

ŠIAULIAI UNIVERSITY
FACULTY OF SOCIAL SCIENCES, HUMANITIES AND ARTS
DEPARTMENT OF PUBLIC ADMINISTRATION

Oluwasegun Samuel OBAOYE

The student of Regional development and governance study programme

**IMPACT OF DECENTRALIZATION REFORMS ON
PUBLIC SERVICE DELIVERY AT THE LOCAL SELF-
GOVERNMENT**

Master's Thesis

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Social Sciences, Public administration (N700)

**Advisor of Thesis:
Prof. dr. Diana ŠAPARNIENE**

I confirm that presented Master's Thesis to obtain qualification degree in Public Administration is original author's work

(Student's signature)

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SUMMARY

Master's work

Decentralization has shaped public service delivery and local self-government structures as most states have transformed power, resources and responsibilities to authorities on their sub-national level and it has aided a more equitable distribution of public services and increased citizen's participation. It has been proved that decentralization had a positive impact in strengthening local self-government administration although limitations were experienced as a result of a lack of capacity in terms of technical expertise and good infrastructure. This study investigates the impact of decentralization reforms on public service delivery at local self-government, taking Lithuania and Nigeria as research cases. In achieving the aim of the study, certain objectives were set out which include the examination of scientific literature on the decentralization and public service concepts. The analysis of countries strategies and law documents on decentralization reforms at local self-government in Lithuania and Nigeria, and to identify mainstreams in changes, strengths and challenges faced by Lithuanian and Nigerian local self-governments of better service delivery in the context of decentralization. Furthermore, in the context of research results and taking in the ground the best practices of two countries, to present possible trends for improvement of better public services delivery at local self-government in the two countries. The research methods include literature analysis, law basis analysis, strategies and documents analysis, and data analysis and interpretation. The results show that there are adequate legal provisions for effective decentralization at the local self-government. While local authorities in Lithuania have capacity in political autonomy, organizational autonomy, financial transfer system, and internally generated revenue, the same cannot be said of Nigeria where local authorities do not have real autonomy. They often wait for higher tiers of government for decisions, activities and funding which often impede effective service delivery. Improvement is therefore needed for improved service delivery in Lithuania and Nigeria.

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MAIN DEFINITIONS

Decentralization: The transfer of political power from central governments to sub - national governments and as a means of improving the efficiency and responsiveness of the local self-government. It is also a process where central government transfers political, fiscal and administrative powers to lower levels (local government) in an administrative and territorial hierarchy.

Service Delivery: Service delivery is a phrase used to describe the distribution of basic resources citizens depend on like water, electricity, sanitation infrastructure, land, and housing. A service delivery is a set of principles, standards, policies and constraints used to guide the design, development, deployment, operation and retirement of services delivered by a government.

Local Self-Government: This is the closest system of government to the people at the grassroot. It is the government that provides and maintains most of the essentials of people living in the municipals.

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INTRODUCTION

Research Actuality and Novelty. Across the world, decentralization has shaped public services government structures as most states have transformed power, resources and responsibilities to authorities on their sub-national level and it has aided a more equitable distribution of public services and increased citizen's participation. It has been proved that decentralization had a positive impact in strengthening local government administration although limitations were experienced as a result of a lack of capacity in terms of technical expertise and good infrastructure. Furthermore, because the power to make decision is shared among the sub-national government, where such rights is assigned to a particular tier of government, it becomes unclear and difficult to compare or measure impact in order to arrive at a composite measure of decentralization (Mgonja & Tundui, 2012).

Decentralization of local government is one of the most vexatious public sector management issues for public service development. Despite its adoption in virtually every large democracy, its form and structure vary widely and is always contentious based on peculiarities. This is mostly noticeable in Africa and the West. Fiscal decentralization of government is promoted on the fact that it brings government closer to the people and hence makes it more accountable. The adoption of decentralization can be more cost effective since it is easier for local government to develop locally suitable response mechanisms to deal with local needs and service delivery. Hence, there is need to deal cautiously with its implementation.

The motivation for decentralization across the world differs from continent to continent but it for public service development. In Central and Eastern Europe, and Russia, the motivation for decentralization is political and economic transformation. In Bosnia-Herzegovina, Ethiopia, Yugoslavia, Nigeria, Sri-Lanka, South Africa, and Philippines, the drive is political crisis due to ethnic conflict. In Indonesia, Madagascar, Mali, Senegal, Uganda, Mexico, Philippines, it is political crisis due to regional conflicts. However, the major motivation across Africa is shifting responsibility for unpopular adjustment programs (Shah and Thompson, 2004).

In the 90s of the 20th century the countries of Central and Eastern Europe had gone through the major changes that significantly affected their political, economic and social governance. In connection with the transition from centralized system of governance with a strong centralized state to parliamentary democracy in a number of them changed the perception of public administration, in extension, local government administration as the executor of the state executive power. The

countries started to form new public institutions, which had not been characterized only by a simple exercise of state power, but which in the significant extent independently set their goals and make decisions to achieve them. Such specific decisions encouraged decentralization and autonomy of local government (Astrauskas & Gecikova, 2014).

