Following the 1984 devastating famine, the military government embarked on villagization programme, to change the highlands' historic patterns of settlement from scattered hamlets located near water and fields to concentrated dwellings clustered along the main communication lines (Marcus, 1994).

At the core of any resettlement programme is the need to undertake a more rigorous analysis of environmental, economic and social factors as well as alternative and promising land use potentials (Shumete, 2013). The resettlement programme implemented by the military government lacked this important element which as a result failed to achieve its intended purposes. That was why the massive resettlement undertaken by the military government was condemned by many authors due to its involuntary nature and its devastating effects on the settlers. In this regard, the HRW (1994) report revealed out that the resettlement involved massive human rights abuses, poor preparation, lack of resources, and almost certainly led to further impoverishment of Ethiopia's peasants. Similarly, Gizachew (2014) contend that the programme lacked standards of human rights and it played its own part in worsening the famine situation. Although the military regime's state-sponsored resettlement programme failed to achieve its intended purpose due to poor preparation and execution which ultimately lead to the suffering of settlers. However, the EPRDF government, (hereafter Government of Ethiopia) did not abandon the villagization programme rather it is considered as a major instrument for ensuring food security and improving the living conditions of settlers. This was because resource degradation and decline of production capacity in many densely populated areas of the country threatened the food security of many people (Kassa, 2004).

In early 2000s, population relocation schemes were resuscitated and reintegrated into Ethiopia's food security and rural development strategies (Fana, 2014). However, unlike the experiences the past, the institutionalization of ethnic federalism and restructuring of the country's administrative regions along ethnic lines severely limited inter-regional resettlement (Kassa, 2004). Therefore, government policies envisaged intra-regional villagization programme as an important instrument of ensuring food security which at the same time would help to avoid friction and mistrust among various ethnic groups because people are made to settle within their own regions where they will live together with people with the same ethnic, language and cultural backgrounds (MOIPAD, 2001). The official statements of the Government of Ethiopia underscored that villagization programmes will have positive contribution to rural development if relocation of people is conducted based on a well-conceived plan and with government assistance (MoFED, 2003). In this regard, the country's development policy, Agricultural Development Led

Industrialization (ADLI) and the National Food Security Strategy documents revealed that resettlement program which could change under-utilized land into economic use will have a positive effect on food security, improvement of the welfare of the relocated communities as well as to the economic growth of the country (MoFED, 2002).

Villagization is considered as one of the key and quickest ways to achieve food security in a short- and medium-terms (Megerssa, 2012). The Government of Ethiopia initially began a pilot resettlement scheme in 2003 that has resulted in intra-regional resettlement of about 45,000 households (180,000 people) in three regions: Amhara, Oromiya, and Tigray (MoFED, 2003). Six months after the pilot phase, the government planned to implement a more intensive and prolonged intra-regional resettlement scheme targeting to resettle about 440,000 households (2.2 million people) within three years (2003-2005) and between 2003 and 2004 over 149,000 households were resettled (MoFED, 2006). Despite of the different arrangements at all levels; the Government of Ethiopia was not able to materialize its ambitious plan of settling that huge number of people in 2009 let alone at the end of 2005. The performance of the implementation of the villagization programme was found to be low due to the delay in the preparatory works on the newly identified resettlement sites (MoFED, 2003; Kassa, 2004).

Rational for the implementation of villagization programme in pastoral areas of Ethiopia

In Ethiopia, the human population of pastoral areas is estimated to be between 12-15% of the country (MoFED, 2002). Food insecurity and poverty are as pervasive and deep in pastoral communities across the country because the rainfall in these areas is too scanty and too intermittent to support rain-fed crop production (MoFED, 2003). According to the Ethiopian Resettlement Policy Framework document, development issues faced by pastoralists include weak governance structures with limited public participation in local decision making processes; poor access to social services, especially to quality education and health care; dependence on extensive livestock production with poorly developed support infrastructure and services; environmental degradation, particularly of rangelands; vulnerability to recurring droughts exacerbated by climate change; increasing competition for use of land for intermittent grazing and lack of access to water supply schemes; and conflicts over natural resources (HRW, 1994). The move towards sedentarization of pastoralists, which is highly propagated by the Pastoral Policy of Ethiopia, is an area of debate among researchers. Different researches conducted on pastoralism suggested that mobile pastoralism has high adaptive capacity to arid and semi-arid areas characterized by harsh climatic conditions. They argue that mobile life is guaranteed for flexible use of temporally and spatially variable resources (Getachew, 2001).

On the other hand, the various policies, strategies and programmes of the Government of Ethiopia such as the Sustainable Development and Poverty Reduction Program (SDPRP) and Plan for Accelerated and Sustained Development to End Poverty (PASDEP) advocate for the sedentarization of pastoralists over the long term (PFE, 2009). For instance, the Ethiopia's 2006, PASDEP made clear that special effort will be made to provide pastoral areas with basic services and to facilitate the slow transition towards settlement on voluntary basis (MoFED, 2006). The Ethiopian government's policy approaches pastoralism as a transitory livelihood strategy rather than a permanent way of

life that pastoralists have to stay with (Firehiwot and Yonas, 2015). Resettlement programmes have become part and parcel of the national economic and social development programme. The various policy, strategy and intervention documents of the Government of Ethiopia underscored that development approaches/interventions in pastoral areas should give priority to the resettlement of pastoralists to ensure food security and sustainable development (MoFED, 2003). The above policy directions, strategies and interventions attest that the Ethiopian government considers settlement as a final strategy to transform the life of pastoralists (Yohannes and Mahmud, 2015). The governments' advocacy for crop production as a best strategy in all climatic Zones, including in the pastoralist areas, seems a deviation from its policy context and the constitutional right of pastoralists not to be displaced from their land.

Poverty in pastoralist areas is generally worse than elsewhere in the country in terms of conventional human development indicators (MoFED, 2006) and villagization programmes have become part and parcel of the national economic and social development programme (MoFED, 2002). It was in the light of this plan that the Government of Ethiopia launched its villagization program in the four Developing Regional States (Gambella, Afar, Somali and Benishangul) in the middle of 2010 (Guru, 2012). The state rhetoric behind the villagization among pastoralist/agro-pastoralist communities in these regional states is to provide basic socio-economic infrastructures such as health services, schooling, roads, houses, fertile farmland and water which aimed at ensuring food security, bringing socio-economic and cultural transformation for the relocated people (HRW, 2012). This agrarian biased programme might indicate the influence of the federal government in policy making. Policy making in federal Ethiopia is still top down approach and regional states administered by affiliated parties are recipients of policies designed by the federal government. Moreover, EPRDF's program underscored that the front is the organization of agriculturalists while declaring pastoralism as incompatible to the ideology of Revolutionary Democracy (FDRE, 2001).

Research Methodology

Research design

The conceptual framework for doing research is known as the research design. It serves as the guide for data gathering, measurement, and analysis. The study design specifies what information is needed, how it will be obtained and analyzed, and how it will address the research topic (Kothari, 2004). Explanatory research design is employed in this study because this research design is used to examine the reasons "why" something occurs (Lee, 2008). Since the main assumption of this study is that villagization programme implemented in Afar Regional State is not achieved its intended purpose, explanatory research design was appropriate to explain why this is the case

Sources of data

Afar Regional State is divided into five administrative zones which constitute 32 Woredas (Districts). Based on the economic livelihood of the peoples of the Afar region, the Woredas in the regional state can be classified into three categories: predominantly pastoralist, agro-pastoralists, Woredas having better infrastructure, investment projects and modern mechanized agriculture. Teru, Assaita and Amibara Woredas were selected to

reflect the above respective Woreda characteristics respectively. Accordingly, data for this study were collected from the Federal institutions, Semera (regional capital) and the three selected Woredas.

Sampling design and sample size

The problem to be examined was brought up with knowledge participants using a purposeful and snowballing sampling strategy. As suggested by Marshall and Rossman (2016), this technique helped the researcher in removing worthless answers and gaining comprehensive and practical viewpoints. Thus, participants were purposefully selected from federal institutions, Afar Regional State Bureaus, Zone and Woreda Offices, Regional State Council Members, members of Afar Peoples Democratic Party, local officials, clan leaders, community members, young people and women.

Data collection instruments

Data for this study was gathered through in-depth interviews, focus group discussions, personal observation and document analysis. Generally, Ninety Six participants were interviewed from federal institutions, regional, Zonal and Woreda levels administration, community and experts in the regional state Coordination Office for Basin Development and Villagization Programme. The researcher also conducted 8 focus group discussions with a group of 6- 8 purposefully selected participants in each focus group discussions both in the regional capital and in the three selected Woredas.

Results and Discussions

Implementation of villagization programme in Afar regional state

The present rural development policies and strategies of Ethiopia advocate sedentarization as the last option to bring development in pastoral areas of the country. For instance, the FDRE Rural Development Policy and Strategies document considered settlement of pastoralists as a viable economic and social development option to bring about meaningful and lasting impacts on the lives of herders. Hence it underscored that the ultimate goal is to settle the entire pastoralist population (MoFED, 2003). In line with the federal policies and strategies regional state governments' policies and strategies also stressed on the importance of villagization programme. In this regard, the Afar National Regional State Rural Land Use and Administration Policy and Strategies (ANRS-RLUAPS) considered settlement of pastoralists as an important option to transform the life of the Afar:

The Afar pastoralists usually roam from place to place in search of grazing and water for their cattle and other animals. This system of livelihood has helped to balance and protect the eco-system from destruction. However, the repetitive and cyclical drought has made the traditional system of roaming in search of water and grazing totally unreliable and is threatening the very existence of the pastoralists. Creating suitable environment to settle pastoralists has therefore become an urgent and important task. This issue and direction have already been given sufficient attention in the Rural Development Policies, Strategies, and Tactics document of the Federal Democratic Republic of Ethiopia; and other documents that outline the visions for pastoral areas development and good governance (ANRS-RLUAPS, 2009, p.13).

Another document of the regional state (ANRS, 2017) underscored that the livelihood of the Afar will basically change only through the implementation of the resettlement programme. It further elaborated that Villagization programme in Afar region is not something that will be practiced when it is successful and interrupted when it is not. Rather, the implementation of Villagization programme for the Afar is the priority action with no other alternative. There are also people who do not view pastoralism as a viable pursuance of life. For instance, Mohammed and Abule (2015) underscored that in the past, the use of indigenous knowledge about livestock and rangeland management practices has enabled the Afar pastoralists to live friendly with their environment. However, in recent time, the traditional resource management system became shrinking due to modernization, population increment and drought making pastoralism unreliable. In the same fashion, Piguët (2001.p.7) asserted that the “*Afar feel that their way of life has failed in terms of the viability of their pastoral economy*”. Similarly, according to Eriksen and Marin (2011) mobility is becoming more difficult and less viable.

The views of pastoralists and agro-pastoralists seem to support the arguments of those who questioned the viability of pastoralism. Pastoralists interviewed in the three selected Woredas, mentioned that they were totally opposing the villagization programme. But in recent times, they had started to change their mind because of the deterioration grazing lands from time to time and government propaganda regarding the importance and reliability of sedentary way of life. For instance, one of the pastoralists who settled in a settlement village in Galifage Kebele in Assaita Woreda stated: *Ensuring food security, sustaining and improving our lives cannot be materialized through the traditional mobile way of life in an era of climate change which has been causing the deterioration of the resources upon which our livelihood heavily depend on. In the past, we were able to sustain our mobile way of life because it had helped us to use alternative resources available in different areas. However, starting from the past few decades, recurrent drought and the invasion of Prosopis have seriously affected rangelands and water sources. This in turn has undermined the viability of mobility (Interview, 14 March, 2019, Assaita).*

Leaders of the regional state at all levels interviewed during the field visit in 2018 and 2019 underscored that the regional state government evaluated the low performance in the implementation of the villagization programme conducted between 2012 and 2015. They further explained that unlike the experiences in the preceding years, in 2016, the regional state designed a new villagization programme, which centered on the availability of water and tried to ensure the supply of social and economic service giving institutions like schools, clinics, health centers for human and animals, electricity and roads. As explained above, the documents of Afar regional state such as ANRS-RLUAPS and Afar (2017) made clear that settling pastoralists in selected settlement villages is the best alternative to improve the living conditions of pastoralists. Moreover, the Afar Regional State Villagization Programme Strategy (2016) underscored that the implementation of basin based villagization programme is the core principle of the regional state government. The regional state government considered that in recent years mobility has exposed the movement of pastoralists from place to place to natural and manmade hazards as well as to social, economic and human crisis. Therefore, villagization is considered to be important to move pastoralists and agro-pastoralists out of their backward way of life which forced them to live under absolute poverty and to enable them lead settled and permanent way of life.

Challenges in the implementation villagization programme in Afar regional state

According to the report of the Equitable Development Directorate General of the Ministry of Federal Affairs (MoFA) for the 6 month of the 2017, the number of households living in old village centers in Somali, Afar, Benishangul-Gumuz and Gambella regional states was 183, 252, 23, 144, 82,968 and 40,437 respectively. This report showed that the implementation of the villagization programme in Afar Regional State is lower than in other Developing Regional States (MoFA, 2017). According to the explanation of an expert in the regional Coordination Office for Basin Development and Villagization Programme (COBDVP) interviewed in February 2019, there are two main reasons behind the low performance in the implementation of the villagization programme in this fiscal year was due lack of continuity in the awareness creation campaigns, pastoralists have not been fully convinced although they found that mobility could not help to sustain their livelihood like in the past. The implementation of the villagization programme in 2018/19 was found to be very low. The regional state planned to settle 5,200 households but only 485 households which is 9.3% plan accomplishment. An overview of the implementation of the villagization programme in the three selected Woredas would be helpful to understand the challenges and the failure of the villagization programme to achieve its intended purpose, ensuring food security and bringing sustainable development in Afar Regional State.

Pastoralists in the three selected Woredas interviewed during the field visit in December 2018 and March 2019 asserted that pastoralists deserted the settlement villages because of the insufficiency of the services and facilities provided. One pastoralist in Teru Woreda reflected that it is difficult for them to live in the settlement villages permanently. They have not yet fully adapted plough agriculture. But they want to secure the benefits obtained from both mobility and settled way of life. The government cannot fulfill all the necessary facilities and infrastructures. Therefore, they move to other places when they encountered lack of pasture to their animals. They have a good culture of information sharing called, Dagu. Thus, they moved back to their villages when they get information about government's plan of counting pastoralists in the settlement villages because they don't want to miss the services provided there (Interview 6 March 2019, Alelu).

In Amibara Woreda pastoralists were made to settle in seven settlement villages. The report revealed that villagized pastoralists were promised to be given different services like education, health and water as well as other facilities including farm and pasture land, seeds, agricultural tools and anti-pest chemicals. They reported that the performance in the implementation of the villagization programme did not show progress due to several challenges such as the low awareness of pastoralists regarding the importance of the villagization programme, inability to produce crops in some settlement villages, lack of proper maintenance on the old irrigation canals in all settlement villages; absence of pure drinking water in Waydolale and Yueren settlement villages, inability to supply different inputs timely; absence of tractors to plough virgin lands which are hard to plough by oxen, lack of commitment on the part of the leadership and weak follow up and evaluation system (Interview 21 December, 2019, Andido).

The above idea is substantiated by the arguments of focus group discussants. They asserted that the Woreda administration has not been able to accomplish its plan of settling more pastoralists in consecutive years. They further explained that the pastoralists' interest to be villagized declined because the government failed to provide the necessary

infrastructures which could enable them lead sedentary way of life in the settlement villages. The statement of one pastoralist who participated in the FGD seems to support the above assertion: *Our livelihood was dependent on the rearing of cattle, camel and goat but their number has been reducing at alarming rate. We started irrigation agriculture and produce market crops like onion and tomato to cope with the challenge that we have been facing. We have been buying fuel for our generator to pull water from the ground but our capacity of affording for fuel has become costly. Unless the government helps us by making channels to use the Awash River for irrigation, we cannot benefit from the cultivation of crops, fruits and vegetables (FGD, 26 December, 2018, Andido).*

According to discussions the researcher held with pastoralists during field observations in Amibara Woreda, many pastoralists desert the settlement villages and started their mobile way of life due to the presence of wide gap between government promises and actual practices in the provision of inputs and infrastructures. In the words of a pastoralist who settled in Keleat-Buri settlement village in 2013 explained that they rushed to the settlement village with the expectation of improved way of life in the settlement villages. But they quickly left the settlement village because the government was not able to keep up its promise of supplying inputs and services (Interview, on 13 March 2019, Andido). In Assaita Woreda eleven settlement villages are established but water supply is still a problem although all Kebeles are found along the Awash River. According the explanation of an expert in Assaita Woreda Water Development Office interviewed in January, 2019, the government has been trying to excavate underground water in different Kebeles of the Woreda but the water found to have high fluoride content. He further elaborated that purifying the water requires high cost. Similarly, one of the top leaders of the Woreda Water Office underscored that the Woreda government has been stretching pipelines for the purpose of supplying water to Kebeles from Assaita town. So far Kebeles like Berga, Hinele and Karatura have got pure drinking water. He further mentioned that enabling the pastoralists living in Gehertu Kebele get access to water is still impossible because the area is where the Awash River sinks and the salt and fluoride content is extremely high (Interview, 15 March 2019 Assaita). Assaita Woreda has been considered as developed area of the Afar region because of its long experience in crop production and expansion of government projects since the imperial period. However, the villagization programme being implemented in the Woreda has still wide gaps. The researcher's personal observation during the field work in January 2018 and March 2019, in two settlement villages in Galifage Kebele namely Aybayito and Galateluberi located on the side of the main road (Assaita to Semera) attest that the villagization program being practiced is still unable to achieve its intended purpose, improving the living conditions of pastoralist communities.

The explanation of another expert in Assaita Woreda Water Development Office indicated that provision of water supply has remained to be a serious problem in Assaita Woreda although the Woreda is rich in underground water. This shortage of water supply for Assaita town could signify the inability of the regional state to resolve problems related to pastoralists' demand for water. If the water supply for the old town, Assaita is found at this stage, shortage of water supply in rural Kebeles will not be something surprising. Other problems in the Woreda are absence of road to connect the Woreda capital, Assaita Town with rural Kebeles and lack of market facilities. Analyzing the situation of the pastoralists in Berga Kebele which is just three kilometers far away from the Woreda capital, Assaita

town would be helpful to understand the general condition of the Woreda in this regard. During the field work in December 2018 and March 2019, the researcher observed pastoralists dumping matured tomatoes on their farm. One agro-pastoralist in Berga Kebele interviewed during the field visit reported that although they exerted great energy starting from clearing forests, land preparation and growing vegetables, they have not been benefited from their cultivation of vegetables due to lack of access to market. The voices of an agro-pastoralist settled in Qurqura settlement village in Assaita Woreda interviewed in March 2019 seems to support the situation of pastoralists in the three settlement villages. He underlined that several pastoralists left their newly established villages when the water in the ponds dried during dry seasons. According to another pastoralist who has been living in Halai-Debi settlement village in Amibara Woreda, government promises were very attractive before they settled but it has been unable to fulfill the necessary services and in puts.

Settled pastoralists living in the settlement villages of Teru Woreda asserted that the services they having been given are less of what the government promised to supply. Even they insisted that their former pastoral life based on mobility was much better than the new settled way of life. One pastoralist living in Barentu settlement village in Teru Woreda 20 kilometer far away from the Woreda capital, Alelu, asserted that unlike the previous time, now they want to settle in settlement villages. However, the government failed to provide the necessary infrastructures as per its promises. He further elaborated that there is no difference between the services they were used to have during their old, scattered and mobile way of life and the services they have been provided after they are made to settle in settlement villages. According to him, in the past they were able to rescue the lives of their cattle by moving and searching alternative sources of pasture and water. But after settlement, their village gets water supply once or no in a week and hence many of the settlers desert the settlement village and returned back to their place of origin due to absence of service provision (Interview 7 March 2019, Alelu). Despite of the regional state rhetoric success in the Villagization programme, the practice in Teru Woreda indicated wide gaps in the implementation. Interview participants attested that due to absence of roads the communication between Woreda and the settlement villages has been interrupted during rainy seasons. For instance, an expert in Teru Woreda's Water Development Office asserted: *There are nine settlement villages (villages) in our Woreda and 288 households have been living in the seven settlement villages which are far away from the Woreda capital. These villages have been obtaining water supply from Digdiga Kebele where the government dugout water. It is from Digdiga that 94-kilometer pipeline is stretched to enable rural Kebeles get access to water. However, there is irregularity in the provision of water supply. During the summer season (May-August), flood has been interrupting the communication between the Woreda and these villages. During this time, the Woreda Water Office cannot solve problems related to water supply in these villages (Interview 8 March 2018 Alelu)*

Factors adversely affecting the implementation of villagization programme in Afar Regional State include people's negative attitude towards the villagization because the government started to implement the programme without ensuring their consent. Moreover, Pastoralists thought that the government deliberately gathered them in certain centers to use their land for government projects and private investors. The inconsistent efforts to create awareness among the public has its own impact in changing their

perception. Not only members of the community but also the leaders of Afar regional state had negative attitude towards the villagization programme. Initially, the leadership did not wholeheartedly accept the importance of permanent settlement for the improvement of the lives of the pastoralists. Thus, the low performance in the implementation of the villagization programme is attributed to lack of motivation, less effort to make socio-economic services and infrastructures available in the settlement villages, continuous village desertion of settled pastoralists, inability to ensure pasture and fodder development strategy in accordance with the scheduled time; lack of water supply or interruption of the service due to malfunctions in some of the development centers; lack of coordination among stakeholders and absence of the necessary infrastructures (road network, lack of electric service in most development centers). Therefore, plan accomplishment of the villagization programme was far from reach even after the regional state designed and implemented the new strategy since 2016.

The survey research conducted in 2016 by the Afar National Regional State COBDVP revealed that lack of commitment on the part of the leadership at various levels of the regional state was one of the factors contributing for the weak performance in the implementation of the villagization programme. In the first case no attempt was made to conduct research and to identify the problems of pastoralists before the start of the programme. Moreover, there was no coordination among sector institutions participating in the implementation of the villagization programme. After eight years when the current Prime Minister, Abiy Ahmed visited Afar Region and discussed about the new reform on 28 June 2018, participants from different Woredas of the region reported problems related to villagization programme. They raised issues like the loss of animal resources, absence of rural roads, absence of fair distribution of resources, insufficiency services provided to support settled pastoralists and conflicts. The words of a participant from Awash Fentale Woreda, Sabure Kebele, could show how the problems of the pastoralists remained unresolved over years: *There is a wide gap between what we were promised and what the government delivered. Although efforts were made in the last three years, many things are left to ensure the benefits of the community. We were promised that the government will establish schools, health institutions and supply of pure drinking water. Still now we gained none of these services. Let alone getting pure drinking water, the Awash River which has been used for drinking since time immemorial is now contaminated and subject us for different diseases (Conference Participant 28 June, 2018, Semera).*

Many of the participants questioned the commitment of the regional state government and asked what the federal government could do in response to their demands to help them lead sedentary way of life in settlement villages where they have been living. Pastoralists and agro-pastoralists living in different settlement villages in the three sample Woredas whom the researcher interviewed during the field visit in 2018 and 2019, underlined that the government promised them to supply agricultural inputs like seeds, fertilizers, axes, shovels, ant-pest chemicals, animal health vaccinations; socio-economic services such as schools, water supplies, clinics and health posts for the communities and their animals, electricity, mills and telecommunication as well as infrastructures like rural roads, bridges, irrigation schemes and markets. They further underscored that there are wide gaps between what the government promised to deliver and actual services provided as well as the infrastructure assets available in all settlement villages.

An expert in the regional COBDVP Office interviewed in January 2019 asserted that basin development and villagization programme could play decisive roles in settling pastoralists in certain centers and to enable them benefit from development and good governance. For effective implementation of the programme, the office mandated to coordinate these activities should have to be organized with the status of a Bureau and manned with adequate manpower and experts. The head of the office have not been directly participating in the steering committee meetings and discussions because of its lower status, which could be one of the factors adversely affecting its coordinating capacity. It seems with this understanding that the regional state promoted the status of the office into commission in 2019. Absence of rural roads has been exacerbating the problems of pastoralists in various settlement villages. There are several Kebeles cut off from their respective Woreda administration during summer season due to floods. For instance, Romayitu, Mamule, Handeg and Ahayile Kebeles in Assaita Woreda; Keleatburi, Angelele, Halai-Debi and Gelsa Kebeles in Amibara Woreda; and Asabera, Barentu Boyna, Debaho, Dirma, Maramara and Mebay Kebeles in Teru Woreda have been separated from their respected Woreda administration between May and September. Therefore, during summer time pastoralists cannot get the necessary professional support from different Woreda Offices. Absence of roads coupled with lack of vehicles has been creating serious problem hindering the communication between Woredas and their respective Kebeles. Participants of the interviews and focus group discussions in almost all offices in the three sample Woredas underscored that absence of vehicles has been challenging activities performed by experts of Woreda Offices not only during summer seasons but throughout the year because professionals cannot travel to the settlement villages.

In addition to the data obtained through document analysis, interviews and FGDs, the researcher's personal observation attest that settlement villages visited during the field work do not have the necessary facilities which could enable pastoralists permanently settle in certain areas. Some villages may have schools and health posts but lack other services like water, roads, and pasturelands. Let alone Kebeles and settlement villages, the capital of the three selected Woredas do not have the necessary facilities. For instance, all Woreda offices were not equipped with the necessary facilities, even chairs and tables for the workers. The oldest town, Assaita, the capital of Assaita Woreda where all the Woreda offices are found has no wash-room and workers have to go back to their home to get the service; Andido, the capital of Amibara Woreda has no water supply and other facilities and Alelu, the capital of Teru Woreda had no power supply and each sector offices have no sufficient rooms.

Conclusions

Villagization programs implemented by successive Ethiopian regimes as a development strategy are far from success. The FDRE government continued the villagization programme because it considered the programme as a major instrument of ensuring food security and socio-economic development. Unlike the experience of past regimes, the government of EPRDF implemented intra-regional resettlement programme because the institutionalization of ethnic federalism since 1991 has created friction and mistrust among various ethnic groups which made inter-regional resettlement programme

difficult. The resettlement programme has been one of the priority areas by the national development policy because it is believed that villagization programme will change under-utilized land into economic use, ensure food security and improve the socio-economic life the relocated communities in particular and the economic growth of the country in general. Villagization programme has been given special focus in pastoralist areas of Ethiopia because food insecurity and poverty have been considered as pervasive and deep in pastoral communities. The government has identified several development challenges faced by pastoralist communities and considered pastoralism as a transitory livelihood strategy rather than a permanent way of life that pastoralists have to stay with. Similarly the government of Afar Regional State underscored that creating suitable environment to settle pastoralists has become an urgent task to bring about development in the region. It was with this intension that villagization programme has been carried out in Afar Regional State. However, the villagization programme implemented in Afar Region is far from success because the federal government has failed to give appropriate support to implement the programme, negative attitude among leaders at different levels and local community towards the programme, misappropriation of resources, absence of properly organized structure to coordinate the implementation of the programme, lack of infrastructures, facilities and in puts in the settlement villages and failure of the regional state government to put into practice the rhetoric water-based settlement of pastoralists. Pastoralists were made to settle in areas selected by regional leaders, simply location change which as a result many pastoralists desert the settlement villages and moved back to their place of origin.

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ARE THE REASONS FOR EMPLOYEE TURNOVER INTENTIONS IN THE LANGUAGE SERVICES SECTION OF PARLIAMENT OF THE REPUBLIC OF SOUTH AFRICA JUSTIFIABLE?

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Abstract: Organisations are struggling to retain employees regardless of the sector in which they operate. Individual employees have their own reasons to leave organisations. However, it is important that an organisation examines reasons why employees are leaving. The study investigated whether there was a relationship between reasons for turnover intentions and turnover intentions and whether these reasons for turnover intentions are justifiable in Parliament of the Republic of South Africa. This study employed the quantitative approach using a survey in the form of a questionnaire. The questionnaire was administered to the entire population $N=70$ within the Language Service Section, which comprised of language practitioners. All questionnaires were completed and returned without errors. There were six hypotheses, which produced the following results: being overworked ($r=.22$, $n=70$, $p=.001$); low salary compared to other sectors ($r=.22$, $n=70$, $p=.000$); few or no opportunities for growth ($r=.21$, $n=70$, $p=.001$); lack of recognition ($r=.20$, $n=70$, $p=.011$), respectively. The results indicated that there is a strong relationship between being overworked; low salary compared to other sectors; few or no opportunities for growth; lack of recognition and turnover intentions. However, no relationships was established between inconsistent management style; poor company culture and turnover intentions, which produced, ($r=.06$, $n=70$, $p=.215$); ($r=.07$, $n=70$, $p=.384$), respectively. The results contributed to the available literature on human resource management and turnover intentions.

Keywords: Turnover intentions, employee retention

Introduction

Parliament of the Republic of South Africa (RSA) is the highest law-making institution in the country and its task is to conduct oversight over government departments and state-owned enterprises in accordance with the Constitution of the Republic of SA (Act No. 108 of 1996). The organisation has a number of employees located in different divisions to assist members of parliament, who are elected representatives, to execute legislative and oversight duties. One of these divisions is the Legislative and Oversight Division (LOD), which consist of different sections, one of these divisions is the Languages Services Section (LSS). The section has been experiencing a high rate of employee turnover. The exit interviews reveal that the majority of employees resign because of inadequate recognition and rewards, lack of fairness and justice, inconsistent leadership and lack of personal growth and mobility. The limited literature available in the area of turnover in Parliament is an indication that little research has been done in this field in the organisation, and as such it is difficult to deal with this matter effectively. Many of the studies conducted focus on legislative related matters. In instances wherein studies on turnover intentions are conducted, they are conducted in other organisation, which have

proven that the findings assist organisations to retain their employee (Ozturk, Eryesil & Beduk, 2016). However, in situations where aspects such as job satisfaction, organisational citizenship and commitment have been found to be a direct predictor of turnover (Ozturk et al., 2016). Other areas have not yet been researched in full. It is for this reason that the study was conceptualised, which is to conduct analysis on reasons why language practitioners leave the organisations, and to establish activities that are able to keep employees in an organisation (Biswakarma, 2016).

Research purpose and objectives

The main purpose of this study is to establish reasons for the high turnover rate within the Language Services Section of Parliament of RSA and whether these reasons are justifiable, and to further recommend programmes that can be implemented to retain employees.

Literature review

Turnover intentions

Employee turnover is defined by Belete (2018) as being both the entrance of new employees into the organisation and the departure of existing employees from the organisation. A similar definition of turnover is presented by Emiroglu, Akova and Tanrıverd (2015); Sokhanvar, Hasanpoor, Hajihashemi and Kakemam (2016) an individual's voluntary termination of employment from an organisation. Emiroglu et al. (2015) raise an important point and view the intention to leave and tendency to leave as surrogate measures of turnover. According to Chowdhury (2015) intention to leave might be a predecessor of turnover but that it cannot be seen as a surrogate, and in some other instances an employee can intend to quit but stay in the job. Belete (2018) states that intention to search for a job is a better predictor of employee turnover than intention to leave. An employee's intention to do something is a determinant of the behaviour.

Reasons for high turnover rates in organisations

Low salary compared to other legislative sector and other departments

Mokoena and Rust (2023) posit that compensation and reward could be powerful and effective tools that could be used to inspire employees' increasing their efforts in order to fulfil the organisational goals. Furthermore, Mokoena and Rust (2023) assert that compensation should be considered based on performance, and not on the basis of seniority or length of service in an organisation. Therefore, it is important that salaries should benchmarked with other organisations.

Few Opportunities for growth

Kelly (2022) posits that employees are likely to remain in an organisation for longer when an organisation creates opportunities for growth. Whereas in instances wherein the organisation does not provide such opportunities, they are likely not to be committed to the organisation. It is for this reason that when there is little professional and career growth within the organisation, that becomes a dead-end Kelly (2022).

Inconsistent management style

Management has a duty to apply policies equally within the organisation. Decisions that are taken by management should have pass quality checks and be validated before they are implemented (Cooper, 2020). However, it is important to note that employees look up managers to provide a direction for the organisation (Cooper, 2020). Management behaviour is critical in that when such behaviour is unnecessary and unwanted can cause negative emotional stress to employees.

Poor company culture

Poor company culture points to an organisation that does not value its existence (Herway, 2022). An organisation that has a culture that toxic and wherein there is abuse of authority will be in a position retain employees. Employee would like to work in an organisation that has an excellent culture that values the diversity and their contribution (Garver, 2022). Poor culture leads to stressed workforce and as such will affect performance of employees.

Lack of recognition

In most organisations supervisors and managers alike at a very alarming rate are not recognising employees for the effort they put in achieving organisational goals (Worline & Dutton, 2017). This to a larger extent an organisation lacks compassion and empathy towards employees. An organisation that does not value its employees is likely to face high turnover rates, thus affecting productivity. In most cases organisations ignore the signs and later pay dearly as employees depart (Worline & Dutton, 2017).

cite their companies' toxic top-down organizational culture as a reason why they are dissatisfied with their leaders (Matos, O'Neill, & Lei, 2018). Employees in such organizations complain of being subjected to systemic harassment, micromanagement, and abusive behavior and quickly become disengaged from their work (Aubrey, 2012).

Employee retention

It is important that organisations develop and implement programmes that are intended to retain employees. This assist organisations to keep its best talent and to preserve institutional memory. Below are some but not exhaustive programmes that can be implemented retain employees.

Leadership

Louis and Diochon, 2014 attest that a supportive leader who displays concerns for employees' needs and feelings, who provides positive feedback and encourages employees to voice their concerns, who develops employees' skills and solves their work-related problems, will enhance the self-determination of employees and their interest in their work such individuals will feel safer in engaging in their work (Louis & Diochon, 2014).

Onboarding and orientation

New employees in any organisation should be taken through onboarding and orientation. This orientation should be tailor made to ensuring that new employees understand their roles within the organisation. Orientation period should be used to

demonstrate the strengths of the organisation in respect of how an employee benefit to be part of it (Lapointe & Vandenberghe, 2017). Not so well though orientation can make or break new employees.

Mentorship programs

Wu, Lyu, Kwan and Zhai (2019), provides that mentoring is an instrument that organisations utilise to ensure that employees are well-equipped to perform their functional areas. Therefore, it is important that a mentor and the mentee have a relationship that allows the process of imparting knowledge is seamless. In this relationship, mentors pass on their knowledge, skills, and experience while also offering support, friendship, and guidance to their proteges (Lapointe & Vandenberghe, 2017). Of significance is that mentors have an influence on how their proteges progresses within the organisation.

Employee compensation

Employee compensation may mean monetary rewards, including other rewards that are embedded in the salary of an employee. Molinaro and Weiss (2010) emphasise that recognition is another important driver of employee engagement and retaining employees in organisations. Molinaro and Weiss (2010) further attest that this recognition and appreciation demonstrates that employees are valued and that their contribution is acknowledged by the organisation. Recognition also means that leaders notice the often-unnoticed things that employees do, to make their organisations successful.

Valued work

Pen (2008) posits that gaining the loyalty of your employees is done by making them feel valued. Having a good employment relationship builds trust and value to the job. When employees feel respected, they perform better and respect their bosses and the company in return. Pen (2008) further states that people have feelings, aspirations and something to add to companies if given a chance to express themselves. The following areas: self-management and autonomy, helping others, being able to make decisions, taking control and responsibilities and being rewarded contribute, in part, to making work more positive and demonstrating that people are valued.

Training and development

Training and development that are not focused on problem areas inevitably fail to produce the desired results. MburuMaina and Waithfaka (2017) emphasise that the need to improve organisational productivity is pervasive and relies on the efficiency and effectiveness of training to achieve this goal. Jasson and Govender (2017) affirm the importance of training in developing knowledge, skills, and competencies within an organisation. However, a common question is whether organisations can track the return on investment (ROI) of their training activities based on their intended or received results (MburuMaina & Waithfaka, 2017).

Continuous feedback on performance

Performance appraisal is considered to be one of the predictors in the management practices, and performance feedback should be provided consistently. Ugwu and Okojie (2016) state that favourable performance feedback can create a favourable psychological

climate which will improve the level of employee performance. Similarly, Rao and Rao (2017) further posit that providing constant and honest feedback enables employees to improve their performance. Ugwu and Okojie (2016) found a positive and significant relationship between feedback-oriented performance appraisal and employee performance among the employees in the banking sector of Nigeria.

Research methodology and design

Research approach

This paper follows a quantitative approach wherein a questionnaire was used. This approach allows the researcher to collect data using a questionnaire wherein numerical data is collected and when analysed is generalise across groups in explaining the phenomenon under research (Rubin & Babbie, 2016). Descriptive studies are aimed at finding out "what is" and are designed to provide a bigger picture of a situation as it happens naturally (Rubin & Babbie, 2016).

Research participants

A population is the sum of all units of analysis from which the sample is drawn (Rubin & Babbie, 2016). Population includes all the people or items that has specific characteristic the researcher intends understanding. This study is undertaken in Parliament of RSA. The target population for the study is N=70 comprising of control editors, language, and senior language practitioners. The researcher though it would be prudent to utilise the entire population (N=70) as the sample would have been too small. All questionnaires were returned. Table 1 below reflects the demographic profile of respondents:

Table 1: Demographic profile of respondents

Gender	Frequency
Female	35
Male	25
Age	
18-30 years	10
31-40 years	28
41-50 years	26
51-60 years	5
61 years and above	1
Level of employment	
Control Editor	10
Senior Language Practitioner	17
Language Practitioner	43
Education	
Diploma	8
Degree	32
Honours/BTech/Postgraduate Diploma	18
Masters	10
PhD/DTech	2
Years of employment	
Below 1 year	20
1-5 years	28

6-10 years	14
11-15 years	7
16 years and above	1

Research instrument

A questionnaire was used as the instrument to collect data wherein a five-point Likert scale was used: 1=Strongly disagree; 2=Disagree; 3=Agree; 4=Neutral and 5=Strongly agree for the following variables: overworked, low salary compared to other sectors, few or no opportunities for growth, inconsistent, management style, poor company culture, lack of recognition, turnover intentions. The use of a five-point Likert scale is that it provides respondents various options to choose from, and as such provide a variety of responses. To establish validity and reliability a Cronbach’s alpha was used. The Statistical Package for Social Sciences (SPSS) version 22 was used. The constructs met the adequate reliability level of above 0.6 (Rubin & Babbie, 2016). The results of the Therefore, the instrument met both validity and reliability requirements.

Table 2: Cronbach Alpha coefficients

No	Reasons for turnover intention	Cronbach’s Alpha	N of items
1	Overworked	0.7	11
2	Low salary compared to other sectors	0.8	10
3	Few or no opportunities for growth	0.8	9
4	Inconsistent management style	0.7	12
5	Poor company culture	0.6	5
6	Lack of recognition	0.6	5
7	Turnover intention	0.9	10

Table 3: Summary of descriptive statistics

Variable	N	Mean		Std. Dev
	Statistic	Statistic	Std. Err.	Statistic
Overworked	70	3.10	.113	1.413
Low salary compared to other sectors	70	2.97	.109	1.363
Few or no opportunities for growth	70	2.91	.115	1.438
Inconsistent management style	70	2.97	.109	1.363
Poor company culture	70	3.17	.112	1.399
Lack of recognition	70	2.97	.111	1.399
Turnover intention	70	3.41	.114	1.423
Valid N (listwise)	70			

Research procedure and ethical considerations

There were six hypotheses of this study. To collect data a questionnaire was used. According to Rubin and Babbie (2016) a questionnaire makes it simpler to collect data. The researcher is not expected to have a physical contact with the respondents. Prior planning and purposes of data collection tool and how data will be analysed is of great importance (Rubin and Babbie, 2016). The questionnaire was delivered to targeted respondents who are employees with the Language Services Section, and as such the completed questionnaire were to be placed in a box provided. The researcher collected the questionnaires form the boxes. Once that was done, questionnaires were validated on whether they were all fully completed. After validation data was captured on MS Excel

and thereafter transferred to SPSS. Ethical considerations were followed to the latter to ensure that the study did not compromise confidentiality of the respondents.

Statistical analysis

The demographics (gender, age group, years of experience, academic qualifications, and level of employment) of the sample and descriptive statistics are analysed using percentages, frequencies, mean and standard deviation through MS Excel and SPSS version 22. In establishing whether correlation existed between variables, a Pearson product-moment correlation coefficient was computed to determine the strength of relationships, for instance strong to weak or positive to negative for reasons for turnover intentions (overworked, low salary compared to other sectors, few or no opportunities for growth, inconsistent, management style, poor company culture, lack of recognition, turnover intentions) and turnover intentions. The significance value was tested at a 95% confidence level ($p \leq 0.05$). Data was presented using tables to indicate the strength of the relationships for each independent variable (Reasons for turnover intentions) and dependent variable (turnover intentions).

Results

Descriptive results in *Table 1*: gender representation comprised (35) female and (25) male, Age group showed that most employees were 31-40 (28), level of employment most were language practitioner (43). For academic qualifications most respondents have undergraduate degrees (32), experience, most respondents have 1-5 years-experience (28) Table 4 demonstrate relationships results.

Table 4: Relationships between reasons for turnover intentions and turnover intentions

Variables	Pearson product-moment	Turnover intention
Overworked	Pearson correlation	.228**
	Sig. (2-tailed)	.001
	N	70
Low salary compared to other sectors	Pearson correlation	.228**
	Sig. (2-tailed)	.000
	N	70
Few or no opportunities for growth	Pearson correlation	.219**
	Sig. (2-tailed)	.001
	N	70
Inconsistent management style	Pearson correlation	.060
	Sig. (2-tailed)	.215
	N	70
Poor company culture	Pearson correlation	.070
	Sig. (2-tailed)	.384
	N	70
Lack of recognition	Pearson correlation	.202*
	Sig. (2-tailed)	.011
	N	70

** . Correlation is significant at the 0.01 level (2-tailed).

Discussion

Outline of results

The purpose of this study was to assess the relationship between reasons for turnover intentions extracted from the exit interviews and turnover intentions in Parliament of RSA, in particular in the Language Services Section. There are six hypotheses of the study. Findings of the results in Table 4, H_{o1} : There is a positive relationship between being overworked and turnover intentions. The results were: ($r=.22$, $n=70$, $p=.001$), which indicate that there is a strong positive relationship between being overworked and turnover intentions. Therefore, the null hypothesis was not supported, indicating that there is no statistically significant relationship between being overworked and turnover intentions and turnover intentions. The results indicate that employees quit because they are being over worked. Findings of the results in Table, 4 H_{o2} : There is a statistically significant positive relationship between low salary compared to other sectors and turnover intentions. The results produced ($r=.22$, $n=70$, $p=.000$), which indicate a strong positive linear correlation, which is statistically significant, between low salary compared to other sectors and turnover intentions. Therefore, null hypothesis is not supported. Therefore, the results indicate that employees leave the employer due to low salary scale when compared with other employers in the same sector. Of importance then is that Parliament should benchmark the salaries of language practitioners with other institutions alike.

The results in Table 4, H_{o3} : There is a statistically significant positive relationship between few or no opportunities for growth and turnover intentions. The results produced ($r=.21$, $n=70$, $p=.001$), which indicate a strong positive linear correlation, which statistically significant between few or no opportunities for growth and turnover intentions. Therefore, null hypothesis is not supported. The results indicate that employees leave the employer because there are no or there are few opportunities for growth. The organisation should ensure that opportunities that are created internal first benefit internal employees, however not overlooking the issue of attracting more talent.

The findings in Table, 4 H_{o4} : There is no statistically significant positive relationship between inconsistent management style and turnover intentions. The results produced ($r=.06$, $n=70$, $p=.215$), which indicate that the linear correlation does not exist between inconsistent management style and turnover intentions, Therefore, null hypothesis is supported that there is no relationship between inconsistent management style and turnover intentions. The study could not conclusively, arrive at the conclusion stating that inconsistent management style has a negative effect on employees hence they leave the institution. However, this one area which is important because management decision are critical in keeping the organisation going, and certainty is required in any organisation.

The results in Table 4, H_{o5} : There is no statistically significant positive relationship between poor company culture and turnover intentions. The results produced ($r=.07$, $n=70$, $p=.384$), which indicate that the linear correlation does not exist between poor company culture and turnover intentions, Therefore, null hypothesis is not supported. The results indicate that employees do not leave the employer because of poor company culture. However, this does not mean that the area of culture should not be attended to lest other studies to be conducted points out to this area as a concern. In an instance wherein the culture is excellent, the employer has a responsibility to ensure that activities that promote good culture are strengthened.

The findings in Table 4, *H₀₆*: There is a statistically significant positive relationship between lack of recognition and turnover intentions. The results produced ($r=.20$, $n=70$, $p=.011$), which indicate a strong positive linear correlation, which statistically significant between lack of recognition and turnover intentions. Therefore, null hypothesis is not supported. The results indicate that employees leave the employer because there are no programmes that recognise their work or performance. It is therefore important that Parliament develop programmes that will recognise employees' contribution to the organisation. Some of these programmes can be be monetary and non-monetary.

Practical implications

The study makes contribution to the body of knowledge in respect of the HRM, in particular employee retention. The knowledge generated by this study can be used as an example by other legislatures that have language section or units. The study furthermore contributes to Parliament of RSA by making recommendations that the legislature can apply to retaining language practitioners. The researcher believes that a better and clearer understanding of what keep language practitioners engaged in their work and improve the rate of retention will assist Parliament of RSA to have engaged employees.

Limitations and recommendations

The study focused only on the Language Services Section of Parliament of RSA, and not any other division, section, and unit within Parliament of RSA. Provincial legislatures did not form part of the study. The study focused on selected employees in Parliament. The Executive management, divisional, section, unit managers were not part of the study. Only the selected categories (language and senior language practitioners)

Conclusion

This research focused on establishing reasons for high turnover rate, and to assist Parliament to point out at areas that need to be strengthened to improve the rate of retention. The findings were that there is a relationship between independent variables (being over, low salary compared to other sectors, few or no opportunities for growth, lack of recognition) and turnover intentions, wherein these relationships were statistically significant. However, relationship between inconsistent management style, poor company culture and turnover intentions is not existing in this context

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Author's contribution

AJ Mokoena is the primary researcher of this paper, and this article was drawn from his Honours Degree Public Administration completed at Management College of Southern Africa (Mancosa) in 2013. He is solely responsible for conceptualisation of the research, collection of data, analysis, and interpretation of data. In the process he was assisted by his supervisor Dr Bertie Wicks who acted as a supervisor of the research and subsequently to the compilation of this article. Her role was more on guiding the process of writing the research paper and also with statistical procedures and reporting.

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CHINA AND NIGERIA RELATIONS IN A MULTI-POLAR WORLD

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Abstract: *This paper examines the relationship between the giant of Asia, China, and the giant of Africa, Nigeria, and the ways these two countries interact with each other in a multi-polar World. Beijing only imports a small amount of oil from Nigeria, and its total exports to Nigeria, which have been expanding primarily in the consumer goods sector, make up only one-eighth of China's total imports from Nigeria. Also worth mentioning is the sizeable Nigerian immigrant population in China, which is mainly concentrated in Guangzhou. As a result, both nations value their relationship. The Beijing Consensus's efforts to build infrastructure across Africa open up new opportunities for Chinese investment in Nigeria. However, this paper shows that the relationship between China and Nigeria is much more complex than the oversimplified concept of resource diplomacy in a multi-polar World by using descriptive qualitative research as a method and by examining public opinion surveys, popular media, newspaper accounts, and editorials. In actuality, China is only interested in Nigeria's natural resources, particularly its energy, and is unconcerned with the rest of Nigeria. It also makes some important conclusions about what Nigeria and other sub-Saharan African nations can learn from China in terms of how to go about implementing economic reforms and gaining development experience. The theory of complex interdependence is the theoretical foundation and an effective analytical tool for this paper. The paper came to the conclusion that, in a multipolar world, the bilateral relations between China and Nigeria are unbalanced and asymmetrical, making it difficult for the Nigerian government to address both the country's problems and its national debt to China without taking appropriate action. The paper suggests, among other things, that Nigeria's government overhaul its trade policy toward China, which will not only advance the country's technological capabilities but also strengthen its negotiating position to achieve greater benefits in its economic relations with China. The Nigerian government must, above all, uphold her foreign trade policy in all future interactions with China.*

Keywords: *China, Nigeria, economic relations, resource management, infrastructure*

Introduction

Through trade and other international relations, the economies of the world have become increasingly interconnected over the years. The fact that different nations have different resource endowments, preferences, technological capabilities, levels of

production, and capacities for growth and development serves as the foundation for this integration. In order to ensure the free flow of international capital, which is accelerated and made possible by the supersonic advancement of information technology, all national barriers must be removed. Trade barriers are gradually falling down and the global market is becoming more integrated; this is demonstrated by the promotion of free-market economics, liberal democracy, good governance, gender equality, and environmental sustainability, among other all-encompassing values. Global economic integration is increasing the effectiveness of resource and input utilization in the global economy because countries and regions specialize in accordance with their comparative advantages and produce goods and services at their lowest opportunity costs (Akongbowa, 2008). This message has been fervently spread by the G8, the World Trade Organization (WTO), and the International Monetary Fund (IMF). Many developing nations have been compelled to adopt liberalization and free trade policies by these organizations' rules and regulations. Since gaining independence, Nigeria has not been excluded from this; she has opened her economy to global interests as long as it does not produce any polar identities (Daniel & Maiwada, 2015).

