Estimating the Autonomy of the Sub National Governments in the Context of Nigeria Fiscal Federalism

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Abstract
Existing literatures on fiscal federalism in Nigeria show more concern on explaining the pattern of intergovernmental relations or providing an impressionistic view within the context of political economy of possible consequences of such relationships or on revenue allocation principle/sharing and the practice of true fiscal federalism. On that note, several alternatives have been proposed and will continue to be developed. Contrary however, this paper focused on estimating the autonomy of the sub national governments in the context of Nigerian fiscal federalism using both the measure of decentralization as coefficients of vertical imbalance and fiscal (de) centralization indicators formulae. The results of measure of decentralization as coefficients of vertical imbalance found the coefficient of V3 is very close to zero meaning that Nigerian sub national governments lack autonomy in raising revenue. This was validated by the results of fiscal (de) centralization indicators as the disparities between the revenue ratio and expenditure ratio appear to be very wide. Also, the results transfer dependency ratio appears very high showing the heavy dependency of the sub national government on the central government. The paper therefore, submits that Nigeria fiscal federalism lack the essential ingredients of theoretical anchorage of fiscal federalism that presupposes that assignment of functions to the sub national governments should be accompanied by the corresponding revenue responsibilities. On that basis recommended that to ensure the autonomy of the sub national governments, our fiscal federalism should be implemented based on the tenets of tax assignment theory.

Keywords: Estimating, Autonomy, Sub National Governments, Fiscal Federalism, Nigeria

Introduction

Fiscal federalism or decentralization, which reflects the extent of fiscal autonomy and responsibility given to sub national governments, has become an important discourse in the policy equation of many developing nations (Aigbokhan, 1999). This is because, fiscal federalism is the product of mutual and dynamic fiscal relations between different levels of government, and therefore poses questions as

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to how the nature and conditions of these fiscal relations between supra national government (central government) and sub national governments (State and Local governments) affect the autonomy of the later within the federation.

The augment for greater fiscal decentralization is informed by group of people craving to get more involved in government, and the failure of the central government to deliver quality services (Chete, 1998). Therefore, fiscal decentralization, supposed to serves as a restraint on the behavior of revenue-maximizing central government, while serving as a booster to underdeveloped sub national governments (Anyanwu,1995). Although there are several reasons that fiscal federalism has been adopted around the world, the common motive of many is that fiscal federalism is deemed to have the potential to improve the production of the public goods (Qates,2006). The theory of fiscal federalism holds that for certain public goods, the decision to provide these goods in a decentralized fashion can increase efficiency and accountability in revenue allocation (Bird and Vaillancourt, 1998 as cited in Kwom, 2003; Oates, 1999). However recent studies have held that the conventional argument that decentralized provision of public goods will increase efficiency in revenue allocation may not be applicable in developing countries (Bahi and Linn, 1994; Prud'homme, 1995). Moreover, most developing countries do not meet implicit or explicit suppositions posed by the fiscal federalism theory (Bello-Imam and Agba, 2004). This is because in developing countries, for instance, local voter preferences may not be as readily reflected in local budget outcomes as in developed countries. Local governments have weak administrative capacities to carry out their own fiscal decisions. Without an independent decision-making ability to determine the quantity and quality of public goods provided and sources of revenue that internalize the costs, decentralized provision of local public goods may not increase efficiency (Kwon, 2008).