Evidence has shown that on the domestic front, political considerations have been the major catalyst in initiating a process of decentralization. These considerations had broader goals of political and economic transformation and aspirations for European Union membership in former centrally planned economies. In most other countries, the agenda for reform was driven by ethnic and regional conflicts and fiscal crisis. Interestingly enough, in some countries, such as Indonesia and Pakistan, decentralization processes that had been stuck in the mud for a long time got a big boost by political and fiscal crises. In Peru and Pakistan, recent decentralization moves had their origins in attempts by regimes in power to sideline or weaken potential opposition. While the political process of decentralization is important, it is an issue that has not yet been explored in the literature (Shah and Thompson, 2004).

Decentralization is a current international political trend, and this includes developing countries. In these countries, decentralization is part of the priority political agenda. Along with economic development, the demand for the proper delivery of administrative services to the public has been growing so that it now requires decentralization to be more effective, which involves decentralization at the initiative of the developing countries themselves. At the same time, donors such as the World Bank sometimes require the promotion of decentralization as a conditionality of assistance. In either case, however, there has not been sufficient research on the actual condition concerning the effective measures of advancing decentralization, or the priorities that should be adopted in the process (Institute for International Cooperation Japan International Cooperation Agency, 2001).

Decentralization reform as a strategy for effective local development has become an important aspect of discourses on issues relating to democratization, democracy and local participation. This has attracted more attention to the idea of strengthening or reforming the local government administration in Europe, particularly in Lithuania (IseOlorunkanmi, 2014). The need for an effective decentralization reform in Local government is premised on the idea that it is the level of government that is better placed to effectively formulate and implement development policies and programmes that can effectively solve municipal problems. However, this idea seems defeated by

the inadequacies and challenges facing the local government reform and implementation in Lithuania and Nigeria.

Decentralization in local government is the basis of any democratic workings, and the need to effectively take democratic dividends to a vast majority of the people living in the municipalities informed the need for a strict and serious reform. These principles correspond to the modern tendencies in the countries of western democracy that induces decentralization reform both in the spheres of local governance and development. The process of decentralization in the economy of the public sector takes the shape of fiscal decentralization. The fiscal decentralization is understood as an increase in the financial independence of local authorities, separating the functions of the local and central government in the public sector of economy, adequately distributing the financial resources for the realization of these functions. The level of the fiscal decentralization also characterizes the degree of independence of local government since the local government is independent as much as it has financial resources to fulfill its functions (Davulis, nd).

Decentralization is at the core of the division of powers and is one of the two core functions of local government, as a provider of services to a local community and as an instrument of democratic self-government. Administrative decentralization and political decentralization are closely connected with fiscal decentralization and are mutually dependent. There is a large base of empirical evidence supporting the need for fiscal decentralization when respecting certain conditions of design (Eastern Partnership Summit, 2013).

Under the Constitution of the Republic of Lithuania (1992) the Lithuanian public power consists of state power and local government. At the same time the local government is recognized as a specific public administration system which operates on different grounds than the state power and is not directly subordinate to the state power. Relations between the state government institutions and municipalities are based on; defining of municipal competences by the Constitution and laws as well as on division of municipal competences to own competences and competences delegated by the State), the possibility for the state authorities to influence municipalities only by legal and economic measures, legal (administrative), performing and financial supervision of municipalities, as well as judicial control and resolution of disputes judicially, provision of consultation and cooperation (Astrauskas & Gecikova, 2014).

However, the 1976 local government reform in Nigeria changed the way business is done at the local government level in Nigeria. This was done under a military regime, where more power was given to the local government and high level of decentralization was achieved. The local

government in Nigeria derived its decentralization power from the Constitution. Section 7 (1) of the 1999 Constitution specifically provides: “The local government by democratically elected government councils is under this Constitution guaranteed”. The section went on to enjoin state governments to give content to this provision through enactment of enabling laws. According to the constitution of Nigeria, the only form of governance for the local government must be a decentralized one (Ikeji, Utulu, Oja, Akpan&Ibah, 2013). Local governance in Nigeria is in a state of crisis. This crisis stems from what increasingly looks like deliberate efforts to stem the advance of democratic governance at the local government level in the country.

It is against this background that this study takes a comparative examination of the effect of decentralization reform on public service delivery at local self-government, with particular reference to Lithuania and Nigeria.

Research Problem. The need for an effective, decentralized and development-focused local government administration system in real terms is a problem and challenge that most countries have not been able to solve. One of the recurrent problems of local government administration is slow pace of service delivery owing to lack of swift and radical decentralization reform as characterized by slow decision making mechanism, insufficient funds for meaningful growth and viable municipal development and maintenance. The development ratio must be such that capital cities are developed to meet international standards, and to wear the look of capital cities. The ability to do this lies in the effective utilization of available resources through effective decentralization of powers. The absence, cum ineffective implementation of decentralization policy at the municipal level will only mean slow pace of development and inefficiency in service delivery, which will affect the condition of living of the dwellers in the capital cities.