China has been involved in African affairs since the 1950s. At that point, African states started to free themselves from colonialism. As a result, China's interaction with Africa in modern times has been characterized by the former's support for liberation movements that were at the time going through crucial stages that eventually led to the liberation of the majority of African nations from colonial rule in the 1960s. The initial reasons for China's support were primarily ideological, but this would change over the following decades (Adigbuo, 2021). When China began its "Opening up and Reform Policy" in the 1980s, a comprehensive plan that gave rise to the modern China, there was a significant change in the dynamics of the relations between China and Africa. China's current relations with Africa are driven by economic and geostrategic interests rather than a desire to export a particular political philosophy. As China's economic and political influence grew and it became more resource-hungry, the intensity of its relations with Africa also changed. Since her independence, Nigeria's successive governments' foreign policy positions have appropriately recognized both bilateral and multilateral trade and economic relations. China is one of Nigeria's trading partners. Unofficial communication between the two countries started in the 1950s, specifically in 1957 (Zainab & Sheriff, 2018). According to Adigbuo (2021), China has consistently provided the necessary assistance to Nigeria, a non-aligned country, and the two have collaborated at the multilateral level through the United Nations and other multi-lateral organizations. Nigeria partnered with them in the struggle against colonialism and Apartheid. Nigeria was considered to be the frontline state in the struggle to end colonialism and Apartheid in Africa and China has always been a supporter of African aspirations. Nigeria built relationships with China over time because it believed that as developing countries, they shared similar interests. This relationship also existed in multilateral institutions like the UN, where Nigeria and China each had a significant impact on the appointment of a representative of a developing country as Secretary General. Of course, Nigeria in the context of Africa had also been crucial in securing China's admission as a permanent member of the UN because Taiwan was initially taken into consideration and held a seat on the UN Security Council. China has always been extremely appreciative of Africa, and Nigeria in particular, for the part they played in enabling it to join the UN and the

permanent Security Council, as evidenced by the then-Chinese ambassador "Jin Yongjian"'s admission that the Chinese will never be able to forget the events of the 1971 UN episode. In February 1971, the same year that the communist People's Republic of China won a seat on the UN Security Council, Nigeria and China formally reestablished diplomatic ties. Nigeria also celebrated the conclusion of its ten-year post-colonial existence (1960–1970) as an independent state in 1971 (Akinterinwa, 2016).

Nigeria-China relations, however, haven't been great because China supported the Biafra by arming them during the civil war. Even though the late Sanni Abacha, the then-military head of state, welcomed the Chinese government during his administration, other Western allies turned their backs on Nigeria as a result of the violations of human rights he was responsible for. The successful resolution of the Nigerian civil war in 1970 and China's recognition of the PRC in 1971 provided both nations with new opportunities. What do China's interests in Nigeria consist of? Wang Jisi, a scholar from China, offers some clarification. According to Jisi, the following three questions can help nation-states in the international system implement their grand strategy: What are the primary interests of the country? What external principalities or forces pose a threat to them? What are the key leadership positions in defending those fundamental interests? Every nation's foreign policy should typically be organized around these issues; Nigeria or China's understanding and appreciation of the strategic significance of what makes up their respective core national interests aids in their realization. The pursuit and accomplishment of a nation's primary foreign policy goals takes the form of bilateral and, occasionally, multilateral relations (Zainab & Sheriff, 2018). China, however, is achieving economic dominance as part of her foreign policy through rapid growth on all fronts. Is Nigeria actually achieving its foreign policy and experiencing development in the case of its foreign policy, which is focused on economic growth and development? Trade between China and Nigeria has been out of balance because China benefits more from their relationship than Nigeria. Nigeria imports more from China than it exports, and neither the infrastructure nor the standard of living of Nigerians has experienced enough economic growth. Nigeria has suffered a great deal as a result of China's consistent mining of Nigerian oil for her economic development (Osimen & Micah, 2022). Poor bilateral relations are relatively easy to explain in terms of foreign policy analysis because there are frequently many different contributing factors. Deep and warm relationships can be explained by a variety of factors that support strong bonds and stop minor irritations from festering. Explaining the absence of relations between two small, far-off nations is also not difficult. A number of factors would suggest that this relationship should have been much more significant than it was for the first 50 years, but explaining the relationship between China and Nigeria and why it has been so unimportant for so long is difficult. Therefore, the main goal of this study is to assess the problems that affect Nigeria and China's economic relations with a focus on the problems that have long plagued those relations, such as diplomatic relations, security relations, economic relations, and social relations, before examining how the relationship is perceived in a multipolar world by the media and the general public in Nigeria and China.

Statement of the Problem

According to theories about international trade, this activity is a key component of openness that influences a country's growth rate by having an impact on the intensity of

economic activity and making it easier to transfer resources across borders (Adeleye, Adeteye, & Adewuyi, 2015). As the structure of trade between the two countries is distinguished by differences in exports, the imbalance in trade (in favor of China) has been attributed to the mono-economic structure of the Nigerian economy. China exports a diverse range of goods to Nigeria, including machinery, textiles, iron and steel, telecommunication and sound processing equipment, and agricultural raw materials. The nation's mono-export bilateral trade pattern has crippled its productive capacity and led to growth instability. Nigeria's economy has gone through various stages of growth, as numerous economic indicators demonstrate. Early on in the 1980s, the Gross Domestic Product (GDP) growth rate experienced negative growth (-2.7% in 1982, 7.1% in 1983, and -1.1% in 1984). The growth rate increased consistently between 1985 and 1990, but it sharply decreased to 2.5% and -0.2% in 1986 and 1987. With the exception of 1991, when a negative growth rate of -0.8% was noted, the 1990s saw erratic growth. The growth rate, on the other hand, had been relatively high from 2001 until about mid-2014, when it began to decline from 6.54% in 2014Q2 (CBN, 2014) to -0.36% in 2016Q1 and then to -2.06% in 2016Q2 and further down to -2.24% in 2016Q3, but it then increased by 1.92% in 2017 before rising to a low of -1.79 in 2020 (Adonike, Uzonwanne, & Mbah, 2022). The instability of the growth has made economic planning more difficult.

China and Nigeria signed cooperation agreements in the areas of agriculture, industry, and trade in 2000, and further pledged commitments in a number of other areas, as steps toward redressing the trade imbalance between the two nations through industrialization and export diversification for Nigeria. Sending medical personnel and agricultural specialists to help with the creation of new model farms was one of these areas. China also agreed to purchase cotton, cocoa, cashew nuts, and palm kernels from Nigeria. Another agreement involved the production of Chinese-made farming equipment aimed at Nigeria (Ubi, 2018). Despite the aforementioned agreements, the two countries' trade imbalances continued to widen. The answers to the above-mentioned concerns have led to a number of unanswered or only partially answered questions about whether Nigeria has truly benefited from trading with a strong economy like China, especially in regards to the economic impact of the main goods traded between the two countries. Consequently, the goal of this study is to determine whether the main commodities traded between the two nations electric power machinery (EPM), textile fabric (TXF), iron and steel (IRS), telecommunication and sound processing machinery (TSM), as well as petroleum and solid minerals (PSM) have favorable economic implications for a developing economy like Nigeria in a multipolar world.

Objectives of the study

The general objective of the study is to carefully examine China and Nigeria relations in a multi-polar world while the specific objectives are to:

Examine the origin of China and Nigeria relations in historical context

Examine the basic principles that govern China and Nigeria relations

Examine the mutual benefits of China and Nigeria relations in a multi-polar world

Review of Related Literature

China's Emergence as a World Super-Power

China was categorized as one of the world's poorest nations up until 1980. One of the greatest economic success stories in modern times has been the transformation of China over the past three decades from a poor, stagnant nation to a significant economic force. Prior to 1979, China maintained a centrally planned, or command, economy in which the state directed and controlled a significant portion of the nation's economic output. The state set production goals, set prices, and distributed resources across the majority of the economy. The central government made significant investments in both human and physical capital in an effort to support rapid industrialization. By 1978, state-owned businesses that were subject to central planning and control produced almost three-fourths of all industrial output. Foreign investment and private businesses were hardly present (Hassan, 2019). Making China's economy largely self-sufficient was one of the main objectives of the Chinese government. In general, foreign trade was restricted to acquiring only those products that were impossible to manufacture in China. The Chinese government started implementing economic reforms in 1979, among them price and ownership subsidies for farmers, the creation of special economic zones to draw in foreign direct investment, the importation of high-tech goods into China, and the decentralization of economic policymaking.

Since the implementation of these economic reforms, China has transformed from a developing nation to a major economic force, currently holding the second-largest economy in the world with the potential to surpass it within the next ten years. The following have been cited as reasons for China's dominance as the world superpower: (i) High Savings and Investment: China's capital accumulation and productivity increases were significant. Increased growth and money generated by improved productivity allowed for investment. The nation also had a sizable domestic savings reserve that it could use to finance investment. Savings as a share of GDP now exceeds 52%; Foreign Direct Investment (FDI), a significant driver of China's capital growth, increased as a result of China's trade and investment reforms; Productivity Gains: Since reforms were put into place, productivity increases have been a significant factor in China's rapid economic growth (Bekele, 2020). Goldman Sachs claims that China's extremely low starting point for economic development when reforms started and a profound evolution of governmental policies that have gradually but consistently reduced system inefficiencies are to blame for the productivity gains; (iv) Increasing inputs of labor (i.e., growth in the labor force); (v) China heavily invested in its own proprietary national skills, which aided in the development of high technology industrial sectors; and (vi) The country adopted an outward-oriented strategy, which began with the use of their most abundant resource, unskilled labor, to produce labor (Agubamah, 2019).

China - Nigeria Trade Relations

Nigeria and China have had economic relations since 1971, when the two countries signed the Joint Communiqué on the Establishment of Diplomatic Relations. Since then, trade relations between the two countries have grown from limited and intermittent contact to an increasingly complex and expensive business engagement. The volume of trade between Nigeria and China increased slowly until rapid growth transformed China from a net exporter of crude oil to the world's second-largest importer of crude oil in 1993. Since 2004, the volume of trade between the two countries has increased nearly 300 percent,

reaching a high of \$7.2 billion in 2008. Trade volume between the two countries reached \$7.3 billion in 2009 and \$7.7 billion in 2010. Nigeria is now Africa's second-largest trade partner with China, trailing only South Africa. A surge in Nigerian imports of Chinese goods relative to Nigerian exports to China has resulted in a trade deficit with China, which is expected to grow significantly as trade relations improve until Nigeria can offer its industrial producers domestic alternatives of comparable quality at competitive prices. Global institutions such as the World Trade Organization (WTO), the International Monetary Fund (IMF), and the World Bank have all contributed significantly to the destruction of the local manufacturing sector by requiring Nigeria to liberalize trade, freeze wages, devalue currency, remove public subsidies, and implement other austerity measures that have resulted in greater under-utilization of productive capacity. Nigeria's growing reliance on imported capital, consumer goods, and services has rendered the domestic economy comatose. Substandard products target Nigerian markets, and as a result of stiff competition from these products, local manufacturing firms have withered (Ayoola, 2013). China and Nigeria, known as the two Asian and African giants, have had a relationship since Nigeria was still under colonial rule. The two countries were in the process of development, with China in particular reaching a favorable point in their economic growth. For more of that, the Chinese manufacturing sector has created enormous demand for oil, materials, and energy resources, which Nigeria possesses. As a result, China has established a trade relationship with Nigeria in exchange for their oil in order to finance Chinese industry for the transfer of technology, goods, and services (goods include telecommunications, rail systems, mobile roads, gas, and other goods imported by Nigeria).

Although the Nigeria-China Friendship Association was founded in 1960, the bilateral relationship between Nigeria and China really began to take shape on February 10, 1971. The relationship has since developed smoothly and steadily. In order to foster economic, social, cultural, and technological cooperation, the leaders of the two nations met on February 10th. Nigeria was presented with a grant of 30 million RMB Yuan, which is equal to N380 million or (USD 3.5 million), during this meeting. Both Chinese President Hu Jintao and Prime Minister Wen Jiabao visited Nigeria during President Bosanko's second term, which ran from 2003 to 2007, and then-President Obasanjo made two official trips to Beijing. The establishment of a Nigerian Trade Office in China and a China Investment Development Trade Promotion Center in Nigeria were agreed upon by the two nations in 2002. The 2006 establishment of the intergovernmental Nigeria-China Investment Forum (Adigbuo, 2021); Bosanko's strategy toward China, known as "Oil-for-Infrastructure," involved awarding oil contracts on advantageous terms in exchange for China's promise to carry out important infrastructure development projects. Following elections, President Yar'Adua cited concerns about a lack of transparency, which led the new administration to halt the majority of the oil-for-infrastructure contracts made during the Bosanko years. China actively court the Nigerian leadership through diplomacy, trade agreements, and aid initiatives. Nigeria, a major producer of oil, was included in the strategy's focus on Africa as a source of oil. However, because Chinese exports made up about 80% of all bilateral trade volumes, the structure of the Sino-Nigerian trade relationship has grown to be a significant political issue. Nigeria now imports ten times as much as it exports to China, creating a serious trade imbalance. Nigeria's economy is becoming overly dependent on low-cost imports from abroad to maintain the country's economy, and as a result, Nigerian industries have clearly declined under such conditions.

In September 2021, Nigeria reported a trade deficit of USD 1.1 billion. A trade surplus of NGN 362.7 billion in December of 2019 was replaced by a deficit of NGN 588.7 billion in December of 2020. While imports increased 26.0 percent to NGN 1,760 billion, exports fell 33.4 percent to NGN 1,171 billion due to a decline in crude oil exports of 29.6 percent. When taking Q4 into account, the trade gap increased from NGN 579 billion in the same period two years ago to NGN 2,731 billion in Q4. Nigeria reported a trade deficit of NGN 7,375 billion for the full year of 2020 as opposed to an NGN 2,232 billion surplus in 2019.

Volume of Chinese Investment in Nigeria: Whose Benefit or Interest?

Due to its rapid economic and technological development, China set itself apart from other developing nations like Nigeria. Nigeria and China have bilateral trade relations because China is interested in Nigeria's oil resources and Nigeria is interested in Chinese investment on both a technological and non-technological level. The five principles Nigeria and China agreed to in 1971 when they first began their diplomatic relations bear some resemblance to the shift in China's foreign policy towards Africa. The Federal Ministry of Information of Nigeria listed five guiding principles in a press release on April 26, 1971 include: mutual non-aggression, non-interference in one another's internal affairs, respect for one another's sovereignty and territorial integrity, sovereign equality, and coexistence in harmony (Osimen et al., 2022). Without a doubt, China's political ingenuity has aided in the accomplishment of her economic goals. China exports finished manufactured goods to Nigeria in this economic venture. Gu Xiaojie, the Chinese ambassador to Nigeria, bragged during a recent conference that Nigeria was China's top market for engineering, second-largest export market, third-largest trading partner, and major African investment destination (Akinterinwa, 2016). In recent testimony, the Chinese Ambassador to Nigeria, Ambassador Cui Jianchun, stated that despite the coronavirus pandemic, trade between his country and Nigeria reached \$20 billion in 2020. Nigeria imports more from China, importing less from the United States, India, and other countries combined. Only raw agricultural products like cotton, timber, and minerals like crude oil are imported into China from Nigeria. With over 200 Chinese companies operating in Nigeria, China has expanded its list of exports to include mechanical and human expertise as well as investment capital.

The rehabilitation of Nigeria's railway system falls almost entirely under the purview of the China Civil Engineering Construction Corporation. China National Petroleum Company (CNPC) and China National Petroleum and Chemicals Corporation (CNPCC) are receiving lucrative projects and building enviable access routes into Nigeria's deep water oil fields. In Nigeria's Akpo oil field, China National Overseas Oil Company (CNOOC) acquired a 45% stake in OPL 246. In that agreement, CNOOC will receive 70% of the profit, while NNPC of Nigeria will take home the remaining 30%. Four oil blocks, OPL 471, 721,732, and 298 were granted licenses to Chinese National Petroleum Corporation (CNPC), in exchange for which CNPC agreed to contribute to the estimated \$2 billion Kaduna refinery rehabilitation project. China's interest in Nigeria's new liquefied gas is also evident in the agreements Petro China and other Chinese businesses have signed to purchase some of Nigeria's crude oil. China's primary goal in these endeavors is to maintain its economic boom at home by expanding its market and gaining access to raw materials (Osimen et al., 2022). Many Nigerian states, including Lagos and Ogun, as well

as businessmen like Aliko Dangote are working on projects with China. China is not just involved in federal jobs. Long ago, the Lagos State Blue Rail Line was awarded to China's Civil Engineering Construction Corporation (CCECC), which is also in charge of expanding the Lagos-Badagry road and modernizing the 1,215-kilometer Lagos-Kano railway line. Aliko Dangote signed a \$3.9 billion cement contract with Sinoma, a partnership with a Chinese company. Helping the Dangote Group produce more than 50 million metric tons of cement throughout Africa is the justification (Mbamalu, 2015). However, China has made sizable investments in Nigeria. A report published by the Chinese embassy in 2019 states that Nigeria is home to 70 Chinese construction, 40 Chinese investment, and 30 Chinese trading companies. One hundred and fifty-five construction contracts worth \$17 billion were given to Chinese companies in Nigeria alone in 2018. Many of these projects directly employed many young Nigerians. So, China and Nigeria's relationship has maintained a sound momentum of development since the establishment of diplomatic ties in 1971 and a strategic partnership in 2005, albeit in a lopsided manner.

Despite all of China's investments in Nigeria, there is an unbalanced and lopsided relationship between the two countries. As billions of US dollars flow through the tin-tanks of the Nigerian economy, problems with trade, the balances of payments, and national debt, among other things, arise, China benefits long-term more than Nigeria does. Nigeria exported goods to China worth \$1.77 billion in 2020, according to data on world trade from the United Nations' COMTRADE database. However, data from the National Bureau of Statistics of China shows that exports to Nigeria from China fell to 2034320 USD THO in December from 2151824 USD THO in November of 2021, as recently published in 2022. The Guardian's analysis of trade data from the National Bureau of Statistics (NBS) reveals that from January 2018 to September 2021, Nigeria spent N19.12 trillion on goods imported from China. Since imports are considered leakages in any economy, economists have seen the growing Chinese influence in the local market as a significant drain and cost on the struggling domestic economy (Osimen et al., 2022).

The unfortunate thing is that Nigeria's trade relations with China show the general imbalance that the Southeast Asian nation is known for. Nigeria exported only N2.09 trillion worth of goods to China during the time period in question, resulting in a N17.03 trillion trade deficit. China accounted for 27% of all imports into Nigeria in each of the four fiscal quarters, far outpacing the nation's second-largest trading partner, India, and other major trading partners. The import bill for goods that were shipped from China to an import-dependent Nigeria in the first quarter of 2021 (Q1, 2021) was N2 trillion. According to Nigeria's import partner index, the Netherlands, which ranked second to China in terms of import value, contributed about three times as much to the total. The Asian giant accounted for 29.3% of the nation's total imports, which came to N6.85 trillion in the third quarter. The value of Nigeria's imports from China has increased by at least 400% in the last ten years, from 2009 to 2019, and by 4,200% in the last two decades, from 1999 to 2019, according to data from a joint platform of the China Africa Research Initiative and John Hopkins School of Advanced International Studies (Iyatse, 2021). Simply put, from 1999, when Nigeria entered its current democratic era, to 2019, when the research organizations released the most recent data on the topic, the value has increased 42 times.

According to the study, the nation's imports from China were \$396.5 million in 1999 but skyrocketed in the intervening years to \$16.6 billion in 2019. The import figures increased four times over from 1992, when the research work started, to 1999 (Iyatse, 2021). A little more than N90 million was in the numbers 29 years ago. This suggests that the figures increased by nearly 183 times, or over 18,280%, in the 27 years covered by the research, but the analysis only takes into account nominal growth and ignores the effects of inflation during that time. The growing obsession with Asian goods is still going strong. The country's imports from China increased by 3% to N5.7 trillion in 2020 despite the travel restrictions. The nation has already spent N6.53 trillion in foreign currency on Chinese imports, and data for this quarter has not yet been made public (Iyatse, 2021). This result in an annualized estimate of N8.7 trillion, which indicates that 2021's imports from China, will be more than 50% higher than those of the previous year. The fourth quarter of 2021 (Q4) import bills may approach the combined 2019 and 2020 figures of N10.04 trillion due to seasonal fluctuations anticipated. China imports have steadily increased over the last few years. Its share of total imports in 2018 was 19%. 2019 saw a six-point increase, bringing it to 25%, and another three-point increase in 2019. The percentage of total imports in 2021 is 30%. China is favored in the trade relationship, which is a common trend in African nations. Nigeria exports little and little to the Asian superpower. Exports still pale in comparison to the value of the goods the nation sold to India, even after the 440% growth seen between 1992 and 2019 (Osimen et al., 2022).

This is not to say that China has not benefited from Nigeria in any way, just as Nigeria has benefited from China. For instance, at the Forum on China-Africa Cooperation (FOCAC) summit in Beijing in 2018, the governments of China and Nigeria signed a Memorandum of Understanding (MoU) on working together to build the Belt and Road Initiative (BRI), which helped bring their friendship to its pinnacle in history. In essence, Nigeria joined the BRI family of China in 2019. Nigeria has benefited from the BRI projects as well, which include the Abuja/Kaduna Standard Gauge Rail Line connecting the nation's capital Abuja to Kaduna, a trade center and transportation hub in north-western Nigeria, the Lagos/Ibadan Standard Gauge Rail Line connecting Lagos, Nigeria's economic capital, to Ibadan, the former administrative capital of south-western Nigeria, and the ambitious Lagos/Kano Railway connecting the two most populous cities in that country. New international airport terminals in Abuja, Port Harcourt in the oil-rich Niger Delta, and the historic city of Kano are among the others. Additionally, the railway line between Lagos and Ibadan became operational in December 2020, marking the most recent of China's numerous industrial investments in Nigeria. Costing about \$1.5 billion US and covering 156 kilometers. China has also helped Nigeria in its fight against the "Boko Haram" insurgency by lending it money and providing military assistance. According to the debt management Office, Nigeria's total debt to China as of March 31st, 2010 was \$3.402 billion. Since 2010 the sum has been used to cover 11 loan facilities from the China Exim Bank (Osimen et al., 2022).

Justification for China's Investment and Loan Commitment to Nigeria in a Multi-Polar World

China is interested in more than just Nigeria's natural resources, contrary to popular belief. Political, economic, security, and ideological interests are among the minimum

number of Chinese national interests in Nigeria. Numerous business opportunities exist in Nigeria due to its wealth of natural resources and underdeveloped market potential. Protection of brisk Chinese investment and personnel in Nigeria is challenging due to the increased economic presence of China on three fronts. As China pushes for more open international relations, the success of the so-called China Model or Beijing consensus, as well as relations with non-Western and democratic Nigeria, have become increasingly significant domestic and foreign policy goals. Chinese officials have repeatedly stated that China's objective in Africa has never been economic gain; Wen Jiabao, a former premier of China, boasted in 2011 that his country had generously helped Africa at a time when it was the poorest. No oil or minerals were taken from Africa by us (Agah & Ikenga, 2023). This suggests that Beijing views Africa more in terms of political ties than in terms of economic gains. Some Chinese analysts assert that China would have valued Africa regardless of its economic advantages because Beijing's Africa strategy has consistently emphasized China's political objectives. China has prioritized economic concerns in its domestic and international agendas despite Nigeria's political importance ever since Beijing began its strategy to diversify and strengthen its legitimacy by promoting economic development among the general populace. At least 48 African heads of state gathered in Beijing for the Sino-African summit in November 2006 to discuss diplomatic and economic initiatives that would benefit their respective regions. China's initiative has been justified by the abundance of resources in Africa (Agah & Ikenga, 2023).

China's need for international markets and resources to sustain its rapid economic growth is another factor contributing to its increased involvement in the developing world. The demand for energy in East Asia has been rising by 5% annually. Additionally, it is anticipated that by 2025, developing Asia's oil consumption will have increased from 14.6 million barrels per day in 2000 to 29.8 million barrels per day (Utomi, 2018). China's consumption is projected to reach 10.9 million barrels per day by 2025, with 7.5 million barrels per day of net imports. As China's population gets wealthier, there will be more passenger cars on the road, which will be the main cause of this increase. In 2003, China overtook Japan as the second-largest oil importer in the world, and in 2004, it overtook the US as the second-largest energy consumer. In order to meet the escalating demand for oil and other minerals, Beijing must pursue a proactive foreign policy. The Beijing government uses the Chinese National Petroleum Corporation (CNPC) and the Chinese National Offshore Oil Corporation (CNOOC) as its financial arm to establish joint ventures with domestic producers and secure trade agreements. For the purchase and development of oil fields in Iran, Venezuela, and Sudan in 1997, CNPC outbid Exxon, Texaco, and Amoco (Utomi, 2018). China currently gets most of its oil from Nigeria. In order to develop oil, gas, minerals, and other natural resources in Nigeria and other African nations, Chinese companies have invested billions of dollars in foreign currency and used Chinese engineering and construction resources. Unmistakably, China's new energy investments in Africa are meant to supplement the nation's Middle Eastern oil imports. The loan will reportedly be heavily reinvested in infrastructure development, with Chinese companies receiving 70% of the loan funds and local subcontractors receiving 30%, as per the agreement. In July 2005, Petro-China and the Nigerian National Petroleum Corporation (NNPC) reached an agreement to purchase 30,000 barrels of oil daily from each other for \$800 million. After failing to acquire American-owned Unocal, China National Offshore Oil Corporation (CNOOC) paid \$2.27 billion for a 45 percent stake in an offshore oil and

gas field in Nigeria and pledged to invest an additional \$2.25 billion in field development. China and Nigeria frequently exchanged top party and government officials in 2004. The majority of the conversations centered on collaborating in the energy and economic sectors. For instance, to further secure energy supplies, former Chinese President Hu Jintao traveled to Nigeria, the world's largest oil producer, in February 2004. In October and November 2004, Wu Bangguo, the Chairman of the National People's Congress, traveled to Nigeria. Joint exploration opportunities for oil, minerals, and renewable resources in the nation were the main focus of the visit. The release of China's African Policy, an official Chinese government document aimed at fostering economic and political cooperation as well as joint energy development, without meddling in each other's internal affairs, coincided with the visit to Nigeria by the then-Foreign Minister Li Zhao Xings in January 2006 (Agah & Ikenga, 2023).

Over the past 50 years, trade between China and Nigeria has grown. More goods are traded now, illustrating the friendly cooperation between China and Nigeria. China has placed a high value on friendly cooperation with African nations ever since it started its reform and opening-up program in the 1980s. Trade between China and Nigeria has increased at an average annual rate of 3.6 percent, with some years seeing increases of more than 40 percent. In 2000, trade was worth more than \$10 billion. This amount increased by more than 800 times over the course of 50 years, reaching \$39.74 billion in 2005. The development of Sino-Nigerian trade is most notable for its explosive growth. Political interests of China: Since the founding of the People's Republic of China, Beijing's relations with Africa have been anchored by and dominated by political interests. Beijing recognized the newly independent African nations as a crucial group with which to unite in its search for allies in the bipolar Cold War international system. In their respective regions, Nigeria and China are both geographically and demographically dominant. China is better equipped than ever to expand its diplomatic spheres in a world political order that is constantly shifting. In the twenty-first century, when China's main concerns are economic and political rather than military, Nigeria is an African nation that cannot be ignored (Deron, 2020).

Due to the fact that China and Africa had similar historical experiences, such as being colonized by capitalist and imperialist powers and having to face the same challenge of achieving independence and liberation after World War II, China recognized a natural affinity between the two continents. Africa had gotten 45.7% of China's 256.29 billion in foreign aid by the end of 2009 (Utomi, 2018). As a result, when it comes to the political importance of Africa, China's overarching objective has historically been the establishment of official ties and diplomatic recognition that heighten the political legitimacy of the communist regime. China used both fists to strike (in two directions: toward the US and the USSR), relieving itself of the international isolation imposed by the two superpowers through its aid to African nations throughout the 1960s. Since then, China has continued to feel a strong emotional connection to Africa (Deron, 2020). The abolition of Taiwan's diplomatic representation is another crucial political objective for China in its relations with Nigeria. Fundamental to Beijing's regime legitimacy is the adoption of the One China policy and the acceptance of Beijing as China's sole legitimate representative as opposed to Taipei. Since the founding of the People's Republic of China, diplomatic relations with African nations has been a source of contention between Beijing and Taipei (Agah & Ikenga, 2023).

Interests in Ideology: China places a strong emphasis on ideology as a result of its hostile external environment, which forced it to look for a friendly diplomatic environment in order to survive. This ideologically driven policy led to significant aid to Nigeria, which was gradually phased out after 1979, despite China's own economic difficulties. Since that time, ideology whether communism or socialism rather than ideology has shaped China's relations with Nigeria. Instead, it has improved ties with the overwhelming majority of African nations that back the One China policy. As has already been stated, China's non-discriminatory relations with the majority of African countries are primarily motivated by economic considerations and pragmatist political objectives, such as securing international legitimacy and support for the Chinese government. However, as the biggest and conceivably richest authoritarian regime in the world, Beijing's foreign policy must aim to advance domestic political goals. Given the lack of democratic elections in the country, many China analysts claim that the Chinese Communist Party's (CCP) primary need is to establish and uphold legitimacy. The CCP establishes its legitimacy at home by creating the New China and bringing prosperity to the Chinese people through reform and opening up (Agah & Ikenga, 2023). As a result, democratic demands have been subdued and stability has been prioritized over all other factors in order to promote further economic growth. Recognition of the CCP's effective political and economic policies by foreign governments is also viewed as a potent boost to the CCP's domestic legitimacy. The China Model, also referred to as the Beijing Consensus, is in play in this situation. China uses its own development model, which combines political authoritarianism, economic nationalism, and capitalism, to show some African nations that the need for a strong democratic system can be defeated in favor of economic development and political stability. Many statist and protectionists cite China's economic development as evidence that upholding the state's control over commerce, trade, and political freedom does not prevent a nation from experiencing economic growth. Beijing claims that the best indicator of the viability of the Chinese system is how well-liked the China Model is. The CCP's domestic legitimacy is also supported by the same model (Agah & Ikenga, 2023).

Chinese Loans and the Development of Nigeria

Nigeria received loans from China to help it finish 11 projects. The Chinese loans totaling USD 3.121 billion are loans for specific projects. The Nigerian Four Airport Terminals Expansion Project for Abuja, Kano, Lagos, and Port Harcourt are a few of the initiatives. The Nigerian Railway Modernization Project (Idu-Kaduna section) is another. Other projects include the Abuja-Keffi-Makurdi Road Rehabilitation and Upgrading Project and the Nigerian Railway Modernization Project (Lagos-Ibadan section). Nigerian borrowing from abroad has both advantages and disadvantages. The benefits of Nigeria-China relations, according to academics, have become more evident, and African nations have discovered that their development partnerships with China are more directly advantageous and satisfying than their experiences with Western donor countries (Agah & Ikenga, 2023). Ojeme (2020) went into more detail about this, revealing that African nations are much more at ease with Chinese lending because China's approach to its aid and trade relationship with Africa is seen as offering much more practical and concrete types of support, like infrastructure development, which is crucial for Africa's development but has been overlooked by traditional donors. He disclosed that China funds or undertakes projects chosen by African countries rather than setting priorities, in addition to the fact

that China fulfills aid promises more quickly than Western nations. But as was already mentioned, the bilateral relationship between China and Nigeria is extremely complicated. Nigeria's domestic savings are currently insufficient to guarantee development. This means that borrowing from external sources is no longer necessary to bridge the gap between savings and investments, which suggests that Chinese loans, like other forms of foreign aid, have not been effective in advancing Nigeria's economic development and rescuing its sizable population from extreme poverty (Omoruyi, 2019; World Bank 2019). It might be more accurate to assess the effects of foreign borrowings and Chinese loans on Nigeria by looking at the data, which blatantly show that 82.9 million Nigerians, or 40.1% of the population, are poor by national standards. In stark contrast to the foreign aid that Nigeria has received over the years, the country's poverty rate is still rising. According to Aluko and Arowolo (2019), economic growth has also been sluggish since 2015, averaging 1.9 percent annually in 2018 and remaining constant at 2 percent in the first half of 2019. The poorest 50 percent of the population has not been able to escape poverty as a result of this slow growth. This pitiful situation seriously undermines the presumption that borrowings will have a multiplier effect, positively jump-starting and accelerating improved productivity through GDP, a larger export market, a stronger currency, and overall economic reliance. Borrowings should therefore aid in resolving the issue and boosting the economy. Mbanga and Sikod (2019) contend that this is not the case in Nigeria, but it is still true that the current administration in Nigeria borrowed to pay for accrued wages and pensions of state workers.

In other words, as a result of corruption, Nigeria borrowed money for consumption but has not yet matched those loans with significant investments in profitable industries to achieve economic development (Ejumudo and Ikenga 2015). The country's public debt is out of control, and the government is depleting its foreign reserves to cover the ongoing budget deficit. Indeed, since the early 1980s, managing Nigeria's external debt has posed a significant macroeconomic challenge. Numerous factors, including declining commodity prices, the Dutch Disease, ineffective economic policies, subpar debt management, unfavorable borrowing terms, and currency depreciation in which debt is expressed, can be blamed for Nigeria's inability to control her debts and promote economic growth and development (Fosu, 2017). According to Agbemavor (2020), some Sub-Saharan African nations have endured debt service issues due to external shocks like deteriorating trade terms, civil unrest, a lack of sustained adjustment and implementation of structural reforms, a lack of effective debt management policies in debtor countries, improper management of the currency composition of external debt, and bad lending practices by many creditors.

Theoretical Framework:

The theory of complex interdependence is used as a useful analytical tool in this essay. Keohane and Nye (1977) proposed the complex interdependence theory in international relations as a critique of political realism, which was cited by Zainab and Sheriff (2018). According to the theory, states' fortunes are inextricably linked to one another. Through his work, Richard Cooper popularized the idea of economic interdependence. Keohane and Nye went further and examined how interdependence transforms international politics and trade relations in their critique of political realism using the analytical construct of complex interdependence (Zainab & Sheriff, 2018). Theorists understood that while the use of military force and power balancing are declining

but still crucial, there are more and more diverse and complex transnational connections and interdependencies between states and societies. Keohane and Nye (1997) used the idea of interdependence and distinguished it from dependence when examining the function of power in politics and interactions among international actors. According to the analysis, complex interdependence has the following characteristics:

The use of multiple channels of actions between societies in interstates, trans-governmental, and transnational relations.

The absence of hierarchy of issues with changing agendas and linkages between issues prioritized. iii. Bringing about a decline in the use of military and coercive power in relations among sovereign states.

Complex interdependence is based on distinct traits that, individually, challenge the implicit and explicit tenets of traditional international politics (namely, the primacy of the state and a hierarchy of concerns based on the use of military force and power as the primary means of influence, which historically defines political realism in Political Science). Thus, according to Keohane and Nye (1977), the likelihood of cooperation among states should rise as a result of the decline in the use of military force as a tool of policy and the rise in economic and other types of interdependence. The theorists' work first came to light in the 1970s, posing a significant challenge to political realist theory in global politics and serving as the basis for contemporary theories that have been labeled as liberalism, neo-liberalism, and liberal institutionalism. Traditional criticisms of liberalism and political realism are frequently defined as ignoring the social nature of interstate relations and the social fabric of international society, respectively. Vincent (2006) most recently identified himself as a simple institutionalism in response to the emergence of neo-liberal economies, discussions, and the need to clarify the theory of international relations.

It is impossible to overstate or understate the importance of this theory for comprehending trade between Nigeria and China and Nigeria's economic development. The theory will aid in dispelling widespread misconceptions and improper applications of the dependency theory to the study of international relations. No nation is naturally endowed with all the resources it needs to sustain itself, so nations must interact with one another in order to survive. This is why the theory is relevant in explaining the modern world, where no country can exist in isolation. This theory's main contribution is that it draws attention to the fact that countries are extremely interdependent, to the point where no one country can completely make decisions for another. However, this does not change the reality that there will always be winners and losers in relationships. The theory thus acknowledges and demonstrates the reality of unequal gains from trade among two or more cooperating nations. Because neither of the two nations has complete control over their means of existence, trade relations between Nigeria and China are the result. Therefore, they must establish some sort of interdependence in order to share resources that are unevenly endowed by nature. Between the two nations, there are some complementarities. For instance, Nigeria, an underdeveloped economy, needs the products from these Chinese companies to meet the demands of its population, whereas China, an industrializing economy, needs the services of the energy that comes from oil (petroleum). Therefore, cross-border interaction and trade between the two nations become essential.

The gains from this trade must eventually be tilted to the advantage of one against the other based on the requirements of the market forces of demand and supply of these tradable commodities, however, as these two countries trade and invest on commodities of

various natures and quality (one finished and the other primary product and raw material). The primary implication of this theory for the study is that Nigeria must renegotiate existing agreements and increase its productive potential in order to correct the imbalance caused by the fact that bilateral relations generally favor China more than Nigeria.

Conclusion and Recommendations

Nigeria's infrastructure development lags behind that of other developing nations like Brazil, India, and South Africa, and it has a strong desire to catch up in the spirit of south-south cooperation. This is what drives China's economic relations with Nigeria. China also believes Nigeria can fulfill its needs in order to advance its political and economic objectives in order to enhance the welfare of its citizens and establish legitimacy. As a result, China has been generously lending to Nigeria to upgrade its infrastructure, as evidenced by the most recent \$12 billion agreement for the construction of a coastal railway in Nigeria that will run for 650 kilometers from Calabar to Aba, Port Harcourt, Warri, Benin City, and Lagos. The spectacle of a China the size of a continent, initially driven by its enormous demand for energy resources but since expanding its involvement beyond oil, has never before been seen in human history. Other areas of the Nigerian economy, such as agriculture, construction, manufacturing, and information and communication technology, are now dominated by Chinese businesses. China has increased its foreign direct investment in Nigeria as a result. By using the qualitative mechanism of data collection and analysis, the paper was able to show that the entire range of Sino-Nigeria economic relations in a multi-polar World is plagued by imbalance to the detriment of Nigeria. This situation has further driven Nigeria into a deeper debt crisis, leaving it with an asphyxiated economy. Notably, projects that are going to be funded by borrowing from outside sources do not go through an open competitive bidding process, and specific information about projects that are going to be funded by Chinese loans is hard to come by at the planning stage for the necessary input from Nigerian stakeholders. Many contend that if the issue is not addressed, debt entrapment will happen, resulting in democratic instability in Nigeria. This flawed process damages the credibility of the loans and further depresses the Nigerian economy.

China's quick ascent to power is more obvious than anywhere else in the world in Africa, especially in Nigeria. China's economic and political influence is redefining Africa's traditional ties with the international community through multibillion dollar investments in oil and minerals as well as the influx of thousands of merchants, laborers, and low-cost consumer goods. This study examines the developing relationship between Nigeria and China to ascertain whether it represents a new hegemony, a development partner, or an economic rival. Therefore, the paper makes the case that in order to comprehend China's involvement in Nigeria; we must recognize the variety of economic and diplomatic justifications for China's policy toward the country as well as Nigeria's responses to China's pleadings in terms of its foreign policy. It is necessary to alter the mindset that China's relationship with Nigeria is currently favorable. Instead, Nigeria must work to only accept partnerships that will help the nation rather than harm it. The African powerhouse has not benefited from Nigeria's dependence on exhaustible oil, whose price per barrel has fallen by more than 50%. Even as a trustworthy ally, China is unable to resolve Nigeria's problems. Nigeria needs to address issues like political unpredictability,

security, crumbling infrastructure, building capacity through functional education, and economic diversification, among others. Nigeria needs to study China's painful paths to greatness. In light of this, the paper suggested:

The Nigerian government should change its trade practices with China, which will not only advance the country's technological development but also increase its negotiating power and allow it to gain more from its trade relations with China. The Nigerian government must, above all, uphold her foreign trade policy in all future interactions with China.

Rather than locking themselves inside a small room of thought, all African leaders, including those in Nigeria, should get up and construct a large room for development. Nigeria in particular needs to shift from being a consuming to a producing nation. She needs to industrialize, and the general public should be urged to buy products that are "made in Nigeria." Additionally, for "made in Nigeria goods" to be competitive, the government needs a steady supply of electricity. In addition, the government must concentrate on maintaining a standard regulatory framework for product oversight that is not clouded by corruption. Nigeria ought to leverage China's insatiable appetite for oil to secure concessions in regions crucial to Nigeria's interests. China should be urged to improve and expand its engineering projects and technological collaboration with Nigeria. In order to gain the most from this trade, Nigeria should identify and systematically develop areas where it has a comparative advantage over China. Nigeria should also review its trade policies and work to put them into practice for the benefit of the country's overall economic growth and development.

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CASES AND IMPACTS OF INDUSTRIAL DISHARMONY ON EMPLOYEE PERFORMANCE IN TERTIARY INSTITUTIONS IN NIGERIA

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***Abstract:** This study explores the cases of industrial disharmony on employee performance in tertiary institutions in Nigeria. Furthermore, the study examines the impacts of industrial disharmony on employee performance in tertiary institutions in Nigeria. In conclusion, effective management of conflict can lead to better performance of staff and also improve interactions within the organization. Properly managed conflict would increase staff participation, innovativeness and productivity among staff. The educational sector is not an exemption. Therefore management of public universities should improve their conflict management strategies in order to have a better understanding of conflict in the university. Service quality, operational efficiency, training and teaching students both informally and formally have been identified as indicators for assessing the performance of administrative staff in tertiary institutions.*

***Keywords:** Industrial disharmony, employee performance, tertiary institutions*

Introduction

Conflicts occur at various levels-within a person, between members of group and between groups. It has different implications for individual behavior and work group behavior but the focus here is essentially on the intergroup conflict (management and workers (union)). Whenever there are differences between the goals of the separate groups or even several individuals in the tertiary institution, conflict occurs. Education has a positive relationship with socio-economic growth and development. The institutions of higher learning are established for providing the nation, quality human resources to attain national goals. The persistent industrial disharmony in tertiary institutions has impaired the purpose for which it was initiated and leaving doubt in the mind of many intellectuals. Specifically industrial conflict that was not timely managed well is counterproductive especially in the educational sector. Industrial harmony is a vital component of every modern economic system in the contemporary global society. Its importance derives from a number of functions which it sub-serves. What this means is that a good industrial harmony or peaceful co-existence between workers union and management, at least will definitely showcase a give and take relationship that is mutually inclusive in nature and will in no

small measure encourage high workers morale; and by so doing, the performance and Productivity profile of labour will be on the increase. Also, good industrial harmony fosters development of the industrial system and ensures stability in the spheres of governance. This is so, especially with public sector industrial relations, which will have a positive effect in the affairs of private sector (Girigiri & Badom, 2021).

In politics or in industry, what concerns all should be brought to the open and be decided upon democratically and harmoniously in the best interest of all. The positive application of democratic principles in matters that concern all, i.e. showing fairness and equality to everyone in the industrial setting and the recognition of their right to take part in decision making, will effectively enhance the industrial atmospheres with less crises or total breakdown (Sholokwu & Olori, 2021). Industrial harmony is the key to organization's progress, growth and expansion. It is crucial for business and people who take decision to invest and those working in the organization will thus have their opinion reflect in the organization. Industrial harmony results when the differences between trade unions on one hand, management or employer on the other can be resolved in the work place without having to resort to total breakdown or closures of the organizations (Obiekwe, Felix & Izim, 2018). Put it differently, harmony exist when at all times, parties in relationship in the industrial sphere seek to resolving matters with minimum level of crises bearing in mind the negative consequences on both sides, in case of complete lock-down. The foregoing are some of the essential ingredients for the socioeconomic and political developments which Third World Nations so badly need for work organizations to thrive. Unfortunately, the state of Nigeria industrial relations lack this harmonious value and have not been palatable.

In the words of Girigiri and Badom (2021) a harmonious workplace is that which guarantees satisfaction of workers' and employers' aspirations through avenue of compromise which is essential for the enhancement of organizational productivity profile and growth. In recent times, industrial relations crisis in Nigeria has assumed unthinkable magnitude. The unceasing crises that have manifestly affected both sectors of public and private lives have posed untold hardship with consequent negative manifestations in the areas of decline in economic growth and development, massive poverty and retrenchment of workers, and industrial conflicts have bedeviled the industrial atmosphere in the country. Okafor, Okorie and Lifu, (2018) argument is that in contemporary workplaces, workers have increased skills and competences that encourage self-monitoring, self directed activities with the possibility of embracement of knowledge and responsibility. Not minding these competences and the associated values and benefits, he opines that workers are still subjected to managers they did not elect, and to rules in which they have little or no say. Accordingly, they become spied, drug-tested, subjected to searches, and e-monitored. These management actions according to him diminish workplace democracy in organizations.

Today, however, the practice of industrial harmony has spread to countries and institutions and possibly the tertiary institutions in Nigeria. Industrial harmony has the potential to transform people within organizations by making them more democratic, politically aware, active social and public spirited, co-operative, concerned for the general good and reduce organizational dysfunction (Adekiya, 2015). On the contrary however, in some of the tertiary institutions, some workers rarely show commitment to duties as a response to their non-involvement in appraisal cum promotion exercise, procurement of

facilities and equipment they use and in the overall policy formulation, decision-making and implementation. This is not in tandem with the views of Okafor (2010), who opines that where the influence and control of work activities within an organization are seamlessly done to allow employees participate in the running of the organization, a feeling of belongingness, trust and delegation evolves with a capacity to developing worker satisfaction, employee commitment, quality services and enhanced citizenship behaviour.

It is common knowledge that tertiary institutions in Nigeria are largely run using committees. Through the committee system, some employees are co-opted to make contributions on matters affecting workers and on the general management of the institutions. However, there is the claim that the contributions of these co-opted members/employees are not factored into the final decisions, or that the aftermath of committees reports are kept in view or partially implemented, and that the dimension and level of participation through committees are not determined. It is further claimed that these practices, have influences on quality of work, intellectual output of lecturers, punctuality to and timely completion of work, as well as employee performance. Wahab (2018) posits that the only constant thing in the academic calendar of Nigerian universities is the persistent conflict between Academic Staff Union of Universities (ASUU) and the Federal Government of Nigeria. He further reiterates that ASUU always demand better funding of the university system and each time an agreement is reached, the government always reneges of its promise and this has plunged the university system into avoidable industrial conflicts almost every year. Amadi and Urho (2015), noting the unpleasant effect of industrial conflicts in tertiary institutions, express the idea that most academic activities for the institutions are distorted almost every year and this is a major cause of production of graduates who are deficient in their field of study. This will definitely have effects on sustainable development goals of the institutions and the nation at large.

Industrial disharmonies in Nigerian universities have become endemic and this has been a major source of concern to both the students and parents. In 2020, the Academic Staff Union of Universities (ASUU) embarked on industrial action that lasted for nine months. All public universities in the country were closed down. The cause of disagreement was the inability of the Federal Government of Nigeria to implement collective agreement joint and freely entered into with the union in 2009. It is instructive to note that the union has been on this very agreement since 2009, making it eleven years during which the issue has been left festering. The damage done to these educational institutions is certainly enormous, as a great number of students could not make it back to their various institutions due to several reasons. Paramount among these reasons are – the attractive nature of cybercrime in Nigeria which is prevalent among the youth, demise of major sponsors of these students as a result of the devastating effects of the global COVID-9 pandemic and the loss of confidence and interests in the Nigerian tertiary education system on the part of the students.

Despite the mass of recommendation from numerous research studies on conflict and its management in tertiary institution, this particular sector (Nigeria education industry) has continued to be inundated with many conflicts. Most of the studies done had been studies limited to management strategies employed and their effectiveness as it concern conflict management in tertiary institution. This is the justification for this study. Therefore if conflict is to be minimized in tertiary institution, the need for effective conflict management cannot be over emphasize. However, either on the basis of speculation or on

grounds of observable evidence; the ideal of industrial harmony is not vigorously pursued and enhanced tertiary institutions in Nigeria. Against these claims, this study seeks to explore the causal link between industrial disharmony and employee performance in tertiary education system in Nigeria.

Conceptual Clarifications

Employee Performance

The concept of performance has become a contentious issue in the field of management, though central in management literature. Okafor et al. (2018) view performance as organization effectiveness in achieving objectives with the support of its resources. Employee performance refers to the outcome that result due to organizational input and other subsequent transformation that occurs when individuals, materials and organization interacts. Ayesha (2014) captures performance as the success, achievement, effort and actions of employees in relation to their job requirements with the hope of optimizing the present and protecting the future. Okafor et al. (2018) not only sought to dichotonize performance measurement levels, but-submitted that at the individual level; performance is concerned with issues such as punctuality to work, quality service, citizenship behaviour, job satisfaction, employee commitment, job responsibilities, and the like. They contend further that at the organizational level, performance measures focus on productivity, profitability, absenteeism, turnover, market share, and adaptability. The most important dependent variable is the employee's performance. Employee performance is dependent on the willingness and the openness of the employees in doing their job. Further he stated that by having this willingness and openness of the employees in doing their job, it could increase the employees' productivity which also leads to the performance. An employee's performance can also be determined as a person's ability to perform also including the opportunity and willingness to perform as well. The meaning of willingness to perform means that the desire of the employees in putting as much effort towards their job (Igbokwe, Itoya & Eziuzo, 2020).

According to Kolawole (2019), the traditional human resource management approach to enhancing workers performance has centred on the assessment of past performance and the allocation of reward. That is, rewards were provided in exchange for performance. It should be very important that workers' performance improvement is something that should also bother the management. Performance therefore becomes stereotyped as something of no intrinsic interest to the person doing the work. It is critical that the organization selects the most useful measure of performance for the organization as a whole and for the individuals within it. Single measure is unlikely to be sufficiently robust. Similarly, Adele (2022), the evaluation of a good organization status performance is highly dependent on the performance and attitude of the staff/employee of the organization or industry. That human resource management approach is to enhance workers performance; certainly assesses the past performance and the allocation of reward. It is evitable that workers performance improvement is something of direct interest only to management. There are many initiatives that help to improve workers performance. It is critical that the organization select most useful measure of performance for the organization as a whole and for the individual within it single measures are unlikely to be sufficient.

Okafor et al. (2018) argues convincingly that the mix of measures which an organization should use to assess its workers performance should be based around four different perspectives:

Financial Measures: Such as sales growth, profits, cash flow and increased market share

Customer Measures: That is, the customer perspective, which looks at, for example, delivery time, service quality, product quality.