Furthermore, the Principle of subsidiarity in the context of fiscal federalism presupposes that each level of government should have adequate revenue to perform its functions without appealing to the other levels of government for financial assistance (Wheare,1963). However, in Nigeria while the state governments independent revenues from 1980 to 2014 stood at ₦42,650.19 Billion, their expenditure needs during same period was ₦39609.7 Billion. For the local governments, their independent revenue from 1990 to 2014 stood at ₦34,374.99 Billion with expenditure needs of ₦153, 1605.4Billion (CBN statistical Bulletin, 2014). This has largely prevented state and local governments from delivering their constitutional responsibilities (Ejeh and Orokpo, 2014). The consequence of this is the practice of bail out of state governments by the federal government. However, if state or local governments' authorities for example, find that responsibilities constitutionally allotted them in a federal system are too expensive to perform, and they call upon the federal authority for subsidies to assist them, they are no longer co-ordinate with the federal government but subordinate to it. This is because, financial subordination marks an end of federalism, in fact, no matter how carefully the legal forms may be preserved (Bello-Imam and Agba, 2004). Also, in Nigeria, there is the problem of how to allocate revenue vertically to the different tiers of government in relation to the constitutionally assigned functions. This discordance between fiscal capacity of the various levels of government and their expenditure responsibilities, and the non-correspondence problem, is a striking feature of the Nigerian fiscal federalism. There is also the problem of how revenue should be shared horizontally among the states and local governments. For instance section 149 (7) of the 1979 Constitution provides for state-local government fiscal relations, while Section 162 (5) of the 1999 Constitution regards local government as an extension of the state tier, this leads to disharmonious fiscal relations. In a related development, from 1946 till date, Nigeria's fiscal federalism has neither been efficient nor equitable (Ike, 1981). This is due to the fact that during the aforesaid period, Nigeria witnessed nine (9) fiscal commissions, six (6) military decrees, one (1) Act of parliament and two (2) supreme court decisions on revenue sharing yet appropriate formula to ensure matching revenue with expenditure is yet to be struck. Rather, it manifested a wide spectrum of vulnerability, ethnicity, language, region and religion interactively forming Nigeria's matrix of cultural pluralism (Ike, 1981). The Federal Government has, for more than four decades assumed certain responsibilities which rightly belonged to the lower tiers of government and, in the process, had compromised efficiency in public expenditure management, resulting in ill structured fiscal federalism (Anyanwu, 1995; Aigbokhan 1999; Chete, 1998).

All these put together have far-reaching implications for the autonomy of the sub national governments. The success of a federal system depends on an acceptable distribution of resources and functions among the different tiers of government so that efficiency in the use of scarce resources is encouraged towards achieving fiscal autonomy of the sub national governments. It is against this backdrop that the focus of this paper is estimating the fiscal autonomy of the sub national governments in the context of Nigeria fiscal federalism. To achieve this objective, this paper is structured into five sections. Section one is the introduction. The section contains the background information about the key question and focus of the paper. It also, describes the objective and motivation for the paper. Section two reviews the theoretical and empirical literature on fiscal federalism and sub national governments' autonomy. Section three describes the methodology as well as anticipated impact of the findings. Section four is the presentation and discussion of the result while section five gives the conclusions and policy implications of the paper.

Theoretical Framework

The theoretical framework upon which this paper is based is the Tax Assignment Theory.

The Theory of Tax Assignment

In line with the decentralization theory, Musgrave (1984) formulated the theory of tax assignment. The theory stipulates that the assignment of functions to the sub national governments should be accompanied by the corresponding revenue responsibilities (Musgrave 1984:213). Once expenditure assignment has been agreed upon, tax assignment and design of transfers become critical elements in providing reasonable matching of expenditure needs with revenue means for various levels of government (Ekpo, 2004). In this vein, Bello-Imam and Agba (2004:27) rightly argued that:

> *"Each level of government should have adequate resources to perform its functions without appealing to the other levels of government for financial assistance. If state authorities for example, find that services allotted them in a federal system are too expensive to perform, and (hence) they call upon the federal authority for grants and subsidies to assist them, they are no longer co-ordinate with the federal government but subordinate to it.; financial subordination marks an end of fiscal federalism, in fact, no matter how carefully the legal forms may be preserved".*

Although tax assignment could be undertaken independently of expenditure assignment-a practice which is quite common in developing countries, yet the tradeoffs between the advantages of a centralized tax administration and decentralized provision of public services become more apparent when tax assignment takes into consideration pre-determined expenditure assignment (Qates, 2006). In such a situation over-dependence of lower level of government on intergovernmental transfers with potentially distortionary effects on expenditure priorities could be avoided (Musgrave, 2007). Furthermore, in those grey areas where theoretical guidance on tax assignment is unclear, expenditure assignment can provide a powerful argument for assigning taxing responsibility to the government with greater need for additional revenues (Rhode and Koleman, 2003).