It is generally believed that a representative and effective local government administration will in turn lead to development at the municipal level bearing in mind that local government system is the closest level (tier) of government to the people (Abutudu, 2011). It is pertinent to spell out pointedly that the beauty of decentralization -the principle upon which the system of local government is based - is arguably in the mobilization of the local resources and people with good knowledge of their local needs for effective municipal transformation. However, this goal and hope as captured in the Constitution of the Republic of Lithuania (adopted in 1992 at the national referendum) and the Constitution of the Federal Republic of Nigeria has generally remained a mirage. Though the legal base for decentralized local government system in Lithuania is created in compliance with the requirements of European Charter of Local Self-Government, the level of the

decentralization and financial independence of the decentralized government is insufficient and still lags behind the European level. It has objective reasons, such as insufficient competence of the local institutions and a high level of corruption (Davulis, nd).

The problem of decentralization reform in Nigeria has been reported in other studies (Ikeji, 2002; Ikeji, 2006; Abutudu, 2011; Mukoro, 2009; Green, 1995; and Olowu and Erero, 1997). The local governments in Nigeria are generally believed to be non-independent, non-autonomous, foisted (forced) on the people by the political elites, and therefore unaccountable and inefficient in the performance of their democratic and political duties. The general feeling is that an effective local government.

It is instructive to note that several studies have been conducted by various scholars on issues of decentralization in the local government. Scholars such as Davulis (nd), Abutudu, (2011); Mukoro (2009), Astrauskas & Gecikova, 2014), IseOlorunkanmi, 2014); among others have researched on the subject matter of this study. However, many of these scholars failed to examine the comparative analysis of decentralization in local government of two major capital cities, Lagos, in Africa and Vilnius, Europe. Besides, limited studies on the subject matter that is empirical in nature are available in the extant literature which has created a gap in the existing body of knowledge. It is this observed gap that this current research intends to fill. Consequently, this study takes a comparative examination of decentralization reform in local self-government towards achieving improved public service in Lithuania and Nigeria.

Research Problem Questions.

The study provides answers to the following questions.

1. How scientific literature defines decentralization and public service conceptions in the context of local self-government?
2. To what extent has decentralization reforms affected effective municipal service delivery in Lithuania and Nigeria?
3. What are the strong sides and challenges faced by Lithuania and Nigeria in better service delivery in local self-government in the context of decentralization?
4. What strategies should be developed in local self-government for deliver the better public services?

Research Object – decentralization reforms on public service delivery.

Aim of the Study – to investigate the impact of decentralization reforms on public service delivery at local self-government, taking Lithuania and Nigeria as research cases.

Objectives of the Study:

1. To examine the scientific literature on the decentralization and public service concepts.
2. To analyze countries strategies and law documents on decentralization reforms at local self- government in Lithuania and Nigeria.
3. To identified main streams in changes, strengths and challenges faced by Lithuanian and Nigerian local governments of better service delivery in the context of decentralization
4. In the context of research results and taking in the ground the best practices of two countries, to present possible trends for improvement of better public services delivery at local self-government.

Research Methods:

- Literature analysis
- Law basis analysis
- Strategies and Documents analysis
- Data analysis and interpretation

Research main statements. Decentralization of public service delivery at local self-government institutions enlarge cooperation between the public and private sector for better respond of citizens' demands. Decentralization, if well used, will bring about effectiveness in the discharge of service delivery at the local self-government. The adoption of the decentralization policy has brought about changes and improvement in municipals with poor service delivery. Decentralization has solved the problem of over poor service delivery and other related problems of the local self-government. Others have used decentralization policy for reversing infrastructural decay due to neglect and abandonment, and lack of proper harmonization of the local government's finances (Uhunmwangho & Aibieyi, 2013).

The issue of decentralization has been analyzed by many scholars (Zlinskas, 2010, Astrauskas, 2011,) with regards to local self-government. However, there is no direct focus on service delivery in the context of decentralization reforms. Consequently, this study examines the impact of decentralization reforms on public service delivery at the local self-government in two countries from different world regions.

Significance of the Study. The study will pay attention to the representatives from the local self-government institutions about improvement of better public services delivery in the context of decentralization reforms. It helps to identify the need for deeper integration of decentralization reform so as to serve the residents of the municipalities better. The research is significantly considering the closeness of local government to the municipal people and the need to utilize and take advantage of decentralization to improve its ability to generate fund for its day-to-day activities. It will enable the state and federal government to recognize the need for provision of adequate protection and respect for the decentralization reform such that the local government and municipals can reach as many people as possible, and to be able to create world class capital cities, devoid of corruption and inefficiency.

The outcome of this study will enable local government administrators to appreciate their roles as developmental agents and enable them harness the various financial and other resources at their disposal to bring about meaningful municipal management.

The findings of the study will give the public an overview of the role of local government vis-à-vis the state of municipal development in Lithuania and Nigeria. It will bring more transparency to government giving access to more people for participation in governance. It will also be beneficial to the municipal because improved revenue generation means improved standard of living in form of improved provision of social amenities such as improved road, hospital, parks, etc. The study will be educative as it will be a reference point for researchers and public administration experts in future studies.

The study will also help various interest groups, NGOs and other constituencies reach an understanding of issues in decentralization in local government administration and municipal development.

Scope of the Study. The focus of the study is delimited to the decentralization reform in local government administration in Lithuania and Nigeria. Effort is made to relate the implementation of decentralization reform to municipal management and efficiency of local government administration and service delivery in Lithuania and Nigeria.