Internal Business Measures: Cycle time, productivity, employee skills, labour turnover.

Innovation and Learning Perspective: Including such elements as ability to innovate and improve. The focus must be on what is achieved: results are what count.

Performance as firms' ability in combining available human and material resources effectively for the purpose of achieving better outcomes during competition and other economic variable. Though, studies have proven that performance as a construct has various dimensions and the dimensions adopted varies and lies on the method of analysis, source of data as well as the measures used. Generally, organizations ascertain the level of their performances using three key indicators, these include: financial performance (profits, returns on assets, returns on investment etc), shareholder value (total shareholders' returns, economic value added, etc) and product market performance (Elenwo, 2020). For the purpose of this work, we adopted the individual level parameters of employee performance in addition to absenteeism and turnover that will be adapted for the organization level of employee performance.

Azreen (2011) affirms that performance is a function of capacity (ability, health, intelligence, etc.), willingness (motivation, job satisfaction, status, etc.), and opportunity to perform (tools, equipment, working conditions, coworkers and leader behaviour, etc.). Essentially, performance is related to the extent to which an employee or organization is able to accomplish assigned tasks and how the accomplished tasks contribute to the realization of the organizational goals. The term employee performance is interchangeably used as job performance, employee productivity, and employee efficiency and employee effectiveness. Okolie and Omole (2017) defined employee performance as employee's contribution to the organization, arising from the job objectives, schedules, deadlines, product/service requirements. Employee performance can also be seen as behaviour exhibited or something done by employee.

According to Adagbabiri and Okolie (2019), employee performance refers to the behaviour individuals engage themselves in or produce that are in line and contribute to an organization's goal. Therefore, employee performance is more of actions rather than feelings derive from job and thus encompasses the efficiency and effectiveness that employee demonstrate in carrying out task in the workplace. Review of extant literature has shown that high performing organizations are more likely to survive and compete favourably in this ever changing and competitive business environment. They are more likely to have higher customer satisfaction and market share. However, in achieving this, the organization needs not only highly motivated but also satisfied and psychologically balanced employees to increase performance and productivity in the organization.

Industrial Disharmony

Industrial disharmony has become a focal concept in industrial relations system. Igbaji (2009) is of the view that the threat of strike and other forms of industrial disharmony

may not be absolutely prevented, but it can be managed to bring down the conflicts that often come from it, if the management is well equipped with the right human resources. In recent times, tertiary institutions which include universities, polytechnics and colleges of education had been locked up for an indefinite period due to industrial disharmony and some students got pregnant or derailed by engaging in all manner of vices like internet fraud or scam as a result of unresolved industrial dispute bothering on minimum wage, poor funding of tertiary institutions and inability of the government to implement collective agreements freely signed with staff unions of these tertiary institutions. The roles of government in enhancing industrial peace in the universities in Nigeria have received a wide attention in the literature of industrial relations. This is amplified by the findings of Osamwonyi & Ugiagbe (2013) which confirmed that many organizations (including tertiary institutions) in Nigeria suffer from many avoidable industrial challenges caused by government nonchalant attitude towards resolving industrial disputes in addition to ineffective and inefficient management styles of the management of these tertiary institutions. As a result of the above, productivity is seriously affected because of frequent industrial conflicts caused by strained relationship between the management of these institutions and labour unions; information mismanagement has been seen as a culprit in cases of industrial disharmony in tertiary institutions. Udejah (2001) found that effective communication in tertiary institutions enhances industrial harmony and hampers the development of rumours, gossips and falsehood, which will not be of any benefit to the growth of these institutions. These, in turn, have the potential to generate conflict within the institution. Thus, conflicts between groups can be an indication of a lack of effective communication and positive interaction. On the other hand, effective and timely communication has the potential of quick detection of internal strains between the management of these tertiary institutions and the house unions, which will in turn serve as a catalyst for conflict prevention and increased productivity.

Industrial peace, which can be regarded as an antonym of industrial disharmony, is not the absence of disagreement, but it is when there is an understanding between employers and employees that permits the system to achieve the set goals. Industrial peace enhances labour productivity and in turn improves performance in industrial sector, achieving economic growth and enhancing living standards and quality of life. Further, industrial peace creates a peaceful working environment conducive to tolerance, dialogue and other alternative means of resolving industrial or labour disputes in Nigeria (such as negotiation, mediation, arbitration, conciliation and litigation or court adjudication). This creates a high level of employee satisfaction. Suggestively, the imperatives of industrial peace are the most potent panacea in a developing economy like Nigeria, for a productive system and sustainable human development. Albert and Yahaya (2013) lend credence to this view, that the pattern of industrial relations in Nigeria has been conflictual in nature with disruptive consequences and significant work stoppages. Several reasons have been put forward to explain constant conflicts between the management of tertiary institutions and the unions.

Measures to Reinforcing Industrial Harmony in Nigeria

Psychologists engaged in research on participation have argued that participation, power, and responsibility on the job tend to satisfy basic ego needs. Having the power of

participation, implies to workers that they are equal partners, collaborators in an organization rather than passive, coerced, and unwilling subordinates. Girigiri and Badom (2021) remarked that participation strengthens the belief, or creates it, that the workers are worthy of being consulted; that they are intelligent and competent. When management make the frequently bitter remarks that ‘they do not pay you to think around here’, they are really saying that their opinions are not valued; that they are not regarded as competent collaborators, but merely as living automations, passive extensions of the machines they operate. Participation corrects this by gratifying the basic human needs for respect, appreciation, responsibility, and autonomy.

In the light of the foregoing, that the participating workers are involved workers, for their jobs become an extension of themselves and by their decision, they are creating their work, modifying and regulating it. As they are more involved in their works, they become more committed to it, and being naturally derived more satisfaction from it. What is more democratic and by extension, the bedrock of harmonious relationship in industrial setting amongst actors that make the system more than the above? Okon (2008) asserts that, one greatest way of ensuring industrial democracy and harmonious relationship in the organization, is to create an institution within society that can challenge the prevailing structure, where management see themselves as super-masters and anticipate the new; where co-operation, interrelatedness and interdependency in all manner amongst partners will be observed. People within such institutions must learn ways of thinking and acting that distance them from behaviors, not appropriate to presently existing system and train them in ways more appropriate to instill discipline in the society. These institutions must be that which encourage equality, democracy and cooperation in the system. These institutions will direct their efforts towards effective and efficient transformation of people’s (workers’) mind and management super attitudes cum government ideology including culture and the creation of means of achieving fairness and understanding at workplace.

A type of democratic institutions or structure with good and sound educator having the mandate not only to subject presently existing quasi- capitalist Nigeria leaders to criticism, but also to offer a clearly articulated vision of a better society that will ensure industrial peaceful existence and to help create and generate from within workers, management and government the understanding, skills, capacities, and intelligence necessary for the task of creating a new socio-economic, cultural and political order. This can be possible when the new movement for change, identify, encourage and train a stratum of technical, scientific, and literary personnel from within the working class, management, and government will create counter order institutions in the midst of existing society that would train people for the new order (Girigiri & Badom, 2021). Industrial harmony only applies if organizations are owned by workers and managed as in the self management system in transitional Socialist Yugoslavia. There, each plant is managed by a board of management elected by workers (Okon, 2008). This therefore suggests that, if workers are allowed to make some suggestions based on their work experiences about how production or sale may be improved, that does not give us industrial relations harmonious atmosphere. It is a mere suggestion and far from been decision in itself.

Thus, management/employers should understand and appreciate the fact that labour (workers) is not mere commodities or mere supply of labour force at the shareholder and management/government disposal. Essentially, labour is the real basis that underlies the

production of goods and services. Through their work, the human personality and its sense of responsibility are able to be unfolded. Employers/management should therefore appreciate this and attribute its success to the trained and efficient labour force. Fundamentally, labour should be given the power or right of say in the affairs of the business and the organization, not only in the field of labour condition and labour environment, but in all aspects or spheres of the business administration and policy, and should effectively make useful input that shows it's a desirable partner (Girigiri & Badom, 2021). As necessary component to ensuring industrial harmony, it behooves both employers and employees to create a working culture that gives credence to collaborativeness and team spirit. It is factual that when people of diverse background and experience and as well as different interests converge together at a workplace to attend to problems, share ideas, with a focus on creativity, rewards system, innovativeness and the satisfaction of members, the end result will be positive. This is because they brought to bear their self-worth and identity and thus avert the challenges of work-life-balance, therefore providing a desiring vantage position for organizations optimum progress, growth and development and as well as other social partners (Mukoro, 2013). The creation of the scenario presented above, according to Badom et al. (2018) implies a situation whereby employees actively participate in achieving the set goals and objectives of organizations, thereby drastically reducing tensions at workplace. This is seen as harmony booster and should be encourage and adopted to achieve industrial peaceful co-existence; Organizations structured this way will develop the culture of industrial social order which is essential for organizational productivity.

Cases and Impacts of Disharmony on Tertiary Institutions in Nigeria

Conflicts in Nigerian universities date back to the 1960s with the unsuccessful attempt of the first republic politicians to change the pre-independence statutory image of the university system by bringing universities under undue government control. The university lecturers embarked on series of strike dating back from 1973. In the regime of General Yakubu Gowon, university staff embarked on strike for improvement in their conditions of service due to the deplorable condition left behind by the Nigeria civil war. The spate of strikes continued under Alhaji Shehu Shagari in 1980. When President Obasanjo was elected in 1999, ASUU further demanded for the adoption of the 1992 agreement (Abolo & Oguntoye, 2020). Pressure from the university staff led to FGN and ASUU agreement of 2001. After series of appeal by ASUU to FGN for the implementation of the 2001 Agreement, ASUU called its members on 29th December 2002 to embark on a total and indefinite nationwide strike (Olatunji, 2003). FGN failure at fulfilling its own part of the agreement by using avoidance strategy led to another three day warning strike on April 24, 2006. The election of President Yar'Adua into power in 2007 brought some hope to the academia, but this was proved to be a false hope as nothing was done to implement the agreement. After several failed negotiations, the staff went on an indefinite strike in 2009. The 2009 strike can be termed the highest over time as it further involved all the facets of the university including NASU.

The suspended 2009 strike could be termed only as a repetition of the usual past, for the technical committee/inter-ministerial committee undermined the agreement already reached. Failure of state to honor the agreement reached in 2009. The national body of

ASUU joined the strike in June 2010 when all attempts to make the five East-South State Governors to budge failed. This according to Ubabukoh (2011), is called the university staff union strike as it affects all the university unions. The issue of strike being a perennial problem seemed not abated. The universities continuous press for the full implementation of the agreement reached in 2010 met deaf ears by the federal government. As usual in the circle of the universities conflicts, ASUU decided to drive home their demands in a one week warning strike in September 26th, 2011. NASU also followed with their warning strike effective from 3rd October. The song of victory is yet to be sung as the universities launched a full blown nationwide indefinite strike from December 5th, 2011 to February 2nd, 2012. Conflicts in the Nigerian federal universities continue due to most unfulfilled agreements (Abolo & Oguntoye, 2020).

Staff effectiveness according to Todd (2009) is the total input of workers in their duties. It involves the overall dexterity of staff in his duties to achieve the organizational goals. This includes the conduct of staff, their skills, expertise, morale, interpersonal relationships with colleagues and their ability to abide with management policies without stress. The work environment generally is a collectivity of various individuals and groups from different cultural, social, political and economic backgrounds. Given this scenario, the interests and expectations of employees in organizations is bound to differ (Igbaji, 2009). These variations in staff are expressed in their various responses to duties during conflicts. Workers' collective interest is represented through expressions by the workers' trade unions like ASUU and NASU in the universities. Staff work effectiveness during or after conflicts is usually a reflection of the extent to which universities unions persuade workers to react to the issues yet to be resolved. This according to Ongori (2009) would manifest in various work attitudes such as low or high morale and inaction or lack of zeal for duties. As most conflicts are as a result of clamoring for better welfare, continuation of conflicts influences workers' productivity and ultimately hinders the achievement of goals in the organization. Most employers' attitude to the trade union, particularly in the tertiary institutions where the government (state or federal) is both employer and umpire, has been hostile. The union therefore finds it difficult to persuade unsatisfied and unwilling workers to increase their productivity to enable organizations achieve their goals.

Educational sub-sector, specifically tertiary institutions (universities) in Nigeria have been recording series of industrial unrests in the recent past. The effects of repeated and abrupt closure of universities due to industrial bluffs on academic programs and the goals for which they were established can better be imagined. Educational standard is now believed to be questionable. Many academic calendars in the universities have been disorganized with some academic sessions out rightly lost (Abolo & Oguntoye, 2020). Students' academic performances have comparatively taken a nose dive while various forms of examination malpractices are on the increase. The situation has assumed such an alarming dimension that the public now accuses the 'ivory towers' of turning out graduates that are ill-equipped in character to contribute to the growth and development of the nation. Empirical findings according to Ongori (2009), shows that organizations are adversely affected by conflicts in terms of performance and wastage of scarce resources. Similarly organizational conflicts like those of the Nigerian universities do have positive effects especially in increasing innovativeness and improving the quality of decisions in the institutions. In addition, conflicts build the spirit of teamwork and cooperation among the

employees. This occurs especially when the staff of the universities come together to resolve the conflict.

Between 1994 and 2023, ASUU embarked on industrial strike for approximately total of 47 months. Recurrent strike has been one of the major obstacles that have brought setbacks to university education in Nigeria. Chukwuka (2013) states that industrial conflict extended the number of years the students were expected to stay before graduating from the university. During periods of industrial unrest, most students would have engaged themselves in some anti-social acts such as political thuggery, armed robbery, drug trafficking, kidnapping, prostitution, etc. The majority of Nigerians are not unaware of industrial strikes often embarked on by ASUU and NASU (Non- Academic Staff Union). They are apparently unhappy with the manner in which industrial strike frequently paralyzes academic activities in the universities, with strong objections to the perceived neglect of the students who are either writing or defending their research projects. Four years courses are often extended to five or more years. Parents and observers usually either blame ASUU for being too demanding in their agitations or Governments for not funding education enough. Whichever the case, when two elephants fight, the grasses will suffer innocent students are these grasses, and partly the parents who are the sponsors. Unfortunately, the standard of education is adversely affected by incessant labour unrest in our tertiary institutions.

In October, 2010, all the Universities in the Southeast zone of Nigeria embarked on an indefinite strike, where they demanded for the implementation of the agreements signed with ASUU, particularly on salary and allowances. A report in the nation's newspapers also indicated that all the tertiary institutions in Kwara State (one of the 36 States in Nigeria) embarked on a strike, demanding for one hundred percent implementation of the Consolidated Polytechnics and Colleges of Education Salary Structure (CONPCASS) and the Consolidated Tertiary Institutions Salary Structure (CONTEDISS), effective from January, 2009. Of recent, the Academic Staff Union of Universities (ASUU) declared a strike over the non-implementation of the agreements reached with Federal Government since year 2023. The strike lasted for almost ten months and was suspended during the last week of March, 2023. These are few cases of strikes that occurred in tertiary institutions in Nigeria.

The internal efficiency of Nigerian universities has been compromised through frequent labour unrest. Labour unrest in Nigerian universities often takes different forms: disruption in academic calendar, intimidation, lockout, strike, picketing and boycotts. To register their resentment over management show of superiority and insensitivity to workers plight, organized labour in the recent past have resorted to the use of various pressure tactics ranging from strike actions, picketing, boycotts, overtime ban, intimidation, active non-compliance (ANC) and a host of others. Thus, industrial conflict has become a recurring issue in all sectors of the Nigerian economy including the educational sub-sector with attendant negative consequences for various stakeholders (Igbaji, 2009).

Conclusion

One of the most effective ways to increase organizational performance is to increase the performance of employees, from the lowest levels of the organization to senior management. Performance improvement is not only a result of well functioning system but

also depends on effective human resource strategies that succeed in recruiting and maintaining a committed and motivated workforce. Effective management of conflict can lead to better performance of staff and also improve interactions within the organization. Properly managed conflict would increase staff participation, innovativeness and productivity among staff. The educational sector is not an exemption. Therefore management of public universities should improve their conflict management strategies in order to have a better understanding of conflict in the university. Service quality, operational efficiency, training and teaching students both informally and formally have been identified as indicators for assessing the performance of administrative staff in tertiary institutions

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INTERROGATING ADMINISTRATIVE LAW AS ORGANIZED LAWLESSNESS: THEORETICAL EXPOSITIONS

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***Abstract:** This paper interrogates administrative law as organized lawlessness by engaging in the necessary theoretical expositions. The central research question of the work borders on the aptness or logic of depicting administrative law as organized lawlessness. Under a qualitative research design, the study relied on internet materials, book sources, journal articles and other secondary sources of non-numeric data to conduct its interrogations. It traced the source of delineating administrative law as organized lawlessness to Ferdinand Lundberg, an influential American social philosopher, journalist and scholar. The study found immense reason in the thesis of Lundberg. The incidence of administrative tribunals and the embedded practice of administrative adjudication (occasioning apparent detractions from the rule of law ideals) are central to the surrounding issues. Even at that, administrative law has remained an integral and critical aspect of law and administration in contemporary times. Hence, the work recommends the consideration of diverse perspectives in the relevant analyses, and continuing discussions to ensure the nonstop improvement and proper functioning of administrative law within broader legal frameworks.*

***Keywords:** Administrative law, Law of administration, the rule of law, organized lawlessness*

Introduction

Theoretical underpinnings are central to generic knowledge production, and also critical to social engineering (Glaveanu et al., 2020; Byrne & Gammeltoft-Hansen, 2020). Law and administration are likewise crucial under these matrixes of societal productiveness and conscientiousness. Invariably, law becomes translatable as the rule of law while administration may mean dealing out, management or government. Whatever be the case, administration indubitably requires law as the bases of its efficacy and import. Then law needs administration for its utility and neutrality to be made manifest. Viewed from the competing standpoints of either legal positivism or legal naturalism, the truth is that law needs administration (Deo, 2023). In other words, the law needs to be administered for its efficacy to be unquestionable. Central to the societal usefulness of the law therefore is administration. Without this meting out of the law or its dispensation and management, or what may still be described as administering the law, what constitutes the law ends up being either babble, cruelty, hogwash or both mercilessness and societal disservice. But even as law necessitates administration, this necessitating variable in the current study equally calls for law in the execution of its functions. Invariably, both administration and law in their ultimate empirical import require theoretical underpinnings. Administrative

actions which possess theoretical grounding provide unassailable results. When such actions are mere products of random thoughts, the goods are never wholly delivered. Laws and afterthoughts are also antithetical. Accidental laws are accordingly disorientating to society. Administrative law therefore becomes and remains a captivating and fundamental area of scholarship in the fields of public administration and law. It naturally evokes interdisciplinary connotations implied by the design of this work. The paper is essentially about the linkages between the academic fields of public administration and law as areas of study (framed as theoretical expositions). But beyond that and more fundamentally, the contribution focuses on the associations between the rule of law and administrative law. Then in these contexts, is administrative law organized lawlessness? This constitutes the central research question of the paper.

Explicating the Rule of Law

The rule of law refers to the political idea that all institutions and citizens within a community or country are subject to the same laws, inclusive of leaders and the lawmakers. According to the National Geographic (2023, p.2) the rule of law refers to “a principle that all people and organizations within a country, state, or community are held accountable to the same set of laws. Its origin is traceable to ancient Greece and, more specifically, in the philosophy of Aristotle, who in his work titled *Politics*, raised the question of whether it is better to be ruled by the best leader or the best laws”. In interrogating the question, Aristotle “found advantages and disadvantages to both governing methods. His conclusion, however, suggested that laws were appropriate for most societies since they were carefully thought out and could be applied to most situations. Therefore, people should be ruled by the best laws” (National Geographic, 2023, p.2). In contemporary times, many states in the world have accepted that the rule of law should prevail. The implication of this is that not even the president of a country is above the law. It consequently means that no one is above the law. National Geographic, 2023, p.3) further clarifies that the rule of law extends to all corporations and institutions and “that all people should be held accountable to laws that are publically accessible and judged independently”. The rule of law also means that “laws should be enforced equally and consistently, adhering also to international human rights principles as the principle provides modern societies with stability and a clear system for resolving conflicts between citizens within a community of any size (National Geographic, 2023, p.3).

Contributing to the embedded explications, Okoli (2017, p. 27) asserts:
No matter how we conceive of the concept, the most important point to note is that the rule of, in its pure form and original version seems to mean or demand that:
All and sundry within a given state, from the highest to the lowest should be subject to the law of the land;
The state and its government, its agencies and instrumentalities must have legitimacy of legal foundation and be amenable to legal control;
Every act or decision of the state or government and its agencies must have legal foundation and submit to the direction, regulation and control of the law; and
Law in force in a state should be free of human elements so as to qualify as reason free from passion or as the pure voice of God.

Theorizing Administrative Law

Administrative law is an integral and cardinal component of public administration. It is also a branch of public law. In conceptual and empirical decibels, it belongs to the class of issues that discussants and practitioners know what they are all about, yet their definitive conceptualizations remain problematic. Ilo (2022, p.55) adds that “many jurists have attempted to define it. But none of the definitions has completely demarcated the nature, scope and contents of administrative law. Either the definitions are too broad and include much more than what is necessary or they are too narrow and do not include all the necessary contents”. Invariably, extant literature, inclusive of Ilo (2022) is replete with definitions of administrative law. Determined to achieve originality, this contribution dispenses with the methodology of reciting all those definitions by Ivor Jennings, K. C. Davis, Prof. Wade, Jain and Jain, Griffith and Street, Garner, etc., in looking at the meaning of administrative law. Yet one thing is certain, law (administrative law) and public administration are interrelated.

Along the lines of the foregoing suppositions therefore, Shafritz et al. (2017, p.12) submit that “while public administration is the law in action, the law of how, when, and where these actions can be taken is called administrative law”. Buttressing their positions from the American angle, these contributors add that “in the American context, administrative law does not deal with the substantive content of agency policies and practices. Instead, it focuses on the procedures that agencies use in exercising their authority. For example, Congress requires federal agencies such as the Environmental Protection Agency (EPA) to notify the public when the agency is creating a new rule that affects citizens. If the agency doesn’t follow the specific guidelines on how and when to notify the public, its new rules can be declared illegitimate by the courts” (Shafritz et al. 2017, p.12). Then this American scenario is quite instructive to the current researchers, against the backdrop of their Nigerian milieu as scholars and in the context of organized lawlessness as appellation for administrative law. Essentially under the Nigerian setting, the procedures that agencies use in exercising their authority are of little or no significance in administrative law. Such procedural notification of the public as issue of interest to the American Congress is not considered statutorily necessary in the Nigerian circumstances. Citizens are merely expected to obey the law (administrative or otherwise) as already created by some wise men (and probably women). Nevertheless, Shafritz et al. (2017, p.12) elucidates that “in effect, administrative law is the totality of constitutional provisions, legislative statutes, court decisions, and executive directives that regulate the activities of government agencies”.

According to Sharma et al. (2018, p.688) “in its broad sense, administrative law deals with the whole body of law relating to public administration. It is the sum total of the principles according to which the activity of the services (other than judicial) concerned with the execution of law is exercised. It is one of the two great branches of public law, the other being constitutional law”. Sharma et al. (2018, p.688) further explicates that :while constitutional law is concerned with the construction of the machinery of government, administrative law studies the parts of which that machinery is made, their interrelation and the way each of them functions. The point then is that “in this broad sense, administrative law covers all the statutes, charters, resolutions, rules, regulations, judicial decisions, and orders which have a bearing upon the structure of the administrative

authorities, the distribution of functions among them, their powers and procedures, their personnel and finance, and their responsibilities” (Sharma et al., 2018, p.688).

Robson & Page (2023, p.1) elucidate that “administrative law is the legal framework within which public administration is carried out and it derives from the need to create and develop a system of public administration under law, a concept that may be compared with the much older notion of justice under law. Then, since administration involves the exercise of power by the executive arm of government, administrative law is of constitutional and political, as well as juridical, importance”. Robson & Page (2023, p.2) further posit that “there is no universally accepted definition of administrative law, but rationally it may be held to cover the organization, powers, duties, and functions of public authorities of all kinds engaged in administration; their relations with one another and with citizens and nongovernmental bodies; legal methods of controlling public administration; and the rights and liabilities of officials”. In the viewpoints of Robson & Page (2023, p.2) “administrative law is to a large extent complemented by constitutional law, and the line between them is hard to draw”. They consequently depose as follows:

The organization of a national legislature, the structure of the courts, the characteristics of a cabinet, and the role of the head of state are generally regarded as matters of constitutional law, whereas the substantive and procedural provisions relating to central and local governments and judicial review of administration are reckoned matters of administrative law. But some matters, such as the responsibility of ministers, cannot be exclusively assigned to either administrative or constitutional law.

Consequently, some American and French legal experts see administrative law as incorporating parts of constitutional law (Robson & Page, 2023). In place of differences between administrative and constitutional laws as researched by some scholars, the emphases in this interrogation are rather on the relationships between the seemingly different branches of law. Aslam (2023, p.1) on these scores agree that “both constitutional and administrative law are parts of public law in the modern state and it is logically impossible to distinguish between administrative law and constitutional law and all attempts to do so are artificial”.

Aslam (2023, p.1) further discloses that “till recently, the subject of administrative law was dealt with and discussed in the books of constitutional law and no separate and independent treatment was given to it. Hence, many definitions of administrative law were included in constitutional law”. According to Aslam (2023, pp. 1-2) “constitutional law describes the various organs of the government at rest while administrative law describes them in motion. Therefore, the structure of the legislative and executive comes within the purview of constitutional law but their functioning comes within the sphere of administrative law. The implication being that on one hand administrative law deals with the organization, function, powers and duties of administrative authorities while constitutional law deals with the general principles relating to the organization and powers of the various organs of the state and their mutual relationships and relationship of these organs with the individuals”.

In other words, continues Aslam (2023, p.3) “constitutional law deals with the fundamentals while administrative law deals with details. It may also be pointed out that constitutional law deals with the rights and administrative law lays emphasis on public need. So, constitutional law deals with structure and the broader rules which regulate the function while administrative law deals with the details of those functions”. Invariably,

“the dividing line between constitutional law and administrative law is a matter of convenience because every researcher of administrative law has to study some constitutional law” (Aslam (2023, p.3).

Rule of Law, Administrative Law and Organized Lawlessness: Explanatory Linkages

The toga of organized lawlessness is referent to an absence of the rule of law. Then of all the contending issues that may make administrative law receive the appellation of organized lawlessness, the role of administrative tribunals and the element of administrative adjudication are central. The allusion here is to the role of the administrative tribunals in the seeming detraction or otherwise from the rule of law. Invariably, among the numerous constitutional changes of the past century or thereabouts, one of the most outstanding occurrences has been the emergence and spread of institutions that undertake functions similar to the types performed by courts. Such institutions are considered to be, and in some respects are, actually distinct and different from courts as conventionally conceived. In nearly all the common law nations, such bodies are called 'administrative tribunals. Their major function is disputes adjudication between the State and citizens by reexamining decisions of government agencies – the same function that is performed by regular courts in 'judicial review' situations and appeals (Cane, 2009; Seidman, 2021).. Such institutions are said to engage in administrative adjudication

Bhagwan and Bhushan (2012, p. 480) highlight that “administrative adjudication means the determination of questions of a judicial or quasi-judicial nature by an administrative department or agency. Like a regular court, administrative bodies hear parties, sift evidence, and pronounce a decision in cases where legal rights or duties are involved”. According to Abyssinia Law (2023, p.5) the benefits of administrative adjudication are as follows:

Expediency: administrative agencies are better than ordinary courts in disposing cases timely.

Administrative adjudication is cheaper than court adjudication

Administrative adjudication is more convenient and accessible to individuals compared to ordinary courts.

The process of adjudication in administrative agencies is flexible and informal compared to the rigid, stringent and much elaborated ordinary court procedures.

Another justification which is not included in the above suggestion, that is related to the special expertise knowledge administrative tribunals manifest as compared to ordinary court judges. Administrative tribunals are filled by a panel of persons vested with special skill and expertise related to the complicated dispute they adjudicate. Whereas ordinary court judges are generalists in law and lack such expertise knowledge on the needs of the administration in this technologically advanced world.

On the side of its drawbacks and detriments, Abyssinia Law (2023, p.7) further posits:

Lack of legal expertise: The argument here is that, as many of the members of the panel are selected from different walks of life with no or little legal background, they may lack the requisite legal expertise to adjudicate disputes.

Partiality: The fear here is that, as many or all of the members of the administrative tribunals are at the same time employees of the various offices or agencies, they might not be free from bias and partiality towards the agency.

Violation of the principle of separation of powers and rule of law: Adjudication is the primary business of ordinary courts. So, transferring this power to administrative agencies is argued by some authorities to be a violation to this principle.

Busu (2012, pp.354-355) then opines that “whatever its advantages may be, administrative adjudication is a negation of the rule of law as rule of law ensures equality before the law for everybody and the supremacy of ordinary law and due procedure of law over governmental arbitrariness. But administrative tribunals, with their separate law and procedures often made by themselves put a serious limitation upon the principles of the rule of law”. This contradiction of the rule of law accordingly remains at the root of the criticisms leveled at generic administrative law and administrative adjudication in specificity.

It was actually Professor Ferdinand Lundberg, the influential American social philosopher, journalist and scholar, reputed for his critical analysis of different aspects of the United States’ society (including the legal system) who coined the phrase "organized lawlessness" to describe administrative law. Lundberg had argued then in the American system that administrative agencies and the vast discretionary powers they possessed often operated outside the traditional framework of checks and balances, leading to a system where arbitrary decisions were made and individual rights might have been disregarded. He contended that these agencies wielded considerable powers and authority but lacked the necessary checks and balances found in the judicial system, which could lead to abuses of power and infringement upon individual liberties (Lundberg, 1968). Lundberg's critique of administrative law was actually rooted in his broader analysis of the concentration of power in the American society, particularly in the hands of the wealthy elite. He argued that administrative agencies, influenced by powerful interests, could often act in their own self-interest or in the interests of those with significant influence and resources, rather than in the best interests of the public. According to Lundberg therefore, administrative law allows administrative agencies to make rules, regulations, and decisions that carry the force of law without proper accountability (Lundberg, 1968). The Lundberg thesis is highly valid today, as all societies continue to evolve towards improved standards. In other words, administrative law still portends a negation of the rule of law in many jurisdictions.

Conclusion

At the end of the embedded interrogations it is important to note in conclusion that Lundberg's perspective on administrative law as organized lawlessness represents only a critical viewpoint rather than a seeming consensus among legal experts. The truth of the matter is that administrative law has continued to play a crucial role in modern governance, providing a framework for the regulation of various sectors and ensuring efficient and effective public administration. Therefore, while valid concerns regarding bureaucratic discretion and potential abuses exist, many jurists and legal scholars still recognize the importance of administrative law in promoting public welfare and addressing complex societal issues. For that reason, in an overall context, Lundberg's characterization of administrative law as organized lawlessness highlights the potential challenges and current

criticisms associated with administrative agencies and their decision-making processes. However, it is essential to consider diverse perspectives and engage in continuing discussions to ensure the nonstop improvement and proper functioning of administrative law within broader legal frameworks.

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CAN THE CENTRE HOLD? AN EXPLORATION OF NIGERIA'S FEDERALISM: MEDIATING THE ROLE OF A CONFEDERATE STATE

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Abstract: *There is increasing concern that undermines the significance and robust value of the federal system of government in the Nigeria context. It is notable and universally known that federalism is the prototype of national development and economic growth for some countries like the United States of America. Despite evidence of positive outcomes in federal states, the Nigeria case is bedeviled with strives and unhealthy rivalries. There is an increasing upsurge of ethnic distrust, which is hampering the unity of Nigeria as a country—notably the anxiety of the south-east as well as the south-south peoples. The problem has been exacerbated under the government of President Muhammadu Buhari. Against this backdrop, this study appraised the pattern of agitation in the Nigerian federal system. The study adopted a mixed-methods approach that comprised qualitative and quantitative research. The sample size was 1320, and this was applied to the quantitative survey, while the qualitative survey was conducted among small size groups. Data were collated and analysed quantitatively and qualitatively. The former applied structured questionnaires, descriptive statistics, and inferential statistics. The latter applied unstructured interviewing and thematic analysis. More than three-quarters of the 735 participants disagreed that the federal government enshrined national unity in the structure of federal appointments. The chi square estimate, χ^2 89.8; $p < 0.01$, was significant in measuring the pattern of federal appointments and ethnic agitations. Qualitative data reveals that Indigenous peoples of southern Nigeria identified a skewed pattern of federal appointments in key military hierarchy and mainstream oil corporations that excluded their ethnic members. This is the major cause of agitation. This study suggests renegotiating the oil derivation dividend and reorganizing appointments in a significant oil corporation to support the host communities' consent to the development of natural resources.*

Keywords: *Renegotiation of federalism, resource control, ethnic groups, federal character*

Introduction

Nigeria is a federal state that operates under a republican constitution that defines the role of the state. The history of Nigeria is synonymous with a federal government. This draws from the fact that there is a unique pattern of state function and units therein. The federal government of Nigeria has a long history of statehood and governance in the post-independence period (Onanuga, 2014). The post-1966 military coup was a precursor to the

establishment of federalism, which began in 1979. Since this period, Nigeria has witnessed incessant ethnic strife. Notably, federalism imposes the powers of a sovereign federal state on federating units. The federal government has absolute power, and it is granted to the president or head of state to wield absolute power (Nweke, 2019). The 1979 constitution and its 1999 revised edition, as amended, provide for a presidential system in the federal state (Fadakinte, 2013). Historically, the agitation since 1979 has been vehemently centered around resource control. This is so because the 1999 Constitution provided sections for the power of the federal government and federating states in the exclusive list, concurrent list, and residual list (The 1999 Constitution Document, 2015). The constitution clearly states that the federal government shall legislate on an exclusive list and a concurrent list. Whereas the provision of an exclusive list takes away resource control from the states or regions where it is found, the federal government is empowered by the constitution through its organs to determine what is retained as royalties or derivations by regions that host the resources. This means the federating units are reduced to powerless control over the resources that were earlier used to develop regions that host mineral resources under pre-federalism. During regional government, the Western, Eastern, and Northern regions developed at peace with regional resources and only paid taxes to the central government. Nigeria was not engulfed in the orgy of devastating outlooks before the 1966 military coup. The absolute power of the federal state in Nigeria's multiethnic society has been the recipe for current disparaging tensions, agitations, and severe ethnic distrust (Etekpe, 2007). There have been numerous freedom fighter organisations, especially dominant in southern Nigeria.

The agitations of freedom fighters are conveniently located around a sense of inequality and a powerless outlook on resource control, which hamper regional development and create hunger, unemployment, poor policing, and insecure security, which question collective existence (Falana, 2018). It is argued by some scholars that federalism hampers the pace of growth for federating units, breeds overdependence on the center, creates lazy states, and fosters unhealthy rivalries and ethnic suspicions (Ake, 2001; Akinboye, 2001). Further, the groundbreaking contradiction is that ethnic unrest is fostered by federalism. Indeed, it may be argued that federalism has led to the creation of ethnic militias and organised pressure groups that compromise the safety and existence of the federal state (Osaghae, 2020). There is an uprising of militia groups on the one hand and the formation of an elite group on the other. Federalism creates patterns of agitation that may metamorphose and snowball into larger-scale conflict and civil unrest in a multiethnic state (Moshood, 2015). Nigeria has repeatedly witnessed this unrest and uprising, which have become synonymous with the government of President Muhammadu Buhari. There is public disenchantment and disillusionment against the Buhari government by peoples of the east and south due to state nepotism and discrimination that exclude ethnic people in the federal structure of appointment, project development, and military bureaucracy (Falana, 2018). Unfortunately, the situation in the south-east and south-south has deteriorated due to expressions of anger against the federal government. Yet, this region contributed significantly to Nigeria's mainstay economy. Against this backdrop, this paper is drafted to: Analyze the geopolitical patterns of agitation in Nigeria among the southern regions of the country.

Literature Review

It is curious to know that federalism is a collective agreement in a social contract in which federating units have agreed to give up their self-independent rule (Yagboyaju & Akinola, 2019). Notably, Nigerian federalism occurs in a multiethnic landscape, which brings together competitive groups. There is a conscious agreement that lays out compensation by amount of contribution to the national sovereign purse and redistribution of benefits. This accounts for federal allocation and the fiscal commission in Nigeria saddled with such responsibilities (Ogunyemi, 2014). It follows that suspicions around unbalanced and skewed agreements create fertile breeding grounds for agitation in the federal state.

Modeling Agreement

Fundamentally, a key difference between social contract theories is whether the parties have different or similar justifications. Everyone rationalizes in accordance with Rawls' (1996) contract, which reduces the collective choice issue to a single individual's decision. The choice of any one person affects everyone else indirectly. In these kinds of social contracts, the description of the parties—their motivations and the circumstances surrounding their decisions—does all the heavy lifting. After we have completely outlined the justification of one party, the contract has been defined. The opposing hypothesis holds that the parties still disagree in their assessments of potential social contracts even after identifying them (along with their values, information, and rationality). This viewpoint holds that a contract can only provide a predetermined outcome if there is a mechanism to balance out the various rankings of each member and get to a consensus (D'Agostino et al., 2003). This paper draws on two key models of agreement mechanisms: consent and bargaining.

Consent

Hobbes, Locke, and Rousseau's conventional social contract theories profoundly bank on the notion of "consent". Only the "consent of free men," in Locke's view, could qualify someone to serve in authority (Encyclopedia of Philosophy, 2017). This group of thinkers and subsequent discourses contend that the concept of "consent" includes the ability of an individual to hold themselves normatively. At the age of consent, individuals are allowed to choose any type of legitimately enforceable transaction. The initial modern contract theorists asserted that individuals had fundamental normative powers over themselves and self-ownership prior to joining the social contract. The theorists also opined that individuals are politically obligated to place consent at the epicenter of their contracts. A social contract resulted in obligation if the parties had the ability to work in unity and use normative authority. Covenants bind, as Hobbes contended; for this reason, they are "artificial chains" (Encyclopedia of Philosophy, 2017). These factors, particularly the latter, have been criticized by modern social contract ideas. According to Buchanan (2000), the main advancement in recent social contract theory has been the ability to differentiate between the issue of what creates political obligation—which is the main focus of the consent tradition in social contract thought—and the issue of what constitutional orders or social institutions are mutually beneficial and stable over time. Individual morality governs how one should behave in relation to the law and social norms, whereas public or societal

morality governs the creation and justification of political and social institutions (d'Agostino, Gaus & Thrasher, 1996).

In fact, Buchanan believed that the reorientation of political philosophy toward public or social morality rather than the obligation of individuals has been a key component of more contemporary contractual thought. Although some modern social contract theorists still speak in terms of consent, agreement is the central concept of this school of thought. Social contract theorists, however, come in a variety. Social contract theories are based on the commonsense concept of agreement (Freeman, 2007). It is possible to support or concur with a principle without being obligated to follow it in any way. Additionally, according to Freeman, when one is in agreement, it shows individuals' justifications. An agreement can also be seen as a test or heuristic. In the context of community political or social relationships, central to the purpose of a consensual collective bargaining agreement is to demonstrate our justifications for action (Freeman, 2006). Agreement serves as a reason-revealing act rather than a performative that imposes duty (Freeman, 2006). If people are sensible, their agreements will reflect the values they hold dear.

Here, Rawls' (1996) difference between "you and me," "the parties to the deliberative model," and "everyone in a well-ordered society" is crucial. In the two ways that are considered, the parties' agreement in the deliberative model is unquestionably hypothetical: it is an agreement between hypothetical parties. Yet, the purpose of the deliberative model is to assist "you and me" in solving our justificatory dilemma, which is to determine what kind of social structures are described as free agents with no dominion over one another (Rawls, 1996). Actually, Nigeria's union serves as a model for hypothetical justification. It is assumed that there will be one Nigeria made up of multiethnic communities that coexist in equality and harmony. The justifiable premise could be seen as justice for all, leading to the parties to consent. So, the participants' discussions and the circumstances in which they deliberate serve as models for our genuine beliefs in justification and justice.

Bargaining

Perhaps it is not surprising that the revival of modern contract theory coincided with the application of game-theoretic techniques, particularly bargaining theory, to philosophical issues. The rigorous approach of bargaining theory, established by Nash (1950) and Harsanyi (1997), simulates how reasonable people might come to an agreement to split a surplus or product. The bargaining model of agreement, in its most basic version, provides a group of people with unique utility responsibilities that are comparable to one another without directly necessitating interpersonal utility comparisons. If the parties concerned can come to an agreement on how to divide the stated product or goods, they shall get that division. Yet, if they cannot agree, they will instead receive the results of their disagreement, as is clearly the case in Nigeria. They might have brought this or some other specific amount to the table. One illustration is a straightforward demand game in which two players must specify how much of a given pot of money they desire. Each will receive what they typed down if the sum of the two "bids" is equal to or less than the pot; otherwise, neither will receive anything. Using negotiating tactics, such as those suggested by Braithwaite, is one option for parties to settle their disputes. Rawls (1958) acknowledged that "justice is fairness." Since he believed that this form of solution relied on threat advantage, Rawls himself rejected bargaining solutions to the social compact (Rawls

1999). Yet, Gauthier (1986) notably embraced this strategy, constructing *Morals by Agreement* on the Kalai and Smorodinsky's (1975) compromise strategy (Gaus, 2011). Recently, Binmore (2005) and Muldoon (2017) both made advances in the social contract theory, which is based on the Nash bargaining solution, while Moehler (2014) uses a "stabilized" Nash bargaining solution. Although Gauthier (1986) changed his method to negotiation, it is still more similar to his initial solution than it is to Nash's solution. A disadvantage of all such techniques is the diversity of negotiating solutions, which can greatly differ, in conjunction with Rawls' (1996) opinion of threat advantage. Although the Nash approach is currently the most popular, its effects can be unexpected. Additionally, others contend that because bargaining solutions are inherently uncertain, the only way to make them certain is to make implausible or contentious assumptions (Southwood, 2010; Southwood, 2013). Games' equilibrium selection faces similar issues (Vanderschraaf, 2005; Harsanyi & Reinhard, 1988). Recent advances in the social contract and bargaining theory frequently use dynamic (Muldoon, 2017) or evolutionary approaches to stimulating negotiation (Skyrms, 2014).

Looking at how real people really bargain and come to agreements is a more empirically oriented approach that builds on the bargaining and game theory of Schelling (1960). The forerunners of experimental economics utilized lab tests to observe how participants responded to division problems (Smith, 2003). Unexpectedly, Smith (1982) indicates that significant and intriguing outcomes emanated from asymmetric bargaining games such as the ultimatum game. After the initial trials, numerous experimental works have been carried out on economic cooperative agreements and negotiating issues. The significance of social norms and traditions in deciding the outcome is a major theme in most of the most pertinent philosophical work (Bicchieri, 2016). Although relying on a bargaining solution could lead to social contract determinacy, doing so comes at the expense of shifting to an approach that should be based on the empirically contingent outcomes of socially and biologically evolution-oriented systems, or, in the case of axiomatic bargaining, relying on a contentious commensuration mechanism. Although it has been dormant for a while, the works of Alexander (2007), Thrasher (2014), Thoma (2015), and Muldoon (2017) are reviving the significance of bargaining in the social compact.

Therefore, the study sets out to demonstrate the consequences of the object of the "social contract," the "collective agreement," and its constituent parts (equilibrium, bargaining, aggregation, and consent) in the Nigerian state, particularly in light of recent calls for renegotiation from some contracting parties.

Methodology

This paper is an empirical adventure undertaken by the researchers to investigate some of the factors associated with perceived tension among the peoples of southern Nigeria. The paper adopted a survey method using descriptive research and a cross-sectional design. The sample size was 1320 participants, who were discretely and purposefully selected. At the level of a quantitative survey, the target study population consisted of resident individuals who lived in some selected parts of the south-south and south-east Nigeria. In the south-east, the researchers purposefully identified Imo state, Abia state, and Anambra state, while in the south-south, Rivers state, Delta state, as well as

Bayelsa state, were selected. These states were major hotspots of ethnic agitation and restructuring. At the level of a qualitative survey, groups such as IPOB/MASSOB, OHANESE INDIGBO, PANDEF, the House of Assembly, and the High Courts were identified for study. Similarly, the researchers adopted purposive sampling and accidental sampling as sampling procedures. Using the purposive method, the researchers justified the inclusion of research objects, locations, and participants for the study. Accidental sampling was applied to select respondents for the study. These were individuals who were readily available and willing to consent to participate in the study. The research instruments for data collection consisted of a structured questionnaire and an unstructured interview. The former was applied to resident individuals, and the latter was applied among group discussants. A mixed-methods approach was employed. The method of data collection was quantitatively and qualitatively derived using statistical labeling and the text of the conversation. The data were analysed using quantitative and qualitative methods. The former applied descriptive and inferential statistics; the latter applied an ethnographic model using thematic analysis. Prior to data collection, the researchers obtained consent from participants and kept their identities anonymous.

Results and Discussion

Nigeria State's Agitation Trend

All of Nigeria's ethnic groups were expected to come together with the adoption of the Fourth Republic Constitution in 1999, which ushered in the current era of democratic rule. Inalienable rights for all people were acknowledged in Chapter 3 of the Constitution, regardless of racial superiority or inferiority. No part of the nation shall be barred from benefiting in the same proportion as other units, according to the same chapter of the constitution. The 1999 constitution's Section One expressly calls for the balanced development and acknowledgement of all ethnic groups. But the Nigeria of today exhibits dissatisfaction and mistrust. In light of this, Tables 1 and 1.2 in this subsection analyze the pattern of agitation that has persisted in the current makeup of the sovereign country.

Table 1: Characterization of Agitation Pattern by Respondents

Variables	South-East		South- South		Total	
	Freq= 642	Percent =100%	Freq= 678	Percent =100%	Fre =1320	Percent =100%
Which of these do you consider as major agitation of your geopolitical zones?						
Federal appointment	102	15.9	108	15.9	210	15.9
Federal project	13	2.0	13	1.9	26	2.0
Content of constitution	36	5.6	42	6.2	78	5.9
Marginalization	48	7.5	47	6.9	95	7.2
Resource control	443	69.0	455	67.1	911	69.0
Do you consider such agitation as collective struggle?						
Disagreed	36	5.6	42	6.2	78	5.9
Moderately agreed	210	32.7	217	32.0	427	32.3
Strongly agreed	396	61.7	419	61.8	815	61.8

Which of these is major limitation of constitution?						
Structure of constitution	232	36.1	253	37.3	485	36.7
Powers of the president	40	6.2	39	5.8	79	6.0
Resource control	285	44.4	289	42.6	574	43.5
Formulation of the constitution	85	13.2	97	14.3	182	13.8
Does presidential system deprive your geopolitical zone?						
Disagreed	65	10.1	67	9.9	132	10.0
Moderately agreed	139	21.7	148	21.8	287	21.7
Strongly agreed	438	68.2	463	68.3	901	68.3
Do you think Federal project(s) in your geopolitical zone is sustainable?						
Disagreed	379	59.0	392	57.8	771	58.4
Moderately agreed	153	23.8	162	23.9	315	23.9
Strongly agreed	110	17.1	124	18.3	234	17.7
Do you think federal projects & infrastructures in your geopolitical zone promote sense of belonging:						
Disagreed	381	59.3	410	60.5	791	59.9
Moderately agreed	197	30.7	200	29.5	397	30.1
Strongly agreed	64	10.0	68	10.0	132	10.0
What type of marginalization does your geopolitical zone experience in Nigeria?						
Political marginalization	82	12.8	89	13.1	171	13.0
Economic marginalization	92	14.3	103	15.2	195	14.8
Local government creation	18	2.8	21	3.1	39	3.0
Appointments Military hierarchies	450	70.1	465	68.6	915	69.2
Do you think such marginalization trigger conflict?						
Strongly agreed	239	37.2	257	37.9	496	37.5
Moderately agreed	165	25.7	175	25.8	340	25.8
Disagreed	238	37.1	246	36.3	484	36.7
Do consider that resources in your geopolitical zone can sustain growth?						
Disagreed	172	26.8	192	28.3	364	27.6
Moderately agreed	97	15.1	94	13.9	191	14.5
Strongly agreed	373	58.1	392	57.8	765	58.0

Source: Researchers' Field Survey, 2021

The table above shows results for the pattern of agitation expressed by participants in this study. Pattern measures factors or phenomena that endure over time and constitute distinctive shapes in human behaviour. Over time, there has been agitation by people of eastern and southern Nigeria, drawing upon observed inequity in the distribution of national wealth. This study was curious because it explored explicit factors that contradicted the prevailing federalism in Nigeria. Respondents were asked to identify major agitations in the geopolitical regions. Against this backdrop, appointments at the federal level (15.0%), projects from the federal level (2.0%), constitutional content (5.9%), marginalisation (7.2%), and resource control (69.0%) were listed. However, the case for resources was magnified as being central to the agitation. In the case of the south-east, 69.0% opted for resource control and 67.1% in the south-south.

A further probe was conducted when respondents were asked whether or not the agitation was a collective struggle. This study sought to validate some literature that verified that southern and eastern ethnic groups were united in the struggle to restructure federalism (Ebizim & Onyemere, 2018). Results in the current study showed that 61.8% strongly agreed and 32.3% moderately agreed that agitation was a collective struggle and collective goal of the people. Explicitly, 61.7% and 61.8% strongly agreed in the south-east and south-south, respectively. Unfortunately, the posture of ethnic agitation in the geopolitical zone is gradually spilling over into ethnic hatred, distrust, and inert violence. Indeed, ethnics in the study area displayed jaundiced opinions and a lack of commitment to Nigerian federalism and found fault with the federal constitution. Here, 36.7% held that the structure of the Constitution is faulty; 6.0% faulted the powers of the president as empowered by the Constitution; 43.5% identified the placement of resource control that the Constitution hindered; and 13.8% faulted the formulation of the Constitution, which lacked a unified contribution. Some authors have faulted the Nigerian Constitution and tagged it a military Greek gift that hinders universal development (Etekpe, 2007). Resource control also appeared dominantly among participants in the south-east (44.4%) and south-south (42.6%).