Musgrave (1984) uses equity (consistency o f revenue means with expenditure needs) and efficiency (minimizing resource cost) criteria and suggests the following broad principles in tax assignment;

i. Progressive re- distributive taxes should be central;

ii. Taxes suitable for economic stabilization should be central; lower level taxes should be cyclically stable;

iii. Tax bases distributed highly unequally between jurisdiction should be centralized;

iv. Taxes on mobile factors of production are best administered at the centre;

v. Residence based taxes such as sales of consumption goods to consumers or excises are suited for states;

vi. Taxes on completely immobile factors are best suited for local level;

vii. Benefit taxes and user charges might be appropriately used at all levels.

Based on these principles, reasonably clear guidelines for assignment of revenue sources to various levels of government emerge (Musgrave, 1984:157). By following this approach both inter-jurisdictional equity and efficiency of tax administration and compliance could be achieved (Qates, 2006). It should be noted that the theory contravenes the advice sometimes offered by international agencies to developing countries that local taxes on wage and capital income should be instituted (Ekpo,2004). With this, the factor mobility bases for such taxes would be subject to erosion (Olowononi, 1989).

Empirical Literature

Most of the empirical literature on fiscal federalism in Nigeria have been concerned with explaining the pattern of intergovernmental relations (Mbanefor,(1993), Sarah et al,(2003), Aighokhan,(1999), Olowononi,(1999),Tanzi,(1995), Eberts and Grongberg,(2006) or providing an impressionistic view within the context of political economy of possible consequences of such relationships (Ekpo, 1994, Taiwo,1999). Or on the theory and dimension of Nigerian fiscal federalism (Dare,(2011), Ebiziem,(2016), Okolio and Oche (2014). A notable exception is the works of Weingast,(1970), Mckinnon, (1997) that draw attention to the dangers of decentralized levels of government relying too heavily on intergovernmental transfers for financing their budgets. A lesson that Nigeria's fiscal system should draw from in order to ensure matching revenue with responsibilities. Therefore, missing from the empirical literature on Nigerian fiscal federalism is the question of whether the autonomy of the sub national governments is guaranteed under the present fiscal relation. This is the gap that this paper is out to fill.

Conceptual Basis for Tax and Revenue Sharing Arrangements

The two main issues of fiscal federalism are tax assignment and revenue sharing. Therefore, the vital question this paper seeks to address from the beginning is whether revenue generation should be centralized or decentralized? There are three distinct preferences here, namely, to collect all taxes centrally; to allow sub national governments to collect the tax; or to assign taxing powers to each and every tier of government (Tanzi, 1995; Taiwo, 1999). Central collection of taxes are likely to be consistent with the pursuit of the distribution, stabilization functions of government and the provision of national public goods, all of which are assigned to the central government. This preference is also likely to generate economies of scale in tax administration and prevent revenue linkages. The preference is also advantageous when considerable weight is attached to tax uniformity across jurisdictions. On the contrary, a decentralized system of tax collection will likely make spending decisions at the grass root level more compatible with available resources. It will also, promote accountability and responsibility as well as the efficient provision of local public goods. This preference can also encourage fiscal autonomy and tax competition among sub national governments. However, neither of these alternative preferences is capable of reaping both sets of advantages. Consequently, similar to allocation of government functions to the various levels of government, revenue or tax generation should be shared between all levels of government. Put differently, decentralization of functions should be matched by decentralization of revenue generations. In fact, fiscal federalism literature has it that expenditure assignment should precede tax assignment. This is because tax assignment would generally be guided by expenditure requirement of different levels of government and these cannot be worked out in advance of expenditure responsibilities. Absence of tax assignment would result in dependence on the federal government by lower levels of government. Tax assignment considers the levels of government that should tax what and how, thereby providing various levels of government with revenue they can control. Tax assignment has four main attributes, namely, power to legislate and set rates, fiscal authority over tax bases, the administration of the tax, and the right to revenue generated (McClure, 1995; Vincent, 2001). Sequel to this, it is also important to ask, given the revenue generation system, which sources of revenue should be shared and how is the sharing supposed to be done? The choice here is largely between tax base sharing and revenue sharing. Considering the issue of tax sharing, which tax bases should be shared to sub national governments? A good tax should have certain attributes such as efficiency, equity, revenue adequacy; low administration cost and also able to promote economic stability (World Bank, 2006). However, at the grassroots level where attention is focused on the provision of local goods, only three of these attributes are really important. They are efficiency, revenue adequacy and administration cost. Virtually all taxes are based on either the ability-to-pay principle or the benefit principle. A meaningful comparison of these principles would require that we hold the tax yield or revenue constant. Since the ability-to-pay principle is geared toward equity issues and the benefit principle towards efficiency issues, it appears that the benefit principle has an edge over and above the ability-to-pay principle in the provision of local goods. This is particularly so if the administration cost is the same for both principles. Charges that are based on the benefit principle can take the form of benefit taxes or user charges. The former would be more appropriate for the provision of public goods, and the latter for the provision of publicly-provided private goods. If such taxes and user charges exist, tax sharing then has the advantage of enhancing the efficient allocation of resources in a locality. For fiscal federalism to succeed there must be fiscal authority over changing the tax bases allocated the different tiers of government. In practice, however, limited autonomy is given to the lower tiers of government in this area so that a uniform rate of taxation can be maintained across the country (Vincent, 2001; Aigbokhan, 1999).