Outline of the Study. The study comprises of the introduction and three chapters with each of the chapter discussing different parts of the thesis. The introduction has other headings such as background to the study, statement of the problem, aim, research questions, hypotheses, its significance and the scope of the thesis as well as the organisation of the study. Chapter one is the theoretical framework, while chapter two is the research methodology, with other sub-heads as theoretical background of research, research methods, exploratory areas and sets, and strategy plan of research. Chapter three is the decentralization outcomes in Lithuania and Nigeria, then the conclusion and the recommendations.

1. DECENTRALIZATION AND PUBLIC SERVICE DELIVERY AT THE LOCAL SELF-GOVERNMENT: THEORETICAL FRAMEWORK

1.1. Conceptualization of Decentralization

Decentralization is conceptualized in a variety of ways based on the degree of delegation and autonomy of those involved (Fatile & Ejalonibu, 2015). Some studies maintain that the concept is not easily defined; therefore, it has several dimensions and wide variety types of institutional restructuring, which encompasses the term decentralization. Decentralized local government systems are those where central entities are assigned lesser role in any or all of functions for local government. This kind of systems allows for central governments to possess a smaller share of fiscal power, grant more administrative autonomy, and/or cede a higher degree of responsibility for local functions (Schneider, 2003).

However, some scholars observe decentralization as a simple term that can be easily described, but argue that its simplistic generalization is sometimes too broad. Thus, decentralization is a term of broad conceptual and empirical meaning, “which can designate static fact and dynamic process and it can refer to pure ideal-type and moderate incremental change” when the rational theory of decentralization is applied in all compartments (Antwi-Boasiak, 2010). Because decentralization is a relative concept, each dimension should be measured in terms of the central government proportion of the overall total. It is critical to examine each dimension, identifying the unique characteristics that set it apart from the other dimensions, and at the same time, recognizing that the dimensions may be tightly interrelated. Understanding the uniqueness of these dimensions requires also understanding their interaction.

Decentralization connotes the transfer of political power from central governments to sub-national governments (Ekpo, 2008). In principle, decentralization is perceived as a means of improving the efficiency and responsiveness of the local government. According to a normative/legal analysis, some scholars like Cohen and Peterson (1999) argue that devolution/deconcentration is not a form of decentralization. In another view, Duncan (2007) notes that decentralization is a process where central government transfers political, fiscal and administrative powers to lower levels (local government) in an administrative and territorial hierarchy. The use of decentralization to devolving decision-making power to levels of government

that are close to beneficiaries, that is the municipals, decentralization can give citizens greater influence over the level of government services they get and greater ability to hold their officials accountable, hence transparent governance. In theory, decentralization holds regional leaders accountable to their constituents instead of the central government. One major problem in conceptualizing decentralization is the disagreement among scholars about what comprises it. Some scholars like Laksono and Topatimasang [2003]; Permana [2002] have even gone further to see decentralization as a solution to governance conflicts and intergovernmental relations.

Scholars have argued that decentralization and devolution/deconcentration represent two processes enabling the transfer of competences of administrative feature from central level of the state to lower one, municipalities. The differences between the two concepts are presented, on one hand, in view of their purposes, at devolution/deconcentration the aim being decongestion of the state command center, and for decentralization the aim is recognition of the possibility of self-administration of the local government. But in devolution /deconcentration, the bodies acting at local level are appointed by government and liable to government, being subordinated, while at decentralization, the local authorities are most often the outcome of local elections.

Rondelli and Cheema (1983); Olowu (1990) and Scott-Heridge (2002) believe that deconcentration, delegation and devolution are the three broad aspects of decentralization. They all argue that deconcentration is an aspect of decentralization that refers to the transfer of state responsibilities and resources from the center to the periphery, within the same administrative system. It indicates an internal form of delegation of responsibilities among officials of the organization. These organizations may include local government and parastatals, the private sector and non -governmental organizations (NGOs). A third major aspect of decentralization according to the above mentioned scholars is devolution. This is a situation where central government transfers authority to semi-autonomous local government bodies for decision making, resourcing, administration and delivery. These bodies are not directly accountable to central governmental though they have to work within statutes and rules set by it. Although these can severely constrain the actions of local government, in principle it remains primarily politically responsible to its electorate. The aim is to retain full control of service planning, expenditure and delivery whilst achieving greater efficiency and effectiveness. It is the weakest form of decentralization. Another aspect is known as delegation, where responsibility for decision-making and service delivery is transferred by central governments to semi -autonomous organizations not wholly controlled by it, but remained directly answerable to it for functions delegated to them.

Political decentralization can be conceptualized as the transfer of state functions that have either been located on the central level of government or its agencies, into the sphere of local government (Wollmann 2004). Political decentralization means that locally legitimized bodies become competent to decide autonomously on the planning, financing and administration of their newly acquired executive functions. The second form which is administrative decentralization marks a more moderate form of reordering intergovernmental relations. It is conceptualized as the concession of executive functions from the state to local administrative authorities without the assignment of locally elected bodies to decide autonomously on the purpose. Acting as agents of national governments or governmental offices, local authorities remain at least formally under the states' full control not only for the legality but also for the functionality and the professional quality of the respective action (Wollmann, 1997). Following the literature on state and local government reform, national decentralization approaches can be classified into three ideal typical forms of decentralization; these include political decentralization, administrative decentralization and administrative deconcentration (Benz 2002) and

However, deconcentration is conceptualized as the delegation of central/state functions to administrative bodies on the subcentral level of government, which are hence still part of the states' own administration or dependent on it financially but not controlled directly (Wollmann, 1997). Olowu and Wunsch (2004), Putnam (1993) and World Bank (1994) argue that decentralization makes governments more responsive, however, Faguet (2008); Tanzi(1995) and Prud'homme(1995) think otherwise. Functions are assigned to Quasi-Nongovernmental Organizations in the place of the delegation of central/state functions of government agencies answerable to government bodies (Skelcher, 1998).