The presidential system of government and the governance structure around it have become major concerns for political thinkers, professionals, and public affairs commentators in Nigeria (Thrasher, 2014a). It is not that this system is faulty, but the practice and configuration that subjugates elements within it is the red alert depleting the value (Etekpe, 2007). In this study, 68.3% strongly agreed that the red alert has remained a stifling disadvantage in the presidential system. Yet, 68.2% and 68.3% strongly agreed in the south-east and south-south, respectively. Participants shared the opinion that the 1999 Constitution as amended empowered the president beyond rationality of governance and sometimes exercise of power, which posed serious concern. Some have indicated that the Nigerian president is powerful and absolute, and this impedes uniform development or gains in a multi-ethnic society like Nigeria. Buttressing the point here, a discussant said: A major part of federal revenue comes from oil. The community that produced the oil suffered from major degradation. These communities are only offered 13% derivation, which is very meager. Before the war, revenue was shared according to derivation. The majority of revenue went to areas that contributed largely to the revenue. Now the federal government takes the lion's share. The communities that produced the oil and contributed largely to the revenue suffer degradation... Appointments to key and strategic positions are held by people from the north. The Igbo contribute to oil exploration.... But the zone is openly excluded... managers of Nigeria's oil company are from the north. The Board of the NNPC is largely dominated by people from the north. The south-east is deprived and excluded. (IDIs/High Court Judge/South-East/2021)

In the preliminary, the text above was commonly observed among the discussants in the study. There is quick access to open meaning in the text. Geopolitical zones lacked the power to retain revenues from zones that produced from mineral resources found around them. The Constitution neither envisions nor arrogates this power. Rather, the power of the president in Nigeria is absolute and overarching. Unfortunately, there was growing disaffection against federal projects and federal infrastructure distributed in the geopolitical zones. In this case, 58.4% of the respondents held that federal projects were not sustainable, and 59.9% held that such existing projects in the zones were not sufficient

to promote a sense of belonging. In the south-east, 59.0 percent expressed major concerns around federal projects, and 57.9 percent in the south-south faulted federal projects in the zone. The expression reflected a lack of even distribution, project abandonment, a lack of commitment to federal unity, and the distribution of resources, which reflected a contribution to national revenue.

In the submission of a discussant, the comment was:

The zone is championing resource control, equitable distribution of power, and true federating units. The tenet of the constitution should truly be implemented, which states that all federating units are equal. Like what we have today, a negation of the constitution, especially in federal appointments. Appointments by the federal government tilted obviously to a section of the country, the northern extraction. There won't be peace. Let the country separate. Let the zones be independent and go their way. (IDIs/High Court Judge/South South//20201)

Another interviewee offered a similar theme-related statement:

There is no trust between the north and east. The north is concerned that Igbo leadership of the country will lead to northern dominance. There is a fear of dominance. MASSOB and IPOB agitate for equity and the redistribution of infrastructure in the Nigerian state. (IDIs/High Court Judge/Southeast/2021)

There is an explicit appearance of disaffection and a continuous placement of feeling, which undermined federalism in Nigeria. This posture remained patterned in the geopolitical zones. In the light of the statement above, participants listed items that consisted of economic marginalisation (14.8%), political marginalisation (13.0%), the creation of local government (3.0%), as well as military hierarchies (69.2%) as forms of marginalisation suffered by the geopolitical zones. Indeed, discrimination in the appointment of military officers was reckoned as a major disservice to south-south and south-east people in the administration of President Buhari. Respondents in the survey felt that the composition of the military was not a true reflection of its multiethnic character or that this perhaps violated the spirit of its federal character (Osaghae, 2020). As a follow-up to probe further items of research, respondents were asked to show the implication for peaceful coexistence in Nigeria. Unfortunately, 37.5% attributed observed marginalisation as a prelude to conflict and ethnic distrust in Nigeria, and 25.8% moderately agreed. On average, half of the participants attributed marginalisation to conflict. In the case of the south-east, 37.2% attributed marginalisation to conflict, and 37.9% in the south-south expressed a similar opinion. The study further probed the role of control as a panacea for peace and growth in the geopolitical zone. Results showed that 58.0% agreed, connecting resource control as a solution base. In a similar vein, 14.5% moderately agreed, and 27.6% canvassed for extension beyond resource control.

In the words of discussant:

The effect of oil exploration in the Niger-Delta is overwhelming. The construction of a one-kilometer road in the zone cost not less than one billion naira or more. But in other zones, the amount is much lower due to topography. Oil exploration has degraded the environment. We are championing resource control to develop our zone. The federal government is depriving us. We are suffering for it. We experience pollution, gas flaring, oil spillage, and environmental degradation. We are the people in the midst of the danger. They don't understand our pain. Resources should be distributed according to their source.

Let people benefit fairly from their God-given resources. (IDIs/High Court Judge/South-East/2021)

The abundant fact above reflected the internal collective struggle in the geopolitical zones as a major area, which has become a monster threatening the commitment of ethnic peoples and lack of national unity. Discussing the theme of resource control, a discussant said:

A major part of federal revenue comes from oil. The community that produced the oil suffered from major degradation. These communities are only offered 13% derivation, which is very meager. Before the war, revenue was shared according to derivation. The majority of revenue went to areas that contributed largely to the revenue. Now the federal government takes the lion's share. The communities that produced the oil and contributed largely to the revenue suffer degradation... Appointments to key and strategic positions are held by people from the north. The Igbo contribute to oil exploration.... But the zone is openly excluded... managers of Nigeria's oil company are from the north. The Board of the NNPC is largely dominated by people from the north. The south-east is deprived and excluded. (IDIs/High Court Judge/South-East/2021)

Unfortunately, the resource control has remained indelible since the time of republican government and spilled over into the ongoing Fourth Republic. There is no respite in foresight, and the ethnic people of the southern zone remain committed to the course of restructuring current federalism.

Table 2: Cross Tabulation of perception federal appointment and national unity

Level of perception		I believe in the unity of Nigeria			Total
		Disagreed	Moderately agreed	Strongly agreed	
	Poor	488	242	132	862
	Fair	130	133	0	263
	Good	117	39	39	195
Total		735	414	171	1320

In the table above, perception was rated as covering the current configuration of federal appointments on the one hand and believing in the unity of Nigeria on the other. Perception was rated poor (862), fair (263), and good (195). This was a reflection of existing agitation that faulted federalism in Nigeria due to its geopolitical nature and inequity in the distribution of resources. A reflection of this was the proportion of participants (735), which disagreed with proponents of national unity.

Table 2.1: Chi Square

Chi-Square Tests			
	Value	Df	Asymp. Sig. (2-sided)
Pearson Chi-Square	89.814a	4	.000
Likelihood Ratio	119.077	4	.000
Linear-by-Linear Association	.135	1	.714
N of Valid Cases	1320		

The chi square test showed that perception and belief were related and showed similarity. This is because the chi square was significant at x^2 89.8, p.000, which indicates

that the perception held by participants in the survey predicted a pattern of belief in national unity. Therefore, perception is an independent variable that explains the belief system in the study.

Table 2.2: Correlation

		Symmetric Measures			
		Value	Asymp. Std. Error ^a	Approx. T ^b	Approx. Sig.
Interval by Interval	Pearson's R	-.010	.029	-.367	.714 ^c
Ordinal by Ordinal	Spearman Correlation	-.007	.028	-.237	.813 ^c
N of Valid Cases		1320			

Using the value for Pearson's moment correlation, a further test was conducted to update the results in the chi square. Correlation value was negative (-.010) and p value >.714. This implied that perception and belief, as shown in the correlation, differed in their tendency to alter one another. The linear relationship was negative, or inverse. As a result, perception held by participants was insufficient as a predictor of belief, whether poor, fair, or good. Looking further in the column of standard error, the range was .029, or 97.1 percent confidence interval. This offers leverage because intervening factors have predicted the association between perception and belief. Ultimately, perception shapes beliefs, but in the case of this study, perception did not independently predict beliefs. It follows that perceptions held by people in the geopolitical zones were shaped by other factors that influenced beliefs held. In the meantime, there was a dominant belief that federalism in Nigeria was a precursor to ethnic discrimination and depreciated the value of national unity.

Conclusion and recommendations

There is a curious assertion to state that federalism is skewed when it is considered in the space of southern peoples, as evidently showed. There is an asymmetric pattern in the structure of benefits accorded, and this formed the basis for disgruntled voices in the space of Nigerian federalism. Originally, federalism offered a choice of consent and bargaining in the agreement to give up self-governing regional ethnic groups in the south and north of Nigeria. The consent is laid down to accept the federal state and belong to one Nigeria. This consent is reinforced by the recognition of multilateral interests. The bargaining power also derives from the agreement to redistribute federal resources according to contribution and the entrenchment of the principles and ethics of the contract. This offers the foundation for a sustainable federal state, which guarantees continuity. Government that shortchanges such agreement becomes tainted with suspicion, especially around multiethnic groups. Unfortunately, the trend that beclouds the government of President Muhammadu Buhari is second to none in shaping public opinion and ethnic uprisings in the southern and eastern regions of Nigeria. Resource control dominated the types of agitations that participants from the east and south listed in the survey. Although the 1999 constitution provides for benefits from oil extraction for the people in the south and east, there has been considerable opposition to this provision. These agitations were shown to have the unsettling ability to cause division within the group and eventual discontinuation of unity or cessation in the country. In light of this, this study suggests renegotiating oil extraction incentives in order to justify the host communities' approval of

natural resources. To achieve success in implementing this recommendation, renegotiation should follow a bottom-up strategy.

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EXAMINING THE PREVALENCE OF CLASSIC LEADERSHIP STRATEGIES AND POWER STRUGGLES IN THE NIGERIAN DEMOCRATIC SYSTEM: A STUDY FROM 2009 TO 2023

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***Abstract:** This article examines the prevalence and perception of the use of classic leadership strategy and power struggle in the Nigerian democratic system from 2009 to 2023. It analyzes the application of classic strategies by political leaders during this period. Additionally, the article explores the power struggles and competition for influence that have shaped the political landscape in Nigeria. Drawing on existing literature and relevant studies, the article discusses the complexities and dynamics of political leadership, highlighting the tensions inherent in Nigerian democracy. It also investigates the public perception of the use and potential misuse of classic strategies, and how power struggles have influenced the perceptions of citizens. The investigation was steered by a pair of theoretical frameworks, namely rational choice theory and power-struggle theory. The research utilised an exploratory framework and employed a quantitative approach to investigate the prevalence and perspectives surrounding the traditional leadership strategy in Nigeria. A semi-structure questionnaire was administered to twenty-five (25) esteemed members of the academic faculty, carefully chosen from three tertiary institutions located within the Ijebu region of Ogun State, Nigeria. The data analysis utilising frequency tabulations, percentage distributions, and average scores. The findings showed that the political actors often employ a myriad of strategic manoeuvres, encompassing the utilisation of emotional appeals and the adoption of populist rhetoric, in order to amass public support and emerge victorious in electoral contests which yields a multitude of adverse outcomes. The article concludes by deepening our understanding of classic strategies and power struggles in Nigerian politics.*

***Keywords:** Political Leaders, Democracy, Governance, Classic Strategy, Election, Nigeria*

Background and rationale

In the Nigerian context, the intricate interplay between leadership strategies and power struggles has exerted a profound influence on the configuration of the nation's political terrain and the trajectory of its socio-economic advancement. Previous scholarly investigations have underscored the utmost importance of delving into the intricate realm of leadership strategies and power dynamics within the Nigerian context, as these phenomena bear profound ramifications for the cohesion of the nation, the efficacy of its governance, and the overarching trajectory of its advancement. In a scholarly endeavour, Nwankwo (2017) undertook a comprehensive investigation to elucidate the intricate interplay between ethnicity and power dynamics within the realm of Nigerian politics. The study underscored the imperative of comprehending the manner in which leadership strategies exert influence on the cohesion and advancement of a nation. In a similar vein, the scholarly work conducted by Okoli (2015) delved into an examination of the profound impact that religious and ethnic affiliations exert on the intricate dynamics of political

power struggles within the Nigerian context. This insightful analysis effectively illuminates the far-reaching implications that such affiliations bear on the overall fabric of democratic governance. These scholarly investigations illuminate the intricacies inherent in power dynamics within the Nigerian context, underscoring the imperative of incorporating a multifaceted analysis of various sociocultural elements when examining the phenomena of leadership and power conflicts. Academic observers have duly noted the pervasive manifestation of classical strategic manoeuvres and power dynamics within the intricate political terrain of Nigeria. Ake (2001) expounded upon the intricate interplay between ethnic and regional politics, elucidating how these factors have profoundly influenced the prevailing power dynamics within the nation. It is not uncommon for astute politicians to adroitly manipulate ethnic sentiments, skillfully leveraging them to solidify their power bases. Nnoli (2008) underscored the significance of identity politics, encompassing religious and ethnic schisms, in engendering power dynamics and political strife within the Nigerian context. These scholarly investigations highlight the nuanced interplay between power dynamics, individual and collective identities, and strategic political machinations within the context of Nigeria. The obstruction of effective governance and the provision of services in Nigeria can be attributed to the relentless pursuit of power and personal interests by the political elites. This unfortunate phenomenon has resulted in the proliferation of corruption, inefficiency, and a conspicuous absence of accountability (Adebanwi & Obadare, 2011). Ajaero's (2016) study delved into the intricate dynamics of power struggles among political elites, elucidating their detrimental impact on policy stability and impeding the progress of sustainable development endeavours within the nation. These studies elucidate the deleterious ramifications of traditional strategic manoeuvres and power dynamics on the efficacy of governance and the advancement of socio-economic conditions in Nigeria.

The ramifications of power struggles transcend the realm of politics and materialise in various facets of society, including but not limited to social disarray, economic deprivation, interethnic conflicts, religious animosities, militant activities, and a pervasive sense of instability. In the scholarly discourse of Omeje (2010), a comprehensive analysis was undertaken to elucidate the intricate interplay between power dynamics and the contentious issue of resource control within the Niger Delta region. The author astutely posited that these multifaceted struggles have been instrumental in fomenting a climate of militancy and violence, thereby precipitating a deleterious impact on the economic landscape and engendering a palpable sense of insecurity. These findings elucidate the profound ramifications of power struggles on diverse facets of Nigerian society. Nevertheless, it is imperative to acknowledge that power struggles may also harbour latent positive attributes. According to Osaghae's (2005) scholarly discourse, power struggles possess the potential to serve as a platform for democratic contestation, thereby facilitating the manifestation of a wide array of political interests. When power struggles are effectively managed, they have the potential to cultivate democratic governance and facilitate the smooth and nonviolent transfer of authority. In light of the extant body of research, it is evident that a notable paucity persists in the realm of comprehensive scholarly inquiries that specifically delve into the timeless phenomenon of leadership strategies and power dynamics in Nigeria. Henceforth, the primary objective of this scholarly investigation is to bridge the existing lacuna in research through an exhaustive examination and scrutiny of the timeless paradigm of leadership and the intricate dynamics

of power struggles within the Nigerian context. By adopting a descriptive study methodology, this research endeavour will delve into the merits and demerits of implementing traditional leadership strategies. Additionally, it will explore the ramifications of power struggles on Nigeria's political milieu and its consequential effects on the nation's socio-economic progress. Through a comprehensive examination of the intricate interplay between leadership strategies and power struggles within the Nigerian context, the primary objective of this scholarly investigation is to enrich the ongoing discourse among academics and intellectuals. Furthermore, it seeks to enlighten policymakers and stakeholders alike, equipping them with valuable insights and knowledge to devise and implement strategies that foster efficient governance, facilitate conflict resolution, and promote sustainable socio-economic development. The primary aims of this study encompass understanding the underlying motivations behind the adoption of classical strategies by Nigerian politicians, meticulously documenting the various ways in which these strategies are employed within the Nigerian political landscape, and critically analysing the ramifications that arise as a result of their implementation in Nigerian politics.

Literature review

The Concept of Classic Strategy

In numerous African nations, such as Nigeria, the intricacies of sustainable development and efficacious governance are intricately intertwined with the leadership approaches embraced by both historical and contemporary leaders. One notable approach entails the utilisation of ethnicity, religious affiliation, social class, and financial prowess as means to secure a favourable position in electoral processes and the governance of the nation. It is distinguished by the employment of strategic political tactics and manoeuvres that effectively exploit these factors in order to attain and fortify authority. The ramifications stemming from the traditional approach to leadership have engendered profound repercussions upon Nigeria's political terrain and its potential for enduring progress. The extant body of literature elucidates the deleterious consequences that are intrinsically linked to the implementation of this particular strategy. Leaders who possess a self-centered disposition frequently employ a well-established tactic wherein they skillfully manipulate potent tribal or religious sentiments within the populace, thereby facilitating their ascension to positions of authority (Okolie, 2018). Consequently, the nation has encountered a dearth of sagacious leadership, as those in positions of power prioritise their individualistic pursuits above the exigencies of the collective. Furthermore, the ubiquity of the classic leadership approach has engendered deleterious power dynamics, interethnic tensions, religious animosities, disputes over resource governance, societal disarray, impoverishment, belligerence, and a sense of precariousness (Egharevba, 2017; Oluwakemi, 2019).

Advocates contend that the classic strategiesto leadership espouses a notion of robust leadership, thereby guaranteeing the seamless execution of policies with minimal bureaucratic impediments (Osaghae & Suberu, 2005). They hold the conviction that this particular methodology presents a state of equilibrium and the capacity to exercise dominion with utmost efficacy. Nevertheless, adversaries express apprehensions regarding the conceivable disadvantages associated with the implementation of said approach within

the Nigerian context. The consolidation of power within a select group of individuals has the potential to engender conflicts for dominance and foster inclinations towards authoritarianism. The process of centralising authority may consequently yield diminished mechanisms for oversight and regulation, thereby compromising the principle of accountability and facilitating the proliferation of corrupt practises (Jega, 2011).

Moreover, the inherent presence of power struggles within the hierarchical framework of leadership can significantly erode the effectiveness of governance, impede the seamless execution of policies, and ultimately obstruct the forward trajectory of societal advancement. This phenomenon may engender a dearth of inclusivity and citizen engagement in the deliberative procedures, thereby exerting a profound influence on the holistic advancement of the nation. In their scholarly work, Osaghae and Suberu (2005) delve into the intricate complexities surrounding governance and leadership in Nigeria. They shed light on the inherent challenges that manifest in the country, specifically emphasising the emergence of tensions and power struggles within the traditional framework of leadership. They contend that although this particular methodology may indeed provide a semblance of constancy, it also has the potential to engender the marginalisation of specific factions and foster a climate of exclusionary political practises. Jega (2011) underscores the paramount significance of inclusive leadership, which serves as a catalyst for accountability, transparency, and citizen participation, thereby mitigating power struggles and nurturing the prospects of sustainable development.

It is imperative to acknowledge that there exists a potential divergence between the conventional strategy and political strategy, necessitating a comprehensive comprehension of their discrete attributes and ramifications within the realm of leadership and power dynamics. The classic strategies to political strategy centres around the utilisation of various factors, such as ethnicity, religion, social class, and financial power, as means of capitalising on political opportunities. However, the concept of political strategy encompasses a more expansive array of tactics employed by political actors in order to effectively attain their desired goals. The classic strategies, as elucidated in prior scholarly works, entails the deft manipulation of potent tribal or religious emotions, frequently employing divisive methodologies, with the aim of securing entry into positions of authority (Okolie, 2018). It is distinguished by a hierarchical approach to governance, wherein leaders wield substantial control and authority over the processes of decision-making and policy implementation. The classic strategies frequently places emphasis on the preservation of stability, the establishment of order, and the concentration of authority within the grasp of a select few individuals (Osaghae & Suberu, 2005). This particular methodology has the propensity to engender power dynamics, inclinations towards authoritarianism, and plausible adverse ramifications, including the marginalisation of specific cohorts and the perpetuation of exclusionary political practises. (Jega, 2011) Conversely, the realm of political strategy encompasses a more expansive array of tactics utilised by political agents in order to attain their objectives.

The aforementioned encompasses a diverse range of endeavours, encompassing the establishment of coalitions, the formation of alliances, strategic manoeuvring in policy matters, and active involvement with interest groups and constituents (Foster, 2016). Political strategy entails the deliberate and calculated pursuit of garnering endorsement, cultivating alliances, and deftly manoeuvring through the intricate terrain of politics in order to propel one's political objectives forward. The process at hand potentially entails

the strategic alignment with particular interest groups, the artful construction of compelling narratives, or the astute participation in policy negotiations, all with the ultimate aim of attaining the desired outcomes. The classic strategies to political manoeuvring revolves around the exploitation of particular variables, such as ethnicity and religion, in order to secure political advantages. However, political strategy is a broader concept that encompasses a range of methodologies and manoeuvres employed by political agents to navigate the complex realm of politics. The classic approach may be perceived as a constituent element of political strategy, wherein leaders adeptly employ discernible tactics grounded in appeals based on identity to fortify their authority.

The Concept of Power Struggle

The notion of power struggle encapsulates the intricate interplay, contestation, and dynamics that manifest within the intricate fabric of social and political frameworks, wherein individuals and collectives ardently contend for dominion and sway. It encompasses the intricate dynamics of challenging and deliberating over power, allocation of resources, and the formulation of decision-making protocols, frequently culminating in the emergence of tensions, conflicts, and calculated strategic manoeuvres. Power struggles manifest themselves across multiple tiers, encompassing the interpersonal, organisational, and societal realms, exerting a profound influence on the intricate fabric of social, political, and economic dynamics.

Numerous scholarly investigations have delved into the multifaceted nature of power dynamics, offering valuable insights into its intricate nature. Power struggles frequently revolve around the intricate dynamics of power allocation and resource distribution within the intricate fabric of a given society or organisation. This encompasses the ongoing struggle for political power, the pursuit of economic advantages, and the acquisition of control over valuable resources. Nnoli (2008) underscores the paramount significance of identity politics, encompassing the intricate interplay of ethnic and religious cleavages, in engendering and exacerbating power dynamics and political strife within the Nigerian context. Power struggles encompass not only the manifestation of competition, but also the emergence of conflicts within both formal and informal institutions. This encompasses the arduous endeavours pertaining to the attainment of leadership roles, the exertion of influence on policy matters, and the establishment of dominion over the processes of decision-making. Ajaero's (2016) scholarly inquiry delves into the intricate dynamics of power struggles within the political elite of Nigeria, elucidating their detrimental impact on policy stability and impeding the progress of sustainable development endeavours. Power struggles often arise as a result of divergent ideologies and conflicting sets of values. Various factions or entities may endeavour to advance their respective ideological agendas and attain ascendancy over their counterparts. These arduous endeavours frequently encompass contentious deliberations and collisions pertaining to matters of societal, cultural, and political significance. The scholarly work conducted by Okoli (2015) delved into an examination of the intricate interplay between religious and ethnic affiliations within the context of political power struggles in Nigeria. Through this meticulous analysis, the study provided valuable insights into the far-reaching implications that these dynamics hold for the realm of democratic governance.

The dynamics of power struggles frequently necessitate the establishment of coalitions and alliances among diverse entities in order to augment their sway and attain

their objectives. The formation of alliances can manifest as either ephemeral or enduring, contingent upon the convergence of shared interests or the pursuit of mutual objectives. In his seminal work, Nwankwo (2017) delved into the intricate interplay between ethnicity and power dynamics within the realm of Nigerian politics. The author underscored the imperative nature of comprehending the ramifications of leadership strategies on the overarching goals of national unity and development. Power struggles encompass the utilisation of diverse strategies and tactics in order to procure a favourable position relative to adversaries. These encompass various forms of influence, such as persuasive tactics, negotiation strategies, manipulative techniques, and coercive measures. Power struggles can encompass various tactics, such as the strategic mobilisation of support, manipulation of media channels, and dissemination of propaganda, all aimed at influencing public sentiment and discrediting adversaries. Adebani and Obadare (2011) undertake a comprehensive analysis of the intricate dynamics of power struggles and political manipulations that have regrettably impeded the attainment of efficient governance and the seamless provision of essential services within the Nigerian context. Comprehending the multifaceted nature of power dynamics affords us valuable insights into the intricate workings of leadership, governance, and the transformative forces that drive societal progress.

Leadership and Power Dynamics within the context of Nigerian Democracy

The Nigerian democratic system has borne witness to the seamless transfer of power, wherein the reins of governance have been gracefully handed over from one leader and political faction to another. Scholarly inquiries, exemplified by the work entitled "Political Transitions and Democratic Consolidation in Nigeria" authored by Richard Joseph in the year 2017, delve into the intricate complexities and obstacles inherent in the process of power transitions within the Nigerian context. The aforementioned transitions aptly exemplify the inherent competitiveness ingrained within the realm of Nigerian politics, as well as the astute prowess of its leaders in amassing widespread popular endorsement. The impact of political parties on the Nigerian democratic system is of considerable magnitude, as they exert a profound influence on the configuration of leadership and the intricate dynamics of power. Scholarly inquiries, exemplified by the work titled "Nigeria: Political Parties and Democratisation" authored by Larry Diamond in 2005, undertake a comprehensive examination of the intricate interplay between political parties and the process of democratic consolidation, as well as the consequential ramifications on the equitable dispersion of power within a given polity. These gatherings function as platforms for political figures to galvanise backing and engage in a contest for positions of leadership. The intricate interplay among the executive, legislative, and judicial branches of government, characterised by the separation of powers, exerts a profound influence on the intricate tapestry of leadership and power dynamics within the Nigerian democratic system. Scholarly inquiries, exemplified by the work entitled "Executive-Legislative Relations in Nigeria: An Assessment of the Fourth Republic" authored by Joseph A. Ayoade in 2009, meticulously scrutinise the intricate dynamics and equilibrium of authority that transpire amidst the executive and legislative branches of governance. The efficacy of leaders in traversing these intricate relationships significantly influences their capacity to exercise decision-making authority and wield power.

The pivotal functions of civil society organisations and media in the realm of Nigerian democracy lie in their capacity to diligently scrutinise the intricate interplay between leadership and power dynamics. Scholarly inquiries, exemplified by the work of Ebenezer Obadare in his 2011 publication titled "Civil Society, Democracy, and State Building in Nigeria," underscore the paramount significance of civil society in the realm of ensuring the accountability of leaders and championing the cause of democratic governance. The media assumes the role of a vigilant sentinel, diligently disseminating both factual data and astute analysis pertaining to the intricate interplay of leadership and power dynamics. The impact of socio-cultural factors on various aspects of society is a subject of great significance and scholarly inquiry. These factors encompass a wide range of elements, including but not limited to Socio-cultural determinants, encompassing the intricate interplay of ethnicity and religion, exert a discernible influence upon the intricate tapestry of leadership and power dynamics within the Nigerian democratic framework. Scholarly inquiries, exemplified by the work of Okechukwu Oko in his seminal publication "Ethnicity, Religion and Power in Nigeria" (2013), delve into the intricate interplay between these influential factors and their profound impact on the formation of political alliances, the manifestation of voting patterns, and the intricate dynamics of leadership within the Nigerian context. The comprehension of these intricate dynamics holds utmost significance in grasping the intricacies of power allocation within the Nigerian democratic framework.

Case Studies on the Democratic Presidents in Nigeria since 2009

President Umaru Musa Yar'Adua (2009 to 2010)

During the tenure of President Umaru Musa Yar'Adua in Nigeria, one can discern the implementation of various classic strategies of leadership. These strategies encompass components such as fostering inclusivity, fostering consensus through collaborative efforts, and prioritising pivotal matters. In the realm of leadership, President Yar'Adua's distinctive approach was characterised by a profound commitment to inclusivity, wherein he demonstrated a remarkable propensity to involve diverse stakeholders in the intricate web of decision-making processes. He inaugurated the Niger Delta Technical Committee and the Presidential Committee on Power with the aim of tackling pivotal concerns in the Niger Delta region and the power sector, correspondingly. The aforementioned committees comprised individuals hailing from pertinent sectors, thereby evincing a steadfast dedication to fostering inclusivity (Ibrahim, 2011). President Yar'Adua endeavoured to foster a harmonious convergence of perspectives among diverse political actors and interest groups. The individual in question embarked upon the commencement of the electoral reform procedure through the establishment of the Electoral Reform Committee. This committee was instrumental in conducting consultations with a diverse array of stakeholders, with the aim of enhancing the credibility and transparency of electoral processes within the Nigerian context (Ibrahim, 2011). The aforementioned approach aptly demonstrated his unwavering dedication to fostering consensus and upholding the principles of democratic governance.

The administration under President Yar'Adua demonstrated a discerning approach in prioritising critical matters, namely the pervasive issue of corruption, the imperative need for electoral reforms, and the pressing security challenges faced by the nation. The

author Ibrahim (2011) underscored the significance of upholding principles of good governance, the rule of law, and due process, emphasising their pivotal role in fostering sustainable development. Through the deliberate prioritisation of these pressing matters, President Yar'Adua astutely exemplified a quintessential leadership approach, wherein he directed his attention towards pivotal issues that held paramount significance in propelling the nation forward. It is imperative to acknowledge that the tenure of President Yar'Adua was curtailed as a consequence of his premature demise, thereby constraining the comprehensive evaluation of his strategic approach to governance. Nevertheless, the aforementioned facets underscore his unwavering dedication to fostering an all-encompassing system of governance, fostering agreement among diverse stakeholders, and effectively tackling pivotal matters of concern.

President Goodluck Jonathan (2010-2015)

During the tenure of President Goodluck Jonathan in Nigeria, one can discern the implementation of various classic strategies of leadership. These strategies encompass various components such as effective communication, adept coalition formation, and sustainable economic progress. In this discourse, we shall engage in a comprehensive examination of the aforementioned facets, bolstered by the inclusion of pertinent scholarly citations. President Jonathan implemented a highly efficacious communication approach as a strategic component of his leadership methodology. He employed a multitude of communication platforms to actively involve the populace and effectively communicate the policies and initiatives of his administration. The scholarly work conducted by Umaru and Gambo (2015) sheds light upon the strategic utilisation of media platforms and public orations by President Jonathan as a means to effectively convey his transformative agenda and actively involve the populace in the intricate realm of governance. Coalition forging: President Jonathan astutely acknowledged the paramount significance of coalition building, diligently endeavouring to cultivate a harmonious synergy amongst a myriad of heterogeneous stakeholders. The administration under his purview diligently endeavoured to effectuate political reforms, which encompassed active collaboration with opposition factions and the establishment of the esteemed Independent National Electoral Commission (INEC) with the aim of ameliorating the electoral apparatus. The scholarly investigation conducted by Umaru and Gambo (2015) critically assesses the efficacy of President Jonathan's leadership in advancing political reforms and fostering coalition formation to bolster democratic governance within the Nigerian context. The administration under President Jonathan placed a significant emphasis on the pursuit of economic development and the imperative of diversification. The Transformation Agenda, which was initiated during his tenure, sought to foster economic expansion, employment generation, and amelioration of poverty across diverse domains such as agriculture, power, infrastructure, and education. The scholarly investigation conducted by Umaru and Gambo (2015) endeavours to evaluate the ramifications of President Jonathan's economic policies and programmes on Nigeria's overarching developmental aspirations. It is imperative to acknowledge that amidst the tenure of President Jonathan, these timeless tactics of leadership were duly noted, albeit accompanied by obstacles and critiques pertaining to specific facets of governance and the rate of advancement. Henceforth, a thorough examination of President Jonathan's leadership *modus operandi* necessitates the

contemplation of multifarious viewpoints and the scrutiny of myriad facets of his governance.

President Muhammadu Buhari (2015-2023)

Under the tenure of President Muhammadu Buhari in Nigeria, discernible occurrences have transpired wherein classic strategies of governance have been duly noted. These strategies encompass elements such as resolute decision-making, unwavering personal beliefs, and a steadfast commitment to upholding integrity and implementing anti-corruption measures. In this discourse, we shall engage in an examination of these constituent components, accompanied by meticulous citations to pertinent scholarly investigations. Decisiveness: President Buhari has exhibited a resolute and unequivocal approach to leadership in select circumstances. An illustrative instance lies in his expeditious implementation of the appointment of service chiefs and the subsequent adoption of strategic measures to effectively address prevailing security challenges, most notably the Boko Haram insurgency. The scholarly research conducted by Olufemi (2020) duly recognises the astute tactics employed by the administration, encompassing amplified military endeavours and counter-terrorism endeavours. These measures aptly exemplify President Buhari's resolute and determined stance in tackling the prevailing security apprehensions.

President Buhari has garnered recognition for his unwavering personal convictions, notably in the realms of combating corruption and upholding effective governance. Under his administration, a multitude of anti-corruption measures have been implemented, accompanied by the establishment of esteemed institutions such as the Economic and Financial Crimes Commission (EFCC), all with the noble aim of combatting the pervasive issue of corruption. The scholarly investigation conducted by Fatile (2020) delves into the intricate examination of President Buhari's endeavours to counteract corruption, shedding light on his unwavering dedication to eradicating this societal ill within the Nigerian context. The current administration under President Buhari has placed a significant emphasis on upholding the principles of integrity and implementing robust measures to combat corruption. The Whistleblower Policy, which was implemented during his tenure, serves to incentivize individuals to come forward with reports of corruption, providing them with the opportunity to receive rewards in exchange for substantiated and reliable information. This policy exemplifies a steadfast dedication to fostering transparency and accountability. The scholarly inquiry conducted by Fatile (2020) endeavours to evaluate the endeavours of President Buhari in combatting corruption, while simultaneously delving into the ramifications of initiatives such as the Whistleblower Policy on the realm of governance and the perception of the general public. It is imperative to acknowledge that within the context of President Buhari's administration, these time-honored strategies of leadership have indeed been discerned. However, it is equally crucial to recognise that there exist critical appraisals and obstacles pertaining to the execution and efficacy of said strategies. Several scholarly investigations have brought to the fore apprehensions regarding the rate of advancement in specific domains and the imperative for more comprehensive overhauls (Amuwo, 2019). Henceforth, a thorough examination of President Buhari's modus operandi necessitates the contemplation of multifarious viewpoints and the scrutiny of sundry facets of his governance.

Theoretical framework

The investigation shall be steered by a pair of theoretical frameworks, namely rational choice theory and power-struggle theory. Rational choice theory, deeply entrenched within the realms of economics and social sciences, places paramount importance on the process of decision-making predicated upon the pursuit of individual self-interest and the maximisation of utility (Becker, 1976). It presupposes that individuals engage in a cognitive process wherein they meticulously evaluate the potential drawbacks and advantages associated with various alternatives, ultimately opting for the course of action that optimises their individual benefits (Becker, 1976). Within the realm of the timeless strategy of leadership, the application of rational choice theory shall bestow profound illumination upon the underlying motivations and intricate calculations undertaken by political actors who embrace this particular approach in their quest to acquire and sustain power. This inquiry seeks to delve into the underlying motivations that drive leaders to partake in power struggles, manipulate ethnic and religious ties, and employ divisive strategies in order to secure electoral backing and retain dominion over valuable resources (Knight, 1992; Gerring, 1997).

The theory of power-struggle, conversely, delves into the intricate dynamics and rivalries that ensue within the intricate fabric of social and political frameworks. It acknowledges the inherent asymmetry in the distribution of power and the perpetual endeavours undertaken by both individuals and collectives to acquire or uphold power (Dahl, 1957). This theoretical framework scrutinises the dynamics of power as it is wielded, challenged, and bargained within diverse social milieus. Within the framework of the classic strategy of leadership, the theory of power-struggle shall serve as a valuable tool in dissecting the intricate dynamics of power and the ensuing conflicts that inevitably manifest in the wake of implementing said strategy (Gerring, 1997). This framework shall serve as a means to comprehend the intricate dynamics through which political elites vie for authority, forge alliances, and partake in power struggles that frequently surpass mere ideological and policy considerations (Knight, 1992; Gerring, 1997).

By synthesising the principles of rational choice theory and power-struggle theory, the present study endeavours to furnish a more intricate comprehension of the classic strategy of leadership in the Nigerian context. The discourse shall delve into the underlying motivations, intricate calculations, and intricate power dynamics of political actors who employ this strategic approach. Furthermore, it shall meticulously scrutinise the far-reaching consequences it bears upon governance and the pursuit of sustainable development (Knight, 1992; Gerring, 1997).

Methodology

The research utilised an exploratory framework and employed a quantitative approach to investigate the prevalence and perspectives surrounding the traditional leadership strategy in Nigeria. The employment of quantitative data collection methodologies, particularly surveys and questionnaires, enabled the acquisition of data from a greater multitude of participants in a methodical and proficient manner. Surveys are widely acknowledged as a valuable instrument in the realm of social sciences, owing to their inherent capacity to amass data from a vast and heterogeneous sample. In the present

investigation, a series of surveys were distributed to a cohort of twenty-five (25) esteemed members of the academic faculty, carefully chosen from two prestigious Nigerian universities and one esteemed polytechnic institution located within the Ijebu region of Ogun State, Nigeria. The selection of these particular tertiary institutions and the strategic placement within the Ijebu region was predicated upon the profound historical and political import of the Ijebu populace within the Nigerian context (see Ayandele, 1966; Olaosebikan, 2015).

The study sought to elucidate the viewpoints and encounters of scholarly personnel who possess extensive expertise and acquaintance with the venerable art of leadership within the Nigerian milieu. In order to guarantee the representativeness of the sample, a methodology employing multi-stage sampling techniques was implemented. This process entailed the initial stage of carefully curating establishments, followed by the subsequent stage of meticulously handpicking individuals within each respective institution. Through the implementation of this methodology, the research endeavour sought to procure a comprehensive assortment of erudite personnel hailing from various fields of study, departments, and hierarchical roles within the designated establishments. This particular methodology serves to augment the overall applicability of the results and affords a holistic comprehension of the phenomenon under scrutiny.

The data acquired from the surveys underwent analysis utilising descriptive statistics, including frequency tabulations, percentage distributions, and average scores. Descriptive statistics facilitate the concise synthesis and visual representation of the gathered data, thereby offering a comprehensive depiction of participants' responses and perspectives pertaining to the timeless concept of leadership strategy. The utilisation of these statistical measures facilitates the discernment of patterns, trends, and fluctuations within the data, thereby yielding valuable insights into the prevalence and perspectives pertaining to this leadership strategy in Nigeria. During the course of the research endeavour, meticulous attention was devoted to upholding ethical principles, which encompassed the conscientious acquisition of informed consent from the individuals involved. Adhering to the tenets of informed consent guarantees that individuals partaking in the study possess a comprehensive understanding of the objectives, methodologies, and potential ramifications associated with their participation. This ethical framework upholds the principles of transparency, confidentiality, and voluntary engagement, thereby ensuring the protection of the rights and well-being of the individuals involved in the research.

Data analysis

The preponderance of participants can be observed to be situated within the demographic cohort spanning from 30 to 35 years of age. This observation suggests that the sample in question possesses a relatively youthful nature, which has the potential to exert an influence on the outcomes and perspectives of the research being conducted. The distribution of respondents in the sample exhibits a notable bias towards the male demographic, as 72% of the participants identify as male, while the remaining 28% identify as female. The issue of gender imbalance warrants due consideration when extrapolating the findings to the wider populace.

Table 1: Socio-demographic variables of Respondents

Variable	Frequency	Percentage
Age		
Below 30yrs	3	12.0
30-35yrs	15	60.0
36-40yrs	5	20.0
41yrs and above	2	5.1
Total	25	100.0
Gender		
Female	7	28.0
Male	18	72.0
Total	25	100.0
Level of Education		
BSc/BEd	3	12.0
MSc	14	56.0
PhD	8	32.0
Total	25	100.0
Marital Status		
Divorce	2	8.0
Married	17	68.0
Separated	1	4.0
Single	5	20.0
Total	25	100.0
Years spent on the job		
0-5yrs	4	16.0
6-10	12	48.0
11-15	7	28.0
Above 15yrs	2	8.0
Total	25	100.0

A significant proportion of participants have achieved higher levels of academic attainment, as evidenced by the fact that 56% possess a Master of Science degree, while 32% hold a Doctor of Philosophy degree. The aforementioned observation implies a cohort that has received a comprehensive education, potentially influencing their viewpoints and comprehension of the topic being examined. A notable majority of respondents (68%) have entered into the sacred institution of marriage, thereby suggesting a discernible degree of steadfastness and conscientiousness in their respective spheres of existence. Nevertheless, it is imperative to take into account the inclusion of individuals who are categorised as single, divorced, or separated when endeavouring to acquire a thorough comprehension of the demographic under investigation. A significant proportion of participants, comprising 48% of the total, have dedicated a span of 6 to 10 years to their respective occupations. This implies the presence of a comparatively seasoned sample, which may exert an influence on their attitudes, knowledge, and decision-making processes.

Table2: Reason for adoption of classic strategy and power struggle in Nigerian politics

Item	Reason for adoption of classic strategy and power struggle in Nigerian political landscape	Mean Score	Standard Deviation
1	To able to access leadership positions	2.76	0.18
2	To build strong political allies	2.73	0.88
3	To facilitate entry into the elite class	2.90	0.93

4	To promote ethnicity and religious differences	2.82	0.87
5	To sway the emotions of the masses for their personal victory during election	3.40	0.86

The tabular representation offers a concise overview of the rationales behind the implementation of the classic strategy within the Nigerian political sphere, accompanied by their respective average scores and measures of variability in the form of standard deviations. In order to attain the capacity to access and assume leadership positions, one must engage in a multifaceted process of personal and professional development. This entails cultivating a comprehensive skill set, fostering effective communication abilities, and demonstrating a profound understanding of organisational dynamics. Additionally, the rationale behind embracing the classic strategy to leadership in order to secure leadership positions garnered an average rating of 2.76. This proposition posits that it is deemed a moderately influential determinant within the Nigerian political milieu. This suggests that political entities may employ the classic strategy of strategically positioning themselves in order to assume leadership positions. In order to cultivate robust political alliances, it is imperative to engage in strategic networking and establish meaningful connections with influential individuals within the political sphere. This entails fostering mutually beneficial relationships based on shared interests, values. The assessment of the efficacy of establishing robust political alliances yielded a mean rating of 2.73. This proposition suggests that the establishment of alliances and coalitions is regarded as a moderately significant facet within the realm of classical strategy. Political actors often find themselves embroiled in power struggles, wherein they strategically navigate the complex terrain of forging alliances and garnering support from influential entities or collectives. In order to expedite one's admittance into the esteemed echelons of society, it is worth noting that the aspiration to join the elite class garnered an average rating of 2.90. This proposition posits that individuals may embrace the classic strategy as a mechanism to enhance their societal standing and acquire entry to the advantages and assets linked with the upper echelon.

The endorsement of ethnic and religious disparities garnered an average rating of 2.82. This observation suggests that the utilisation of ethnic and religious divisions as a means to attain political advantage holds a degree of significance in the implementation of the traditional strategy. It posits that certain political entities exploit these divisions in order to mobilise backing and fortify their power foundations. In the pursuit of personal triumph during electoral campaigns, the deliberate endeavour to manipulate the sentiments of the general populace garnered the most noteworthy average rating of 3.40. This observation suggests that the ability to manipulate the emotions and sentiments of the general populace in order to achieve electoral victory is regarded as a significant determinant in the adoption of the traditional strategic approach. Political actors often employ a myriad of strategic manoeuvres, encompassing the utilisation of emotional appeals and the adoption of populist rhetoric, in order to amass public support and emerge victorious in electoral contests.

The aforementioned findings are in accordance with the preexisting body of literature pertaining to the realm of Nigerian politics and the intricate nature of power dynamics. Scholarly investigations have duly underscored the significance of ethnicity and religious associations (Okoli, 2015) alongside the strategic exploitation of public sentiments (Egharevba, 2017) within the context of political power dynamics in Nigeria.

The scholarly literature has extensively documented the prevalence of power struggles and the exploitation of ethnic and religious divisions (Adebanwi & Obadare, 2011; Nnoli, 2008). These scholarly investigations offer valuable perspectives on the underlying incentives and tactics employed by political agents in Nigeria, thereby corroborating the conclusions elucidated in the aforementioned table. It is imperative to acknowledge that the standard deviations serve as a measure of the extent of variability in the perspectives expressed by the respondents. Elevated standard deviations imply a heightened degree of heterogeneity in the responses, thereby signifying that distinct individuals may ascribe differing degrees of significance to these rationales for embracing the classic strategy.

Table 3: Ways at which Nigerian politicians utilize classic strategy and power struggle

Item	How Nigerian politicians utilize classic strategy and power struggle	Mean Score	Standard Deviation
1	Visiting religious centres with different kinds of donations and gifts to seek the support	3.40	0.23
2	Tempting and mobilizing the youth to fight against the opposition party	2.35	0.10
3	Visiting traditional rulers and attending public occasions	2.01	0.37
4	Use of emotional words and empathy	2.69	0.41
5	Aliening with the majority ethnic groups and denouncing them afterwards	2.83	0.32
6	Use of public propaganda such as visiting the poor homes, eating with their kids and offering assistance to them when elections are around the corner	2.78	0.43

The tabular representation provides comprehensive insights into the utilisation of the classic strategy by Nigerian politicians, as evidenced by the mean scores and standard deviations associated with each item. Engaging in the practise of visiting various religious establishments with diverse offerings and contributions in order to garner assistance: It is noteworthy that this particular approach has garnered the most elevated average rating of 3.40, thereby suggesting its frequent utilisation by Nigerian politicians as a component of their conventional strategic manoeuvring. It is a common practise for politicians to frequent religious establishments, proffering monetary contributions and material offerings, all in an effort to garner the endorsement and backing of esteemed religious figures and their congregants. This particular strategy enables politicians to strategically exploit religious sentiments and secure the support of prominent religious figures (Egharevba, 2017). The act of enticing and galvanising the younger generation to engage in combat against the opposing political party: The average rating for this particular aspect stands at 2.35, suggesting a moderate level of impact within the realm of Nigerian politics. It posits the notion that certain political figures may endeavour to mobilise and manipulate the younger demographic by instigating their animosity towards the opposing political faction. This strategic manoeuvre capitalises on the susceptibility and malleability of the adolescent demographic (Okoli, 2015).

Engaging in interactions with traditional rulers and participating in public events: As indicated by a mean score of 2.01, it can be inferred that politicians employ this particular approach to a lesser degree when compared to alternative strategies.

Nevertheless, the act of engaging with traditional rulers and participating in public events remains a viable avenue for politicians to enhance their prominence and garner backing from esteemed traditional authorities and members of the community (Ake, 2001). The aforementioned item has garnered a mean score of 2.69, thereby suggesting a discernible degree of employment. Politicians strategically employ linguistic devices imbued with emotional connotations and expressions of empathetic sentiment in order to establish a profound connection with the electorate at an intimate and personal level. This strategic manoeuvre seeks to elicit an emotional response from the voting populace, with the ultimate objective of garnering their trust and empathy (Nnoli, 2008). By deliberately distancing oneself from the prevailing ethnic majority and subsequently criticising them, a sense of alienation is created. The observed mean score pertaining to this particular item stands at 2.83, thereby implying that politicians occasionally engage in strategic alliances with predominant ethnic factions in order to secure their backing, only to subsequently disavow them for the sake of political advantage. This strategic manoeuvre effectively capitalises on ethnic cleavages and sentiments in order to deftly manipulate and sway the support of the electorate (Adebanwi & Obadare, 2011). The utilisation of public propaganda, exemplified by the act of visiting impoverished households, partaking in communal meals with their children, and extending aid, as a strategic manoeuvre during electoral campaigns. The aforementioned entity has garnered a mean score of 2.78, thereby suggesting that politicians frequently resort to the utilisation of said strategy throughout the course of electoral campaigns. Through the strategic utilisation of public propaganda, politicians endeavour to cultivate a favourable perception among the masses by partaking in activities such as personally visiting the abodes of the economically disadvantaged, communing with their offspring over shared repasts, and extending aid and succour to their plight (Omeje, 2010).

These findings are in accordance with the extant literature on Nigerian politics and the classic strategies employed by politicians. The employment of religious establishments, mobilisation of the younger generation, and dissemination of public propaganda have been duly recorded as prevalent strategies employed by Nigerian politicians (Egharevba, 2017; Okoli, 2015). The scholarly discourse additionally underscores the import of ethnic cleavages and customary leaders within the realm of Nigerian politics (Ake, 2001; Adebanwi & Obadare, 2011). The data presented in the table substantiates the aforementioned observations through empirical evidence. The observed standard deviations within the provided table aptly capture the inherent variability present in the diverse range of opinions expressed by the respondents. Elevated standard deviations manifest as a reflection of heightened heterogeneity within responses, thereby implying that distinct politicians may employ these strategies to varying extents. In essence, the research findings indicate that Nigerian politicians employ a diverse array of tactics within the traditional strategic framework. These tactics encompass activities such as engaging with religious institutions, mobilising the youth demographic, disseminating public propaganda, and exploiting ethnic cleavages. These strategies endeavour to procure backing and manipulate the collective sentiment of the populace in order to gain an electoral edge.