Table 1. Conceptual Basis of Expenditure Assignment

Expenditure Category	Service Responsibilit	Provision of Service	Comments
Defence	F	F	Benefits/costs are national
Foreign affairs	F	F	Benefits/costs are national
International trade	F	F	Benefits/costs are national
Environment	F	F	Benefits/costs are national
Banking and currency	F	F	Benefits/costs are national
Internal commerce	F	F	Benefits/costs are national
Immigration	F	F	Benefits/costs are national
Airways/railways	F	F	Benefits/costs are national
Industry and agriculture	F,S,L	S,L	Significant interstate spillover
Education	F,S,L	S,L	Transfers in kind
Health	F,S,L	S,L	Transfers in kind
Social welfare	F,S,L	S,L	Transfers in kind
Highways	F,S,L	S,L	Some roads have interstate spillover, others are primarily local
Natural resources	F,S,L	S,L	Promotes a common market

Notes: F = federal, S = state, L = local, Source: Adapted from Anwar Shah, 1994

Table 2. Conceptual Basis of Tax Assignment

Tax type	Determination of		Collection and Administration	Comments
	Base	Rate		
Customs	F	F	F	International trade taxes
Corporate income	F	F	F	Mobile factor
Resources taxes	F	F	F	Unequally distributed
Personal income	F	F,S,L	F	Redistribution, mobility, stabilization
Wealth taxes	F	F,S	F	Redistributive
Payroll	F,S	F,S	F,S	Social programme
Value added tax	F	F	F,S	Admin. Costs, stabilization
Sales tax	S	S,L	S,L	Higher compliance costs
"sin" taxes Alcohol, tobacco	F,S	F,S	F,S	Health care shared responsibility
Gambling, lotteries	S,L	S,L	S,L	State and local responsibility
Taxation on "Bads" Carbon	F	F	F	Global/national pollution
Motor fuels, effluent charges	F,S,L	F,S,L	F,S,L	Tolls on road use/by extent of pollution
Congestion toll	F,S,L	F,S,L	F,S,L	Tolls on road use
Parking fees	L	L	L	Local congestion
Motor vehicles Registration, driver's licenses	S	S	S	State revenue sources
Business taxes	S	S	S	Benefit tax
Excises	S	S	S	Immobile base
Poverty	S	L	L	Benefit tax, immobile
Land	S	L	L	Benefit tax, immobile
Frontage/betterment	S,L	L	L	Cost recovery
Poll tax	S,L	S,L	S,L	Non-distorting
User charges	F,S,L	F,S,L	F,S,L	Payment for services

Source: Adapted from Boadway, Roberts and Shah, 1994.