Political decentralization, according to Litvack (2015), aims to give citizens or their elected representatives more power in public decision-making. It is often associated with pluralistic politics and representative government, but it can also support democratization by giving citizens, or their representatives, more influence in the formulation and implementation of policies. Advocates of political decentralization assume that decisions made with greater participation will be better informed and more relevant to diverse interests in society than those made only by national political authorities. The concept implies that the selection of representatives from local electoral jurisdictions allows citizens to know better their political representatives and allows elected officials to know better the needs and desires of their constituents. Decentralization is the transfer of authority and responsibility for public functions from a central government to subordinate

governments (Ayee, 2003). It involves the transfer of fiscal, political and administrative powers to lower levels in an administrative and territorial structure (Duncan, 2007; Antwi-Boasiako, 2010). It has become a popular form of governance because of the need to reduce bureaucracy at central levels, to tailor development plans to specific local needs, ensure greater representation and public accountability (Manhood cited in Bebelleh&Nobabumah, 2013).

Political decentralization often requires constitutional or statutory reforms, the development of pluralistic political parties, the strengthening of legislatures, creation of local political units, and the encouragement of effective public interest groups. Decentralization refers to the transfer of state/national responsibilities or functions from central government to sub-national levels of government, or from central agencies/offices to regional bodies or branch offices, or to non-governmental organizations or private concerns. It can be described as “the redefinition of structures, procedures and practices of governance to be closer to the citizenry” (Miller, 2002).

Decentralization is conceptualized in many ways depending on the degree of delegation and autonomy transferred to the local actors. Olowu cited in IseOlorunkanmi (2014) defines decentralization “As the transfer of administrative and/or decision making (political) power to lower organizational units. A second distinction that is made is between bureaucratic decentralization and political decentralization or devolution. The former encompasses the transfer of administrative responsibilities to field administrative units of the federal government, whereas the latter refers to the transfer of substantial decision-making powers and responsibilities to corporate units outside the framework of the central government such units include local governments, statutory corporations, cooperatives and even organized private sector.

Decentralization according to Okojie (2009) is a process of transitioning from a governance structure in which power is concentrated at the central or national level to one in which authority to make decisions and implement them is shifted to lower level governments or agencies. It consists of a transfer of public functions from higher tiers to lower tiers of governance. There are various reasons given by scholars for decentralization. Olowu and Wunsch (1990) argues that decentralization makes government more responsive while Trebout (1956) cited in Raymond and Roberta posit that decentralization leads to greater variety in the provision of public goods, which are tailored to better suit local population. Jutting et al 2005 sees decentralization resulting in democratic institutions in which the poor can effectively participate, and lobby for their interests. Decentralization therefore is a downward vertical shift of governance from national to local level (IseOlorunkanmi, 2014).

There are many forms of decentralization, but three are mostly cited in the study of decentralization. Administrative Decentralization involving the re-location of branches of the state to local areas, entailing a transfer of powers to locally-based officials who remain part of, and upwardly accountable to, central government ministries and agencies. Also referred to as deconcentration or decongestion, Assibey (2000) notes that it is a power sharing strategy where power is transferred from central operating systems to regional ones. It is expedient to improve efficiency and effectiveness of delivering services to regional and local centers (Bebelleh&Nobabumah, 2013). Ahoi (2010:5) describes it as “system of field administration through which functions are transferred to field staff to make routine decisions and implement central directives at the local level”.

Fiscal decentralization involves the transfer of fiscal resources and revenue-generating powers, inclusive of authority over budgets and financial decisions, to either deconcentrated officials and/or central government central government appointees or elected politicians (Manor, 1995). Fiscal decentralization is key to all forms of decentralization and sometimes contested as being a separate form of decentralization because it entails a cross-cutting element in both political and administrative decentralization (Robit, 2001). Political decentralization is the transfer of powers and resources to subnational authorities which are largely or wholly independent of central government and democratically elected (Crawford, 2004). It is a form public administrative system which empowers citizens with greater insights and participation in the appointment of local level official and in planning and implementation of local development plans.

The current fondness for decentralization began during the 1980s (Samoff, 1990). Stagnant economies and inefficient central bureaucracies led researchers to consider decentralization as a solution to the problems of developing countries, and multilateral institutions began to include decentralization components in many of their programs (Litvack 1998). There were domestic pressures for decentralization also, as local politicians and civil society actors sought to capture power from central governments, and national leaders granted access to central power and resources as a means of obtaining support from local allies or meeting demands for democratization. Ideological support came from both the right and the left, though for different reasons—the former to increase efficiency and the latter to effect a different distribution of power. Additionally, freer trade, international treaties, and loan conditions led central governments to choose, or be forced, to abdicate their traditional roles, and left critical functions to noncentral government entities if they were to be performed at all (Snyder, 1999).