Table 4: Consequences of Classic Strategy and Power Struggle in Nigeria Politics

Item	Consequences of Classic Strategy and power struggle in Nigeria Politics	Mean Score	Standard Deviation
1	It encourages a lack of visionary leadership	2.73	0.10
2	The incessant struggle over resource control	2.50	0.18
3	It create room for a single ethnic group dominating the political positions	2.34	0.33
4	It promote corrupt political structure, greed and violence	2.82	0.57
5	It allows for Ethnic sentiments and separationist movements	2.78	0.36
6	Militancy and insecurity	2.53	0.43

The tabular representation elucidates the ramifications of the classic strategy in Nigerian politics, as denoted by the average values and measures of dispersion for each element. It fosters a dearth of visionary leadership. The aforementioned item has garnered a mean score of 2.73, thereby implying that the classic strategy observed in Nigerian politics is closely linked to a dearth of forward-thinking and inspired leadership. The implementation of this particular approach frequently places personal interests in higher regard than the advancement of the nation, thereby impeding the cultivation of individuals with extensive foresight and the ability to devise strategic plans (Okolie, 2018). The perpetual and unyielding conflict pertaining to the dominion over finite resources. With an average score of 2.50, this particular item serves as an indicator of the enduring challenges pertaining to the management and acquisition of resources in Nigeria, thereby highlighting the significance of the classic strategy in this context. The confluence of power concentration and the relentless pursuit of individual interests inherent in the traditional strategic framework can engender a state of rivalry and discord concerning the acquisition and governance of resources, thereby perpetuating an environment of instability and impeding progress (Oluwakemi, 2019).

It engenders an environment conducive to the hegemony of a solitary ethnic faction in the realm of political positions: The average score of 2.34 posits that the conventional modus operandi in Nigerian politics has the potential to yield a scenario wherein a solitary ethnic group assumes a position of dominance in the political landscape. This outcome exemplifies the exploitation of ethnic divisions and the manipulation of ethnic sentiments within the classic strategy, thereby potentially resulting in the implementation of exclusionary political practises and the marginalisation of various ethnic collectives (Nnoli, 2008). The aforementioned entity is known to foster a system of governance that is riddled with corruption, avarice, and acts of aggression. This particular entity has garnered an average rating of 2.82, thereby suggesting a strong correlation between the classic strategy and the aforementioned negative attributes such as corrupt political structures, insatiable greed, and the perpetuation of violence. The relentless endeavour for power and the advancement of individual interests within the realm of traditional strategy can engender a dearth of responsibility, moral decay, and the perpetuation of aggression in the political landscape of Nigeria (Adebanwi & Obadare, 2011).

It facilitates the expression of ethnic sentiments and provides a platform for the proliferation of separatist movements. Based on the obtained mean score of 2.78, it can be inferred that this particular item posits the notion that the utilisation of the classic strategy

has the potential to cultivate and nurture ethnic sentiments, thereby playing a role in the genesis and proliferation of separatist movements. Through the astute manipulation of ethnic schisms and alliances, politicians employing the time-honored approach may unwittingly stoke animosities and foster the emergence of factions advocating for increased self-governance or secession (Ake, 2001). The prevailing phenomena of militancy and insecurity have become increasingly salient in contemporary society. The observed mean score for this particular item stands at 2.53, thereby suggesting a correlation between the utilisation of the classic strategy and the prevalence of militancy and insecurity within the context of Nigeria. The inherent dynamics of power struggles and conflicts that emerge from the timeless art of strategy, particularly in regions abundant with valuable resources such as the Niger Delta, have the potential to give rise to militant activities, acts of violence, and a pervasive sense of insecurity (Omeje, 2010).

These findings are in accordance with the existing body of research on the ramifications of the classic strategy in Nigerian political dynamics. The scholarly discourse accentuates the deleterious ramifications, encompassing a dearth of forward-thinking stewardship, contentions pertaining to the command over resources, ethnic hegemony, venality, aggression, and a state of precariousness (Okolie, 2018; Oluwakemi, 2019; Adebani & Obadare, 2011; Nnoli, 2008; Ake, 2001; Omeje, 2010). The standard deviations presented in the table serve as indicators of the extent of variability observed in the opinions expressed by the respondents. Elevated standard deviations indicate a heightened range of perspectives concerning the ramifications of the classic strategy in Nigerian political affairs. In a comprehensive analysis, the findings put forth indicate that the classic strategy employed in Nigerian politics yields a multitude of adverse outcomes. These include a dearth of forward-thinking leadership, contentious disputes over resource allocation, ethnic hegemony, pervasive corruption, and the propagation of ethnic biases, the emergence of separatist factions, the rise of militant activities, and a pervasive sense of insecurity. These consequences underscore the imperative for transformative reforms and novel methodologies in governance that prioritise the advancement of the nation, inclusivity, and the establishment of mechanisms for transparency and answerability.

Conclusion

The prevalence and perception surrounding the utilisation of classic strategic manoeuvres and power dynamics within the Nigerian democratic framework between the years 2009 and 2023 shed light on the intricate and ever-evolving nature of political governance in the nation. During this temporal epoch, leaders have adeptly employed venerable methodologies such as effective communication, astute coalition-building, and judicious prioritisation of pivotal matters to deftly navigate the intricate challenges inherent in the realm of governance. Nevertheless, it is imperative to acknowledge that the political milieu in Nigeria has been significantly influenced by power dynamics and the relentless pursuit of influence. This phenomenon underscores the inherent complexities and contradictions that exist within the democratic framework of the nation. The empirical evidence implies that although conventional methodologies have been employed, the exertion of authority and the perceived misapplication thereof have exerted a significant impact on the collective sentiment and have played a pivotal role in shaping the course of Nigerian political affairs. As Nigeria undergoes its ongoing transformation into a democratic entity, it becomes imperative to conscientiously tackle these pertinent matters,

cultivate an environment of openness and accountability, fortify the foundations of its institutions, and advocate for a governance model that embraces inclusivity. These endeavours are essential for optimising the efficacy of the democratic framework and realising the collective ambitions of its populace. Additional investigation and examination are imperative to delve more profoundly into the complexities of traditional methodologies and power dynamics within the realm of Nigerian politics, thereby offering profound insights for the attainment of efficacious leadership and the consolidation of democratic principles in subsequent times.

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ISSUES IN NIGERIA DEMOCRATIC PRACTICE AND PARTICIPATION: A TEMPLATE FOR AFRICAN POLITICAL CULTURE

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Abstract: *Democracy as a system of government has no flesh, capacity or definitions without citizens' active participation or input because the institution of the people supersedes every other institution of government since the core of democracy begins and ends with the people from time to time irrespective of the regime or circle of government officials in power anywhere in the world. Nigeria as a state is regarded as a giant of Africa due to several positive attributes that ranges from large land mass, population, military and economy which placed her at the top most position in Africa democracy and participation but her failure to lead by example as far as democracy is concern has also led to the collapse of this system of government in the continent. Therefore, this paper significantly sifted issues in Africa democracy as it affect the level of participation using Nigeria as the guinea pig since she is a significant voice in the continent. Discovering shows that democratic participation in Africa is all time low due to several issues amongst which are: crisis of governance, state and management of security, failure of democracy amongst others. The paper therefore, recommended that African citizens should not be idle or indifference to change, instead let the fight to change the status quo be eternal no matter how difficult it is because struggle have always and will continue to be medium of change. Power belongs to the masses in a democratic setting. The liberation of the Africa mind should be the ultimate goal. Good governance, political freedom, equity and better welfare are in the mind and therefore, Africa leaders should change their culture or approach to governance. For the case of Nigeria and most African countries, it is better to mentioned that anyone who has ever tasted power before at any level should not be given another access. There seems to be no advantage of experience or residual skills acquired before. New hands should be allowed to handle the steering to lift the nations from their rumbles.*

KeyWords: *Democratic practice, Democratic Participation, Political Culture.*

Introduction

The persistent cry for a reformed democracy in Africa cannot be overwhelming because it is the second largest continent in the world with the largest population with a lot of untapped resources (Abonjo, 2021). Africa must be free by entrenching true democratic practice and participation for which Nigeria as her giant must uphold. According to Lumumba (2021) the day Nigeria rise up Africa will never be the same again. In his words Nigeria has shortchanged Africa because Nigeria is Africa. According to David (1995) the trajectory of Africa liberation began during the great protest movement for nationalism and independence from the shackled colonial emperors after the Second World War during the early decades of the twentieth century. Other reason enunciated by Iiffe (1995) is the increase in African population and the mass demand for freedom. Further, more the new brand of young African leaders who got their education in the United States, England and France ginged the African bargain with the European powers to confer political authorities to Africans and be given full sovereignty to run an independent (Aboribo, 2013). Involved in the struggle for independence were pan Africanist who emphasized on the need for unity among Africans.

People such as William Edward, Burghardt Du Bois, who schooled in Harvard University, Kwame Nkrumah of Ghana also schooled in the United States and Marcus Garvey in Jamaica who lived at Harlem in New York city (Adebayo, cited in Agbefe, 2017). Others such as Jomo Kenyatta of Kenya were also a strong freedom activist who argued that the British invasion and administration was detrimental to the culture and tradition of African people, therefore they should be granted independence (Aluwa, 2020). In line with that argument, Marcus Garvey in 1920 issued a declaration of human right of the Negro people of the world which boosted the moral of Africans in the struggle for independence (Allen, 1972). Africa was able to gain independence and self-determination but much is left to be done. This is the reason Dimkpa (2015) asserted that after political freedom the next is the freedom of the people. Therefore, Nigeria must rise because of her place in the continent.

Statement of the Problem

Africa continent is the second largest among other continent of the world. There is much about the continent taking the lead worldwide but reversed has been the case since after donkey years of independence. As popularly known all fingers are not equal so it is with Nigeria one of the most privileged country in the continent with the largest economy, largest population, land mass, military and many others which has naturally placed the country in leadership position as far as the continent is concerned. Indeed the failure of a leader in any organization is the failure of the organization. Hence, this study is aimed at examining the Nigeria's democratic practice and participation as it affect the African political culture.

Conceptual Clarifications

Democratic Society: A society that is democratic is easily known because it has the crops of active, participatory, critical thinking and problem solving citizens with a strong sense of justice. According to John (2021) A democratic society is a society that is fully consistent with democratic principles of liberty, equality, justice and power to the people including the structures, systems and culture that are required to fully implement it. The following are the basic characteristics of a democratic society:

Rights: They are privileges or things a society owe an individual such as safety and security including democratic right to vote and run for political office (John, 2021).

Freedom: Freedom is limit to the power and authority of a state that allows an individual to decide certain things for themselves. Democracy can't exist without certain freedom of speech, freedom of association, freedom of the press and freedom of conscience (Akpotor, 2015).

Civic Duty: These are responsibilities that individuals have towards a society. It includes abiding by reasonable laws (Sunday, 2019).

Civility: It is the culture of resolving differences using the mechanism provided by the society such as laws, norms, political participation and peaceful protest (Adam, 2022). In the words of Afonughe (2020) protest can be described as a plural disagreement by a section of people over a circumstances, events or policies.

Majority Rule: It is a society that is designed and run by the majority of the people. For example, the right of the majority to strike down unpopular laws, taxes and government unconventional practices (Odhe, 2015).

Minority Rights: Foundational rules such as a constitution that prevent the majority from oppressing the minorities (Aboribo, 2012).

Pluralism: It is the tolerance, inclusion and neutrality that allows for the peaceful coexistence of multiple world views, political parties, religions, ethnic groups and other minority groups (Spacey, 2021)

Rule of law: A set of laws that applies to everyone equally without exception (Spacey, 2021).

Due process: A set of legal rights that the state can't override to ensure a fair justice system and equality (Mukoro, 2019).

Bureaucracy: The bureaucracy and technocracies of the state are controlled by elected representatives. The state may enter international agreement with the consent of the people. Anyone who derived authority from the state is monitored and held accountable by the people (John, 2021).

Checks and Balances: It is a society that is structured such that every government representative has limited power and independent oversight (Oduwue, 2015).

Equality: There is no subordinate office as power and authority are equal. It necessarily means that no personal entitlement can buy influence (John, 2021).

Accountability: This amounts to where decision makers are held accountable or liable to their success or failure through relevant institutions of the people and other anti-corruption organizations (Akpele, 2016).

Democratic Participation: It is known as popular participation where citizens are involved in decision making. According to Sokoh and James (2014) it is the act of involvement of the citizenry in the political process of their country. That is the involvement of the masses or citizenry in the determination of both the composition and the structure of their country's government (Ikelegbe, 2020). It includes activities involved in partisan politics such as contesting elections, voting during elections, rallies, discussions, meetings, constructive criticisms of government policies and programmes with attendant recommendations, membership of pressure groups, financial and material assistance to political parties (Ajeobi, 2013). According to Agashe (2005) citizens participate in politics to gain awareness, hold political offices, elect popular candidates with the portfolio of good governance and control of government machinery, obey constitutional obligations and get involved to make government and its institutions responsive and accountable. The involvement of the people in a democratic society makes for oneness and peaceful coexistence. As corroborated by the National Democratic Institution for International Affairs (2013) genuine public participation can help to foster specific democratic values of legitimacy, justice and the effectiveness of government decision making which make for good relationship and promote a balance of power between citizens and government. Mohammed (2015) mentioned that citizens accessing information and being heard are important but it is still a far cry from being involved in decision making. Furthermore, lack of meaningful space for citizens to engage with public officials inexorably erodes participation (Hassan, 2023). In the works of Scholte (2001) collective social interaction is a method of enabling public engagement, consultation, openness or transparency in and accountability in democracies.

However, democratic orientations can have consequences for behaviour, just as being involved in specific actions can have consequences for these orientations (Quintelier and Van Deth, 2014). Oser (2017) distinguishes the differences between the four forms of political participant in a state who do not only differs in the overall degrees to which they participate but also in the combination of methods use to express their demands which he categorized as all round activist, high voting engaged participants, mainstream participants and disengaged citizens. In whatever shades they may take or be the citizens are always engage in state activities to engineer a better reform for growth and development because it is truly the mainstream of complete checks and balances of government policies and actions. No wonder Amma, Erik and Ekman (2014) described that citizens participation may not be at the same level due to issues of norms or political distrust from institutions of democracy manipulated by officials to deliberately hood wink the effort of the people.

In view of Bengtson (2015) citizen pattern of democratic participation is always in consonance to their corresponding ideas about what democracy is as a system of government or acceptable conventional practice. No wonder democratic participation in Africa and the western world is not at same pal due to different level of orientation and identity and operational technicalities. According to Freedom in the world (2017) the reign and precedents of autocrat in any society or state is a global threat to democracy anywhere in the world. Thus, the core of democracy is popularity, legitimacy, sovereignty, authority and a willing trait of compliance (Gherghima, Sergiu and Brigitte, 2017).

The Africa Continent: Africa as widely known is the second largest continent in the world with an area of 30, 044, 000 and the largest population in the world (United Nations, 2023). The first attempt to create a politically unified state encompassing the whole of the continent were made by European colonial powers in the 19th century with the intent of harnessing the vast natural resources and huge amount of man power the continent had to offer to their empires (Tu-doff, 1997). However, the strong rivalry between the European powers such as Britain, Belgium, France, Italy, Germany, Spain, and Portugal created the reality that no one nation is stronger than the other (Obikeze, 2016). Instead, they carved the continent between themselves scrambling for control of as much territory as possible and attempting to prevent their rivals from obtaining favorable regions (Gherghima, Sergiu and Brigitte, 2017). They virtually maintained control of their territories as colonies until the second half of the 20th century when changes in European policy and thinking led to the releasing of control over their African colonies and the creation of independent nations across the continent took place between the 1950's and 1970's (Satyabrata, 2017).

Issues in Nigeria democratic: A template for African Political Culture

Having explored the attributes of democracy and democratic participation it is now worthwhile to x-ray Nigeria's case as it relate to or affect the African political scenario. According to Inibie (2021) it is not difficult to ascertain that over notable decades there are continuous overt recycled issues in Nigeria democracy and participation. Though the just concluded election witnessed a lot of electoral reforms but there is still much that meet the eyes. According to Yusuf (2023) the just concluded general election witnessed the lowest abysmal turn out. In the 36 states, less than half of the eligible population turned out to vote and no state had a turn out above 40% and of the 93 million registered voters this year, 87. Million people collected their permanent voters card and the total number of actual

voters on the election day was only 24.9million. Barely 9 million voted for the president Ahmed Bola Tinubu which represent 29% (Mohammed, 2023).

Moreover, according to data collected by the International Institute for Democracy and Electoral Assistance (I-IDEA) before the 2023 election, the 2019 election was the lowest of all and became the second lowest in the history of elections held in African countries, which only a bit better than the 32.3 percent recorded in the 1996 Zimbabwean presidential election which means that the Nigeria presidential election has the worst turn out in Africa. Nigeria as a country was rated among the ten (10) countries with the lowest voter's turn out (Mohammed, 2023). These dwindling scenario account for why Nigeria's politicians and state apparatus find it easy to continuously exclude the citizenry rather than including them in the affairs of governance (Leena, 2023). According to Idiyat (2023) the issues with democratic participation in Nigeria is hinged on voters apathy and poor economic situation due to the failure of democracy to deliver development and welfare. In addition, violence and voters suppression also plays a huge role (Inibie, 2021). Even the late deployment of officials and materials to some polling units was a debacle as well. Hasan (2023) also lamented poor election management by INEC in the form of lack of voter's register audit to delete out those who have died and all other ineligible voters from the system. It is on this note that Ikelegbe (2020), further enunciated the issues to be:

Crisis of Governance: The federal government approach to governance in every regime have been continuous under performance and absolute decline despite successive regimes taking over with high hope (Afonughe, 2021). Even the Freedom house report (2020) on freedom and democratic trends in the world ranked Nigeria as one of the seven countries in Africa that have experienced notable decline in democratic governance and respect for human rights.

The State and Management of Security: Conflict, violence and criminality have been rise and increasingly households are becoming exposed to different violent cases of cultism, resource dispute, massacre, communal and religious conflict amidst terrorism.

Utility and Development of State power: Governance in Nigeria have been increasingly concentrated in a few aides to the president popularly known as cabals whose composition, interest and goals seems to be narrow and identity based. Federal character, balance quota system and the love for equity have been thrown to the wind (Afonughe, 2021). Nigeria has become a place where individual have always been stronger than the laws formulated because they constantly dictate the pipe and the tone. No doubt Africa political culture has followed same direction despite that there are a few success in democratic participation as in the case of Rwanda in 2017 which recorded 98.8% of popular participation of the total number of registered voters (Freedom house, 2020). These same challenges are also duplicated all around African countries as nothing has change in these nations.

According to Marie-Noelle (2022) since 1990's the number of African democracies has drastically reduced to eight in 2022, with 41% of Africa's 54 countries classified as free and 44% not free. The core of democracy is participation but it is highly worrisome that in the Africa's context it is highly declining to the point where countries in Africa are even returning to autocratic military system as just recently witnessed in Niger republic among others (The Whistler, 2023). The fact remains that if Nigeria has set a good standard of positive leadership in democratic growth and development there would have been a better democratic tenets in the continent just as the United State of America is doing in the

West. Nigeria has everything she needs to become the beacon of democracy and development met to sharpen the political culture of Africa.

Conclusion and Recommendations

Nigeria is the womb of Africa endowed with the capacity to birth growth, development and expands the frontiers of the continent due to the enormous resources at her disposal but she is besieged with wanton challenges that have its peak in leadership deficiency at every level no matter how small. There is just a uniform organized leadership behavior and psychology modeled to bring cultural and systemic failure. Too many recommendations to the epidemic of leadership fraught in Nigeria and the Africa continent are still awaiting implementations. Political bourgeoisie have continuously used their stay in office and its attendant capacity to delineate the good hands out of the political arena. The force of the citizenry in Africa has been made anemic due to the overwhelming influence of weaponized poverty against them. But the continuous yearnings for African liberation cannot be eroded or stopped despite poor response from state actors. It will therefore, continue until a safe haven is sighted. Therefore, the following recommendations are tenable:

1. Citizens should not be idle or indifference to change, instead let the fight to change the status quo be eternal no matter how difficult it is because struggle have always and will continue to be medium of change. Power belongs to the masses in a democratic setting.
2. The liberation of the Africa mind should be the ultimate goal. Good governance, political freedom, equity and better welfare are in the mind and therefore, Africa leaders should change their culture or approach to governance.
3. For the case of Nigeria and most African countries, it is better to mentioned that anyone who has ever tasted power before at any level should not be given another access. There seems to be no advantage of experience or residual skills acquired before. New hands should be allowed to handle the steering to lift the nation from its rumble in internally and in the continent.

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ROLE OF HUMAN RESOURCE MANAGEMENT IN MEDIUM AND SMALL SCALE ENTERPRISES IN NIGERIA

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Abstract: *It is impossible to overstate how important employees are to a small business' survival and how well they are managed. This is especially true because, smaller businesses depend more on the individual contributions of the employees to the overall success of the business. Small and medium-sized businesses (SMEs) are significantly more prevalent than large corporations worldwide and employ a greater proportion of the labor force. In many economic sectors, SMEs are credited with fostering competition and innovation. While SMEs in Nigeria produce more jobs than large companies do, they also face difficulties that call for the assistance of experts from a variety of fields, including human resources managers. Therefore, this study uses a basic literature review and desk research approach to investigate the potential role of human resource management in SMEs in Nigeria. The main issues with SMEs' prior to the COVID-19 pandemic are identified as being insufficient skills and training, as well as depression and high labor turnover during the pandemic in Nigeria. In order to increase their effectiveness and efficiency in Nigeria, efforts are made to encourage SMEs to implement human resource management philosophies. As a result of the fact that no organization, no matter how big or small, can function without people, the study comes to the conclusion that human resource management is crucial. The study therefore recommends, among other things, that in order for Nigeria to experience sustainable post-COVID-19 business growth, SMEs must immediately implement human resource management strategies.*

Keywords: *Human resource management, small and medium enterprises*

Introduction

Human resource management focuses on how human resource managers manage people in accordance with organizational policies, procedures, and strategies in order to bring out the best in them in support of those goals and objectives. Human resource managers are referred to using various nomenclatures in various Organizations. They may also be known as personnel administrators, personnel managers, labor and staff administrators, or custodians of corporate conscience. Many of the first human resource

managers were lawyers, sociologists, and business administrators; however, in more recent years, people with a variety of degrees and licenses have entered the field. These individuals participated in carefully planned training, education, and professional development programs in specialized departments of tertiary and professional institutions both inside and outside of Nigeria. The human resource managers work in a delicate area of human resources, which is frequently referred to as the "cost center," "heartbeat," "unit that determines success or failure," and/or "people center" of an organization. Human resource management (HRM) used to cover a wide range of welfare and functional tasks, including hiring, job analysis, job evaluation, payroll management, performance reviews, labor law compliance, training administration, and other related duties. At the moment, it also encompasses all of these activities in addition to organizational development activities like leadership, motivation, creating organizational culture, and sharing shared values. The majority of HRM work in Nigeria has historically and currently been done in big organizations. Since SMEs have long been viewed by HRM researchers as second-class citizens, their attention to SMEs has been very limited (Tansky & Heneman, 2003; Zakaria, 2013). The results of HRM research in large organizations, however, cannot be universally generalized to SMEs because they are not a scaled-down version of large firms, have their own distinctive characteristics, and face different challenges (Nguyen & Bryant, 2004; Kwang, Songan & Kian, 2008; Barret & Mason, 2007). Given the limited understanding of the important roles of HRM in small and medium firms, there is a need to shift the focus from HRM in large Organizations to HRM practices in SMEs (Cardon & Steven, 2004; Ojokuku, 2012). SMEs are far more prevalent and employ a greater number of people than large corporations in the majority of nations around the world. For instance, SMEs in Australia account for 98% of all businesses, generate one-third of the nation's GDP, and employ 4.7 million people. SMEs make up a larger portion of the economy in developing nations than in developed ones. About 28% of all non-farm employment in Tunisia is held by self-employed individuals, and 62% of all employment is held by companies with fewer than 100 employees. 98.5% of businesses in Chile are categorized as SMEs. SMEs are credited with fostering innovation and competition across a wide range of economic sectors. Small and medium-sized enterprises (SMEs) make up more than 80% of businesses in Nigeria and about 10% of all new jobs created there (Standard Bank- BRIU, 2018). Despite the fact that SMEs in Nigeria generate more business opportunities than large corporations, they still face difficulties that call for the assistance of experts from a variety of fields, including human resource managers.

Apulu and Lutham (2009) claim that a number of variables influence how well Nigerian SMEs perform and these variables also increase the likelihood of SMEs failure. Furthermore, as noted by Costello and Sloane (2003) and Apulu and Lutham (2009), one of the factors influencing the industry is the adoption of new technologies by SMEs. According to Ongori and Migiro (2008), some of the difficulties faced by small businesses include a lack of infrastructure, poor governance, issues with a market that is too small, organizational and legal restrictions, insufficient credit availability, and insufficient regional amalgamation. Other studies, including Ihua (2009), Adenikinju (2005), and Akpan-Obong (2007), contribute to the factors that affect Nigerian SMEs. These factors, which include inadequate infrastructure, corruption, a lack of funding, the cost of implementation, inadequate skills and training, cultural considerations, electricity restrictions, a lack of institutional framework and owner-manager awareness, are quite

similar to those of Ongori and Migiro (2008). Due to the aforementioned, two important problems with human resource management in SMEs include: a lack of skills and training prior to the COVID-19 pandemic; and depression and high labor turnover during the COVID-19 pandemic in Nigeria. Although SMEs may have fewer options for resources than their larger counterparts to boost performance, human resources are a resource that all organizations, regardless of size, can benefit from, and this topic is increasingly at the center of conceptual, theoretical, and empirical debates in SMEs (Sheehan, 2013). Thus, using a basic literature review and desk research approach, this study contribute to the debate by critically examining, in line with HRM philosophies, the potential role of human resource management in Nigerian SMEs .

Review of Related Literature

The paradigm of human resource management was created as a result of the ongoing dynamics of a globalizing business environment, including changes to sociocultural and political-economic systems, technologies, consumer preferences, demand patterns, and competitive tendencies (HRM). HRM is a branch of management that is concerned with how people interact at work and within organizations. Its main goal is to unite people and help them grow into a successful organization made up of both men and women. To do this, it cares about the needs of each employee and the working groups to which they belong, ensuring that everyone gives it their all to make the organization successful. The effectiveness of their human resources has been the primary factor in the rise and fall of both large and small organizations (HR). This has caused a number of academics to pay more attention to HRM issues as a factor that can support industrial development throughout the world. The government of these nations has taken various measures to raise the standard of living of its citizens as a result of the global economy's downward trends and the high unemployment rate in third-world nations. The promotion of self-employment through the creation of small and medium-sized businesses stands out among these (Ariyo, 2001:2). Different people and organizations have different definitions of SMEs, so an enterprise that is viewed as small in one location may be seen differently in another. The definition evolves over time, even within a single nation. Total assets, the amount of labor employed, the values of annual turn-over and capital investment, etc. are some common indicators used in the various definitions.

Small businesses were defined as having capital (investments in land, buildings, machinery, and equipment, as well as working capital) of up to N60,000 and employing no more than 50 people by the Federal Ministry of Industries' small scale industries unit as early as 1979. However, small-scale industries were defined in the Central Bank's monetary and credit guidelines as businesses with an annual turnover of less than N6 million and a maximum capital investment of N10 million. In other words, a small business has a low market share, few employees, and is independently owned and managed. Most of what it covers is direct and private assistance. Barbershop, computer business, honey production, water packaging, poultry, detergent/soap production, etc. are all potential small-scale investment opportunities. Organization for Economic Cooperation and Development (2005) defines SMEs as independent businesses with fewer than a specified number of employees. However, SMEs are categorized according to their size and financial resources. Medium-sized businesses are those with up to 250 employees, while small businesses are

those with up to 50 employees and micro businesses are those with fewer than 10, respectively. Small scale businesses are those with a workforce of between 11 and 100 employees and a total cost of less than N50 million, including working capital but excluding cost of land, according to the Central Bank of Nigeria report from 2003. Medium scale businesses were defined as those with a workforce of between 101 and 300 employees and a total cost of more than N50 million but not less than N200 million, including working capital but excluding cost of land.

According to the Small and Medium Industries and Equity Investment Scheme (SMIEIs), SMEs are businesses with a maximum asset base of 200 million naira, excluding land and working capital, and with a workforce of between 10 and 300 employees (Akabueze, 2002). Small scale firms are referred to by the terms small scale business, small scale industries, and small scale entrepreneurship. A small scale business is one that employs fewer than ten people or whose machinery and equipment cost less than N600,000, according to the Third National Development Plan of Nigeria (1975–1980). A small business in Nigeria is defined by the Federal Government Small Scale Industry Development Plan of 1980 as any manufacturing process or service industry with a capital not exceeding N150, 000 in manufacturing and equipment alone. Small businesses make up a large portion of businesses in Nigeria, the majority of which are in the commercial sector. However, SMEs have fewer options for resources than their larger counterparts to boost performance. However, human resources are a resource that is available to all organizations, regardless of size, and this is receiving more conceptual, theoretical, empirical, and practical attention in SMEs (Sheehan, 2013). The management of an organization's most valuable asset its employees who individually and collectively contribute to the accomplishment of the business's goals is referred to as human resource management (HRM) by Armstrong (2012). People's mental and physical efforts are required to achieve organizational performance, which only happens when the proper HRM policies and practices are implemented (Guest, 1997).

According to Singh and Vohra (2005), small-scale businesses will operate more efficiently when their HRM system is successfully integrated with their vision and organizational objectives. Delery and Doty (1996) acknowledge that small businesses adopting effective HRM practices will result in employees not only learning new skills and knowledge but also changing their attitudes, which will enhance their performance. In the era following COVID-19, HRM practices are crucial for businesses all over the world, but especially for SMEs. Businesses are human organizations, so people are crucial to their existence and success. Therefore, it is not surprising that management is constantly worried about the organization's efficient human resources. Osalor (2010) claims that Nigeria's informal economy has developed to the point where it contributes over 65% of the nation's GNP and creates more than 70% of all new jobs. Nigeria as a country has recently made clear how highly the government, educational institutions, and corporate bodies regard SMEs. The growth of SMEs is now acknowledged as a real tool for promoting poverty eradication, job creation, rural development, and sustainable livelihood for the populace (Iwere, 2013). According to Odunayo (2021), someone must be responsible for the welfare and productivity of those who work for the organization. Human resource management refers to the process by which an individual or group of individuals oversees programs and establishes policies that affect everyone connected to the company.

Small and medium-sized businesses are widely recognized as the foundation and industrial center for development in nation-building (Stokes & Wilson; 2010). Over time, SMEs have been a means of empowering Nigerians and generating jobs, accounting for about 50% of all jobs in Nigeria (Akeem, Obaje & Salisu, 2015). Additionally, Mba and Izunwanne (2014) argued that the expansion of non-oil export is facilitated by SMEs, which also guarantee even distribution of industrial development and reduce poverty. Ofobruku, Nwakoby, Omale, and Okoye (2019) contend that a country won't be able to develop anything else if it can't develop the knowledge and skills necessary for its economy. In their discussion of the high-performance work system (HPWS), Zhang, Fan, and Zhu (2014) proposed the notion of HPWS as a set of practices which enhance employees' skills, commitment, and efficacy in order to gain a competitive advantage. Perhaps if the staff receives the required training to advance their knowledge and skills, this will in some way result in an increase in production, which would improve business performance and result in higher wages for the workers. As a result, the country's GDP will rise, improving living conditions in particular. An increase in output may also increase the country's trade with other nations on the global stage.

Roles of SMEs in Nigeria

It is impossible to overstate the importance of SMEs to the Nigerian economy. They include:

Creating jobs for young people who are unemployed;

Increasing the number of indigenous industrialists, which results in true economic independence?

Facilitating the efficient mobilization of local resources and expertise. When located in rural areas, they serve as a deterrent to rural-urban migration;

They promote local raw material sourcing and utilization;

Some small and medium business organizations produce parts and components for large-scale enterprises;

They provide good avenues for few entrants into the business world and an excellent training ground for young entrepreneurs;

They serve as rivals, adversaries, and subsidiaries to the big businesses.

Given the (1) function of SMEs described above, human resource managers place a high priority on creating jobs for young people. Therefore, it is imperative to consider the roles of human resource management and how they can assist in addressing the challenges of inadequate skills and training faced by SMEs in Nigeria.

Role of Human Resource Management in Addressing the Inadequate Skills and Training Challenges of SMEs in Nigeria

Employee involvement or participation in work organization, as well as higher productivity and quality, are the goals of human resource management (HRM). It is important to remember that human resource management is the department within an organization that is responsible for hiring and selecting employees, managing them effectively, and giving them guidance. The organizational function known as human resource management deals with matters pertaining to people, including pay, hiring,

performance management, organization development, safety, wellness, benefits, employee motivation, communication, administration, and training (Okolie, Irabor & Udom, 2017). Human capital management, corporate social responsibility, and other factors that are expected of any Organization that requires the practice of human resource management as well as the professionalism of human resource managers are the main philosophies at the center of human resource management (Okolie & Ayewumi, 2020). In large organizations, the human resource management philosophies are frequently emphasized, but in Nigeria's small and medium-sized businesses, they are rarely or never strictly emphasized. As was already mentioned, SMEs may have fewer options for resources than their larger counterparts to boost performance, but human resources are a resource that all Organizations, regardless of size, share. Effective HRM philosophies are therefore necessary to address the issues with inadequate skill and training in Nigerian SMEs.

Small and medium-sized businesses (SMEs) should have a clear organizational structure or design, as well as clear human resource strategies, policies, procedures, practices, and programs. Employees should be placed in job positions based on their competencies, and recruitment and selection processes should be objective and based on job design and analysis. Talented workers should be properly managed, and workers' overall health, safety, and well-being should be prioritized. Performance management should be based on job evaluation, with an emphasis on learning, training, and development. Employees' voices should be held back, grade and pay structures should be emphasized, and top-down and bottom-up communication should be encouraged for performance-related reasons.

Furthermore, in light of the COVID-19 pandemic, HRM in SMEs is crucial. In Nigeria, many SMEs are going out of business. Due to the CBN cashless policy, many organizations, including those in the hotel, tourism, cosmetics, and other industries as well as SMEs around the world are currently losing the majority of their customers, and countless organizations are dismissing their staff as a result of financial difficulties. As a result, some workers are depressed, and others have made the decision to take time off or quit their jobs (Adams & Walls, 2020). Therefore, human resource managers' efforts are essential to guaranteeing SMEs' survival in this challenging time. In addition to the inadequate skills and training that are SMEs' biggest problems from an HRM perspective, depression and turnover have also become major problems during COVID-19 and must be urgently addressed using the aforementioned HRM philosophies. Government relief measures are essential for business survival in this difficult period, but organizations must also implement HRM philosophies effectively if they are to survive the aftermath of the COVID-19 pandemic. As a result, SMEs in Nigeria are expected to adopt HRM philosophies in order to be more effective and efficient in service delivery through proper utilization or management of their employees in order to achieve organizational goals.

Theoretical Framework

The evolutionary theory of firm growth proposed by Nelson and Winter (1982) is the foundation of this study. According to the scholars, a company's ability to use factors that support the growth of SMEs, particularly people (staff or employees) to speed up the production process, which will result in a significantly larger company, is what determines the size of the firm. Future outcomes are anticipated from effective capacity-building

techniques that have improved over time. According to the evolutionary theory of firm growth, organizations' critical assets must be used to their full potential in order for them to perform better. The theory further asserted that in order to increase productivity and organizational performance, the human resource (employees) of the firms must go through strategic capacity development. The theory states that human resource management is essential for enhancing employees' productivity and performance in all sizes of organizations, not just SMEs. According to Dessler (2011), effective HRM is essential for small businesses to remain competitive because they face unique risks and must therefore take advantage of every advantage available. For small businesses to attract and retain large clients, the implementation of specific HR policies is another crucial requirement. This is due to the fact that major clients look for evidence of compliance with global quality standards, which may include specific HR practices like training and performance management initiatives. However, small business HR management differs from large business HR management.

Conclusion and Recommendations

Today, SMEs in Nigeria are receiving more attention as a way to combat the rising scourge of unemployment, especially among graduates and school dropouts. Practices in human resource management are a key factor in any business organization's success. Although there are many factors that affect an organization's success, it is difficult for an organization to succeed without effectively managing its human resources (HR). The situation is even more dire for small businesses because these organizations rely more on the contributions of specific employees than do their larger counterparts. In the majority of SMEs in Nigeria, human resource management philosophies are absent. Many of them don't even have quick memos outlining employee conduct, dress code, work hours, etc. for managers and staff. When faced with a legal issue or when trying to address its human resource challenges, an organization will spend less time developing HR policies and procedures than it will spend litigating human resource management-related issues, particularly in light of the CBN cashless policy. Therefore, SMEs must adopt the HRM philosophies in order to carry out their duties effectively and efficiently, attract and retain personnel with the necessary skills, knowledge, and abilities, or address the issues of insufficient skills, training, cum depression, and labor turnover that exist among workers. The study comes to the conclusion that human resource development is crucial for all organizations, no matter how big or small, because it is well known that no business can function without people. Businesses are human organizations, so people are crucial to their existence and success. Making opportunities for employees to carry out various managerial tasks available through job enrichment and job rotation to broaden staff experience is one tactic for promoting HRM among employees. According to the study's conclusion, the following suggestions are made:

To achieve sustained business growth in Nigeria after COVID-19, SMEs must immediately implement human resource management strategies. While conducting the recruitment and selection process, job specifications should be created and strictly followed.

To broaden their knowledge and boost organizational performance, managers of small and medium-sized businesses in Nigeria should take advantage of various training programs and workshops on human resource management techniques.

There should be consistency in training activities, and SMEs should have clearly defined recruitment and selection policies that are compliant with the law. The owners of SMEs should ensure that training provided to employees is pertinent to their needs. For this reason, the proper machinery should be installed to conduct routine skills gap analyses to determine their employees' training needs.

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NIGERIA-RUSSIAN ECONOMIC RELATIONS IN THE POST-COLD WAR ERA: CURRENT DYNAMICS AND FUTURE PROSPECTS

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Abstract: *Post-Soviet Russia pursues very difficult foreign policy objectives in its interactions with African countries and frequently uses alliances, partnerships, and formal and informal networks created during the Cold War. One can see a persistent continuity in Russia's efforts to position itself as the West's adversary. By the time of its collapse in 1991, the Soviet Union had largely lost its sway and prominence in Nigeria. The relationship between Russia and Nigeria has developed over time, reaching a pinnacle with the visits of Russian President Dmitri Medvedev to Nigeria in 2009 and President Olusegun Obasanjo of Nigeria to Russia in 2001. Under Vladimir Putin, Russia has given up advancing socialism in favor of pursuing base economic interests through its business elite, based on principles that seem to be in direct opposition to the norms of Western liberalism. Without a doubt, the post-Cold War bilateral relations between Nigeria and Russia have experienced both good and difficult times. Therefore, using traditional diplomatic theory as a guide to trace the history of the two countries' diplomatic ties, this paper evaluates the economic ties between Nigeria and Russia from a historical perspective. In conclusion, It is desirable that Nigeria and Russia take their bilateral relations to a new level of active cooperation in crucial and strategic economic sectors, even though there are still many gains to be made in terms of media and cultural exchanges as well as some trade-friendly policies on the part of the Russian government to allow for more Nigerian exports. As a result, the paper makes recommendations on how the two countries can strengthen their economic ties to promote closer collaboration in important and strategic areas.*

Keywords: *Economic relations, Post Cold War, Cooperation, Prospects, Challenges*

Introduction

Early relations between Nigeria and its former Soviet Union after Nigeria gained independence in 1960 tended to draw attention to the challenges Nigeria faced in dealing with Moscow and other communist Eastern European states. Despite the establishment of

diplomatic ties, the tensions of the Cold War era at the time prevented relations with the USSR from fully developing. Nigeria had endorsed the Bandung nonalignment framework, but due to the position's largely phony nature, Nigeria was never able to forge impartial ties with the East and West. This is due to the fact that, with only a few exceptions, successive Nigerian leaders demonstrated a strong proclivity toward the Western world. As a result, the formal diplomatic exchange between Nigeria and the Soviet Union did not result in amicable and productive relations. Soviet Union would not be warmly welcomed in Nigeria due to a combination of the national leaders' ideological leanings toward the West, colonial legacies, and the country's political and economic systems. As a result, it can be said that relations between Nigeria and the Soviet Union are generally cold to lukewarm (Onafowokan, 2010). According to Matusevich (2019), the USSR established itself as a moral ally in the fight against racism during the Cold War and even provided support to anti-apartheid militias in Africa. It also supported the Organization of African Unity, carried out "extravagant" development initiatives like a steel mill in Nigeria, and joined forces with other African nations at the UN in the early 1970s. In order to compete with the West, Russia was strategically interested in gaining international support and economic cooperation. Matusevich (2019) contends that there are "continuities" in Russian policies toward Africa during the Cold War and today, and that these policies share some overarching goals, such as Moscow's pursuit of international support. Regarding specific political and economic interests during the Cold War, he doesn't say much. He went on to stress the significance of close ties between important Russian and African leaders, which helped Russia re-enter the region. Many prominent Russian leaders were formerly intelligence officers, some of whom had ties to Africa, in addition to the fact that many politicians and businesspeople from Africa received their education in the Soviet Union. Current Russian policies are different from those of the Cold War era in that they lack ideological goals, but they share other objectives. The 74 years of Soviet rule came to an end with the declaration of the dissolution of the Soviet Union in 1991, consigning the "cold war" to the annals of history. Along with the other fourteen union republics that made up the former Soviet Union, Russia also became a sovereign independent state. In order to replace centralization with decentralization, the closed economy with a market economy, the fusion of power with separation of power, the single party system with a multi-party system, and most importantly, the emergence of fundamental human rights along with freedom of the press and freedom of speech, Russia chose democracy and democratic culture. A new era in human history had begun (Agubamah, 2014).

The task of creating a new structure to go with its new political philosophy was important to post-Soviet Russia. Its nation faced many challenges during that time. The Soviet laws were not only out of date but also insufficient, so there were many difficulties, but the most important was the requirement for a new constitution. The first post-communist Russian president, Boris Yeltsin, was at odds with the Khasbulatov-led Duma, which was established under the Soviet system. Additionally, the nation abruptly descended into anarchy, complete with all associated social vices. Both the unemployment rate and the crime rate were increasing significantly. The gate that had kept corruption closed for more than 74 years opened, and the very few privileged individuals who were successful in acquiring state properties became known as *noviruski* (New Russians); the oligarchy evolved into a potent force to be reckoned with, controlling the nation's economy (Abiodun, 2017). More specifically, the dynamics of international relations and the

positions of all system actors have undergone some fundamental changes as a result. However, the Russian Federation's was unusual, particularly in light of the numerous difficulties associated with the switch from a socialist to a capitalist and liberal democratic system. This development's difficulties had a significant impact on Russia's relations with other nations, including Nigeria. In addition, Russia appeared to have turned inward as it attempted to reframe its identity and mission for the new era. In light of the aforementioned, this paper investigates the post-Cold War economic ties between Russia and Nigeria.

Research methods

Secondary sources served as the source of the data for this paper. Books, online resources, journals, magazines, and newspapers are some of the secondary sources of information that were consulted. These sources' data were examined, and logical inferences were made.

Review of related literature

Obasekola (2011) contends that Comrade Nikita Khrushchev's departure from the Russian leadership in 1964, which resulted in a more balanced and less ideological approach to foreign policy being adopted, was not unrelated to the new Russian stance on Nigeria and Africa in general. As the 1960s came to a close, the Soviet leadership began to show less interest in political revolution in African states and more interest in domestic politics. When Col. Odumegwu Ojukwu announced the Eastern Region of Nigeria would secede to form the independent Republic of Biafra on May 30, 1967, and civil war broke out on July 6, 1967, the demands of the conflict compelled the Federal Government of Nigeria to court the USSR. This new Soviet pragmatic foreign policy allowed them to support the Federal Government of Nigeria. Since then, Nigeria and Soviet (Russia) have signed many joint documents. These agreements include the Air Communication Agreement (1967), the Economic, Scientific and Technical Cooperation Agreement (1968), the Agreement on Cultural and Scientific Cooperation and Exchanges (1970), the Protocol on the Equivalence of Scientific Degrees, Diplomas and Certificates Issued and Awarded by the Educational Institutions of the Parties (1973), and the Agreement on Economic and Technical Cooperation in the Construction of a New Metallurgical Enterprise in Nigeria (1976). The Soviet Union's (Russia's) involvement in Nigeria's metallurgy, petroleum industry, geological surveys, public health services, and personnel training has varied as a result of these agreements. The USSR built two 920 km oil pipeline systems with a combined capacity of 18.7 million tons per year in Nigeria between 1977 and 1982 under the terms of a general contract.

After the old political order was overthrown, Russia was attempting to achieve balance; in contrast, Nigeria was living under a military dictatorship that had been in place since 1983. In a world where military rule was unpopular and unacceptable, it was attempting to establish legitimacy and recognition. Nigeria was unable to engage in meaningful international relations as a result during this time. Even so, the Nigerian military junta demonstrated a high level of disregard for human rights, as evidenced by the offensive Decree 4 of 1984, which censors all forms of freedom of expression. Aside from the economy's collapse, which led to inadequate physical and social infrastructures, several media outlets were banned, journalists and activists were imprisoned, and life generally

became unsafe and unsecure. This continued up until 1999, when a new democratically elected administration took office. In addition, it happened at the same time that Vladimir Putin became the second president of the Russian Federation to be chosen democratically (Abiodun, 2017). Vladimir Putin's election as president of Russia and the swearing-in of Obasanjo as Nigeria's democratically elected president led to the restoration of diplomatic ties between the two countries, which created a new window of opportunity for the two countries to take advantage of the potential of their cooperation in the political and economic spheres. Former president Obasanjo received an invitation to visit Russia from a representative of the Russian government who was present at the ceremony. In response to this invitation, Obasanjo made a state visit to Russia from March 5–7, 2001, which revived bilateral ties between Nigeria and Russia (Agubamah, 2014). The Declaration of Principles of Friendly Relations between the two countries was signed on March 6, 2001. As a result, the Intergovernmental Commission on Economic Scientific and Technical Cooperation (ICESTC) was eventually founded, laying the groundwork for the development of relationships that would be mutually beneficial and deepening existing ones. This commission will hold regular meetings to discuss a variety of topics pertaining to the bilateral relationship between Nigeria and Russia (Waliyullahi, 2016).

Obasanjo pledged to ensure enhanced ties with Russia that would be long-lasting and mutually beneficial. This position was further strengthened in 2008 by direct communication between Musa Ya'adua, who succeeded Obasanjo as president, and Dmitry Medvedev, who served as Putin's replacement from 2008 to 2012, in Toyaka, Japan, during the G-8 summit. In response to that meeting, President Dmitry Medvedev paid a state visit to Nigeria in June 2009. That was the first visit by a Russian head of state in recorded history, which boosted the developing relationship between Nigeria and Russia. The following agreements, among others, were signed on June 24, 2009, as a result of the meeting of the heads of state of Nigeria and Russia in Abuja: Investment Promotion and Protection Agreement, Agreement on Cooperation in the Field of Peaceful Use of Nuclear Energy, Memorandum of Understanding in the Field of Exploration of Outer Space for Peaceful Purposes, Agreement of the Transfer of Persons Sentenced to Imprisonment, Memorandum of Association on Joint Venture between NNPC and GAZPROM, and Legal Cooperation between the Nigerian and Russian Ministries of Justice are just a few of the agreements that have been made (Abiodun, 2017).

In 2005, Codel International Limited of Nigeria and Asen of Russia signed a contract for the construction of a gas turbine electricity generation plant in Nigeria's Bayelsa state at the Nigerian Embassy in Moscow. The same Russian company had earlier built the Thermo Power Station in Kwara State. This demonstrates Nigeria's interest in and confidence in Russian technology even more. When signing the agreement in Moscow on behalf of his state government, Steve Azaiki, the secretary of the Bayelsa state government, reaffirmed this position in a statement. President Medvedev's visit, which resulted in the agreements being signed, gave rise to a number of new initiatives (Agubamah, 2014). The National Commission on Atomic Energy and the Russians are constructing an experimental research nuclear plant in Abuja. Additionally, it was agreed that the Russians would support Nigeria's peacekeeping and peace-support efforts with technical assistance. In order to strengthen Russia's defense capabilities, several security personnel from Nigeria have been sent there and are still being sent there for specialized training.

In August 2011, Nigeria launched the Nigeria SAT 2 and Nigeria SAT X spacecrafts into orbit aboard the Russian Dnerpr rocket from a launch pad in the southern Russian town of Yasny as part of a new level of scientific and technological cooperation between the two nations. Glades Sasore, a special adviser to Nigerian President Jonathan (2010-2015) on export promotion, visited Moscow to present high-quality agricultural products, timber, solid minerals, gemstones, and tanned leather made in Nigeria in an effort to promote business relationships that would benefit both Nigerian and Russian businesspeople. Sasore emphasized Nigeria's interest in Russian technology during her meeting with the Russian chambers of commerce and industry. She wanted to accelerate Nigeria's industrialization drive. The Russian Chambers of Commerce granted a concession in August 2016 allowing them to import cashews only from Nigeria (Waliyullahi, 2016).

Nigeria is increasingly emerging as one of Russia's most important African trading partners. According to data from the Central Bank of Nigeria, trade with Russia increased from \$300 million to roughly \$1.5 billion in 2010. The largest Russian businesses have started doing business in Nigeria. RUSSAL, a major producer of aluminum in Russia acquired a 77.5 percent stake in ALSCON, a producer of aluminum in Nigeria. The huge gas reserves of Nigeria will be explored and exploited with the help of a new joint venture company called NiGaZ Energy Company, which will also participate in a number of other crucial infrastructure development projects, such as the training of Nigerians, according to a Memorandum of Understanding signed by Gazprom, the national energy company of Russia. The joint venture is anticipated to receive investments from both companies totaling up to US\$2.5 billion. The world's largest oil company, Lukoil, is attempting to increase the size of its business in Nigeria. In order to discuss the bilateral agenda in the field of military-technical cooperation related to the 2012 agreement on joint project to design, develop, construct, operate, and commission a nuclear power plant scheduled to complete in 2025, Russian Army Chief of General Staff General Valery Gerasimov met with Nigerian Defense Minister Mansur Muhammad Dan-Ali in Moscow (Agubamah, 2014).