METHODOLOGY

To achieve the objective of this paper, a measure of decentralization as coefficients of vertical imbalance proposed by Hunter (1977) and applied by Shah (1991) was used. This is found robust for this objective because it measures the degree of control exercised by the federal over the lower levels of government. A value of zero indicates absolute federal control, while a value of unity indicates absolute autonomy of lower levels of government in their decision-making. A value closer to unity is considered to be consistent with the assignment principles discussed above. Also, fiscal (de) centralization indicators formulae such as tax coverage ratio, total revenue ratio, expenditure ratio and grant or transfer dependency ration were further used to validate the measure of decentralization as coefficients of vertical imbalance proposed by Hunter (1977). The Hunter and fiscal (de) centralization indicators estimating equations are as follows:

$V_1 = 1- (S_C + B)/E$ ---(1)

$V_2 = 1- (S_C + S_U + B)/E$ ---(2)

$V_3 = 1- (S_C + S_U + T_S + B)/E$ ---(3)

Where:

S_C = federal conditional transfers to state, S_U= federal unconditional transfers to state, B = net borrowing by state, T_S = shared taxes, and E = states expenditure. Also, fiscal (de) centralization indicators formulae stated below: The data used for the estimation of the above indicators were sourced from the Central Bank of Nigeria Statistical Bulletin, National Bureau of Statistics and Office of the Accountant General of Federation.

Table 3. Fiscal (de) centralization indicators formulae

SNG=Sub national government, CGG=Consolidated general government or Federation Account, LG= Local government, NG=National government.	
Indicator	Formulae
SNG own tax revenue as % of total CGG tax revenue (Revenue tax ratio	SNG own tax revenue CGG total tax revenue
SNG revenue as % of total CGG revenue (Total revenue ratio)	SNG total revenue CGG total revenue
SNG expenditure as % of total CGG expenditure (Total expenditure ratio)	SNG own current expenditure CGG total current expenditure
Grant or Transfer to total revenue ratio(Grant or Transfer dependency ratio)	SNG grant or transfer revenue SNG total revenue

Source: adapted from OECD, 1999

PRESENTATION AND DISCUSSION OF RESULTS

This section presents two sets of empirical results. These results are the outcome of the estimation exercises involving models (1), (2), (3) using measure of decentralization as coefficients of vertical imbalance proposed by Hunter (1977) and applied by Shah (1991) and (4) fiscal (de) centralization indicators formulae. The results of models (1), (2), (3) using measure of decentralization as coefficients of vertical imbalance is presented in table (4).

Table.4 Results of measure of decentralization as coefficients of vertical imbalance

	V_1	V_2	V_3	
YEAR			A(local government)	B(state government)
1980	0.8747	0.8747	0.118	0.179
1981	0.874682	0.874682	0.277	0.199
1982	0.730031	0.730031	0.344	0.189
1983	0.699368	0.699368	0.211	0.134
1984	0.638451	0.638451	0.244	0.119
1985	0.630438	0.630438	0.318	0.117
1986	0.916768	0.916768	0.311	0.198
1987	0.767382	0.767382	0.257	0.221
1988	0.54748	0.54748	0.243	0.113
1989	0.909663	0.909663	0.258	0.116
1990	0.789205	0.789205	0.265	0.176
1991	0.883527	0.883527	0.311	0.118
1992	0.947801	0.947801	0.321	0.213
1993	0.884311	0.884311	0.234	0.171
1994	0.871024	0.871024	0.222	0.177
1995	0.781352	0.781352	0.302	0.236
1996	0.730187	0.730187	0.114	0.11
1997	0.915893	0.915893	0.747	0.208
1998	0.656371	0.656371	0.712	0.213
1999	0.923539	0.923539	0.654	0.244
2000	0.773286	0.773286	0.625	0.211
2001	0.748128	0.748128	0.612	0.233
2002	0.748128	0.748128	0.711	0.287
2003	0.748101	0.748101	0.645	0.224
2004	0.793677	0.793677	0.657	0.213
2005	0.873924	0.873924	0.668	0.243

2006 2007	0.984659 0.999851	0.984659 0.999851	0.659 0.665	0.251 0.2710.
2008	0.9999	0.9999	0.322	0.433 3
2009	0.999884	0.999884	0.428	0.399
2010	0.999794	0.999794	0.437	0.310 0.
2011	0.999902	0.999902	0.385	0.463 .4
2012	0.887643	0.887643	0.326	0.473
2013	0.861914	0.861914	0.357	0.385
2014	0.852325	0.852325	0.425	0.395

Source: Authors' computations based on data set attached as appendix.