Ekpo (2007) reported that the lower levels of government can deliver services such as water, education, sanitation, health etc. effectively. Also, at the lower levels of government, politicians and civil servants are more aware of the needs of their community that will be more responsive to providing such services. Preferences of local populations are better known at lower levels of government. He also reported about the productive efficiency argument, where he refers to the contention that local governments can produce the same goods and services at lower costs than Central governments. Because sub-national governments are closer to the population, cost of producing goods and services will be minimal. The usual 'middle-men syndrome' and bureaucracy involving contract procedures would be reduced. Decentralization allows central governments to concentrate on national and international issues. The central government can concentrate on macroeconomic policies for the entire economy rather than be pre-occupied with delivering services to all the communities. Decentralization may make it less difficult for government to recover the costs of public services. That is, services would be more demand responsive hence increasing the households' willingness to pay for services. In other words, households and their families are perceived to be more willing to pay for and maintain services that match their demand.

According to Miller (2002), decentralization can take several forms. Deconcentration, delegation and devolution are generally recognized as the main forms of decentralization. Deconcentration, which is sometimes called administrative or bureaucratic decentralization, is the term used when decentralization takes the form of a transfer of functions from the Centre to regional or branch offices, since real decision-making is retained at the Centre. Delegation is the term used when the transfer of function is to a non-governmental or private sector entity (privatization), or it could even be to a government agency, over which government exercises limited control - e.g. the recently established executive agencies in Jamaica. Devolution occurs where the transfer of any function or responsibility involves both administrative as well as political/decision-making authority. This is usually to a sub-national level of government, which can then be said to enjoy autonomy in respect to the devolved subjects/functions, provided that nothing else inhibits the exercise of such autonomy (e.g. excessive financial dependency or lack of local administrative/technical capacity).

Decentralization should be linked to good governance which embodies the principles of transparency and accountability, respect for human rights and the rule of law. At the conceptual and practical level, for decentralization to be effective in service delivery, corruption must be at the level of zero tolerance. There is need for capacity at the lower level of government to ensure transparency

and accountability. In addition, institutions that will monitor and evaluate performance should be established if decentralization is meant to improve accountability. It is also important that the citizens particularly the local populations are not only knowledgeable but are conscious of their constitutional rights (Ekpo, 2007).

Furthermore, decentralization facilitates good governance by empowering the local population and allowing them to participate in matters affecting their lives. This allows for the local people to be a watchdog on the system and ensure that public officials deliver quality goods and services (World Bank, 2001).

1.2. Local Self-Government and decentralization reforms

Decentralization reform has been an important tool in many developing countries and a major focus of the considerable support provided by development partners and government to public sector reform. The essence of decentralization reform is to improve service delivery at all level of government across the globe. Recently, government has intensified its effort in the application of decentralization reform with the essence of improving performance and service delivery at the local level. Yet its record is mixed at best in terms of realizing many of the stated objectives of reform, such as enabling more efficient service delivery, advancing democratic reform, and promoting economic development and poverty reduction.

Depending on the orientation and experience of its users, the term local government has been conceptualized in diverse ways. However, whatever perspective or orientation we may have about its definition, local government is generally seen as the government at the local level. For instance, Awa in Adeyemo (2005) sees local government as "a political authority set up by a nation or state as a subordinate authority for the purpose of dispersing or decentralizing political power". Wraith also in Adeyemo (2005) also defines local government as "the act of decentralizing power, which may take the form of deconcentration or devolution. Deconcentration involves delegation of authority to field units of the same department and devolution on the other hand refers to a transfer of authority to local government units or special statutory bodies such as school boards for instance. From this perceptive, one can see local government as a lesser power in the national polity. It is an administrative agency through which control and authority relates to the people at the grassroots or periphery.

The United Nations Office for Public Administration on the other hand, sees Local Government as a political subdivision of a nation (in a federal system) state, which is constituted by law and has substantial control of local affairs including the powers to impose taxes or to exact

labour for prescribed purposes. The governing body of such an entity is elected. It is in this similar vein that Emezi in Fatile & Ejalonibu (2015) describes local government as “system of local administration under local communities that are organized to maintain law and order, provide some limited range of social amenities, and encourage cooperation and participation of inhabitants towards the improvement of their conditions of living. It provides the community with formal organizational framework which enables them to conduct their affairs effectively for the general good”.

Furthermore, local government is conceptualized as government at local level operated through representative councils established by law to exercise specific powers. These powers should give the council substantial control over affairs as well as the staff and institutional and financial power to initiate and direct the provision of services and to determine and implement projects so as to complement the activities of the state and federal government in their areas, and to ensure, through devolution of functions to these councils and through the active participation of the people and their traditional institutes, that local initiative and responses to local head and conditions are maximized (FGN,1976).

According to Wunsch (2001), African states, since the early 1980s, have expended much rhetoric and, in some cases, substantial resources on political and administrative decentralization, expressed in terms of local governance (genuine local autonomy and control over important services and investments). These reforms involve significant changes in planning, budgeting, personnel, expenditure and service functions. They range from very substantial efforts, as in post-1985 Uganda, Botswana and Nigeria in the early 1990s, to more limited efforts as in Ghana, Kenya and Tanzania (Olowu, 2001). To achieve functioning local governance systems each country has had to wrestle with the legal and administrative details involved in this substantial political administrative reform (Olowu& Smoke, 1992).