These are positive signs of the strong ties between Nigeria and Russia, which have sparked a slow but steady increase in bilateral trade and encouraged face-to-face interactions between Nigerian and Russian officials, institutions, agencies, and businesses, creating new possibilities for collaboration. RuNiTrade (Russia Nigeria e-commerce platform) was introduced in Lagos, Nigeria, in June 2016 as a result of collaboration between the Lagos Chambers of Commerce and Industry and the Russian Trail Trans Logistics Group of Companies. By sharing information about business opportunities in both countries, the goal is to improve the two countries' bilateral trade relations and stimulate economic activity between them. This is done to encourage the flow of investments between the two countries. Under the direction of Shina Fawole, who later turned the reins over to Jerome Okolo, Soyuznik (an association of professionals with Soviet/Russian training who have worked or are still working in a variety of sectors in Nigeria and abroad) was established in August 2015 (Waliyullahi, 2016). This group is working to improve relations between Nigeria and Russia. This organization has serious concerns about the productive exploitation of the Soviet-era Ajaokuta steel rolling mills.

However, Kohnert (2022) asserts that contemporary Russian involvement in Africa, and Nigeria in particular, is primarily motivated by a desire to counter Western

influence, particularly in light of the fact that Moscow feels reprimanded by Western sanctions for its actions in the Ukraine, its violations of human rights, its nefarious online behavior, and its interference in foreign elections, among other things. According to the Russians, Africa can be a platform where it can find allies to forge a multipolar world and weaken Western dominance. Russia would gain new allies within multilateral organizations, particularly at the UN General Assembly (UNGA), by establishing new connections throughout Africa. For instance, when the UN voted in 2014 on a resolution condemning Russian hostilities in Crimea, 29 African nations either abstained or voted against the resolution, with Russia receiving a large portion of this support due to debt relief.

Large-scale projects received a significant portion of the Soviet Union's economic assistance. For instance, although Nigeria had no socialist leanings, the Soviets still wanted to keep friendly ties with it because it had Africa's largest population and second-largest army. Both an iron and steel complex and a significant pipeline were built in Nigeria thanks to Soviet funding. Early in the 1980s, the Soviet Union's total economic assistance to the world fell, from \$8.1 billion in 1975–1979 to just \$2.5 billion in 1980–1981 a decline of \$367 million annually on average. In the 1980s, a number of factors led the Soviet Union to cut back on its financial assistance. First, it was challenging for the Soviet Union to continue aiding developing nations due to its own economic problems (Onafowokan, 2010). Additionally, a more free press was made possible by Gorbachev's reforms, which got underway in the middle of the 1980s and criticized the Soviet Union's policy toward Africa. An EU Parliament Brief claims that the Soviet Union's interest in the area decreased in the 1980s as a result of economic hardship and improved relations with the West. As much as they invested in economic assistance, the Soviets also reaped the rewards. Their main objective in Sub-Saharan Africa was to advance socialism, which was a path that few nations pursued. Their expenses were minimal, though. Soviet development assistance made up less than 1% of both the USSR's GDP and the world's total development aid in 1979. The USSR's ability to finance significant infrastructure projects was acknowledged internationally, which was the only significant benefit (Kaplila, 2010).

Today, Russia uses development assistance as a component of its plan to create a multipolar world order and reclaim the position it once held in Sub-Saharan Africa during the Cold War. While claiming to support conventional causes like fighting poverty, Russia actually uses development aid to exert political influence and strengthen its position in Nigeria. Russia legitimizes its position as a great power capable of taking on a global leadership role by offering development assistance. The fact that Russia gives food security and health assistance programs top priority also reveals its political goals. Russia sources its contributions for food security from domestic producers, further solidifying its place as one of the world's top wheat suppliers. In order to maintain a long-term physical presence in the recipient nation, Russia funds medical projects that also include training components (Ukiyedeikimie, 2023).

Russia mostly uses international organizations to distribute its aid for development. In accordance with a 2011 Russian government report, the UN, World Bank, World Health Organization, and International Civil Defense Organization received the majority of the country's development aid. By giving aid, Russia establishes itself as a major power that can help developing nations. According to Waliyullahi (2016), approximately 60% of Russian aid is dispersed through international organizations and the remaining 40%

through bilateral agreements. Overall, Russia offers very little aid in the areas of development and humanitarian relief, but when it does, it makes a big deal out of it to boost its reputation as a major donor. Russians have maintained their limited use of development aid since the end of the Cold War. The Soviets gave Nigeria little aid and received little in return, which may have influenced Russia's current attitude toward development aid (Omotuyi, 2019). This trend is unlikely to be reversed by Russia, giving the US an opportunity to oppose it. For instance, the United States could reassign a portion of its development assistance budget to nations where Russia is attempting to gain a foothold.

Prospects of Nigeria-Russia Relations in the Post-Cold War

Nigeria depends on Russian technology to advance industrialization, and Russia needs Nigeria as a market for its industrial products and military hardware. The Russian ambassador to Nigeria, Poliakov, claimed that there are similarities between Nigeria and Russia, including the use of federalism, a nearly identical population size, and progress from autocratic to democratic rule, and a wealth of natural resources such as agricultural land, oil, and gas (Abiodun, 2017). The strategic alliance between Nigeria and Russia has many other justifications. Poliakov continued, "Both countries even have 'mission 2020,' though with different goals: Nigeria aims to become one of the world's twenty most developed nations, while Russia is determined to be one of the world's five largest economies. More compelling than politics, the economy, population size, or natural resources are the similarities that Russia and Nigeria share. According to Abiodun (2017), these similarities should strengthen relations between the two countries if they are thoroughly investigated. Particular attention was drawn to some of their traditions, mentality and way of live.

Ogun, the god of iron in Nigeria, and Oshogbo, the water god in Nigeria, are both worshipped in Russia. The custom of marriage in these two nations is particularly fascinating. For instance, the Yoruba people of Nigeria refer to marriage as "carrying the wife" (*gbe iyawo*). The Russians do carry their wives in their arms and occasionally walk a distance before they start what they refer to as "*gulanie*" (strolling), which they do in parks or other significant locations before going to the reception (Obiozor, 2002). In this context, "to carry" refers to taking full responsibility for her. In addition to all of these, the Russian and Nigerian people enjoy drawing attention to themselves wherever they go, which is always accompanied by "some excesses" in terms of their spending habits. The tsarist era in Russia was a time of unrestrained power where the throne was passed from father to son. Even today, pre-colonial Nigeria still practices something very similar to this. This is well expressed in Yoruba as '*ayeoba- aye- a -je- rorun*', which explains absolutism. Leaders prefer to be in positions of power in both nations; from Stalin in 1923 to Gorbachev in 1991, a leader either passed away while in office or was forced from it (Obiozor, 2002). The first and only Russian president to resign voluntarily is still Boris Yeltsin. In contrast to Nigeria, no election had been free and fair since that country's independence up until 2015. Because they were all driven by leaders who were unwilling to cede control, they were all marked by violence and anarchy.

These characteristics reveal several similarities between the two nations. Despite this, Nigeria is not a developed country, whereas Russia is. Nigeria should follow in Russia's footsteps and follow the path that brought them to greatness. Agubamah pointed out that Russia has a lot to offer Nigeria in terms of technological assistance in a number of important areas. Additionally, Russia has a history of fostering the industrial success of

a number of nations through strategic alliance. These nations include, among others, Egypt, China, and India. Ojo Maduekwe, the foreign minister of Nigeria, traveled to Moscow in March 2009 to meet with President Medvedev and speak with his Russian counterpart, Lavrov. The execution of projects in infrastructure, the ferrous and nonferrous metals industry, electric power generation, and nuclear energy were among the areas where agreements were reached to activate the realization of the potential that both countries have in the trade and economic spheres. Nigeria's enormous gas reserves are being exploited through a joint venture between Russia and Nigeria. State-owned Gazprom of Russia and Nigeria's NNPC have agreed to invest \$2.5 billion (£1.53 billion) in a new joint venture to develop, extract, and transport gas from Nigeria's fields. The agreement, when fully honoured, will result in the exchange of ideas and the engagement of armies of unemployed Nigerian youths (Waliyullahi, 2016). It was reached during the Russian President Dmitry Medvedev's four-day African tour. Sergei Lavrov, the foreign minister of Russia, paid a visit to Nigeria in November 2010 to commemorate the 50th anniversary of diplomatic ties between the two countries. It is important to pay due attention to the agreements made by the two nations in 2009 to rekindle their bilateral ties through a strategic partnership.

Problems of Nigeria-Russia Relations in the Post-Cold War

Nigeria-Russian relations face a number of difficulties. For instance, the National Parliament must approve international agreements before they can be put into effect, and this creates their legal framework. With particular reference to the 2009 Abuja agreement, the parliament has not yet ratified the agreements with Russia. Making foreign policy requires a thorough understanding of other countries' cultures, histories, languages, mentalities, worldviews, capabilities, and potential. It makes it easier to perceive diplomatic policies correctly and accurately (Poliakov, 2009). There is tenuous indication that the two nations perceive one another sufficiently and adequately. The political will to fully implement their existing bilateral agreements is lacking, in part because of this. The following are some of the other issues with Nigeria-Russian relations:

Political leanings. The majority of Nigeria's political elites are strongly influenced by London and Washington, both of which have an interest in keeping Moscow out of African nations' internal affairs.

A trade deficit. Nigeria should be given the right conditions to increase its exports to Russia. Russian businesses can purchase tropical agricultural goods like cashew, coffee, and cocoa from Nigeria.

One of the main issues is the lack of information regarding business opportunities in Nigeria. Russians and other foreign investors do not have access to current, accurate information about the business opportunities in Nigeria (Poliakov, 2009).

ALSCON, the sole aluminum smelting facility in Nigeria that was transferred to the Russian aluminum giant United Company RUSAL PLC, was shut down in 2014, which resulted in the unemployment of over 98 percent of its workforce, the majority of whom were local hires (Abiodun, 2017). Furthermore, according to Waliyullahi (2016), there have been times when diplomatic ties between Nigeria and Russia have been strained. One of these instances occurred when some sailors who were part of the crew of the Greek-owned ship MT African Pride were charged with economic sabotage, illegal possession of Nigerian oil, and oil bunkering, all of which carry the death penalty. The sailors' trial was

delayed for an extended period, which led to complaints from the Russian government and strained diplomatic ties with Nigeria. Despite the fact that the sailors were ultimately found guilty by a Nigerian court and each received a six-month suspended sentence as part of a plea agreement, they were ultimately released because they had already spent nearly two years in the Nigerian Law Enforcement Agency's pre-trial detention. Six Russian employees of the Russian Aluminum Company (RUSALC) were kidnapped by militants in the tumultuous Niger-Delta Region of Nigeria in June 2007, which was a terrible turning point in the friendships. The men were eventually released safely by a team made up of Nigerian Army and Police in August 2007 after a protracted captivity. According to a report in the *Moskovsky Komsomolets* newspaper on November 24, 2011, Mr. Akinola Olufemi, a Nigerian student from the northern city of Arkhangelsk, was found dead after being brutally murdered with his ears severed in southern Moscow. The crime did not appear to be a robbery because the victim's papers and wallet were left at the scene. This incident put a strain on relations between Nigeria and Russia.

Theoretical Framework

The conventional diplomatic theory was the theory employed in this work. The foundation of this theory is state-qua-state diplomacy. The interaction of states through their permanent ambassadors or other specially designated diplomats is referred to as traditional diplomacy. The foundation of conventional diplomacy is permanent bilateral representation (John, 1998). According to conventional diplomacy, states are the only players on the global stage. They argued that even when non-state actors interact with states on a global scale, they do so under their direction. Woodrow Wilson, Basil, and Hedley are the main proponents of this theory. Historical tradition has an influence on conventional diplomacy. Following the final end of the thirty year war in 1648, traditional diplomacy began to develop in Europe. A strategy to lessen the conflict that had dominated Europe for a significant portion of the 17th century was required by the newly formed state system. This approach was customary diplomacy. The state system and diplomacy both developed in a reciprocal fashion. Traditional diplomacy is based on the core principles of sovereignty, national interest, state representation, and national security. Both Nigeria and Russia want to achieve this in their interactions with one another. Traditional diplomacy is centered on the fundamental concerns of sovereignty, national interest, state representation, and national security. Traditional diplomacy must meet a few requirements in order to be effective. The requirement that there be multiple states is the first one. These states must be independent political entities with the capacity to act with absolute authority both inside and outside the unit (Hedley, 1997). A second prerequisite is the presence of shared beliefs and objectives that enable states to interact on a regular basis.

Additionally, Sharp (2009) argues that there is an increasing demand for diplomacy and the insights of diplomatic theory. He identifies a diplomatic tradition of international thought based on how people live in groups, the distinctions between intra- and inter-group relations, and the perspectives that those who handle inter-group relations develop about the kinds of international disputes that occur. Traditional diplomacy was more formal and protocols were extended to show goodwill gestures, and Russia-Nigeria diplomatic relations are centered on state relations, which is why the theory to the paper is justified. It

is a fact that the fundamental tenets of sovereignty, national interest, and national security lie at the heart of traditional diplomacy.

Conclusion and recommendations

Nations establish diplomatic ties in order to further their own interests. The promotion of cultural heritage, scientific, economic, and technical/technological cooperation should be the main focus of Nigeria-Russian relations. For their bilateral conceptions to mature, an effort must be made to promote good knowledge as well as correct and accurate perception of one another. All problems relating to the privatization of ALSCON to Russian RUSAL, including the legal disputes, call for diplomatic solutions in a way that will enable the business to operate at its full potential. Russians and Nigerians get along well and are sympathetic to one another. Numerous joint ventures between private Russian and Nigerian businesses that operate independently of their governments exist. Olalusi O. Victor from Nigeria, who coached a group of international students from Russia, Italy, Greece, and Morocco, was profiled in *The Nation* newspaper back in June 2015 for winning the "Best Captain of the Year" honor at the university's yearly quiz competition. At the annual University Quiz Competition, his team, International United, took home the Silver medal. Russians generally view Nigerians as brilliant, diligent, intelligent, and pleasant people, though there are some exceptions. Nigerian students at the Russian National Research Medical University have consistently topped the graduation chat over the past five years, winning honors and adding their wealth of knowledge to the University's academic standing. They have always been among the best minds in Russia.

In conclusion, although there are still many gains to be made in the areas of media and cultural exchanges as well as trade-friendly policies on the part of the Russian government to allow for more Nigerian exports, relations between Nigeria and Russia have matured and it is desirable that they take their bilateral relationship to a new level of active cooperation in crucial and strategic economic sectors, both of which count. The biggest oil and gas company in the world is Gazprom, which is owned by Russia. In order to improve its capabilities, competence, and service delivery, Nigeria's NNPC (Nigeria National Petroleum Company) can benefit from the experience of this oil giant. Russia can also assist in resolving the issue of electricity supply, which is primarily brought on by a recurring lack of gas for thermal power plants and a shoddy transmission system, both of which highlight the need for a super transmission grid that can handle massive power. As a result, this paper suggested that:

The two nations' economic ties should be strengthened, with a greater emphasis than before placed on the growth of cooperation at the level of small and medium-sized businesses.

Along with improving inter-state relations, business circles and other groups need to start talking to one another. Large-scale businesses are not the only ones that can engage in this conversation. An effort should be made to include small and medium-sized businesses in the conversation as well, given Nigeria's advantage in these sectors.

In the near future, Nigeria is likely to continue to be the top travel destination for Russians. However, Nigerian and Russian businesspeople should seize this opportunity by expanding touristic activities, such as creating cultural tours or package deals in addition to the typical combination of sea, sand, and sun.

Nigerian authorities should focus on the Russian policy of imposing quota restrictions on major airline companies and maintaining a limited number of destinations. In order to advance bilateral relations, expanding the number of flights and destinations is actually already essential.

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FROM BABY BOOMERS TO GENERATION Z. HIGHLIGHTS OF THE INTERGENERATIONAL VOLUNTEERISM

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***Abstract** One of the most up-to-date approaches to differences between people, especially in terms of their behaviour at work, is the generational analysis according to years of birth. This recently viral approach highlights changes that have taken place over time, changes that need to be considered to better understand the need for a personalised and age-biased approach. At the same time, these changes are also reflected in volunteering, with this article highlighting the differences between Baby Boomers and Generation Z, the generations at the extremes, being the ones who volunteer at the end and at the start of their careers. Thus, behaviours and benefits are discussed, along with the need for continuous adaptation of management style not only in the workplace, but also in the volunteer organisation.*

***Keywords:** Volunteerism, Baby Boomers, Generation Z*

Introduction

In trying to understand how people change over time, in addition to the clear impact of technological, political, and social changes, there are also influences on the working environment, which undoubtedly has to adapt to the times. The intergenerational approach, which has recently gone viral on various media platforms, reveals through examples simple incompatibilities in the workplace between people of different generations, perceptions of task fulfilment, communication, and management that differ but need commonalities to function as a unified whole, such as the organisation. In terms of volunteering, the two generations mentioned, Baby Boomers and Generation Z, represent the extremes in terms of age and involvement, volunteering either at the end of their careers, even in retirement, or before starting a paid job. Therefore, the differences between what the two generations expect from volunteering are worth discussing to better understand what volunteer organisations have to offer as benefits. The differences in behaviour and expectations imply changes in management, changes that need to be linked either to the withdrawal from the labour market - in the case of Baby Boomers - or to the preparation for employment of Generation Z.

Highlights of the intergenerational volunteerism

Defining characteristics of the two generations

Defining the generations discussed is a first step towards a better understanding of the impact of time on their work behaviour. Baby Boomers, currently aged between 67 and 77, are those who are preparing to retire from working life or who are already retired. They have experienced many events over the years, from wars to continuous technological

change, and are always having to adapt, being dedicated to work to the point of workaholism (Muller, 2014). From this, one can deduce an inclination towards work addiction, prioritizing work over personal life, but with a high degree of stress that can lead to health problems (Grebot, 2013). As a work style, loyalty to the employer, goal focus, and lack of flexibility stand out (Muller, 2014). They also reported better person-organisation values fit with extrinsic values and status values than Generations X and Y (Twenge *et al.*, 2010). However, this is the generation that values delegation above all others, in addition to listening and helping others (Sessa *et al.*, 2007).

Generation Z, born after 1995, are those who have grown up in an era of ever-evolving technology and can function equally well online and offline. They appreciate the feedback they receive from those who assign them tasks, in connection with the feedback they receive on the social media relays they operate on. Also, in contrast to Baby Boomers, they are flexible, willing to change jobs frequently, which also reveals an orientation towards earning more than status or stability (Dolot, 2018).

Volunteering among the Baby Boomers

Volunteering seems to be cyclical, with a high potential before the beginning of professional life, which diminishes along the way with the commitment to work, family, various personal and professional challenges, but which seems to regain its potential with the retirement from work. Compared to previous generations, Baby Boomers do more volunteer work, and the trend is upward (Boom and Einolf, 2009). At the same time, in Norway, a significant proportion of this generation is volunteering, but sporadic activity has been noted and problems with motivation and skills have been reported (Hansen and Slagsvold, 2020). Another positive example comes from Denmark, with an almost 50% increase from 1997 to 2017 in the rate of volunteering among Baby Boomers, with the use of the Internet becoming an important factor in helping older people find the right organisation (Amilon and Larsen, 2021). Also in the United States of America, the same upward trend is noticeable, driven by higher life expectancy, better health in retirement, but with strong organizational support and meaningful volunteer activity (Tanga, 2010). From these positive examples, which can be inferred to be based on good practice in targeting older people, the importance they give to the cost-benefit ratio of volunteering is also noted (Seaman, 2012). As for the benefits, the main one would be the excellent health reported by some volunteers (Choi, 2003). Some studies even show a decreased risk of mortality among those who volunteer frequently, and even more significantly in the case of volunteering with friends or in the religious sphere (Harris and Thoresen, 2005; Lum and Lightfoot, 2005). The same positive effect is recorded in the UK, with reduced levels of mental stress and higher levels of health-related quality of life in older generations, which is also due to the way in which volunteering is promoted, geared towards improving society (Mak, Coulter and Fancourt, 2022). From these examples, we can deduce the beneficial impact of volunteering among people withdrawn from work, relying on a continuity of activity that keeps them busy, giving them meaning. The common good motivation seems to be significant for Baby Boomers, even if in sporadic activities, as they care about what they leave behind. With retirement from the labour market, many become caregivers for their families, often looking after spouses, children, grandchildren, but volunteering is the commitment they need to feel useful and valued in society. Maintaining a good level of health in old age is a desideratum of a society that values its members, and

voluntary organisations have an important responsibility in proposing personalised activities that can be successfully carried out by older people. In this case, the objective of the common good is a match between volunteers and the organisation, which represents an advantage for the organisational management.

Generation Z's Volunteering

Starting from one of the most significant differences between the two generations, the purpose of volunteer activity for Baby Boomers is the good of society, and for Generation Z is personal good (Mak, Coulter and Fancourt, 2022), it can be said that the aforementioned cyclical change comes with a change of meaning that requires an activity that ticks both boxes. Focused on personal benefits that they can use in their personal and professional development, today's young people find volunteering an escape from daily restrictions (Jardim and da Silva, 2018). Promoters of a change of direction initiated by Millennials (ERTAS, 2016), Generation Z is choosing health or civic institutions over religious ones. This was also relevant to the recent crisis caused by the COVID-19 pandemic, with an encouraging study from Indonesia describing them as important agents of change (Rohmawati, Affandi and Anggraeni, 2022). However, in contrast to Baby Boomers, the influencing factors of Generation Z are not social, but only values, career, learning, and self-esteem. An important aspect of volunteer management is the emphasis they place on training and developing new skills (Cho, Bonn and Han, 2018). A generation that seems to have it all, with a wide access to information and education, the young Z are those for whom technology does not bring new, but only updates. Although they can learn anything, anytime, being flexible and independent, it seems that their focus remains on themselves, valuing personal balance, wellbeing, without depending on an organisation or a group of people. The advantages are obvious, but the major disadvantages seem to arise in their interaction with people from different generations who, as we have seen so far, seem to differ from one another. With the advantage of technology, innovation and flexibility are part of the impact they bring to management in the workplace, which has to adapt through modern procedures, promoting employee mental health and work-life balance. At the same time, independent and focused on their own well-being, Gen Z also poses major challenges in volunteer organisations which, in the absence of tangible rewards, must compensate more than ever. However, the main aspect they can use to attract volunteers is to provide opportunities that prepare them for the labour market, through appropriate training.

Discussion

A perspective on generational differences points to a focus on age-related needs and different life cycles rather than the creation of tailored management practices (Macky, Gardner and Forsyth, 2008). Another, slightly opposite, is to develop a psychological employment contract with practices adapted to generational changes, valuing the employee (Hecht and Allen, 2009). Comparing Baby Boomers with Generation Z, besides the individualism of the latter, one can identify needs that, if satisfied simultaneously, can be quite problematic. In volunteering, proposing activities that meet the needs of both generations without working through managerial procedures seems like a rather difficult task. However, the needs of the different age groups meet at a common point: health.

Although the focus is different, moving from the general to the individual in the case of young people, both in the workplace and in voluntary activities, the principles, values, and actions of the different generations are focused on finding a balance in terms of physical and especially mental health. Juggling between workaholism and flexibility, considering the needs of different age groups can mean constant attempts to provide them with a healthy environment, avoiding extremes, which allows life outside work to exist. Voluntary activities can make use of this space outside of work, to meet the needs of communication, socialising with friends, spending leisure time until training and providing opportunities to develop the skills of young people.

Looking at the second perspective, which involves management practices adapted to the different generations (Hecht and Allen, 2009), the scenario according to which in organisations these generations meet, communicate and work together must be considered. Thus, even in voluntary work, adaptation is more than focusing on the needs of an age group, it is about facilitating fruitful interactions that benefit all involved, responding to their specific needs. Even if in this article we have analysed the extreme generations working as volunteers in our times, the different management practices also incorporate trends of the intermediate generations, which imply different levels of shift towards individualism, prioritisation of personal life, valorisation of technology towards easing daily work. However, as we pointed out earlier, the main benefit of the activity, even if it is voluntary and does not involve financial reward, should be a significant contribution to the health of the individual, especially from a mental point of view in the case of young people. In addition to training, personal and professional development, management procedures in any organisation should include a focus on the individual and a greater attention to his or her needs.

Conclusions

The cyclical nature of volunteering brings challenges for organisations to provide the right contexts in which generations can work to achieve both their personal and organisational goals. Although values differ, there is potential for facilitating the entry of Generation Z into the labour market as well as the retirement of Baby Boomers. This is why volunteer organisations need to include in their management activities the study of the needs of the people they work with, not only at the level of beneficiaries, and the constant attempt to offer intergenerationally adapted benefits. Given the comparison between the two generations, volunteering should offer meaningful, flexible activities in contexts where retirees can connect with friends and feel that they are contributing to the good of society. At the same time, younger people need to be prepared for the labour market by being trained through flexible activities. But all this without forgetting empathy and caring for people first.

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PERSPECTIVE OF UKRAINE'S INTEGRATION INTO THE EUROPEAN UNION: STATE OF DEVELOPMENT AND NEW CHALLENGES

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***Abstract:** This article examines the historical development of Ukraine's integration into the European Union (EU) and highlights the new challenges it faces. The analysis begins with an overview of the historical context, highlighting Ukraine's aspirations for European integration dating back to its independence in 1991. The article then delves into key milestones and agreements that have shaped the relationship between Ukraine and the EU. Furthermore, the integration process has encountered numerous challenges. The ongoing War with Russian Federation in Ukraine has posed significant obstacles to Ukraine's European aspirations. The annexation of Crimea by Russia and the ongoing military aggression in the Donbas region has resulted in a protracted conflict that has strained Ukraine's political and economic stability. In conclusion, this article presents a comprehensive overview of Ukraine's historical development in its pursuit of closer integration with the EU. It emphasizes the challenges Ukraine faces, ranging from political and security issues to economic and social transformations.*

***Keywords:** European integration process, legislative adaptation, European Union.*

Introduction and historical development

Ukraine is currently dealing with several challenges, with the main focus on reforming its legal system and aligning its national legislation with European standards. The country is prioritizing its European integration goals by working towards bringing its laws in line with those of the EU. This process involves approximating and harmonizing domestic legislation with EU legal principles and standards (Trichlib, 2015:2). After gaining independence, Ukraine embraced the European model of governance and values, considering it crucial for its future. Throughout history, geography, and increasingly in mindset, Ukraine has identified itself as European. This European identity was demonstrated during the Revolution of Dignity, where Ukrainians defended the country's western-oriented development, and later during the ongoing War with Russian Federation. Ukraine's commitment to the European path is rooted in its civilizational connection to the European community. To thoroughly analyze the organizational and regulatory support for European integration in Ukraine, it is important to consider different periods of Ukraine-EU relations. These periods can be broadly categorized as follows:

During the first period from 1991 to 1994, which predates the signing of the Partnership and Cooperation Agreement between Ukraine and the European Communities and their Member States, there were important developments in the relationship between Ukraine and the EU. In December 1991, shortly after Ukraine's declaration of independence following the dissolution of the Soviet Union, the EU issued a Declaration on Ukraine [1]. In this declaration, the EU acknowledged the democratic nature of the All-Ukrainian referendum, which was held to confirm Ukraine's independence, and expressed its support for Ukraine's path toward democracy and its integration with the European Community (Baranovsky, 2005:682). The EU's declaration also emphasized the importance of maintaining a constructive and open dialogue between Ukraine and the EU. This call for dialogue reflected the EU's willingness to engage with Ukraine and foster cooperative relations, even before the formal establishment of a comprehensive agreement. Overall, the EU's recognition of the democratic nature of Ukraine's referendum and its call for dialogue demonstrated the EU's early interest in Ukraine's political and democratic development. These statements laid the groundwork for future cooperation and set a positive tone for Ukraine-EU relations in the following years. In November 1994, the EU acknowledged the establishment of Ukraine as a significant milestone in modern European history. The EU expressed its belief that a democratic and resilient Ukraine would play a crucial role in promoting overall stability in Europe. Furthermore, the EU declared its commitment to supporting Ukraine's independence, territorial integrity, and sovereignty through its action plan for Ukraine (Palaganyuk, 2014:6).

Ukraine has consistently expressed its desire to join the EU, despite facing opposition from external sources and facing internal speculation. The country's commitment to European integration was initially established in 1993 through a resolution passed by Ukraine's parliament, which outlined the main directions of the country's foreign policy. The document stated that "the prospective goal of Ukrainian foreign policy is Ukraine's membership in the European Communities, provided that this does not harm its national interests. In order to maintain stable relations with the European Communities, Ukraine will conclude a Partnership and Cooperation Agreement with them, the implementation of which will be the first stage of promotion to associate, and later to full membership in this organization." This resolution was seen as a significant step towards building a new democratic and legal state. According to Topalova, "the changes taking place in Ukraine's domestic and foreign policies during that period rendered the existing system of state administration ineffective. This included the organizational structure of state authorities. Consequently, there emerged a pressing need to reform state authorities and local self-government bodies in line with European standards, while considering the country's prevailing socio-economic and political situation" (Topalova, 2008: 134-136). In October 1993, the Representation of the European Commission was established in Kyiv. This was done to provide support and assistance in implementing Ukraine's European course. Additionally, in the same year, the Interdepartmental Committee for the Affairs of the European Communities was formed as a government body responsible for coordinating and aligning Ukraine's policies with the European Communities.

During this period, Ukraine viewed EU membership as a significant objective in its foreign policy. However, the country's approach to European integration lacked consistency and coherence. There was a lack of a comprehensive strategy or program for Ukraine's accession to the EU. The state's European integration policy was not

systematically implemented, and there were no clear and coordinated actions taken toward this goal. During the second period from 1994 to 2009, Ukraine experienced significant developments in its relations with the European Communities and their Member States. This period began with the signing of the Partnership and Cooperation Agreement, which established a legal framework for Ukraine's engagement with the EU [2]. Prior to the dissolution of the Soviet Union, Ukraine held the status of one of the founding members of the Commonwealth of Independent States. The Partnership and Cooperation Agreement paved the way for the establishment of a cooperative mechanism between Ukraine and the EU, aligning their efforts in various areas. Ultimately, this led to the adoption of the Agenda of the Association, marking another milestone in their evolving relationship. Following the signing of the Partnership and Cooperation Agreement between Ukraine and the European Communities and their Member States, the recognition of Ukrainian interests was officially documented in the Special Decision of 31 October 1994, as well as in the Joint Strategy for Ukraine approved by the EU Council on 28 November 1994 [3]. The Joint Strategy, which took immediate effect, obligated Member States to establish strong political ties with Ukraine, support its independence, promote democratic development, implement economic reforms, and facilitate its integration into the global economy. These commitments were reaffirmed in the Rome Political Declaration in May 1996. This Agreement served as the fundamental document that outlined the legal framework for bilateral cooperation between Ukraine and the EU over a ten-year period (Palaganyuk, 2014). The significance of Ukraine's "European vector" in its foreign policy during this specific timeframe is evident through several enacted regulations. Notably, the President of Ukraine signed a Decree on 11 June 1998 [4], which outlined the Strategy for Ukraine's Integration into the EU (Prokopenko, 2008).

The Verkhovna Rada of Ukraine has endorsed various resolutions and statements that contain pertinent provisions in support of the process of EU integration. These include the Resolution on the recommendations of parliamentary hearings concerning Ukraine-EU cooperation, approved on 28 November 2002 [5], and the Statement dated 22 February 2007 [6], which focused on preparations for negotiations on a new agreement between Ukraine and the EU. Furthermore, the Resolution addressing the recommendations of parliamentary hearings on Ukraine's economic relations with the EU and the Customs Union, adopted on 19 May 2011 [7], also contributes to advancing this course. During the period from 2007 to 2012, a total of 21 rounds of negotiations were conducted for the Association Agreement, along with 18 rounds specifically dedicated to establishing a comprehensive and extensive free trade area (Streltsova, 2012:90). The name of the Agreement was clarified based on a proposal from the EU Party. At the parliamentary level, Ukraine's commitment to EU integration and the prioritization of measures for its implementation were reaffirmed. On 16 September 2014, the Verkhovna Rada of Ukraine and the European Parliament simultaneously ratified the Association Agreement between Ukraine and the EU [8].

Therefore, during this period, Ukraine started placing more significance on its relations with the EU, expressing the state's strategic objective of attaining full membership in the EU. The dialogue between Ukraine and the EU has strengthened across various aspects. Consequently, the significant developments during this time naturally resulted in the progression from partnership to association in the relations between Ukraine and the EU.

The third phase from 2009 until now, involved the preparations for the initiation, signing, ratification, and execution of the Association Agreement between Ukraine and the EU. To pave the way for the agreement's conclusion and facilitate its implementation, the EU-Ukraine Cooperation Council in Luxembourg approved the EU-Ukraine Association Agenda (ADA) on 16 June 2009 [9]. The ADA outlined the main reform priorities that Ukraine needed to focus on in the following years to fully utilize the enhanced cooperation opportunities and improved market access provided by the new Association Agreement with the EU. The ADA served as a practical, political, and legal instrument in preparing for the implementation of the Association Agreement between Ukraine and the EU, even before it came into effect. Its development was guided by the principles of political association, economic integration, shared participation, joint responsibility, and collaborative evaluation. Ukraine's approach to developing relations with the EU is based on the Law of Ukraine "On the Basics of Internal and Foreign Policy" [10]. Article 11 of this law establishes a fundamental principle of Ukraine's foreign policy, which is to integrate Ukraine into the European political, economic, and legal sphere with the goal of eventually becoming a member of the EU. The Agreement between Ukraine and the EU was initially initialed on 30 March 2012, and the technical initialing of the portion concerning the deep and comprehensive free trade zone, known as UA, was officially completed in Brussels on 19 July 2012. However, in November 2013, the previous President of Ukraine declined to sign the Association Agreement between Ukraine and the EU. This decision sparked a large-scale peaceful protest in Ukraine known as "EuroMaidan", as the Ukrainian people rallied in defense of their aspirations for European integration. Following the successful outcome of the Revolution of Dignity in Ukraine, the Verkhovna Rada of Ukraine adopted a resolution on 13 March 2014 [11]. This resolution confirmed Ukraine's unwavering commitment to European integration, with the ultimate goal of EU membership. Additionally, it recognizes Ukraine as a European state sharing a common history and values with the countries of the European Union, thereby asserting Ukraine's right to apply for EU membership. The signing and ratification of the Association Agreement between Ukraine and the EU in 2014 marked the beginning of a new phase in their relationship, characterized by political association and economic integration. The implementation of this agreement is based on a plan of measures approved by the Cabinet of Ministers of Ukraine on 17 September 2014 [12], which is regularly updated. After a lengthy ratification process, the Association Agreement between Ukraine and the EU came into full effect on 1 September 2017. Currently, the Action Plan serves as a framework for implementing the agreement.

Ukraine aims to become a full member of the EU, considering it a strategic goal. The Association Agreement and its Agenda will facilitate further political association and economic integration by initiating comprehensive and practical cooperation. These initiatives will focus on key objectives such as consolidating democratic reforms, reforming the judicial system, upholding the rule of law and human rights, promoting transparency and democratic accountability, combating corruption, and increasing citizen participation in public decision-making processes in Ukraine. Since 2014 Russian aggression against Ukraine began, the situation in Ukraine and the events concerning our country have received special attention within the framework of the European Union's Common Foreign and Security Policy. The EU consistently shows support for Ukraine's independence, sovereignty, and territorial integrity. It takes a firm stance against Russia's

unlawful annexation of Crimea and Sevastopol and actively engages in efforts to resolve the conflict in eastern Ukraine, which has been fueled by Russian involvement.

The current state and prospects of Ukrainian European integration

Ukraine has been pursuing closer integration with the EU for several years. The key milestone in this process was the signing of the Association Agreement between Ukraine and the EU in 2014. Since then, Ukraine has made significant progress in implementing reforms required by the EU. However, challenges remain in implementing reforms, strengthening institutions, and navigating the complex geopolitical dynamics. The prospects for Ukrainian European integration depend on sustained reform efforts, continued EU support, and developments in the broader regional and international context.

Ukrainian relations with the European Union

Ukraine's relations with the EU have been of great significance and have evolved significantly over the years. Ukraine has long expressed its aspirations to align itself with European values, principles, and institutions, seeking closer ties with the EU. This desire for integration with Europe has been a driving force behind many political and economic developments in Ukraine. When discussing significant developments in the relationship between Ukraine and the EU, several noteworthy strategic events should be highlighted. Firstly, starting from 11 June 2017, Ukrainian citizens gained the privilege of visa-free travel to EU countries [13]. This achievement was made possible by Ukraine's successful fulfillment of all the criteria outlined in the Visa Liberalization Action Plan, a process that concluded in December 2015. Additionally, Ukraine took another crucial step by reaffirming its unwavering commitment to its European trajectory. In June 2017, the Verkhovna Rada passed amendments to the Law "On the Basics of Internal and Foreign Policy", explicitly solidifying Ukraine's direction toward NATO membership. Furthermore, in 2018, President of Ukraine Poroshenko proposed the inclusion of the EU and NATO aspirations in the Constitution, leading to the adoption of amendments to the Basic Law by the Verkhovna Rada on 7 February 2019. These amendments affirmed Ukraine's strategic goal of attaining full membership in both the EU and NATO. It is important to highlight that following the change of power in Ukraine, there has been a commitment to maintaining a consistent and stable path toward European integration. The new presidential team is actively working to implement measures that deepen Ukraine's integration into the EU, with ambitious goals in mind. The current governing team is dedicated to advancing the European integration agenda by enhancing dialogue with the EU, expanding sectoral integration, ensuring the renewal of the Association Agreement, promoting trade liberalization, and fostering stronger economic ties with the EU. Additionally, there are plans to pursue Ukraine's inclusion in the EU's energy and digital markets, align with the "European Green Course" initiative, and establish "industrial visa-free" policies. Ukraine presented its application for EU membership on 28 February 2022, and EU leaders granted EU candidate status to Ukraine on 23 June 2022. However, there are still many challenges and obstacles that need to be addressed, including the ongoing conflict in eastern Ukraine between Ukrainian forces and Russian-backed separatists, which has resulted in the loss of thousands of lives and significant economic damage to Ukraine. The Support Group for Ukraine, established by the European Commission [14],

also plays a crucial role in facilitating relations. This group aims to engage specialized experts from EU member states to assist the Ukrainian government in implementing the Agreement and enhancing coordination among various donors and international financial institutions. Currently, the Support Group consists of seven thematic groups aligned with key reform priorities.

The political relations between Ukraine and the EU encompass various important areas and directions. The “political dialogue” agenda within the association covers a wide range of topics, including domestic and foreign policy, security, and justice. The content and character of Ukraine-EU political relations are primarily determined by internal reforms and security concerns. Consequently, the escalating political and security situation in Europe and the world, particularly the Russian expansion, pose fundamental challenges and threats to both Ukraine and the EU. Simultaneously, the effective implementation of internal changes in Ukraine, within the framework of the Association Agreement, stands as a fundamental requirement for advancing political relations between Ukraine and the EU and progressing toward political association. It is evident that the substance and characteristics of political relations, security cooperation, and the overall prospects of the Ukraine-EU association depend on numerous external and internal factors. These factors include perilous geopolitical developments in Europe and the world, intricate trends within the EU, as well as the persisting threat of Russian aggression, which poses the most significant challenge and danger to Ukraine and the EU. In response to Russia’s actions, the EU imposed sanctions on Russia and provided substantial financial and technical assistance to support Ukraine’s reform efforts and address the humanitarian and economic consequences of the War.

The EU has been a crucial partner for Ukraine in supporting its reform efforts and providing financial and technical assistance. The EU has provided significant financial aid to Ukraine, particularly through macro-financial assistance programs, to help stabilize the country’s economy and support reforms. The complex set of problems related to internal reforms in Ukraine, particularly in areas crucial to European partners such as the judicial system reform, anti-corruption efforts, and improvement of the public administration system. Furthermore, the processes of Ukraine’s internal institutional and legal self-identification as part of the European community, its efforts to enhance its identity and alignment with the EU in terms of shared values, norms, and rules, are also pertinent. The EU has acknowledged these efforts and has expressed its commitment to supporting Ukraine’s European path. Moreover, it is evident that the nature and atmosphere of political relations, along with security factors, directly impact trade and economic connections and the pace of Ukraine’s integration into EU markets. Collaborative opposition against Russian expansion will continue to be another component of the relations between Kyiv and Brussels in the foreseeable future. It is of utmost importance for Ukraine that the EU demonstrates unwavering and consistent support for its independence and sovereignty.

The process of adaptation of Ukrainian legislation to EU legislation

The long-term experience of the European Union is of great importance for Ukraine, especially in modern conditions, when there is an urgent need to stabilize the development of the state as a whole. The political advantages of Ukraine’s integration into the EU are related to the creation of reliable mechanisms of political stability, democracy

and security. Rapprochement with the EU is a guarantee, and the fulfillment of its requirements is a tool for building democratic institutions in Ukraine.

When considering the process of integrating Ukraine's legal system with that of the EU, it is crucial to first identify the primary processes and factors that influence it. Foremost, this involves adapting Ukrainian legislation to conform gradually and consistently with EU legal norms through reform. The necessity to adapt Ukrainian legislation to EU legislation was initially announced in the Strategy for Ukraine's Integration into the EU on 11 June 1998 [15]. It was subsequently supplemented by the Concept of Adaptation of Ukrainian Legislation to EU Legislation on 16 August 1999 [16], which formed the basis for creating annual work plans by higher executive bodies to achieve this objective. These plans were required to be coordinated with the measures undertaken as part of the implementation of the Strategy. The next step involved the adoption of the "Nationwide Program for the Adaptation of Ukraine's Legislation to the Legislation of the European Union" on 18 March 2004, by the Verkhovna Rada of Ukraine [17]. This program prioritized adaptation as a key direction of Ukraine's foreign policy aimed at meeting the criteria for EU membership (Iamkovyi, 2018).

Hence, Ukraine has expressed its willingness to implement progressive reforms that aim to adapt its national legislation as part of the integration process, in which it intends to actively participate. This process is carefully planned and consists of several consecutive stages, with each stage commencing after the successful achievement of the previous one's objectives. Parkhomenko outlines four primary stages for the adaptation of national legislation as follows:

1. Defining criteria for harmonization across different areas of state affairs and legal domains, along with the initial identification of existing and potential challenges in the future.
2. Conducting expertise and comparative analysis of legislation, harmonizing various concepts and terms, and formulating proposals for the harmonization process that consider national peculiarities in legal and other domains.
3. Analyzing and compiling a list of existing documents that require harmonization, as well as identifying international agreements that need to be concluded to implement or enhance the effectiveness of this process.
4. Simultaneously developing and adopting new documents or making amendments to existing ones, integrating them into national legislation (Parkhomenko, 2012).

The harmonization of the Ukrainian legal system focuses solely on changes within Ukraine's national legislation, rather than the legislation of EU countries. The success of this process relies on accurately formulating legal norms within European legislation, which often poses challenges due to EU laws considering the unique characteristics of its Member States (Chabakh, 2014:58). Significant progress has been made in areas that primarily require legal resolutions, establishment of state institutions, introduction of new laws or amendments to existing ones, and other actions that do not require drastic changes impacting the established state system. Despite internal and external conflicts and challenges, Ukraine pursued structural reforms in 2017, resulting in positive developments in the economic and social sectors. Various reforms were implemented, including pension and healthcare reforms, among others (Obozna & Klimova, 2017: 32). The enacted legislation has resulted in a situation where various aspects of life in Ukraine have acquired distinct characteristics. As a result, it is necessary to develop separate reform strategies for

each of these areas. For instance, due to the current economic condition in Ukraine, it is not feasible to align pension and labor laws with EU standards. This is because the labor market and healthcare system in Ukraine may be even more fragile, and their revival might require diverting funds from other sectors, triggering a ripple effect.

In evaluating the government's actions in relation to Europe, several positive aspects should be acknowledged. Ukraine's European aspirations receive support during Ukraine-EU summits, and the implemented reforms demonstrate solidarity in countering Russian aggression. The path to renew the Association Agreement is open, provided that legislative requirements for the "Industrial Visa Waiver" Agreement are met. The harmonization of national legislation with European law holds significant and relevant implications for Ukraine. This process encompasses not only the establishment of a legal foundation for future EU membership but also the accomplishment of other important objectives (Parkhomenko, 2012: 341). As the EU updates its laws and regulations, Ukraine needs to continuously review and update its own legal framework to maintain alignment. However, much more work remains to be done to fulfill all the criteria for EU membership.

Challenges and threats on the way to the EU

The active phase of Ukraine's collaboration with the European Union, specifically its efforts to integrate politically and economically into the EU, occurred simultaneously with the military actions in Donbas resulting from the aggression of the Russian Federation, the annexation of Crimea, and the occupation of parts of Ukraine. On its path toward EU integration, Ukraine encountered substantial problems and perilous challenges. Firstly, there was a complex socio-economic situation, the weakness of democratic institutions, and the lingering influence of post-Soviet mentality. Meanwhile, Russia's aggressive pressure persisted, as it continued its efforts to regain control over former Soviet republics and promoted an alternative to Eurasian integration. According to Saban, the main factors that pose significant obstacles to the implementation of Ukraine's European integration policy are:

- lack of noticeable results of internal socio-economic transformations (without this, joining the EU will remain an unattainable dream);
- high level of corruption and economic crime;
- a clear shortage of experienced specialists in European integration, primarily among the political elite and civil servants of Ukraine (Saban, 2010).

Ukraine has accomplished several notable feats, including the endorsement of the Strategy for the Advancement of High-tech Industry until 2025. This strategy aims to bolster innovative projects and the utilization of advanced technologies in the fields of science and technology. Additionally, significant legislative acts have been enacted, such as the laws concerning "Electronic Trust Services" [18] and "The Fundamental Principles of Cybersecurity in Ukraine" [19]. Furthermore, the "Electronic Communications" law [20] has enabled Ukraine to synchronize its reforms with those of the EU Member States. The digital sphere holds immense potential not only for Ukraine but also for the entire world, signifying its significance as a crucial area for development. Consequently, it stands as one of the most crucial domains requiring development. Collaborating with the EU is highly favorable in this regard, as the majority of cutting-edge technologies are developed within EU Member States. However, the EU's role in initiating, supporting, and sustaining

sanctions against Russia is particularly prominent on the international stage. This involvement encompasses diplomatic efforts as well as a range of personal, corporate, and state-level restrictive measures.

Conclusions

The integration of Ukraine into the EU is of utmost importance for Ukraine. European integration will have long-term implications for Ukraine's international activities and domestic policy. Throughout its historical development, Ukraine has demonstrated a strong aspiration to align itself with European values, norms, and institutions, seeking closer political association and economic integration with the EU. While Ukraine has made progress in aligning its legislation with EU standards, there are significant difficulties in implementing reforms. Many reforms exist only on paper and have not been put into practice. However, considering Ukraine's current situation and its standing on the international stage, the reform process over the past two years has shown reasonably satisfactory results. The first step towards improvement is identifying the issues that need to be addressed. The following recommendations are of particular importance: ensuring transparency in all areas specified in the Agreement, making legislative changes to align with EU standards, increasing funding for judges, promoting "green" hydrogen production, implementing the Agreement on Common Aviation Space [21], joining the European Cloud Initiative, implementing the Financial Sector Development Strategy of Ukraine until 2025 [22], and adopting "clean" technologies and energy-saving measures. From a political perspective, European integration drives the modernization of Ukraine's legal framework and the democratization of its political and institutional systems. Cooperation with the EU will help bridge the social gap between Ukraine and high European standards, ultimately improving living standards and prosperity for the population (Osadcha, 2011:71). At the current stage of association, the European integration path is progressing, yielding significant achievements as evidenced by government and public reports. However, there are challenges that hinder the effective implementation of the Agreement for Ukraine. By addressing challenges and capitalizing on the opportunities presented, Ukraine can further advance its integration process, bringing it closer to its goal of becoming an integral part of the European family.

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**SANCTIONS FOR THE RETURN OF STATE FINANCES BY
CORPORATIONS IN THE SYSTEM OF CORRUPTION JUSTICE
SYSTEM**

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Abstract: *The purpose of eradicating corruption in Indonesia is to recover state financial losses and the state economy. In the corruption crime law that regulates the imposition of additional criminal sanctions in the form of restitution payments in corruption cases essentially cannot be applied against corporations, because additional criminal sanctions in the form of restitution payment obligations can be replaced by imprisonment according to the provisions of the Corruption Crime Law, while the main punishment that can be imposed on corporations is only a fine without being replaced (subsidiar) imprisonment sanctions, but the criminal sanction of fines against corporations if they do not make fine payments is not regulated in the Corruption Crime Eradication Law. In the regulation of sanctions for the return of financial losses by corporations in corruption cases, it is still spread sectorally, causing the criminal justice system to run independently, as reflected in several decisions of the panel of judges, which still mixes the imposition of criminal sanctions against the management with the imposition of sanctions against the corporation, so that the return of state financial losses by corporations that commit corruption crimes is not maximized. Thus, a breakthrough is needed to revise the corruption law. This research is legal research, namely research by analyzing laws and regulations, based on legal dogmatics, legal theory, and legal philosophy. The purpose of this research is to examine the provisions of Article 20 paragraph (7) jo. Article 18 paragraph (1) of Law Number 31 of 1999 as amended by Law Number 20 of 2001 concerning Amendments to Law Number 31 of 1999 concerning Eradication of Corruption. By revising the Corruption Eradication Law by the Government and the House of*

Representatives, it is hoped that the recovery of state financial losses in corruption cases by corporations will be maximized.