Table.4 shows the results of applying the measures decentralization as coefficients of vertical imbalance to Nigerian data. However, it was difficult isolating conditional and unconditional grants from the published data. On the assumption that conditional grants constitute a small proportion of federal grants to state and local governments, the bulk of the grants are treated as unconditional grants. The results are, however, sufficiently illustrative to permit inferences to be drawn.

In table 4, V_1 and V_2 are very close to unity, suggesting a high degree of autonomy for lower levels of government in their spending decisions. This shows that unconditional grants usually account for the bulk of intergovernmental transfers in Nigeria. Indeed, Ubogu (1982) notes that "the experience in Nigeria shows that unconditional grants are favoured since conditional grants do not respect the sovereignty of the spender but of the grantor". The results also seem to be consistent with the finding by Ekpo (1994) that: "all evidence confirms revenue concentration while there were certain episodes of expenditure decentralization.

The low value of V_3 reflects the fact that lower levels of government depend to a very high degree on shared revenue from the federation account to finance their expenditure. Introduction of the variable into the formula, therefore, throws up results which tend to suggest a high degree of federal control (centralization of revenue). However results indicate that the existing structure of fiscal federalism is less likely to ensure autonomy in raising revenue and efficient fiscal operations of sub national of governments.

To further validate the above findings, we conducted fiscal (de) centralization indicators based on total revenue ratio, total expenditure ratio and transfer dependency ratio. The results are presented as table 5.

Table 5: Results of the fiscal (de) centralization indicators

YEAR	Total revenue ratio	total exp ratio	Transfer dependency ratio
1981	0.010729468	0.951369	8701.963534
1982	0.00655081	0.859771	17795.72764
1983	0.003616051	1.107624	42634.21053
1984	0.005225134	0.787748	0
1985	0.105253017	0.636595	0
1986	0.147715905	0.597773	0
1987	0.077007636	0.365661	0
1988	0.078951469	0.370614	0
1989	0.029743607	0.31317	418.4609624
1990	0.028151197	0.36962	500.4164102
1991	0.031499649	0.415033	300.9241796
1992	0.027537999	0.391829	309.3599253
1993	0.029704922	0.217945	607.4359959
1994	0.054131825	0.419808	666.4348844
1995	0.036942324	0.416454	979.9505679
1996	0.037179357	0.440392	222.8026917
1997	0.046958955	0.371814	1150.159674
1998	0.063014119	0.421817	224.2665307
1999	0.035934929	0.228372	975.9682195
2000	0.019824415	0.426309	20.274
2001	0.026624843	0.508734	2183.156052
2002	0.05174094	0.608776	1497.421516
2003	0.046116147	0.554007	878.6671551
2004	0.034229129	0.539181	1024.218434
2005	0.022124885	0.64487	1.021038344
2006	0.020993589	0.693166	1.671978273
2007	0.053375175	0.766033	0.585561998
2008	0.05607841	0.711088	0.426276225
2009	0.095203987	0.670148	0.486097329
2010	0.103769727	0.530138	0.117033909

2011	0.04581335	0.620242	0.187846063
2012	0.051443761	0.500548	0.063909331
2013	0.06731858	0.528164	0.066695538
2014	0.07958112	0.620463	0.057307592

Source: Authors' computations based on data set attached as appendix

Results in table 5, while confirming our results in table 4, suggests that there is great incongruence or discordance between revenue ratio and expenditure ratio of the sub national governments. That is their expenditure assignment surpasses the taxing responsibilities leading to over-dependence of sub national governments on central governmental. This is clear from the results as the ratio of the transfer from the central government to the sub national governments' own revenue otherwise known as transfer dependency ratio is very high. The results also, revealed that where as the sub national governments lack autonomy in revenue generation (as more revenues are centralized), they exercise autonomy in expenditure assignments.