The desire to empower local government and thus make it a veritable organ for development has a long history around the world. Its philosophic roots can be traced to the works of Rousseau and that of Alexis DeTouqueville (Mukoro, 2009). Rousseau’s works focused on the discussion on how government ought to be set up and run if they are to be good government, that is, when the reason for government is aimed for the common good and is wholly supported by all citizens of good will (Thomson, 1968). Rousseau’s ideal state is a very small, compact, more like the tiny Greek states of old. Alexis DeTouqueville (1969), on the other hand was fascinated by the nature of America’s democracy and public administration. This arose from his visit to the United States of

America (U.S.A.) and the realization that the citizens were very much involved in the management of their government whether at the local, municipal or at the metropolitan levels (Ikeji, Utulu, Ojah, Akpan, & Ibah, 2013).

However, Asaju (2010) observes that local government is manifested in four dimensions, these include (i) Local government must be a legal entity distinct from the state and federal government; (2) Local government must be administered by democratically elected officials; (3) Local government must have specific powers to perform functions assigned to it by law; and (4) Local government must enjoy substantial autonomy to perform array of functions, plan, formulate and execute its own policies, programmes and projects, and its own rules and regulations as deemed for its local needs. This autonomy includes power to control its finance, recruit and discipline its staff.

However, for decentralization to succeed certain conditions are required:

- Total commitment from national and sub-national government in addition to adequate resources. The central government must be willing to give up control and recognize the importance of sub-national government in service delivery, among other matters.

- Availability of appropriate legislative framework which clearly defines responsibilities and powers of sub-national governments and as well as the expected relationship between central and lower levels of government.

- The need for accountability and transparency. Decentralization must be accompanied by checks and balances so that there is no abuse of power. This is one way of fighting corruption and clientelism. Corruption implies a breakdown of cooperative behavior in which few collude to the detriment of all. Thus, devolving functions to smaller units that are closer to the population should in theory increase consensus and legitimacy concerning the choice of public services. This, in turn, can be expected to foster cooperation, vigilance, as well as acceptance of and adherence to rules of public sector integrity ('rule-obedience') (Azfar, O et al, 2005). This would be effective where the financing of the public services is decentralized through the assignment of tax instruments or the collection of user fees.

- Effective decentralization needs adequate financial and staff resources. Sub-national governments must have the legal authority to raise revenue to support its expenditure requirements. Thus, the fiscal relationship between the centre and lower-levels of government must be clearly worked out on the basis of equity, fairness and justice.

- It is useful that both the centre and lower levels of government engage in dialogue to reduce tension and areas of conflict; more importantly, dialogue is necessary in trying to

resolve new challenges. Dialogue is crucial to ensure co-ordination and guarantee macroeconomic stability – a necessary condition for both the centre and sub-national governments; in the final analysis, there is one economy but different layers of government.

Capacity must exist at the sub-national government level. Sub-national government must have sufficient professional and well-trained staff. Where shortages of qualified and experienced persons exist, the training and re-training should be put in place in order to develop professional and technical expertise that will provide public services efficiently. Capacity connotes the ability, competency, efficiency of sub-national governments to plan, implement, manage and evaluate policies, strategies or programmes designed to impact on social conditions in the jurisdiction. This aspect is referred to as one of the performance factors and includes human capital, physical capital and incentive structures within government.

It has been argued in this study that decentralization is desirable but where the ingredients necessary for its proper implementation are lacking then decentralization and service delivery at lower levels of government remain problematic. These concepts and principles of decentralization have been attempted in several countries. The results have been mixed (World Bank, 2003).

According to a recent study (Ahmad et al, 2005), some common problems associated with decentralization's impact on service delivery include:

- Lack of capacity at sub-national levels of government in exercising responsibility for public services. In Uganda and Tanzania, the lower tiers of government lacked the ability to manage public finances and maintain proper accounting procedures. Consequently, lower levels of government received less money than before decentralization (Ahmad et al, 2005).
- Decentralization may result in misaligned responsibilities either due to incomplete process or for political reasons. For example, in Nigeria, under the Universal Basic Education (UBE) programme, the Federal Government releases money to State Primary School Boards but cannot hire, fire, replace or evaluate teachers.
- Decentralization has led to corruption of the lower levels of government partly due to weak accountability and transparency issues.
- There are problems tangential to decentralization. For example, the “soft judge's constraint confronting sub-national governments may have led to over borrowing”. The social impact of the Argentina crises at the end of 2001 resulted in the deterioration of service quality: poverty rates jumped 40percent, medical supplies were in short supply in almost all the public hospitals and there were many school closings during the year (World Bank, 2003).

1.3. Definition of Public Service in the context of Decentralization

Substantial attention has been devoted to defining the institutional and fiscal requirements for meeting commonly stated, normatively desirable decentralization objectives through service delivery. But much less consideration has been given to identifying the political and institutional incentives that drive reform or to evaluating how these reform drivers may shift over time, and how the quest to improve service delivery has affected all of these. Understanding service delivery in the context of decentralization requires appreciating its fundamental paradox: what kind of service delivery effort motivates the central government to give up powers and resources to subnational governments?