Keywords: *Sanctions; Return of State Financial Losses; Corruption Offenses.*

Introduction

The purpose of eradicating corruption in Indonesia is to recover state financial losses and the country's economy. Corruption that continues to increase and is not controlled will bring disaster not only to the life of the national economy but also to the life of the nation and state in general. The widespread and systematic criminal act of corruption is also a violation of social rights and economic rights of the community, so that the criminal act of corruption is classified no longer as an ordinary crime but has become an extraordinary crime so that its eradication is prosecuted in extraordinary ways (Supardi, 2018). In its development, according to the provisions of Article 2 paragraph (1) and Article 3 of Law Number 31 of 1999 concerning the Eradication of Criminal Acts of Corruption, corruption can be carried out by any person or corporation. The definition of everyone in Article 1 number 3, everyone is an individual or includes a corporation. A new development regulated in Law Number 31 of 1999 concerning Corruption is the inclusion of corporations as legal subjects of corruption that can be sanctioned, this is not regulated in Law Number 3 of 1971 concerning the Eradication of Criminal Acts of Corruption. The corruption law in which many regulate special material crimes, although not in detail, also regulates the criminal procedure law for corporations that commit corruption crimes as stipulated in the provisions of Article 20 paragraph (1) and paragraph (2). The provisions of Article 20 of the Corruption Eradication Law regulate corporate criminal liability if the corporation and/or its management commits a criminal act of corruption committed for the benefit of the corporation (Sjawie, 2015). The provisions of Article 20 paragraph (1) affirm that if a criminal act of corruption is committed by or on behalf of a corporation, then criminal charges and convictions can be made against the management only, the corporation only, or against the management and corporation. The inclusion of corporations as one of the legal subjects of corruption in the Corruption Eradication Law which states that in addition to the subject of natural human law (*natuurlijke persoon*), corporations or legal entities (*rechtsperson*) are also referred to as legal subjects like human law subjects who have rights and obligations and responsibilities in every action.

The beginning of the inclusion of corporations as subjects of criminal law in Indonesia has long been regulated in laws outside the Criminal Code or in special criminal laws. The acceptance of corporations as subjects of criminal law in Indonesia was first stated by Emergency Law Number 17 of 1951 concerning Hoarding of Goods, which in Article 11 of the Law states that legal entities can be punished separately from their management. Furthermore, corporations as subjects of criminal law were then strengthened by the issuance of Emergency Law Number 7 of 1955 concerning Prosecution, Prosecution of Economic Crimes (hereinafter abbreviated as TPE Law), which in the provisions of Article 15 of the Law explained that legal entities, companies, associations of persons or foundations are legal subjects that can be criminalized. Based on the above background, there are several very fundamental legal issues juridically regarding the system of imposing criminal sanctions related to the return of state financial losses for corporations that commit

criminal acts of corruption. This has not been clearly regulated in the corruption law related to the return of substitute money and specifically criminal fines against corporations are only regulated in the Supreme Court Regulation whose contents do not prioritize the principle of expediency, so it is necessary to reform the Corporate Criminal Law in Indonesia, especially corruption. In this context, the author is interested in further examining in depth related to the application of criminal sanctions for the return of financial losses committed by corporations in cases of beneficial corruption crimes.

Research method

This research is to find and develop legal knowledge in the field of criminal law, especially those related to the application of criminal sanctions against corporations involved in criminal acts of corruption carried out fairly and prioritize legal expediency. This research on "Sanctions for the Return of State Finances by Corporations in the Corruption Criminal Justice System" focuses on analyzing the philosophical aspects, theories and legal norms resulting from Law Number 31 of 1999 as amended by Law Number 20 of 2001 concerning Amendments to Law Number 31 of 1999 concerning Eradication of Corruption Crimes which does not regulate sanctions for the return of state financial losses that prioritize the side of benefit for corporations that commit corruption crimes. so that it will cause innocent victims who not only kill the survival of corporations, shareholders, but also how many thousands of people will lose their jobs who are laid off and the loss of potential state revenue from taxes and the potential for investors to leave the country, so that it will cause innocent victims who not only kill the sustainability of corporate life, shareholders, but also how many thousands of people will lose their jobs who are laid off and the loss of potential state revenue from taxes and the potential for investors to leave the country. This study uses several approaches to understand legal issues. First, the legislative approach, which is a research approach that uses laws and regulations consisting of legislation and regulations both in Indonesia and in other countries. Second, the case approach, which is the approach needed to see the implementation of legal norms and rules in the real practice of law contained in court decisions or jurisprudence. Third, Comparative Approach, in applying comparative legal research, elements of the legal system are used as a starting point.

Result and discussion

Legislation Regulating Sanctions for the Return of State Financial Losses in Corruption Cases Committed by Corporations

The following are some of the laws and regulations that regulate sanctions for the return of state financial losses in corruption cases committed by corporations, among others:

Regulation of Sanctions for the Return of State Financial Losses According to Law Number 8 of 1981 concerning the Code of Criminal Procedure.

The return of state financial losses from acts of corruption can be carried out from the investigation stage to the stage of execution of decisions from judges with permanent legal powers. At the investigation stage, they must first trace or trace the assets of the

convicted perpetrators of corruption crimes, according to the criminal procedure law, tracking efforts are closely related to the investigation and investigation actions listed in Article 1 point 2 of the Criminal Procedure Code. The search for the assets of convicts is carried out to provide information investigators, investigators, and prosecutors identify the assets of convicts, where the storage of assets, evidence related to ownership or assets and their relationship with the actions they commit as an effort to recover losses of state money.

Confiscation must be carried out with permission from the chairman of the local district court unless the suspect is caught committing a criminal offence, then in necessary and urgent circumstances when the investigator must act immediately and it is impossible to obtain permission from the court, the investigator can confiscate movable property but still obliged to immediately report to the chairman of the local district court for approval as stipulated in article 38 of the Code of Criminal Procedure.

The application of execution to recover state financial losses is regulated in the provisions of article 273 of the Code of Criminal Procedure, if a court decision imposes a fine on the convict, a period of one month is given to pay the fine except in the decision of the speedy examination event which must be instantaneous. The period of one month can be extended for another month, if the court decision determines that the evidence was seized for the state, then the prosecutor authorizes the object to the state auction office and within three months for auction sale, the proceeds of which are entered into the state treasury for and on behalf of the prosecutor. And the period as mentioned in paragraph 273 paragraph (3) of the Code of Criminal Procedure can be extended for a maximum of one month and in that extension of time must be maintained so that the implementation of the auction is not delayed. So that the provisions of article 273 of the Criminal Procedure Code can be used as a reference in the context of returning state financial losses or returning assets resulting from corruption crimes.

Regulation of State Financial Return Sanctions in Cases of Criminal Acts of Corruption committed by Corporations according to Law Number 31 of 1999 as amended by Law Number 20 of 2001 concerning Amendments to Law Number 31 of 1999 concerning the Eradication of Criminal Acts of Corruption.

In particular, the punishment and accountability of corporations as perpetrators of corruption crimes regulates when and in terms of how a corruption crime can be categorized as a corruption crime committed by a corporation, the provisions of article 20 of Law Number 31 of 1999 regulate when and how a corruption crime is committed by a corporation. For corruption crimes committed by corporations, in addition to being subject to additional penalties as stipulated in article 10 point b of the Criminal Code, additional penalties are also imposed as stipulated in article 18 paragraph (1) of the Corruption Law. According to the provisions of Article 20 paragraph (7) of the Corruption Eradication Law, the main crime that can be imposed against a corporation is only a fine, with a maximum penalty plus 1/3. The criminal conviction formulated is singular because there is no other alternative, what if the criminal fine is not paid by the corporation.

Regulation of State Financial Return Sanctions in cases of criminal acts of corruption committed by corporations According to the Circular Letter of the Attorney General of the Republic of Indonesia Number B-036/A/Ft.1/06/2009 concerning Corporations as Suspects/Defendants in Corruption Crimes.

The Attorney General's Circular was issued because the corruption law although it regulates the subject of corporate criminal law, but does not regulate the procedural law on how to conduct investigations and prosecutions. In the investigation process, it is required to confiscate the articles of association and bylaws of the corporation to obtain corporate identity to be included in the case file, for the preparation of an indictment at least containing the identity of the corporation name, the number and date of the corporation deed, the number and date of the deed of establishment of the company, the number and date of the company deed at the time of the criminal event, the number and date of the last change, position or status of establishment and field of business. Additional penalties that can be applied to convicted corporations other than those stipulated in the Criminal Procedure Code are also prescribed in article 18 of the Corruption Law, namely in the form of confiscation of movable goods both tangible and intangible, seizure of immovable property obtained from corruption crimes, payment of substitute money, business closure or partial closure of the company/corporation for a certain time or revocation business rights/licenses and revocation of all or part of certain rights.

The demand for additional punishment in the form of an obligation to pay substitute money cannot be applied to the corporation as a defendant, because the additional penalty in the form of an obligation to pay substitute money can be replaced by imprisonment based on the provisions of Article 18 paragraph (3), while the crime of corruption is only a criminal fine without being replaced (water subsidy) with corporal punishment.

Regulation of State Financial Return Sanctions in cases of criminal acts of corruption committed by corporations According to the Regulation of the Attorney General of the Republic of Indonesia Number: Per- 028/A/JA/10/2014 concerning Guidelines for Handling Criminal Cases with Corporate Law Subjects.

Attorney General Regulation Number PER-028/A/JA/10/2014 regulates corporate actions that can be held accountable. The criteria and actions of corporate administrators that can be held criminally responsible and more importantly corporations that can be criminally prosecuted are additional criminal charges imposed against corporations and corporate administrators in the form of payment of money in lieu of state financial losses, confiscation or elimination of profits obtained from criminal acts, repair of damage resulting from criminal acts, obligations to do what is done without rights, placement of the company under pardon for a certain period of time, closure or freezing of part or all of the company's activities for a certain period of time, revocation of certain rights, revocation of business licenses, seizure of evidence or assets or assets of the corporation and or other actions in accordance with the provisions of the applicable law.

Additional criminal charges in the form of substitute money imposed on the corporation if within 30 days are not paid then the assets or assets of the corporation are confiscated for payment of substitute money and if the corporation does not have wealth then the corporation is charged with additional crimes. And if the fine is not paid, the assets or assets of the corporation are confiscated in accordance with applicable laws and regulations. In the implementation of court decisions that have permanent legal force, if the convicted person only pays part of the criminal amount of the fine, the rest is replaced by confinement in lieu of a balanced fine and the fine is paid for a maximum of one month and can be extended by one month, but if not paid, it is replaced by the seizure of property or assets belonging to the corporation to be sold and auctioned. In the case of confiscation

of evidence or property/assets of the corporation, as far as movable property is concerned, it must be carried out within 3 (three) months from the copy/excerpt of the court decision that has the force of law remains in the Supreme Court. Then in the case of handling assets/assets related to the subject of corporate law at each level of examination and implementation of judgments, it is carried out through cooperation and coordination with the Asset Recovery Center of the Indonesian Attorney General's Office and the objects of handling assets/assets are movable and immovable objects including assets/current assets, long-term investments, assets/fixed assets, assets/intangible assets, deferred tax assets/assets, and/or other types of assets/assets. Thus, the sanction for the return of state money according to Attorney General Regulation Number PER-028/A/JA/10/2014 is implemented in the form of prosecutions, namely in the form of additional criminal charges in the form of substitute money and criminal charges for fines.

Regulation of State Financial Return Sanctions in cases of criminal acts of corruption committed by corporations According to Supreme Court Regulation Number 13 of 2016 concerning Procedures for Handling Criminal Cases by Corporations.

Supreme Court Regulation Number 13 of 2016 regulates the meaning of employment relations which is defined as the relationship between a corporation and its work/employees based on a work agreement that has elements of work, wages, and/or orders. And also regulates other relationships, namely the relationship between the management and/or corporation with other people or corporations so as to make the other party act in the interests of the first party based on agreements, both written and unwritten as stipulated in article 1 number 11 and number 12 of Supreme Court Regulation Number 13 of 2016. Given that the provisions of Article 143 paragraph (2) letter a of the Criminal Procedure Code only regulate the identity of people as legal subjects, article 10 of Supreme Court Regulation Number 13 of 2016 confirms that summons to corporations must contain the name of the corporation, the place of residence, nationality of the corporation, the status of the corporation in criminal cases, the time and place of examination and summary of alleged criminal events related to summons. In line with that, the decision of the criminal court against the corporation must include the identity of the name of the corporation, place, date of establishment and or number of articles of association or deed of establishment or regulations or documents or agreements as well as the latest changes in the place of residence, nationality of the corporation, type of cooperative, form of activity or business and identity of the management representing.

The judge in imposing a crime against the corporation is only in the form of principal and/or additional crimes. The main crime that can be imposed against the corporation is a fine while additional penalties that can be imposed against the corporation are in accordance with the provisions of laws and regulations. In the case of criminal fines imposed on the corporation, the corporation is given one month from the decision with permanent legal force to pay the fine but if it is not paid within one month it can be extended for a maximum of one month and if it still does not pay then the corporation's property can be confiscated by the prosecutor and auctioned to pay the fine as stipulated in article 28 of Supreme Court Regulation Number 13 of 2016, This is not regulated in the original provision 20 paragraph (7) of the Corruption Eradication Law which states that the main crime that can be imposed against the corporation is only a fine, with a maximum penalty plus 1/3. Corporations that are subject to additional penalties in the form of substitute

money, damages, and restitution, the corporation is given a maximum period of one month from the decision with permanent legal force to pay within one month and can be extended for a maximum of one month. If the corporation does not pay the replacement money, compensation and restitution, then the property that can be confiscated by the prosecutor and auctioned to pay the replacement money, compensation and restitution as stipulated in article 32 paragraph (4) of Supreme Court Regulation Number 13 of 2016. Thus, Supreme Court Regulation Number 13 of 2016 has regulated sanctions for the return of state financial losses, namely in the form of substitute money and criminal fines committed by corporations that commit criminal acts of corruption.

Regulation of Sanctions for the Return of State Financial Losses in cases of criminal acts of corruption committed by corporations According to Law Number 1 of 2023 concerning the Criminal Code (New Criminal Code).

The regulation of corruption in the new Criminal Code, regulated in the provisions of Article 603, namely any person who unlawfully enriches himself, others, or corporations that harm state finances or the state economy, shall be punished with life imprisonment or imprisonment for a minimum of 2 (two) years and a maximum of 20 (twenty) years and a fine of at least category II and at most category VI. In addition to regulating the legal subjects of persons, the provisions of Article 604 also regulate the subject of corporations which states that any person who with the aim of benefiting himself, others, or the Corporation abuses the authority, opportunity, or means available to him because of a position or position that harms state finances or the country's economy, is punished with life imprisonment or imprisonment for a minimum of 2 (two) years and a maximum of 2 (two) years 20 (twenty) years and a fine of at least category II and at most category VI. However, according to the provisions of P origin 624 of Law Number 1 of 2023 concerning the Criminal Code, that Law Number 1 of 2023 comes into force after 3 (three) years from the date of promulgation, namely January 2, 2023, then this Law will take effect on January 2, 2026.

In addition to the sanctions stipulated in the old Criminal Code and the new Criminal Code or sectoral regulations, either the Attorney General's Regulation or through the Supreme Court Regulation which regulates procedures for handling cases of criminal acts of corruption committed by corporations, no less important is the authority of law enforcement agencies that will carry out law enforcement, including criminal acts of corruption committed by corporations to recover state financial losses. To achieve the goals of the criminal justice system, it is expected that all elements in the system must work in an integrated manner. In the explanation of the corruption law, it is explained that people's aspirations to eradicate corruption and other forms of irregularities increase because corruption is considered to have caused huge state financial losses whose impact will have an impact on the emergence of crises in various fields. Therefore, the eradication of corruption in order to restore state financial losses is not only carried out by one institution, but is carried out by several law enforcement agencies whose essence is to be able to recover state financial losses for the occurrence of corruption crimes, including those committed by corporations. In order to recover state financial losses, there are several law enforcers who are given the authority to eradicate criminal acts of corruption funds.

Here are some authority regulations governing criminal acts of corruption committed by corporations, including:

a. Authority of the Corruption Eradication Commission in the eradication of criminal acts of corruption committed by corporations.

The Corruption Eradication Commission was formed as an answer to the barrenness of handling corruption that has occurred so far. Unlike the previously formed anti-corruption teams, the presence of the KPK in addition to being strengthened in the form of a law, the authority of the KPK is also considered super power, including the authority to wiretap. The authority and role of the Corruption Eradication Commission in addition to being strengthened by Law number 30 of 2002 concerning the KPK, is also strengthened by decisions from the Constitutional Court and the Supreme Court against the KPK Law. Namely, among others; Article 12 of Law No. 30/2002 is a special provision (*lex specialis*) that authorizes the KPK to carry out its investigation, investigation and prosecution duties. In cases of criminal acts of corruption committed by corporations, since its inception the KPK has never investigated alleged cases of criminal acts of corruption committed by corporations. After the birth of Supreme Court Regulation Number 13 of 2016 concerning Procedures for Handling Criminal Cases by Corporations, the Corruption Eradication Commission first time the corporation prosecuted by the KPK from the process of determining suspects to prosecution was PT NUSA KONSTRUKSI ENJINIRING, Tbk to as a defendant in court. On January 3 2019 the Panel of Judges at the Criminal Corruption Act Court at the Central Jakarta District Court handed down a verdict as in Decision Number 81/Pid.Sus/Tipikor/2018/PN.Jkt.Pst, the amarnya stated right PT. NKE is guilty of criminal corruption in violating the provisions of Article 2 paragraph (1) jo. Article 18 paragraph (1) letter b Law No. 31 of 1999 as amended by Law No. 20 of 2001 concerning Amendments to Law No. 31 of 1999 concerning Eradication of Criminal Corruption with a criminal fine of Rp. 700.000,000.00 (seven hundred million rupiah), with the certainty that if the fine is not paid within one month after the breaking of the court order is still legal, then the property is confiscated and auctioned off to cover the fine. PT. NKE is also subject to additional criminal charges to pay for the first Rp. 85,490,343,747.00 (eight twenty five billion four hundred ninety nine million three hundred four twenty three thousand seven hundred four twenty seven rupiah) with the stipulation that if the replacement money is not paid within 1 period of time months after the decision was legally enforceable, his assets were confiscated and auctioned off to cover replacement money. Apart from that PT. NKE was also subject to additional crimes in the form of revocation of its right to follow the government auction for 6 (six) months.

b. The authority of the Indonesian National Police in the eradication of criminal acts of corruption committed by corporations.

In the context of eradicating corruption, in Law Number 2 of 2002 concerning the National Police of the Republic of Indonesia only has the authority to investigate and investigate like in other criminal cases, even though corruption is one of the criminal acts that requires special handling, so that in an effort to eradicate corruption the National Police requires more specific legal instruments, especially in terms of the authority of the National Police in eradicating corruption. The lack of independence of the National Police in the executive as stated in article 8 of Law Number 2 of 2002 concerning the National Police of the Republic of Indonesia will cause conflicts of interest in handling corruption cases that occur in the government. The main duty and authority of the National Police is to maintain public security and order. In the first point (a) of Article 13 it is stated that the main duty of the National Police: to maintain public security and order. Security and order

referred to here is a dynamic condition of society as one of the prerequisites for the implementation of the national development process in order to achieve national goals. However, the duties and authorities, as well as the main duties of the National Police are still less persuasive, but still limited to reactive. This means that the National Police only moves if a suspected criminal act is found. In handling corruption eradication, especially at the investigation and investigation stage, it is possible to overlap with other institutions, such as the Prosecutor's Office or even the Corruption Eradication Commission. Especially in efforts to eradicate corruption, the police have a White Collar Crime (WCC)-Police Investigation Corps. In the function of the National Police Investigation, the law functions as one that protects the human rights of citizens in accordance with the rule of law. Detectives carry out repressive police practices from investigation, summons, arrests, searches, seizures to detentions. and in Bareskrim also the mechanism of the justice administration system in the framework of the criminal justice system is implemented.

c. The authority of the Prosecutor's Office in the eradication of criminal acts of corruption including those carried out by corporations.

In its development to ensnare corporations that commit criminal acts, the Attorney General's Office has issued a Circular Letter of the Attorney General of the Republic of Indonesia Number B-036/A/Ft.1/06/2009 concerning Corporations as Suspects/Defendants in Corruption Crimes and Attorney General Regulation of the Republic of Indonesia Number: Per- 028/A/JA/10/2014 concerning Guidelines for Handling Criminal Cases with Corporate Law Subjects. After the revision of the Prosecutor's Law, namely Law of the Republic of Indonesia Number 11 of 2021 concerning Amendments to Law Number 16 of 2004 concerning the Prosecutor's Office of the Republic of Indonesia, the prosecutor's office has increasingly shown its fangs in making efforts to eradicate corruption so that many cases of corruption crimes have been successfully returned related to state financial losses. This is inseparable from the expansion of duties and authorities as stipulated in Law of the Republic of Indonesia Number 11 of 2021 Article 30A which further strengthens the duties and authorities of the prosecutor's office, namely in terms of asset recovery the prosecutor's office is authorized to carry out trace, seizure, and return of assets obtained from criminal acts and other assets to the state, victims, or those who are entitled. Especially in cases of criminal acts of corruption committed by corporations after the birth of the Circular Letter of the Attorney General of the Republic of Indonesia Number B-036/A/Ft.1/06/2009 concerning Corporations as Suspects/Defendants in Corruption Crimes and Regulation of the Attorney General of the Republic of Indonesia Number: Per- 028/A/JA/10/2014 concerning Guidelines for Handling Criminal Cases with Corporate Law Subjects there are several corporate cases that are prosecuted by the prosecutor's office.

d. The authority of the Audit Board (BPK) in eradicating criminal acts of corruption. In Law Number 15 of 2004 concerning Examination of State Financial Management and Responsibility, it is also affirmed the duty and authority of the Audit Board to examine the Government's responsibility regarding State Finance, examine all implementation of the State Budget, and is authorized to request information regarding the duties it carries. This is where the role of the Audit Board is to always report the results of its audits to competent institutions for the eradication of corruption. The validity of BPK data can be used as initial data for law enforcement to investigate reported indications of corruption. An accurate

CPC report will also serve as evidence in court. And therefore, the Audit Board should be able to define itself as an institution that is in the first line in the ranks of combating corruption. There must be synergy with other institutions that play a role in eradicating corruption.

e. The authority of the Financial and Development Agency (BPKP) in eradicating criminal acts of corruption.

BPKP's involvement in corruption cases committed by corporations can be seen from the results of BPKP audits presented during the trial on behalf of expert Muqorrobin experts from BPKP for the trial with the defendant PT NUSA KONSTRUKSI ENJINIRING, Tbk. Audit Report on State Loss Calculation issued by BPKP on the Case of Alleged Criminal Acts of Corruption in the Construction Work of the Special Education Hospital for Infection and Tourism of Udayana University T.A. 2009-2010, with Number SR-698/D6/01/2016 dated October 4, 2016. On the basis of the audit results from the BPKP that calculated state financial losses, by Majelis Hakim Pengadilan Tindak Corruption Criminal Pada Pengadilan Negeri Jakarta Pusat was used as the basis for dalam to impose a Verdict against PT. NKE. In its decision No. 81/Pid.Sus/Tipikor/2018/PN.Jkt.Pst, the panel of judges ruled PT. NKE is guilty of criminal corruption in violating the provisions of Article 2 paragraph (1) jo. Article 18 paragraph (1) letter b Law No. 31 of 1999 as amended by Law No. 20 of 2001 concerning Amendments to Law No. 31 of 1999 concerning Eradication of Criminal Corruption with a criminal fine of Rp. 700.000.000.00 (seven hundred million rupiah), with the certainty that if the fine is not paid within one month after the breaking of the court order is still legal, then the property is confiscated and auctioned off to cover the fine. PT. NKE is also subject to additional criminal charges to pay for the first Rp. 85,490,343,747.00 (eighty five billion four hundred ninety nine million three hundred four thousand seven hundred four hundred twenty seven rupiah) with the condition that the replacement money is not paid within 1 period of time months after the decision was legally enforceable, his assets were confiscated and auctioned off to cover replacement money. Apart from that PT. NKE was also subject to additional crimes in the form of revocation of its right to follow the government auction for 6 (six) months.

4.2 The Role of Corruption Courts in the Eradication of Criminal Acts of Corruption

The authority of the Corruption Court is not only to try prosecutions submitted by the Corruption Eradication Commission but also prosecutions carried out by the Prosecutor's Office as well as the provisions of article 1 point 3 of Law Number 46 of 2009 concerning Corruption Courts. The procedural law of the special court regulates the length of time for examination, namely corruption cases are examined, tried, and decided by the Corruption Court of first instance within a maximum of 120 (one hundred twenty) working days from the date the case is transferred to the Acting Court Criminal Corruption. The provisions for appeals and cassation efforts are determined in time, namely the Corruption Criminal Appeal level examination is examined and decided within a maximum of 60 (sixty) working days from the date the case file is received by the High Court. Meanwhile, the examination at the cassation level for the Criminal Act of Corruption is examined and decided within a maximum of 120 (one hundred twenty) working days from the date the case file is received by the Supreme Court. As an extraordinary effort, if a court decision that has the force of law is still requested for review, the examination of corruption cases

is examined and decided within a maximum of 60 (sixty) working days from the date the case file is received by the Supreme Court.

The regulation of sanctions for the return of state financial losses in cases of corruption with the subject of corporate law, was then included in Law Number 31 of 1999 as amended by Law Number 20 of 2001 concerning Amendments to Law Number 31 of 1999 concerning the Eradication of Corruption Criminal Acts in which it regulates the criminal conviction of corporations that commit criminal acts of corruption, which in previous regulations have never been regulated. Corporations are included as subjects of criminal law in the criminal act of corruption as an effort to recover state financial losses stated in the provisions of article 18 of the Corruption Eradication Law. Additional criminal sanctions that can be imposed in the form of confiscation of movable goods both tangible and intangible, seizure of immovable goods obtained from criminal acts of corruption, payment of substitute money, closure of business or partial closure of companies/corporations for a certain time or revocation of business rights/licenses and revocation of all or part of certain rights. The regulation of sanctions for the return of state financial losses through the payment of substitute money cannot be applied to corporations, because the provisions of article 18 paragraph (3) of the Law on Corruption which states that in the event that the convicted person does not have sufficient property to pay the replacement money, then the penalty with imprisonment only applies to subjects of natural law while corporations are not subjects of natural law so they cannot be sentenced to imprisonment.

4.3 The urgency of applying sanctions for the return of beneficial financial losses to the subjects of corporate law in the criminal act of corruption.

Corporations do not have an outward body form, so the criminal sanctions that can be given to corporations are not classic criminal sanctions, except for sanctions related to fines or penalties (Sjawie, 2015). Sanctions are nothing but reactions, consequences and consequences of violations of social rules. Sanctions are a means of coercion so that someone obeys the norms or rules that apply. The nature of sanctions conventionally can be held a difference between positive sanctions which are rewards and negative sanctions in the form of punishment (Thalib, 2012). Sanctions can also be interpreted as the result of an action or reaction from another party carried out by humans or social organizations in the environment. Sanctions for violations of the law that can be imposed and implemented and are coercive come from the government, this is a difference that shows with violations of other orders. The reason for regulating criminal sanctions against corporations as subjects of criminal law as well as those that can be held criminally responsible, is because in economic crimes, the benefits obtained by corporations or losses suffered by the community are so large that they will not be balanced if the crime is only imposed on the management. The inclusion of corporations as one of the legal subjects of corruption in the Corruption Eradication Law which states that in addition to the subject of natural human law (*natuurlijk persoon*), corporations are also referred to as legal subjects like human law subjects who have rights and obligations and responsibilities in every action. The beginning of the inclusion of corporations as subjects of criminal law in Indonesia has long been regulated in laws outside the Criminal Code or in special criminal laws. The acceptance of corporations as the subject of criminal acts in Indonesia was first stated by Emergency Law Number 17 of 1951 concerning Hoarding of Goods, which in Article 11 of the Law states

that legal entities can be punished separately from their management. Furthermore, corporations as subjects of criminal law were then strengthened by the issuance of Emergency Law Number 7 of 1955 concerning Prosecution, Prosecution of Economic Crimes (hereinafter abbreviated as TPE Law), which in the provisions of Article 15 of the Law explained that legal entities, companies, associations of persons or foundations are legal subjects that can be criminalized (Kristian, 2017).

4.4. Application of criminal sanctions against corporations and corporate administrators by the Public Prosecutor and the Panel of Judges.

Criminal punishment is essentially a loss in the form of deliberate suffering given by the state to individuals or people who violate the law, but punishment is also moral education for perpetrators who commit crimes so that in the future they do not repeat their actions again. Corporate penal arrangements (Hiariej, 2016) are regulated in the provisions of Article 2 paragraph (1) and Article 3 of Law Number 31 of 1999 concerning the Eradication of Criminal Acts of Corruption, corruption can be carried out by any person or corporation. According to the provisions of Article 20 paragraph (1) of the Corruption Eradication Law, it is stated that in the event that a criminal act of corruption is committed by or on behalf of a corporation, criminal charges and convictions can be made against the corporation and or its management. Paragraph (2) states that the criminal act of corruption is committed by a corporation if the crime is committed by persons either based on employment relationships or based on other relationships, acting within the corporate environment either alone or together. Paragraph (3) states that in the event that a claim is made against the corporation, the corporation is represented by the management. While paragraph (4) states that the management representing the corporation as in paragraph (3) can be represented by other persons. Finally, paragraph (7) states that the main crime that can be imposed against the corporation is only a fine, with a maximum penalty plus 1/3. Although the imposition of criminal sanctions against corporations has been stated in articles 18 and 20 of the Tipikor Law, in its implementation the Tipikor Law cannot be applied so that Supreme Court Regulation Number 13 of 2016 concerning Procedures for Handling Criminal Cases by Corporations was born which separates the punishment of its management and corporations.

4.5 Reform of the law sanctioning the return of state finances in corruption crimes that benefit all corporations.

Funding for corporations perpetrating corruption crimes has 3 paradigms, namely philosophical, sociological and juridical grounds. The philosophical pedestal embodies justice (*gerechtigheid*), the sociological pedestal embodies the benefit (*zweckmassigkeit*), and the juridical pedestal embodies the dimension of legal certainty (*recht zekerheids*). The synergy of the three bases will then give birth to the dimensions of moral justice, social justice, and legal justice in the framework of future criminal law politics, These aspects and dimensions *mutatis mutandis* are in line with the thoughts of Romli Atmasasmita, the politics of criminal law in the 21st century which is a series of processions of criminal law formation sourced from the results of social, economic, and political evaluations that develop in society with the aim of creating order, certainty, justice, and expediency that is measurable and accurate.

The punishment of corporate perpetrators of corruption crimes from the perspective of philosophical reasons seeks to prevent the occurrence of potential obstacles to the protection of the Indonesian state to protect the entire Indonesian nation, both from internal and external threats. Forms of crimes committed by corporations related to corruption including money laundering, the environment and so on are a serious threat to the resilience of the nation and state. In this case, crimes committed by corporations can cause broad impacts either directly or indirectly. With the punishment of corporate crimes, it is hoped that the state's goals in promoting general welfare will not be hampered. In addition, the impact of corporate crime is greater than that of individuals. The characteristics of corporate crime in the panorama of white collar crime, transnational organized crime, and business crime that cross cross-jurisdictional crimes and punishment of corporations are also carried out in the framework of the mandate of state objectives in supporting world order in line with the 2nd Pancasila Precept and the 5th Precept. Where corporate crime can hinder the implementation of the 5th Pancasila Sila to realize and create social justice for all Indonesian people and corporate crime is also in line with Pancasila Sila-2, which is the embodiment of Just and Civilized Humanity.

The sociological basis for the punishment of corporations perpetrating corruption crimes is an objective description that the regulation is formed from the social community itself to meet the needs of the community in various aspects. Therefore, the sociological basis actually illustrates the existence of empirical facts about the development of problems and needs of society and also the state. The development of corrupt practices in Indonesia with the paradigm as extraordinary crime, transnational organized crime, premium remidium and the most serious crime and has been rooted in all layers of bureaucracy and neglect of corporations as perpetrators of corruption crimes will result in very large losses to the country's finances and economy which will eventually disrupt its own joints of the basic life of the nation and state.

The sociological basis of corporate punishment is studied from the perspective of the provisions of Law Number 31 of 1999 Jo Law Number 20 of 2001, so the aspiration of the public to eradicate corruption and other forms of irregularities committed by corporations is increasing. On the one hand, in reality there are acts of corruption committed by corporations that have caused huge state losses that have an impact on the emergence of crises in various fields. On the other hand, corporations perpetrating corruption crimes get and enjoy the proceeds of crime. For this reason, efforts to prevent, eradicate corruption, make legal instruments that are able to seize all corporate assets from corruption crimes need to be increased and intensified while still upholding the values of justice and the principle of expediency as well as human rights and community interests and thinking about the fate of a corporation that has quite a lot of employees.

4.6 The imposition of Criminal Fines and Compensation Money Against Corporations needs to be revised.

The main crime that can be imposed on the corporation is only a fine, but the criminal penalty for fines against the corporation if it does not pay the fine is not regulated in the Corruption Eradication Law as stipulated in article 20 paragraph (7) of the Tipikor Law. Criminal provisions with the subject of corporate law are included in the provisions of Article 2 of the Corruption Law which states Everyone who unlawfully enriches himself or another person or a corporation that can harm state finances or the country's economy.

As well as Article 3 which states any person who, with the aim of benefiting himself or another person or a corporation, abuses the authority, opportunity or means available to him because of the position or position or means available to him because of a position or position that can harm state finances. The provisions of Article 20 paragraph (1) affirm that if a criminal act of corruption is committed by or on behalf of a corporation, then criminal charges and convictions can be made against the management only, the corporation only, or against the management and corporation. With the inclusion of corporations that commit criminal acts of corruption as subjects of criminal law, it is expected to be able to recover state financial losses as the purpose of the birth of Law Number 31 of 1999 as amended by Law Number 20 of 2001 concerning Amendments to Law Number 31 of 1999 concerning the Eradication of Corruption Crimes, namely to recover and restore state financial losses and the state economy.

The imposition of additional criminal sanctions in cases of corruption is included in the form of substitute money as stipulated in article 18 of Law Number 31 of 1999 as amended by Law Number 20 of 2001 concerning Amendments to Law Number 31 of 1999 concerning the Eradication of Criminal Acts of Corruption, Additional penalties that can be applied to convicted corporations other than those has been regulated in the Criminal Code only as specified in Article 18 paragraph (1) letter a, c and d of the corruption law. Because sanctions against corporations cannot be substituted, it is necessary to revise the provisions of article 18 paragraph 1 letter b of the Corruption Law. Because it is hindered by the provisions of article 18 paragraph 3 of the Criminal Law, namely in the event that the convicted person does not have sufficient property to pay the substitute money as referred to in paragraph (1) point b, he shall be sentenced to imprisonment whose duration does not exceed the maximum threat of the principal crime in accordance with the provisions of this Law and the duration of the crime has been determined in a court decision. Even though corporations are not natural people who cannot be imprisoned, while the punishment of corporations is different from natural people. Referring to the provisions of Article 17 of the Corruption Eradication Law in addition to being sentenced as stipulated in Article 2, Article 3, Article 5 and Article 14, the accused (including corporations) may be sentenced to additional crimes as stipulated in Article 18 of the Corruption Eradication Law. Meanwhile, additional penalties stipulated in article 18 of the Corruption Eradication Law are in the form of confiscation of movable goods both tangible and intangible, confiscation of immovable property obtained from corruption crimes, payment of substitute money, business closure or partial closure of companies/corporations for a certain time or revocation of business rights/licenses and revocation of all or part of certain rights. The main crime that can be charged against a corporation is a fine, but the criminal fine against the corporation if it does not pay the fine is not regulated in the Corruption Eradication Law. This can cause problems because if the fine is not paid, it will return to the provisions of Article 30 of the Criminal Code, which is replaced by imprisonment in lieu of a fine for 6 months (Priyatno, 2018).

As a result of Law Number 31 of 1999 as amended by Law Number 20 of 2001 concerning Amendments to Law Number 31 of 1999 concerning the Eradication of Corruption Criminal Acts which does not prioritize the resolution of corruption criminal cases committed by corporations in terms of expediency, it not only kills the sustainability of the wheels of corporate companies, but also how many thousands of people lose their jobs the layoffs and loss of potential state revenue from corporate taxes processed through

criminal justice. In addition, in a court decision with the stipulation of corporate assets, both movable and immovable, to be confiscated and then auctioned to cover the state financial losses caused, of course, this further makes corporate punishment very unfair and does not prioritize legal expediency because by confiscating and auctioning corporate assets, it is the same as providing immaterial suffering and huge corporate losses, Where the sustainability of the wheels of the corporate economy will become paralyzed. This is due to the provisions of Article 18 paragraph (1) letter a, c and d of the Law on Criminal Acts which do not prioritize the side of expediency by confiscation of tangible or immovable movable property used for or obtained from criminal acts corruption, including companies owned by convicted persons in which corruption crimes are committed, as well as from goods that inject these goods, the removal of all or part of the company for a long time of 1 (one) year and the revocation of all or part of certain rights or the elimination of all or part of certain profits, which has been or may be given by the Government to the convicted person (letter d). While the main crime that can be imposed on corporations is only a fine, but the criminal penalty for fines against corporations if they do not pay fines is not regulated in the Corruption Eradication Law as stipulated in article 20 paragraph (7) of the Tipikor Law. Therefore, it is necessary to revise the provisions of article 18 and article 20 paragraph (7) of Law Number 31 of 1999 as amended by Law Number 20 of 2001 concerning Amendments to Law Number 31 of 1999 concerning the Eradication of Criminal Acts of Corruption.

Conclusion

Regulations regarding sanctions for the return of financial losses in cases of criminal acts of corruption by corporations are still spread sectorally starting from Law Number 8 of 1981 concerning the Code of Criminal Procedure, Law Number 31 of 1999 as amended by Law Number 20 of 2001 concerning Amendments to Law Number 31 of 1999 concerning the Eradication of Criminal Acts of Corruption, Circular Letter of the Attorney General of the Republic of Indonesia Number B-036/A/Ft.1/06/2009 concerning Corporations As a suspect/defendant in the criminal act of corruption, Regulation of the Attorney General of the Republic of Indonesia Number: Per- 028/A/JA/10/2014 concerning Guidelines for Handling Criminal Cases with the Subject of Corporate Law, Supreme Court Regulation Number 13 of 2016 concerning Procedures for Handling Criminal Cases by Corporations. This causes the criminal justice system to run independently, as is reflected in several judges' decisions which still mix a lot between imposing criminal sanctions on administrators which are mixed with imposing sanctions on their corporations. In addition, the provisions of Article 18 paragraph (1) point b concerning additional crimes in the form of the obligation to pay substitute money cannot be applied to corporations that commit criminal acts of corruption, because additional criminal sanctions in the form of obligations to pay substitute money can be replaced with imprisonment based on the provisions of Article 18 paragraph (3) of Law Number 31 of 1999 as amended by Law Number 20 of 2001 concerning Amendments to Law Number 31 of 1999 concerning the Eradication of Criminal Acts of Corruption. Also included are the provisions of Article 20 paragraph (7) of Law Number 31 of 1999 as amended by Law Number 20 of 2001 concerning Amendments to Law Number 31 of 1999 concerning the Eradication of Corruption Criminal Acts states that the main crime that can be imposed

against corporations is only a fine, with a maximum penalty plus 1/3. This will cause problems at the time of implementation, namely what action can be taken by the judge if the criminal substitute money and criminal fines are not paid by the corporation so that this creates a legal vacuum. The application of the provisions of article 20 paragraph (7) as the main crime and article 18 paragraph (1) as additional crimes occurs inconsistencies, legal vacancies and does not bring benefits to corporations, so it is very important to update the criminal law between the government and the DPR as part of criminal law politics so that the application of criminal sanctions against corporations involved in corruption crimes can be applied in terms of expediency to the corporation.

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AN INVESTIGATION OF STAFF PERFORMANCE AND PRODUCTIVITY IN THE DEPARTMENT OF HOME AFFAIRS IN SOUTH AFRICA

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Abstract: *This article seeks to analyse the barriers to employee performance and productivity at the Department of Home Affairs' Richards Bay branch. The mandate of the public sector is to offer effective and efficient public service delivery to the public, and service provision is guaranteed by the South African constitution. There has been a public uproar about low worker performance and productivity at the Department of Home Affairs. The government is currently employing a Performance Management System (PMS) to improve the performance and productivity of public personnel. This paper will look at the feasibility of the PMS in terms of increasing the productivity and performance of DHA employees. The challenges encountered in the implementation of the PMS will be analysed and possible strategies to counter these challenges will be proposed. This article contends that the PMS is ineffective in addressing South African public servant performance. The government must create new measures to effectively implement the PMS as the current standard tool to improve civil servant performance and productivity. To fulfil the study's objectives, this paper used a qualitative technique, unstructured interviews were the data collection tool used and content analysis was used to analyse the data.*

Key words: *Employees, Government, Performance, Productivity, Service delivery*

Introduction

The Department of Home Affairs (DHA) is operating on a low qualification staff component undertaking routine low-level work seated at a counter. To build offices in every community based on this model is not viable, and poor and marginalised people often have to travel long distances to access the services. The current model hinders the productivity of employees and service delivery to a large extent (White paper on Home Affairs, 2019). During 2017/2018 financial year the Department of Home Affairs (DHA) missed the target for smart identity cards by 136000 smart cards not issued. The department is still not meeting targets on birth registrations. (Department of Home Affairs, Annual Report, 2017-2018). According to Mafini (2015) public official's performance has become a major issue in public institutions. This is caused by the fact that outcomes and successes of the organisations are determined by the performance of their human resources. The poor performance of public officials hinders service delivery of which is the mandate of governmental organisations such as Home Affairs to deliver best public services. Mafini (2015) further states that employee performance is made up of actions, behaviours and outcomes that each employee engages in to contribute towards achieving organisational goals. Mbili (2015) expound that public official's performance is crucial for effective and efficient service delivery to take place. The performance of the public servant in the Department of Home Affairs (DHA) has a major role in determining the success of the

department in achieving its objectives. The good performance by employees will lead to best service delivery while poor performance serves as a hindrance to the goal, mission and the image of the department. The performance of Home affairs officials is currently criticised by public and media, this is due to poor services delivery in the department. Phathela (2017) point out that the public institutions should have proper performance management systems in place in order to formally assess individual performance. When the performance of the public officials is assessed annually that could lead to good service delivery, because the poor performance will be identified and improved. Moreover, Miruka (2014) indicates that the failure of performance management system stems from lack of training about performance management systems in the public institutions. The public officials are not well trained about the whole process of the performance management system this hinders the implementation of performance management systems. Hence, this proposal seeks to investigate strategies to enhance staff performance and productivity in the Department of Home Affairs: Richards's Bay.

Drawing on a qualitative methodology, the aim of this study is to investigate the staff performance and productivity of employees in the department of Home Affairs in conjunction with the implementation of PMS. The study seeks to answer the following research questions:

Of what importance is a Performance Management System (PMS) to enhancing the staff performance in the Department of Home Affairs?

What strategies that can be used to improve provision of services in the department of home affairs?

Are the employees of the department motivated enough to carry their duties to their level best?

What methods can the Department of Home Affairs use to rewards outstanding performance of its staff?

The problem statement of this study is as follows: the performance of public servants in the Department of Home Affairs (DHA) has been openly criticized by the local communities being serviced and by the media; this is due to poor performance of the public servants which emanate from the inability of the department to implement the performance management systems effectively, this has hindered service delivery in the Department of Home Affairs (DHA). Mbili (2015) highlighted that if public officials are to deliver effective and efficient services, their performance should be managed, monitored and evaluated continually. The challenge in public sector including the department of Home Affairs (DHA) is that the employee's performance progress in neglected and PMS is just implemented just to comply with guidelines, not necessary to enhance the performance of the employees. In the public service including Home Affairs the supervisors lack skills to implement the performance management system; this hinders services delivery within the public service. According to Mathidza (2015) supervisors they lack skills on performance management and development systems; this has negative impact on the performance management process because the supervisors in the public sector are directly responsible to implement the whole. Moreover, Maimela (2015) points out that employees are not properly consulted before the performance management system is implemented; therefore, they find this system not serving its purpose well. The public servants in the public service, including Department of Home Affairs (DHA) are not well educated about the performance management process, as the result their participation in the process has no good impact on

their performance, because they lack faith in the whole process this hinders service delivery of which is the core function of the government. Woyessa (2015) found that the lack of trust between the employer and employee on the performance management process hinders the effectiveness of the performance management system. He also stated that employees have little knowledge about the purpose of the performance management system; this has negative impact on the performance and productivity of employees. Phathela (2017) stated that some employees in the public sector experience unfair treatment and biasness during performance assessment period, this directly affect their level of performance negatively. The backdrop and the literature provided above indicates that there is a challenge with effective staff performance in the Department of Home Affairs (DHA) which then led to poor productivity of staff. Hence, this research seeks to find strategies the Department of Home Affairs (DHA) can use to promote the performance and productivity of public servants focusing on the Department of Home Affairs: Richards Bay office and it will also be published for the benefits of the public.

Methodology

The qualitative method was used in this study because qualitative data produces primary data in the participants own written or spoken words based on their experience or perceptions. The main goal of this study is to learn more about the participants' experiences and perceptions of the DHA's PMS process to figure out what caused poor staff productivity and performance. This approach was also chosen since it allows for the collection of data through interviews. Purposive sampling necessitates that the researcher only approached those individuals who are likely to have relevant information and are willing to provide it. The DHA's Richards Bay branch employs a total of 30 people. To obtain data on all levels of the organization, this study purposefully interviewed three top managers, three supervisors, and ten junior staff at the DHA: Richards Bay branch. The data collected was analysed using content analysis, to effectively address the study research questions and objectives.

Theoretical frameworks

Goal Setting Theory

According to Locke and Latham (2006) when the employees discover that, they are underperforming and desired goals are not achieved, they typically become motivated to increase effort or change their strategy. It is the duty of supervisors in the Department of Home Affairs (DHA) to give performance feedback to their subordinates on quarterly basis; this motivates the employees to be more productive if they were underperforming because the supervisor together with the supervisee will seat together and come up with the strategy to enhance the performance of the supervisee, the strategy that is usually used in public service is the personal development plan , which is used to address any performance output shortfall in the work of the employee. Locke and Latham (2002) further states that accepting a goal is the first step in creating motivation that will affect performance. All employees in the public sector, including those in the Department of Home Affairs (DHA) must enter into and sign performance agreements before the end of the first quarter of the new cycle, this agreement has set goals or targets that employee must achieve, this process enhance performance because the employees are aware of what is

expected of them. (Department of Public Service, 2007) According Latham (2007) goal setting gives employees sense of purpose, challenge and meaning to duties perceived as exhausting tasks, goal setting also enhance task interest, pride in performance and heightened sense of personal effectiveness. He further stated that goal setting is the object or aim of an action, for example, to attain a specific standard of proficiency, usually within a specified time frame. Goals setting; if allowed to take effect it provides a sense of direction for management and employees, but they must be realistic and attainable. Employees will perform at their best level when goals are set at a motivating. The goals must be on high level enough to challenge employees, but not so high that it frustrates them Van der Merwe (2007). Smit (2003) point out that the organisational goals and objectives are the starting point of the management process and can drive the organisation to achieve its vision. When the employees in the Department of Home Affairs are aware of the organisational goals, this could inspire them to perform in a more satisfactory way, because this gives them a purpose and a form of direction. Schragger (2020) identified two main factors that influence the capability of an employee to commit to an objective: the outcome for the employee about his/her performance and the certainty that the objective is achievable. It is imperative for the management in the Department of Home Affairs (DHA) to recognise the employee performance and to provide resources that will make it easy for employees to believe that goals area achievable. Locke and Latham (2013) states that the individuals are goal driven and goals have the power to encourage, direct and organize employee's behavior. The employer must ensure that the goals of the organisation are clearly defined to the employees, hence the recognition of organisational goals by employees can have enhance the employee's performance. To Lunenburg (2011) the goal setting theory describes the link between performance and objectives. The Department of Home Affairs (DHA) must emphasize the imperative relationship between goals and performance, the organisational goals must be linked to the goals of the employees in a quest to enhance performance. Lunenburg (2011) further stated that the effective employee performance is mostly influenced by objectives that are clearly defined and challenging. The employees tend to perform at higher levels when the institution has set the specific high-performance goal that must be met. Goals inspire employees to develop tactics that will empower them to perform efficiently. The Department of Home Affairs (DHA) must ensure that every departmental employee has goals, hence goals will motivate employees to perform well. The goals that are not difficult to achieve tend to not bring the desired growths in performance. It is imperative for the organizations to set goals which are difficult in a quest to enhance performance. On the other hand, the is a limit to this effect. Even though the employees will work hard to reach challenging organisational goals, they will work towards achieving these goals only if they are within their capability. The employees tend to reject goals that are too difficult and unattainable, this hampers organisational performance. The Department of Home Affairs (DHA) must set the goals that are reasonable and attainable, this will inspire employees and enhance organisational performance. The crucial key to successful goal setting is to construct and reinforce workers' efficiency.