CONCLUSION/ RECOMMENDATIONS

From the findings, we can conclude that Nigeria fiscal federalism lack the essential ingredients of theoretical anchorage of fiscal federalism that presupposes that assignment of functions to the sub national governments should be accompanied by the corresponding revenue responsibilities. This mismatch has the tendency of making the sub national governments heavily dependent on central government for revenue to finance their expenditure. Therefore, borrowing the language of Bello-Imam and Agba (2004), they are no longer coordinate but subordinate to the central government. This eventually culminates to autonomy elopement of the sub national governments in Nigeria. On this basis, the paper recommends that to ensure the autonomy of the sub national governments, our fiscal federalism should implement based on the tenets of tax assignment theory**.**

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APPENDIX (DATA USED FOR ANALYSIS)

YEAR	share tax	Total Expt	transfers	borrowings	state total revenue
1980	1329.7	7234.4	906.6	0	
1981	142.6	10990.9	1240.9	1726.3	0.14
1982	1315.8	10680.5	1332.9	1878	0.07
1983	38	11090.9	1620.1	2389.8	0.04
1984	1381.3	4776.2	0	1765.1	0.06
1985	1584.1	5857.1	0	487.5	1.58
1986	1860.6	5774.7	0	1343.3	1.86
1987	1954.5	8263.5	0	3739.4	1.95
1988	2178.8	10778.5	0	973.7	2.18
1989	1602.3	12974.7	670.5	2064.5	1.60
1990	2721.7	20049.3	1382	953.2	2.76
1991	3181.2	27023.7	957.3	453.3	3.18
1992	5244.7	37060.6	1622.5	2665	5.24
1993	7602.3	45833.3	3478.3	2433.1	5.73
1994	10920.8	55916.4	7284	4942	10.93
1995	16992.9	77895.5	16652.3	4364.9	16.99
1996	19467	83987	4337.3	2726.6	19.47
1997	27368.2	92686	31477.8	371.8	27.37
1998	29213.9	143168.8	6551.7	4395.2	29.21
1999	34109	167896	33289.3	4775.1	34.11

2000	37788.5	359670.6	58.064.4	3990.9	37.79
2001	59416	596956.4	129714.4	20642.3	59.42
2002	89606.9	724537.2	134179.3	48331	89.61
2003	118753.5	921159.7	104344.8	85711.3	118.75
2004	134195.3	1125057	137445.3	4396.9	134.20
2005	122737.8	1478585	125.32	22557.1	122.74
2006	125228.9	1586797	209.38	26.95	125.23
2007	305706.	2116139	179.01	31.64	305.71
2008	353064	2899537	188.05	146.97	441.15
2009	461225	2776913	224.2	348.51	461.22
2010	420455	2871467	88.7	191.8	757.90
2011	318	3542	95.67	302.3	509.30
2012	347.69	3844.93	35.03	495.9	548.12
2013	389.53	4046.8	43.82	553.79	657.02
2014	388.85	3983	45.92	572.91	801.29

Source; CBN statistical bulletin (various years), Annual report (various years)

DATA USED CONTINUED

state recurrent expenditure	federal total revenue	federal govt recurrent expt
4.61	13.29	4.85
4.73	11.43	5.51
5.26	10.51	4.75
4.59	11.25	5.83
4.82	15.05	7.58
4.60	12.60	7.70
5.72	25.38	15.65
7.19	27.60	19.41
8.14	53.87	25.99
13.39	98.10	36.22
15.87	100.99	38.24

20.78	190.45	53.03
29.80	192.77	136.73
37.77	201.91	89.97
53.15	459.99	127.63
54.83	523.60	124.49
58.96	582.81	158.56
75.12	463.61	178.10
102.69	949.19	449.66
196.78	1,906.16	461.60
294.71	2,231.60	579.30
424.20	1,731.84	696.80
545.31	2,575.10	984.30
556.81	3,920.50	1,032.70
789.13	5,547.50	1,223.70
894.32	5,965.10	1,290.20
1,217.43	5,727.50	1,589.27
1,505.63	7,866.59	2,117.36
1,426.06	4,844.59	2,127.97
1,648.40	7,303.67	3,109.38
2,055.80	11,116.85	3,314.51
1,664.40	10,654.75	3,325.16
1,948.43	9,759.79	3,689.06
2,120.48	10,068.85	3,417.58