Expectancy theory

Underpinning the expectation theory of motivation is the assumption that individuals have certain expectations for the possible outcome of their actions. An

additional assumption is that individuals have different preferences for different consequences. Thus, individuals are viewed as thinking beings who can anticipate future events. Individuals will be motivated to high level achievement if they think that their attempts will be successful and if they believe that successful achievement will bring what they desire. These outcomes are divided intrinsic (results that are directly associated with task itself, such as salary and work conditions) and extrinsic outcomes (that is a salary and working conditions) (Griffin, 2005). Redmond (2009) establishes that the basic idea behind the theory is that people will be motivated because they believe that their decision will lead to their desired result. It is on this premise that the study plans to use expectancy theory and goal setting theory as important tools in that it explains how the departmental employees perceive their performance within the organisation. It is imperative for the Department of Home Affairs (DHA) to come up with the effective strategy that will recognise and award the outstanding performance, this will motivate employees to be more productive, and this will lead to best provision services within the department. The employer can keep the employees motivated, it just a matter of establishing the good work relationship and better communication. It is the fact that when the employees feel recognised by the employer, this motivates them to perform well. The expectancy theory describes motivation as a method of directing choices between alternative forms of voluntary activities and this process is controlled by individual. Expectancy refers to the power of an employee belief about how specific actions affect performance. Workers have diverse expectations and unlike levels of assurance about what their capabilities in their workspaces. Park and Kim (2017). The Department of Home Affairs (DHA) must take it into account that the organisational performance is linked to the employees' belief about the total effects or output of their professional effort in the organisation. According to Park and Kim (2017) the public institutions are passionate about strategies they will employ to enhance employee performance. Organisational performance influence workers job satisfaction due to desired expectations based on higher performance. Each employee performance leads to job motivation; more positive interpretation of performance in a work team lead to greater levels of job satisfaction among workers in the institution because of expectations allied to institutional performance. The Department of Home Affairs (DHA) must set performance targets which are attainable hence job satisfaction is influenced by organisational performance targets and expectations that employees will give higher performance in order to achieved organisational goals. Park and Kim (2017) further stated that Scrutinizing job satisfaction of employees in the institution is a profitable cause because when employees are satisfied by their jobs this will create a positive impact to the institution and as well as on each employee. It is crucial for the Department of Home Affairs (DHA) to ensure the employees are happy in their roles, hence this will assist the organisation to achieve its goals and objectives.

Literature review

Magqadiyane (2016) notes that performance management is a method that put into effect alignment between employees' activities or outputs and organisational goals. The success of an organisation is linked to employee productivity, contributing to achievement of the goals and objectives. According to Mofokeng (2017) PMS are used to understand and encourage employees' accomplishments, additional change(s), values and approaches

of both employers and employees towards the strategies and processes of advancing organisational efficiency and performance. It acts as a guide to organisations setting targets, performance principles, best practices and performance indicators that help the managers to take informed decisions regarding achievement of organisational goals and objectives. Ramataboe (2015) expound that performance management is a method of evaluating, identifying and enhancing the performance of employees through aligning their performance with organisational strategic goals. The system uses constant assessment and feedback to develop the employees' performance, seeking to reward outstanding performance by aligning achievements with the mission and objectives, and ensuring that both employer and employee understand the imperative of a specific job in grasping outcomes. Mkhize (2020) concurred that PMS help to communicate employee performance expectations, maintenance of continuous performance dialogue as well as conduct annual performance appraisals. It is a tactical and methodical process which trains leaders, managers, employees and stakeholders on different levels with a set of tools and methods to plan, monitor, measure, review and report performance of the organisation in terms of performance indicators and target-setting for effectiveness and efficiency. It has a vision to advance employer and individual employees' performance to enhance the delivery of services. PMS is a constant method used to improve employee performance through goal setting and tactically aligning such goals to the institutional goals. (Sisa and Naidoo, 2017). Therefore, a well-executed PMS improves employee performance and helps the organisation to achieve set goals and adjust to organisational change. (Mofokeng 2017). Such change involves integrating goal setting, performance appraisal and employee improvement into a single combined system while ascertaining that performance upholds the organisation's strategic objectives. Mello (2013) points out that public institutions around the world are increasingly under pressure to deliver better services with limited resources. The pressure is mainly from members of the public who are becoming more aware of their democratic rights to demand better services, manifesting in the form of protests, which often turn violent. The citizens need assurance that public institutions are doing their best to satisfy complex and ever-increasing societal needs. The development and implementation of an effective PMS will go a long way to satisfy the needs of members of the public and minimize wastage. Performance is therefore central to the success of any public institution, the sum total of individual employees' performance. It can be expected in any organisation that motivates employees who understand the overall institutional goals will perform at their peak, given the necessary support and tools. According to Mungiu and Warkotsch (2017), for the management to develop an employee performance assessment system it is imperative to realise its significance as a key element in human resources management. Performance must be managed throughout the year by following the process as per the requirements. (Ndou, 2013). It thus means that if performance is not well managed it can easily become a paper exercise, which will lead to the failure of the system to achieve its objectives. It is therefore important to monitor and evaluate the process regularly to ensure that compliance levels are always promoted and kept at acceptable standards. Further to this, PMS; if seen as a means of communication between the manager and employee on what objectives are to be achieved, how they will be achieved, and how work will progress to achieve the desired results, the one would arrive at a point where PMS involves both the supervisor and the supervisee. According to Serban and Herciu (2019) performance management is well known, but studies have revealed that many

organisations are still struggling to effectively the implement systems. This however, rests on the behavioural factors of leaders and workers and on the method, employers use to lead their workers towards effective implementation. Thus, more attention must be given to performance-based behaviour to ensure effective implementation. This also rests on the behavioural factors of leaders and workers and on the method, employers use to lead their workers towards effective implementation. Prerequisite to implementation of a PMS is sufficient knowledge and skills for employees and employer to benefit from the system (Mashego, 2016). The former can benefit from having their skills developed, with recognition and rewards for outstanding performance, whilst the latter is afforded an opportunity to deliver optimal services through development of staff performance. For the system to be efficient and effective it must be aligned to the employee performance development plan, the vision and mission of the organisation, as well as the annual performance plan. Mthimkhulu and Singh (2016) echoes Mashego's view that for performance management to be implemented effectively the employer must ensure that employees have the necessary work resources and skills, given that the management would be held accountable if the desired results and targets are not achieved as a result of poor staff performance resulting from ineffective implementation of PMS, thus putting pressure on the management to monitor and evaluate staff performance on a quarterly basis for effective optimisation. For effective performance management Mathidza (2015), believes that it is necessary for the manager to work as a leader who can transform the dreams into reality. This is because most of the well-designed PMS have not succeed because line managers do not know how to implement them. In this respect, top management top managers can play an important role by including performance management in their job description and making them aware that this is an integral part of their position, because line managers are directly responsible for implementation of performance management practices in their respective departments. According to Locke and Latham (2006), goal setting theory, is couched on the principle that encourages employees to adjust their performance strategy. In other words, when employees learn that they are underperforming and that their desired goals have not been met, they are driven to put in more effort or adjust their strategy to achieve a desired goal. Van der Merwe and Dawes (2007) asserts that when goals are set at a motivational level, employees will perform at their best and thus serves as the foundation of goal-setting approach. Locke and Latham (2006) point out that Goals and objectives are the starting point of the management process, and they can help an organisation to realize its vision. Thus, when employees are aware of this, it motivates them to perform better because it provides them a sense of purpose and direction. The premise of the expectancy theory is bestowed on the concept that people have expectations for the likely outcomes of their activities underpins motivation. Another assumption is that people have diverse desires for different outcomes, they are therefore considered as thinking entities capable of foreseeing future events. These outcomes are divided into intrinsic, with results directly associated with the task, such as salary and work conditions, and extrinsic, that is, a salary and working conditions (Griffin, 2005). The primary assumption behind the expectation expectancy theory, according to Redmond (2014), is that people will be motivated if they believe their decision will lead to the desired outcome. Expectancy theorists believes that motivation is sometimes described as a means of steering choices between various types of voluntary behaviour, a process that is controlled

by individuals, and thus the strength of an employee's rests on how specific activities affect performance.

Results

The findings revealed five themes, namely, Importance of PMS, Training, Communication, Demotivated, Ineffective performance appraisal

Importance of PMS not realised in the DHA

I don't see the Importance of performance management system.

A PMS seeks to improve service delivery at grassroots level, while service delivery at the DHA rests on frontline staff performance and productivity. Therefore, the response poses a threat to service delivery and employee productivity.

Another participant said: I do not understand importance of performance management system because Home Affairs has not educated me about performance management system.

The DHA must educate the staff about PMS as current instruments do not stimulate employee performance and productivity. The employers must ensure that the employees accept and sign a performance agreement because it outlines the goals and performance standards of each employee. The fact that most employees of the DHA do not realise or understand the importance of PMS means that they do not know or accept goals and performance standards stipulated in the performance agreements. This is due to poor implementation by the employer, interrupting the service delivery and hindering performance and productivity. The goal-setting theory confirms that the employees need to accept the goals in order to stimulate motivation among individual employees. The acceptance of goals is the first phase in stimulating motivation among employees (Locke & Latham, 2013)

Another participant said: I don't understand Performance management systems and it has not contributed to my performance because I perform same routine duties and my performance is on the norm level

Routine duties demotivate employees because they perform the same task every day. The employer must set challenging goals, difficult or challenging goals motivate employees and enhance performance. These findings also align with those of Sejjits, Latham, and Woodwark (2013), who wrote that the precise and challenging goals were most helpful in enhancing performance

Another participant said: Performance management system does not motivate me because no incentives are given afterwards, I really don't see it importance.

The good performing employees become demotivated if their hard work bears no result for them. The productivity and performance of employees is impacted negatively if rewards and recognition for good performance are not given, so the employer should address the critical issues around PMS during planning and devise tactics to address challenges encountered during the performance cycle. In the public sector the PMS provides the employer with an opportunity to introduce mechanisms for non-financial recognition to stimulate performance and motivate employees across the DHA, at the discretion of the Head of Department (HoD).

Trainings of staff is not prioritised at DHA

The participant said: Trainings are not done and if they are done, they tend to be not relevant

Staff development is crucial in the DHA because efficient service delivery hinges on grassroots employee performance as they are the direct point of contact with the clients

Another participant said: The trainings and courses on personal development plan are not done

The employer must identify the employees' training needs and provide development and training that is in line with the Personal Development Plan (PDP) of each employee. It is imperative for the employer to provide training needs as in the PDP of each employee because the developmental needs are documented in it.

One participant indicated that: Staff trainings is important for service delivery

The DHA must realise that the training and development of employees is an effective tool that will enable them to make use of their potential and capabilities to a fuller capability. The White Paper on Public Services Training and Education (1998) makes provision for all personnel to be given meaningful training opportunities. The provision of service delivery is highly dependent on employee performance, therefore, the DHA must provide relevant training to the employees. Those who are equipped with necessary skills perform much better than those who are not. The White paper on Home Affairs (2019) states that the Department is committed to being development-orientated, its latest development to address key areas that are significant in its operations. The White Paper is a confirmation of a need for staff development that has been identified by the management in the DHA, and most employees in the Richards Bay office have expectations that their performance and productivity will be enhanced if they are provided with necessary training in line with their area of performance.

Communication between the Supervisors and Supervisee is non-existent

The participant said: The flow of information is poor because we are given the toolkit to just sign, no meetings with supervisor.

The DHA must provide feedback to departmental employees with regard to the status of their performance as this will help them to recognise the areas they need to improve

Another participant responded that: The performance management system is done by my supervisor on my behalf, I just sign at the end, so there is no flow of communication.

The employer must make use of performance review as this gives the supervisor and employee an opportunity to monitor progress, resolve difficulties and modify work plans during the performance cycle. Continuous feedback on each employee performance is imperative for the accomplishment of PMS objectives. These findings supported those of Locke and Latham (2013), who maintained that the performance feedback interacts with objective accomplishment as in goal-setting theory. They also confirm Lunenburg's (2011) argument that the feedback on performance helps employees attain their performance goals because employees can determine how well they are doing.

Another participant said: Communication between Home Affairs, employees and the public must be taken into consideration, if there are changes with the standard operations of the department, Home Affairs must update the clients, so that the clients service relationship will be promoted

Effective communication must be extended to the local communities which are being serviced, and if there are changes in standard operating procedures the clients must be informed, thus promoting the provision of service delivery. Many clients become frustrated by visiting Home Affairs on numerous occasions with the same queries. Long

turnaround time is caused by poor communication between the employer, employees and the public, therefore the department needs to ensure smooth communication is maintained with the employees, clients and all stakeholders to improve the provision of service delivery. The effective communication must also be extended to the employees with planning around operating procedures and the tactics the employer will implement to achieve the goals. Employees must be updated accordingly if there are changes in the standard procedures.

Effective communication between employer and employees is imperative because everyone needs to understand how their personal goals fit within the objectives of the organization. This can only be achieved through effective sharing of information between employer and employees. In addition, Arifin, Nirwanto and Manan (2018) found that involving employees improves the desire to perform their duties and a good working relationship is established. The employees become more attentive in performing their duties with greater enthusiasm.

One participant made an interesting argument that: *Decentralisation of service can enhance provision of services.*

Currently the services are centralised, with a command centre in the Head office. This hinders the provision of service delivery as clients' queries cannot be resolved timeously and the turnaround time is longer. For instance, the Richard Bay Office must send all applications to the command centre and the clients are expected to wait a long time for the application to be finalised and the relevant documents handed to them. The centralisation of services demotivates employees because they are not able to provide feedback to clients in time and are not in a position to resolve queries on time. The DHA must decentralise more authority and responsibilities to the local offices because these interact directly with the local communities and are responsible for giving feedback and resolving queries of the clients. Giving more authority to the local offices will ensure efficient provision of service delivery. Decentralization of authority would ensure efficient and effective services delivery to citizen

Employees are Demotivated

Asked if they were motivated to return to work on a daily basis, most (14) said they were not. One commented: *I am not motivated to come to work on daily basis due to work environment and the management style is ineffective*

A demoralized employee's performance cannot be satisfactory as it will negatively affect organisational performance, employee productivity and provision of services. The DHA service standards have been criticised by local communities, due to demoralized employees whose goals are no longer aligned to those of the organisation. Their frustration in the workplace is largely due to unfavourable working conditions so the employer should implement behaviour control methods to encourage employee performance. Behaviour control can be effective in motivate departmental employees to improve productivity and performance in the quest for quality service delivery

Another participant said: Our needs are not given attention too, only service delivery is prioritized

Efficient provision of services and effective employee performance and productivity can be achievable through giving attention to grass-roots employees' needs as they are the direct point of contact with the clients. The department must not only be driven by achieving organisational performance because that is interpreted as neglect by employees.

The premise of expectancy theory in defence of these results states that when organisations are driven by performance resulting from increased amounts of work, it might negatively affect employees' work (Nadeem & Abbas, 2009).

Another participant said: No Home Affairs is not an employer of choice.

The employees will only regard the department as the employer of choice only if they are satisfied by their jobs. Job satisfaction has a positive influence on the attitude of the employees towards achieving their duties in their work area. Another participant responded

Another participant said: No, I wouldn't say Home Affairs is the employer of choice.

The employees will recognise the department as the employer of choice and commit to performing their duties provided it recognises their needs and engages with them. Employee engagement creates a good working relationship with the employer and productivity, enhancing performance, productivity and provision of services. The employer must take into consideration that the employees will not be motivated to perform to their full capacity if their expectations are neglected. These results support the findings of Mbonambi (2016) and expectancy theory that all motivation is conscious, and employees make choices after a calculation of pleasure they expect to enjoy in their productivity and performance in the organisation.

Another participant said: Yes, because I am demotivated to be at Home Affairs.

The DHA seems to have neglected to motivate or inspire employees to work with passion, with departmental concern mostly focused on service delivery rather than the execution of those services. This is problematic because the neglect is visible to the employees and so discourages employees from performing well in their work, negatively impeding the provision of public services. Inuwa's (2016) research also found employee performance a crucial aspect that determines organisational development and productivity. These factors hinge on how effective and efficient the personnel in the public institutions are, a vital concern for executives of organisations

Another participant said: I see myself in other organisation where my qualifications will be aligned with my duties.

The employees have shown that they are not happy within the department due to lack of staff recognition, poor management and unconducive work conditions. Though this leads to them seeking employment in other sectors and demoralizes them they remain within the department, creating poor performance and interrupting service delivery to the public. The employer should be attentive to employee necessities and build a good lasting relationship with them.

Performance appraisal is Ineffective implemented

One participant said: I think there is favouritism with regards to performance appraisal process in the Department of Home Affairs.

The public institutions should ensure an efficient and unbiased performance appraisal process, hence the main objective being to motivate and reward the good performing employees rather than demoralise them. The DHA must effectively implement performance appraisals to motivate employees to bring improvements to their performance.

Another participant responded: Performance appraisal doesn't exist in the Department of Home Affairs, that my opinion.

This participant's view on the performance appraisal process shows frustration and a sense of demoralisation, therefore the fairness and effective implementation of the process should be given attention by the department. Its effectiveness is influenced strongly by employees' perception of fairness in the process

Another participant made the comment: Unfortunately, in that part you can work and go an extra mile, but unfortunately when it comes to evaluation, the team or the committee that normal does the evaluation, they will say one person cannot do so much and underrate but the reports and everything has been sent, they will say you deserve a merit, but the people who are in the committee, will actually downgrade you, that demotivates you as the employee to even go the extra mile the next time.

Another participant made the comment: The employer doesn't recognise good performers and there is favouritism.

And another participant said: No recognition at all at DHA.

The department needs to realise that recognition of good performers will enhance employee productivity and performance to greater heights, and that lack of recognition or praise for good performance demoralizes good performers. The DHA deals directly with clients, therefore good performers will ensure that they receive efficient and effective service delivery. Good performers will also motivate those employees who are performing well to work hard to achieve appropriate recognition, praise and rewards.

Discussion

The findings revealed that the objectives or significance of a PMS have not yet been realised by employees of the DHA: Richards Bay office. It was confirmed that ineffective implementation by managers featured as a major factor. The primary participants of this research, employees of the DHA, indicated that they did not understand the importance of a PMS or its objectives. The systems will not be fully effective in enhancing performance or productivity until the employees understand the goals and objectives of the organisation and link their goals to its. These findings reveal a discrepancy in the implementation of a PMS in the department. The premise of effectiveness stresses the importance of including employees in the whole process, through the use of a performance agreement during the planning process, as it is the cornerstone of performance management. This finding supported that of Sebola and Manyaka (2012), who indicated that there was a general lack of commitment by supervisors to effectively implement PMSs to manage the performance of workers in the public sector. Makhubela, Botha, Swanepoel (2016) were supported by these findings, specifying that public managers lacked the knowledge and abilities to implement performance management competency. The findings also revealed that participants in this study are not well informed about the PMS implemented in the department, which also speaks to poor performance planning and thus attests that the goals do not align with those of individual employees. Within the organisation, the employees under normal circumstances should be informed of performance planning, the organisation's goals and objectives vis-à-vis the employees' goals with those of the organisation, because performance planning is the initial stage in the performance management process. Gruman and Saks (2011) also found that during the goal-setting stage, each employee should be educated about the objectives of the organisation and staff should align their individual ones with those of the organisation. The findings also revealed

that the participants in the study believed that the PMS had not contributed to enhancing their productivity or performance due to lack of training, lack of recognition and less challenging goals. The process was supposed to be developmental, and the good performance recognised but its importance in the department had not been realised because the aims and objectives were yet to take shape.

The findings revealed that participants were demotivated to come to work daily, due to a poor working environment and ineffective management style. The performance and productivity of demoralised employees leads to poor service delivery and makes it impossible for the DHA to meet all its goals in the annual performance plan. Employees in the department felt that their needs were being neglected by the employer owing to it being more performance-oriented, while the employer had not put sufficient effort into creating a conducive working environment or good working relationships. The work of Suwati, Minarsih and Gagah (2016) stated that employees are driven not only by salaries but also self-satisfaction, which plays a significant role. They also identified working environment, motivation and leadership as major aspects which influence employee performance. The participants believed that the DHA was not the employer of choice, bringing to light that they were not pleased by the working relationship with the employer. This leads to demotivated and unproductive employees, as poor employee engagement creates a crack in the relationship between employer and employees and further demoralises employees in the long run. They anticipated leaving the DHA and joining other organisations due to unconducive working conditions and poor employee benefits. The dysfunctional relationship with the employer demoralised the employees, who wished to leave the organisation as it was not responsive to their needs, notably benefits and working conditions. As Maswabi and Qing (2017) found, the possibility of workers who are demoralised leaving their place of employment to join other organisations is high. From the findings of this research revealed that the participants found the performance appraisal system to be void. Efficient and unbiased performance appraisal process - The performance appraisal process should be fair in awarding outstanding performance. Fair and unbiased performance appraisal enhances productivity and performance, due to a bonus for outstanding performance. Shrivastava and Purang (2009) established that when the employee is subjected to unfairness experience during the appraisal process this create a negative emotional condition on the other hand fairness would lead to positive emotional conditions.

From the findings m of participants in the study suggested the following organisational strategies can be used to improve provision of services in the DHA.

Staff trainings - The training of staff is significant to the provision of services because well-trained staff are a cornerstone of good service delivery. Sunahwati and Maarif (2019) concurred that well-trained staff are crucial for accomplishing the optimal organizational performance; therefore, staff development is a prerequisite for enhancement of organizational performance.

Online system upgrades - The online systems upgrades will enhance the provision of services, and this can dispense with the challenge of long queues that the department is currently facing due to high numbers of clients accessing civic services.

Decentralisation of authority - Currently the DHA is centralised with the Head Office as the command centre. This disrupts efficient service delivery because most of the services are provided in the local offices but completed at Head Office, contributing to long

turnaround time and more unresolved client queries. Decentralisation of authority will ensure efficient and effective service delivery to departmental clients. The organization adopting the concept of decentralization appears as an entity that empowers employees by giving them autonomy, authority and real responsibility for decision-making. Al-Nawafah and Almarshad (2020) state that decentralisation empowers individual employees with more authority, real responsibility and decision-making ability, thus making it easier for employees to assume more responsibilities and achieve the goals set by the organisation. Communication - Effective communication between employees, employer and the local communities being serviced is imperative for efficient service delivery. A good flow of information between all role players will promote the quality provision of services and quality service delivery, which is the mandate of public institutions. Lahap, O'Mahony and Dalrymple (2015) assert that the goals of public institution can be accomplished effectively through well-organised communication, and that effective and proficient distribution of work information assists day-to-day routine work.

Practical implications of the study

The study revealed that the managers and supervisors must be trained about PMS, so that they will train their subordinates. Effective communication during the PMS implementation is imperative as the effective implementation of PMS requires continuous monitoring and evaluation. The performance appraisal system need to be fair to all employees as it has the potential to discourage the good performing employees. Effective service delivery depends entirely on the productivity of public servants, the government must ensure that the PMS is not just implemented for formalities, but for the enhancement of staff productivity and performance.

Limitations and recommendations

As limitations of the study:

The DHA took a long time to issue a letter permitting the commencement of the study as the Head Office was closed due to lockdown procedure implemented by the national President, holding up the data collection process for a long time.

The participants were busy in the front office, making it difficult to involve each participant in the interview phase.

A few participants did not wish to participate in the study and were excused.

This study was only carried out at the Richards Bay branch of the DHA; therefore, it cannot be generalized as the PMS situation of the entire DHA.

Recommendations for future research

It is evident in this study that there are challenges about effective implementation of Performance management systems in the Department of Home Affairs (DHA): Richards Bay office. It was discovered that employees in the department were demoralised, and training aligned with each performance was not given by the employer, thus it is recommended that future research should cover the following areas:

The strategies that the DHA can use to effectively implement the PMS

The motivation tactics the DHA can use to motivate employees for the quest to enhance employees' productivity and performance

The training methods that the DHA can use to identify the training needs of each employee.

The methods that the DHA can use to develop an effective work relationship between management and employees.

Conclusion

Altogether the study has revealed that the enhancement of civil servants' performance and productivity depends on effective implementation of performance management system. The performance planning phase was identified as a crucial stage in the whole process, because it entails the employee's job functions, a work plan which contains crucial performance areas, allied with productivity, performance standards and a personal development plan for each employee. The performance management system in the public sector must not be implemented just because it a procedure, but rather it must be effectively executed for the purpose of enhancing the productivity and performance of public officials. In addition, recognition of good performance was identified as an essential tool to persuade employees to sustain good performance, because when the employer does not praise employees for good performance, they tend to be demoralised.

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DOCTRINAL CONTROVERSIES AND JURISPRUDENTIAL SOLUTIONS CONCERNING THE "BILATERALIZATION" OF THE DIRECT ACTION OF THE PRINCIPAL AGAINST THE SUBSTITUTE

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Abstract: *Our article brings to attention the operation of trustee substitution and its complex effects on the relations between all the parties involved, this study being focused more specifically on the relationship between the principal and the substitute agent. Thus, in a previous study, we have analyzed the agent substitution, as a exception from the rule that the trustee must personally carry out the mandate; we focused on the the legal nature of the operation, supporting its "sui generis" character, that differentiates it from the subcontract and the contract assignment; we also analyzed the effects of the substitution on the relations between the principal and the primary trustee, between the original trustee and substitute, as well as between the contracting parties and third parties. In this article, we shall approach the issue of the direct action that the principal can initiate against the substitute, as well as the intense debates generated in French and Romanian doctrine by the possibility of a jurisprudential recognition of its "bilateralization". French jurisprudence serves as an example of courage and pragmatism on the matter, by consecrating the reciprocity of the direct action, even in the absence of such legal provisions. However, given the fact that Romanian law does not recognize the ability of jurisprudence to establish a direct action, where it is not provided by express law, we highlight the importance of legislative consecration of a direct action of the substitute against the principal, on grounds of equity.*

Keywords: *mandate; trustee substitution; direct action*

Introduction: The Relationship Between The Principal And Substitute

A direct contractual relationship is not established between the primary principal and the substitute agent. Each of them is bound by a mandate contract concluded with the initial trustee, but is third party to the mandate agreed by the other. Therefore, agent substitution requires the existence of at least two successive contracts: one between the principal and the primary agent and another between the agent and the substitute (Stănciulescu et al., 2013: 346). However, the legislator explicitly establishes the existence of a legal link between the two, by stipulating in favor of the original principal the benefit of a direct action against the substitute, which he has "*in all cases*", so regardless of whether the substitution was authorized or not (para. 6 art. 2023 Civil Code). Therefore, if the substitute has not properly fulfilled the mission entrusted to him, the principal a right of claim against him, which entitles him to compensation, without depriving him of the contractual liability action that he can file against his contractual partner, that is the initial trustee.

Although the legislator does not provide for the possibility of filing a direct action except for the benefit of the principal, French jurisprudence established, on grounds of equity, the solution that the substitute would also have an action against the original principal, which would allow him in the event of insolvency of the primary trustee to recover from the principal the sums due for the fulfillment of his mandate, as remuneration or reimbursement of expenses or reparations for the losses suffered. Romanian doctrine seems to embrace the opinion that although such an action of the substitute against the principal would be useful and necessary, as long as the legislator does not expressly provide for it, it cannot be recognized.

The principal's direct action against the substitute

The relationship between the "*extreme*" parties of the operation of agent substitution, namely between the principal and the substitute agent, has caused much doctrinal and jurisprudential debate. The principal and the substitute each are parties to a separate contract. What brings them together is their participation in the same legal operation, their membership in a contractual group and the identity of their common contractor - the primary trustee. Based on this connection, in all cases, the principal has direct action against the substitute, established by the legislator by art. 2023 para. (6) of the Civil Code. This action is subject to proof by the principal of a fault on the part of the substitute (Cass. 1re civ., 26 Nov. 1981, in Collart Dutilleul, 1998: 484). The doctrine underlined the fact that the principal's direct action against the substitute can be formulated regardless whether the substitution was authorized, with or without naming the substitute, or it was not authorized by the principal (Piperea, 2009: 89).

The legislator limits himself to qualifying this action as a "*direct*" one, without making other clarifications regarding its legal regime. This action is of great practical interest, establishing a legal relationship with its own particularities between two individuals who are not otherwise united by a legal relationship. As a result, it has been the subject of numerous doctrinal debates, which have concerned its source, nature or legal regime (for example: Moțiu, 2011: 242; Florescu, 2012: 234-235; Uță, 2012: 228).

Recognizing the possibility for a third party to file a direct action in order to protect his interests in connection with a contract in the conclusion of which he did not participate either personally or through a representative was imposed with difficulty, since it deviates from a fundamental principle of contract law, namely that of the relativity of the effects of conventions. Thus, it was admitted with reluctance by the doctrine, which tried to define this notion as precisely as possible and to clearly outline its scope. A comprehensive picture of the contradictory opinions expressed in relation to direct actions, especially in French jurisprudence and doctrine, as well as the resistance of European private law to the recognition of this legal instrument, was captured by I. F. Popa, in a recent article (Popa, 2020: 204-221).

The direct action is the one that "*allows a creditor to pursue directly, in his own name and on his own account, the debtor of his debtor*" (Terre et al., 1999: no. 1090). This definition reveals the major interest of the existence of the direct action: the right of the owner of the action does not pass through the patrimony of his debtor, thus avoiding the contest of the other creditors of the principal debtor, as well as the risk of their insolvency. The one who acts "*directly*" acts for himself and benefits alone from the result of his action

(Larroumet, 1998: no. 794). The direct action is therefore a favor granted to certain creditors, who thus benefit from increased protection of their claims, in relation to unsecured creditors, who, according to the common law of obligations, only have a general pledge on their debtor's patrimony, a right which they exercise simultaneously and competitively.

Therefore, the direct action makes for an exception to the principle of equality of creditors, giving its holder an exclusive right over the main debtor's claim against his sub-debtor. This right is *"the essence of the direct action"* (Cozian, 1969: 36), allowing its holder to avoid any possible competition with the other creditors of the principal debtor. Another favorable effect for the creditor who acts directly against the sub-debtor is that of the inapplicability of exceptions. The direct action has as a consequence the immobilization of the claim in the sub-debtor's patrimony: all the acts of disposition that he carries out after the moment of immobilization of the claim are unenforceable to the owner of the action, who may thus not recognize, for example, the payment or compensation between the sub-debtor and the principal debtor. Only the exceptions that refer to the very nature of the obligation relationship and the contractual relations between the sub-debtor and the main debtor are opposable to the holder of the direct action. As for the moment when the main debtor's claim on the sub-debtor is immobilized, it can be the following: the moment of filing the direct action (called *"imperfect"*) or even the moment of the birth of the claim in the debtor's patrimony (these direct actions being considered *"perfect"*). This distinction is fundamental in that it determines the time limit of the effectiveness of the legal acts concluded by the sub-debtor regarding the disputed claim. Contemporary doctrine makes a clear distinction between the two types of direct actions (Terre et al., 1999: no. 1093; Starck et al., 1999: no. 678; Malaurie et al., 1999: no. 1047).

Regarding the *"direct action"* provided by the legislator in favor of the principal against the substitute, it has often been at the center of doctrinal debates, some authors disputing the existence of a direct action in the strict sense in this matter. Jurisprudence played a major arbitral role in these controversies, consistently ruling in favor of recognizing the direct action. Thus, in the context of doctrinal discussions about the position of third parties in direct actions, V. Stoica raised the question of whether the material right of action that the law makes available to the third party against a party to a contract in the conclusion of which he did not participate can have an autonomous existence (Stoica, 2020: 36). The doctrine gave an affirmative answer, stating that *"direct action implies a right to action conferred by law in the absence of a direct legal relationship of substantial law between the subjects of the action in question"* (Dincă, 2018: 477). Thus, the author considers that there is no direct legal relationship of substantial law between the owner of the direct action (the active subject) and the passive subject, but *"an indirect legal relationship of substantial law"*. R. Dincă states that the substitution contract between the initial trustee and the substitute is not concluded in the name and account of the principal, but is concluded by the primary agent in his own name, generating an obligation of the substitute towards him, that is to conclude in the name and on behalf of the principal the contract for which the latter authorized the primary trustee. Therefore, the substitute does not receive his own power to represent the principal, but a power to represent the agent when he exercises (through another) the power received from the principal. The principal does not have substantive legal relations with the substitute, but only with the original trustee. The latter is, in turn, in substantive legal relations with the

substitute. The relationships have the same object: concluding a legal act in the name and on behalf of the principal. Each of these substantive legal relationships is protected by a material right to action, the derivative product of which is the right of action having as its object the observance and sanctioning of the violation of the obligation to represent the principal with loyalty at the conclusion of the legal act for which the mandate was given, materialized in the direct action established by art. 2023 para. 6 of the Civil Code (Dincă, 2018: 482).

This position is also shared by V. Stoica, who states that the principal remains a third party to the substitution contract, as the substitute remains a third party to the original mandate contract. Regardless of whether the substitution was made with or without the prior authorization of the principal, the latter has a direct action against the substituted. Therefore, the principal has against the substitute a substantial right derived from the claim the principal has against the agent and from the claim the agent has against the substitute. This substantive derivative right is protected by a material right of action that the principal can exercise against the substitute (Stoica, 2020: 41). L. Pop also stated that the basis of direct action is the law, not the contract (Pop, 2006a: 14-15): there is no legal relationship of obligations between the principal and the substitute, but the principal is given the privilege of acting against the substitute for the execution of the substitution contract, although he is not a party to this contract. The effects of the direct action consist in obliging the substitute to fulfill his tasks, and in case he does not, in forcing him to repair the damages caused to the principal for improper execution, non-execution or delayed execution of the tasks received. The main advantage of the direct action is avoiding the competition of the other creditors of the trustee, as well as the risk of his insolvency.

However, doctrinal opinions were also expressed in the sense of the approximation of this action of the principal against the substitute by other legal institutions, some authors even supporting the existence of a legal bond of contractual nature between the principal and the substitute. Thus, one author (F. Deak, 2006: 236) stated that we are talking about a true direct action only in the situation where the substitution was not authorized by the principal. If it took place on the basis of an authorization given by the principal to the trustee, then the authorization in question has the legal nature of a mandate contract for the conclusion of a mandate contract, and its execution consists precisely in obtaining the consent of the substitute agent to the substitution. On the basis of this agreement, the substitute has direct legal relations with the principal, whose right of action against the substitute protects precisely the content of these relations. So, in the situation of an authorized substitution, there would not be a direct action, since a relationship of contractual nature has been established between the parties. However, if the substitution was not authorized by the principal, he could act against the substitute through direct action, while the substitute could no longer act against the principal except through oblique action, as a creditor of the primary trustee.

In French doctrine, such controversies regarding the nature and basis of the principal's action against the substitute, that had been arising since the beginning of the 19th century (concerning the interpretation of the expression "*direct initiation of the action*", used in art. 1994 para. 2 of the French Civil Code), gradually died out, so that in the 20th century doctrine, the existence of a genuine direct action of the principal against the substitute was unanimously recognized. Even more, the French jurisprudence also established the "*reciprocal*" action of the substitute against the principal, a position that we

consider just, responding to an imperative of equity and balancing the position of the persons involved in the operation. This solution was imposed as a result of extensive jurisprudence, which proved the need to recognize this instrument of protecting the interests of persons who, without being in a contractual relationship, are nevertheless involved in a joint operation and have direct interests in relation to one another.

It is practically impossible to identify in French jurisprudence a genuine tendency to reject the qualification of the principal's action against the substitute as a direct action. On the contrary, positive law considers art. 1994 para. (2) of the French Civil Code as a typical example of direct action. The peculiarity of this action is that it creates a legal link between the principal and the substitute, where there is no relationship of contractual nature. It is really an exceptional situation, in which an action is at the origin of a right. In other legal systems, this bond is considered to be of contractual nature. In the Common Law system, for example, the "*direct action*" of the principal against the "*subagent*" is in principle not allowed unless "*privity of contract*" has been created by the parties between these two persons. This expresses a rule of law comparable to that of the relativity of the effects of the contract, which operates in Romanian and French law: "*It is a general rule of English law that a contract cannot confer any right on a person who is not a party to that contract, even when that convention was precisely concluded to benefit that person. As a third party, they will not have the right to act, because there is no << privity of contract >> between them and the promisor*" (Guest, 1986). Therefore, the presence of this "*privity of contract*" (which we could assimilate to the binding force of the contract) creates a contractual relationship between the "*principal*" and the "*subagent*" (Murdoch, 1984: 76). Certain authors believe that if "*privity of contract*" was not created, it would still be possible to exercise a direct delictual action ("*tort action*") (Fridman, 1990: 151). In the end, direct action does not really exist in the Common Law system in the matter of agent substitution ("*subagency*"), insofar as it is either a common law contractual action (when the principal and the primary agent understood to create a genuine contractual link between the first and the subagent), or a "*tort*" action (in the absence of a contractual link between the principal and the subagent).

In doctrine (Pétel, 1994: 74), an opinion was also expressed that the principal will not have the right to act directly against the substitute if the latter did not know about the existence of the substitution, believing that he worked for the original principal. The French Court of Cassation specified, however, that the principal's action is not subordinated to the substitute's knowledge of the existence of the original mandate and of the substitution (Cass. com. Oct. 14th 1997, in Collart Dutilleul et al., 1998: 484), a solution that is also in agreement with the Romanian Civil Code regulations, which provide that the principal will have the right to action "*in all cases*" (art. 2023 para. 6 Civil Code).

This brings into discussion the issue of the perfect or imperfect nature of the principal's direct action. Thus, the direct action is perfect when the substitute has knowledge of the existence of the initial mandate, in which case he will not be able to oppose the principal any of the exceptions that he could have opposed to his co-contractor, since the claim is immobilized in the substitute's patrimony from the moment her creation (Baudry-Lacantinerie et al., 1907: 581; Guillouard, 1893: n.127; Huet, 1978: n. 31234; Solus, 1914: 218). The opposite opinion was also expressed, the author (Neret, 1979: n.388) stating that the subcontractor, in the case of a subcontract, in which, in his opinion,

the substitution of the agent could also be included, cannot be forced by the court to pay the same amount twice.

On the other hand, the direct action is imperfect when the substitute ignores the existence of the initial mandate, so he can oppose to the principal all the exceptions derived from his relationship with the main trustee, since the claim is not immobilized in the substitute's patrimony until the moment the principal's action is exercised against him. This situation has been subject to numerous doctrinal controversies. We believe that in this case the direct action of the principal is also possible, since the objective pursued by the regulation of this institution, that of granting protection to the principal, must prevail over the interest of the substitute agent, to only be sued against by the person for which he believed he was working. However, the substitute agent who was unaware of the existence of the original mandate contract will be able to oppose to the principal all the exceptions derived from his relationship with his contractual partner, prior to the exercise of the action, including the payment made to the main agent. This rule is based on the existence of a contractual relationship between the substitute and the primary agent, which makes the substitute to always address his contractual partner first.

Doctrine controversies regarding the jurisprudential recognition of a direct action of the substitute against the principal

The legislator explicitly and unequivocally enshrines the principal's right to act directly against the substitute (Civil Code art. 2023 para. 6), but regarding the substitute's right to act against the principal, opinions are divided. Doctrinal and jurisprudential debates remain current, considering the fact that neither the French, nor the new Romanian Civil Code provide a direct right of action of the substitute against the principal.

The French case: the "*bilateralization*" of the direct action through jurisprudential decisions

The French Civil Code art. 1994 para. 2 (Romanian Civil Code art. 2023 para. 6) only grants the principal the benefit of a direct action against the substitute. This action, which has the particularity of creating a legal link between the "*extremes*" of the operation of agent substitution, received a counterpart, through the efforts of French jurisprudence (for example: Cass. 1re civ. 27th Dec. 1960, in Capitant et al., 2000: 268), which also opened the possibility for the substitute to act directly against the principal, artificially invoking as the foundation of this "*reciprocal*" action, also art. 1994 para. (2) of the French Civil Code. Therefore, in French positive law, it has become a well-established fact that the two extremes of the agent substitution operation benefit from a direct action against each other. Along with the action originally granted to the principal by the legislator (art. 1994 para. 2 of the French Civil Code), another appeared in favor of the substitute, thanks to the effective intervention of jurisprudence. Thus, French jurisprudence imposed the "*bilateralization*" of the direct action derived from the mandate contract, arguing that it was justified by the mutual transfer of value between the principal and the substitute (Ghestin et al., 2001: 1231). Considering the numerous situations of extension of contractual liability, within groups of contracts, French jurisprudence recognizes the

possibility for the substitute to obtain directly from the principal the sums spent in the execution of the management.

For example, in a decision from 1960, the French Court of Cassation established that *"the principal can act directly against the person whom the trustee substituted; as a consequence, the substitute benefits from a personal and direct action against the principal to obtain the reimbursement of his advances and expenses and the payment of the remuneration owed to him"* (Cass. civ. 1re, 27th Dec. 1960, in Malaurie et al., 2009: 290). Moreover, in another case decision (Cass. com. 19th Mar. 1991, in Malaurie et al., 2009: 290), it was stated that the admissibility of this action was not subordinated to the principal's knowledge of the existence of the substitution. *"The direct action of the substituting agent against the principal can be exercised in all cases, whether the substitution was authorized by the principal or not."*

As shown in doctrine (Baudry-Lacantinerie et al., 1907: 310), if the principal can act directly against the substitute, a just reciprocity demands that the substitute be able, in turn, to act directly against the principal, being able, for example, to ask him directly for the reimbursement of the expenses incurred with execution of the mandate. However, the resolution of this action turned out to be an extremely delicate problem, since such a conflict opposes two individuals who each have relevant arguments to obtain a favorable decision. On the one hand, the principal can legitimately refuse to pay a second time the amount already paid to the primary trustee, all the more so since this payment is most often made without the principal having knowledge of the financial difficulties of the primary trustee. On the other hand, the substitute does not accept to bear alone the insolvency of his co-contractor, as long as he has performed his contractual obligations, in the name and on behalf of the principal, who is the final beneficiary of the operation. Moreover, the primary trustee usually does not inform his co-contractors (the principal and the substitute) about his financial difficulties. Other times, the principal is aware of the financial problems of the primary trustee and of the substitution, but nevertheless pays the requested sums to his co-contractor. It can also happen that the substitute neglects for too long a period of time to ask the primary trustee to pay him the due sums.

For quite a while, French jurisprudence has preferred to favor the substitute, granting him a *"perfect"* direct action against the principal. Thus, the principal could not object to the substitute, neither by the payment previously made to the primary trustee, nor by any other exception derived from his relations with the original trustee (Dutilleul et al., 2007: 431). The Chamber of Commerce of the French Supreme Court has ruled repeatedly (Cass. com. 9 Nov. 1987, 19 Mar. 1991, 5 Oct. 1993) obliging the principal to pay the substitute the sums already paid to the original trustee. The only mitigation of this jurisprudence unfavorable to the principal concerned those cases in which he could have proven the substitute's fault, which would have determined the ineffectiveness of his action directed against the principal. Thus ruled the French Court of Cassation in a commercial decision from 23th Nov. 1993, in a case where the substitute failed to inform the principal about the financial difficulties of the primary trustee, which he knew, let several months pass before acting to be paid by the primary trustee and was also negligent in exercising his direct action against the principal. Regarding the gravity of the substitute's fault, which was necessary for his direct action to be ineffective, this aspect was not clarified by jurisprudence, some decisions ruling in the sense in which simple negligence would have been sufficient, others adopting the opposite position. Therefore, this position of the

jurisprudence, in addition to being unfair to the principal, which was repeatedly revealed by the doctrine (Benabent, 2001: no. 669; Huet, 2001: no. 31155), was also relatively confusing. When the substitute had not committed any mistake (or his fault was not considered serious enough), and the principal had ignored the financial difficulties of the primary trustee or even the substitution itself, the principal had to bear the insolvency of the primary trustee alone.

French doctrine has constantly tried to sensitize the Court of Cassation in order to change this regime of the direct action of the substitute, in the sense of achieving a harmonization of the legal regimes of the two direct actions, of the substitute and of the principal. Thus, doctrine (Malaurie, 1999: 20) supported the *"imperfect"* character of the action, showing that the Court of Cassation should recognize the substitute's action against the principal, through which he could directly claim his fees, only within the limits established by the initial mandate contract, as well as by the subsequent one, and the principal could object to the substitute by the payment made to the primary trustee.

Finally, the vehement criticisms expressed by the French doctrinaires found their echo in the Commercial Chamber of the Court of Cassation, through a decision issued on Dec. 3th 2002, which unequivocally expresses a new orientation of jurisprudence in this matter: *"If the substitute agent has a direct action against the original principal to obtain the reimbursement of the amounts advanced by him, this action can still be exercised only as long as the action of the intermediate trustee is not extinguished itself"*. This decision represents the consecration of the *"imperfect"* nature of the substitute's direct action, which responds to the principle of equity in the matter of agent substitution. As one author points out, *"it was not the direct action itself that was criticizable, since the substitute had been operating on behalf of the principal, providing him with an economic value through his diligence; unfair was the fact that the principal was obliged to pay the same amount twice, a fact that derived from the "perfect" character of the direct action of the substitute"* (Gautier, 2003: 313).

Romania: doctrinal debates in support of a legislative consecration of the direct action reciprocity

Although a direct action of the substitute against the principal is not provided by art. 2023 para. 6 of the Romanian Civil Code (correspondent of art. 1994 para. 2 of the French Civil Code), it has no less practical importance than that of the principal against the substitute, which led the French magistrates to constantly recognize to the substitute this way of achieving his interests. In the absence of a legal regulation of this action, French jurisprudence came to meet the interests of its citizens, taking the initiative itself to grant the substitute the benefit of such an action. Therefore, the action of the substitute against the principal was imposed in France through jurisprudence, without having a legal foundation. In Romanian civil law, it is not recognized in principle, in the absence of an express regulation of the law. We believe that French law should be a source of inspiration in this matter for the Romanian legislator, considering the usefulness of recognizing a reciprocal action in favor of the substitute, proven by French jurisprudence over time.

Under the provisions of the old Romanian Civil Code, namely art. 1542 para. 2, it was almost unanimously accepted that the direct action was unilateral, so only the principal

could act directly against the substitute (Deak, 1986: 279-280; Chirică, 1997: 264; Stănciulescu, 2002: 240).

The new Civil Code maintained the lack of reciprocity of the direct action, the substitute still not having the possibility of direct action against the principal, despite the fact that the need to consecrate through legislation a reciprocal direct action had been emphasized in the doctrine prior to the entry into force of the new Civil Code (Manoliu et al., 1985: 280; Pop, 2006b: 419). An author (Popa, 2020: 213-214) has pointed out that in Romanian law, direct actions have a legal character, in the absence of such support being hard to imagine that Romanian jurisprudence would be as creative as the French one, in identifying direct actions beyond the texts of the law. The author believes that the legitimacy of the principal's direct action against the substitute, which he considers to be a liability action, is conferred by the nominal legal mechanism, which involves a legal nomination of the actions, thus creating proper direct actions. So, strict legality is the only form of legitimization of these direct actions. Therefore, the inventions of jurisprudence, no matter how well-founded they may be from the perspective of equity, are hardly compatible with this condition, hence deriving the need for the legislative consecration of the reciprocity of the direct action, on grounds of equity.

Therefore, the prevailing opinion in Romanian doctrine seems to support the non-existence of the substitute's right to act directly against the principal, since such an action is not expressly consecrated by the legislator. Thus, Prof. Alexandresco, for example, criticized the French jurisprudence that recognized the direct action of the substitute and the doctrine that shared this orientation, stating that in this way direct action was granted to the substitute without having a legal basis, only by virtue of ethical considerations: "*so they make the law, instead of interpreting and applying it*", since the Civil Code only speaks of the direct action of the principal, and reciprocity is not, in general, sufficient to constitute an action (Alexandresco, 1910: 599). Thus, the author believed that the substitute did not have a direct action against the principal, a fact that emerged from *per a contrario* interpretation of art. 1542 last para. of the Civil Code from 1864 (art. 2023 para. 6 of the new Civil Code). The substitute would only be able to exercise, on behalf of the trustee, the oblique action. However, Prof. Alexandrescu shared the opinion, which we also support, that the law proved to be flawed by the omission to grant the substitute a direct action against the principal.

The opinion of the non-existence of a direct action of the substitute against the principal was also expressed by Prof. Fr. Deak (Deak, 1999: 352), on the same grounds, namely that "*the possibility of filing a direct action, derogating from the general rules, cannot be recognized in the absence of an express provision of the law.*" However, the author believed that in the hypothesis in which the trustee was authorized to substitute a third person (with or without specifying the person), the substitute could act against the principal, based on "*the direct relations he has, through the trustee, with the principal*". In this case, however, it was stated that we were no longer in the presence of a proper direct action, since direct action only concerned the hypotheses lacking the foundation of direct legal relations. As far as we are concerned, we cannot share the opinion that the authorization of substitution by the principal implies the existence of a direct legal relationship between him and the substitute; the principal remains a third party to the contract by which the substitute is given power of representation by the primary trustee. The authorization of the substitution produces effects on the parties between whom it

appears, namely in terms of limiting the responsibility of the original trustee towards the principal; the authorization for substitution given by the principal to the initial trustee cannot produce effects on the substitute, who is a third party to their contract, in the sense of making him liable to the principal on the basis of a direct contractual legal relationship, which practically does not exist.

However, although the Romanian legislator remains faithful to the tradition of the unilateral direct action of the principal against the substitute, Romanian doctrine continues to campaign for the acceptance of its reciprocity, considering that the direct action would give the substitute the possibility of capitalizing on the claims against the principal without additional expenses of time and means (as would happen in the case of the oblique action). Thus, it was suggested (Roșu, 2008: 63) that a direct action of the substitute against the principal be regulated, for identity of reason, in the same way as the direct action of the workers against the beneficiary for whom the construction is built is provided in the case of the enterprise contract (art. 1856 Civil Code). Another author (Gidro, 2015: 81-82) suggests that the substitute be granted the possibility of acting against the principal, through a direct action, based on "*the mutual transfer of value and the law*", with the purpose of receiving the remuneration, within the limits established by the mandate contract and only in the case of authorized substitution.

As far as we are concerned, we support the opinions already cited, which state that Romanian law does not recognize the ability of jurisprudence to establish a direct action of the substitute against the principal, in the absence of express legal regulations, however convincing the arguments based on equity that support such a possibility may be. In this context, the intervention of the legislator appears as imperative, with the aim of enshrining in the Civil Code the explicit right of the substitute to act against the principal to achieve his claims, within the limits of the mandate contract. This would respond to the principle of equity, since currently the substitute is in a position that puts him at a clear and unfair disadvantage in relation to the principal, who is the beneficiary of a direct action, as opposed to the substitute, who only has the oblique action available to achieve his claims against the principal (based on art. 1560 paragraph 1 of the Civil Code). In the light of an already comprehensive French jurisprudence in the matter, we believe that the usefulness of this action has emerged as an obvious conclusion, since there is a close connection between the obligations of the creditor, the debtor and the sub-debtor, derived from a group of contracts.

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