It is important to emphasize that this service delivery does not intend either to advocate decentralization in general or in any particular form, or to presume or privilege any particular decentralization objective. The central purpose of service delivery is to better understand how political and institutional dynamics (primarily those related to national actors, intergovernmental relations, and development partners) do or could affect the scope for realizing decentralization reforms aligned with the commonly advocated objectives of improved service delivery, governance, economic development, and poverty reduction (Eaton, Kaiser & Smoke, 2010).

Public service delivery through decentralization contributes to the creation of a fairer, more just and adequate society. They offer security and protection to all, especially the most vulnerable and disadvantaged ones. They are the defining factors of a civilized society. Various scholars have tried to describe what constitutes public service. The modern age definition of public service is increasingly complex and blurred. For example, many would argue that bus services remain an essential public service but they are almost entirely provided by private sector, while telecommunication services are virtually provided by private businesses with the regulatory role being performed by the government. Public services can therefore be regarded as services provided by a government to its citizens either directly through the public sector or by financing and regulating private provision of services (Aldridge & Stoker, 2002).

Public services were created to improve the quality of people's lives. Keeping the user at the forefront of the debate about public services is vital. Aldridge and Stoker (2002) identified some basic characteristics commonly associated with a modern public service such as the reliance on tax payers' money to establish or sustain the service through part or whole subsidy in order to contribute to community well-being; acceptance of a different and extended type of accountability. Politicians

and managers of public services have to justify why they allocate and ration resources in the way that they do and those services in turn are subject to a form of democratic accountability and scrutiny; unified customer base i.e. most public services are unable to choose their customers and most customers are unable to choose their public service suppliers; existence where there is or can be no adequate market provision.

An ideal decentralized local government system ensures a level and combination of public services consistent with voters' preferences while providing incentives for the efficient provision of such services. Some degree of central control or compensatory grants may be warranted in the provision of services when spatial externalities, economies of scale, and administrative and compliance costs are taken into consideration.

1.4. Theoretical Approaches of Decentralization

Although there are other theories that can also be used in this paper, such as development theory, structural functionalism, local-state theory, and pluralist theory, the fact that democracy and development must be decentralized to achieve its purpose makes the decentralization theory more suitable and appropriate for this study.

The theoretical argument for decentralization traces back to Madison and Rousseau, in the 17th and 18th centuries, though they had different reasons for supporting decentralization. For example, in the Federalist Papers No 39 (FP39), Madison argues that leaders must derive their powers “directly... from the great body of the people, “which means that powerful locals and “not inconsiderable...handful of ...nobles are exercising their oppression by a delegation of their powers”. Madison believes that the people at local level must be given the mandate to elect their leaders as a way of “composing independent regions, to which they respectively belong” (Wolman 1990; Rossiter, 1961).

Rousseau (1762) also favored small government. In his view, “rulers overburdened with business, see nothing for themselves: clerks govern”. Using the Poland political system, Rousseau, who advocated for a political reformation, instructed the poles to perfect and extend the authority of their provincial parliaments to avoid the dangers of larger state bureaucracies (Rousseau, 1772). By this assertion, Rousseau was insisting on the essentials of local representation(decentralization). Also, Stigler's theory of decentralization (*Stigler's menu*) identifies two principles of jurisdictional design: (1) the closer a representative government is to the people, the better it works; (2) people should have the right to vote for the kind and amount of public services they want (Stigler, 1957).

Thus, while early propositions in decentralization theory were only on political representation, the modern day decentralization theory, are on both democratic principles and functional performances. For example, the decentralization theorem which was advanced by Oates, proposes that “each public service should be provided by the jurisdiction having control over the minimum geographic area that would internalize benefits and costs of such provision” (Oates, 1972), base on the following:

- Local governments understand the concerns of local residents;
- Local decision making is responsive to the people for whom the services are intended, thus encouraging fiscal responsibility and efficiency, especially if financing of services is also decentralized;
- Unnecessary layers of jurisdiction are eliminated;
- Inter-jurisdictional competition and innovation are enhanced.

The theory of decentralization explains the transfer of authority and responsibility for public functions from the central government to the subordinate or quasi-independent government organizations and/or the private sector. It is concerned with how functions and responsibilities are given to different institutions from the central government for better and effective performances. Decentralization is an initiative to support the grassroots development (Ikeji; Utulu; Ojah; Akpan; Ibah, 2013).

It is motivated by the need to improve service delivery to large populations and put in place meaningful structure to provide good governance at the local level. Decentralization, as a framework for rural development, could be explained using four major variables of participation, responsiveness, legitimacy, and liberty. Participation entails the suitability and effectiveness of the local or regional government in providing opportunities for citizens to participate in the political life of their community.

The benefit of widening the scope of political participation includes the fact that it helps to create a better educated and a more informed citizenry. Responsiveness involves the closeness of the peripheral institutions to the people and their sensitivity to people’s needs. This both strengthens democratic accountability and ensures that the government responds not merely to the overall interests of society, but also to the specific needs of particular communities. Legitimacy explains the manner in which the physical distance from government affects the acceptability or rightness of its decision. Decisions made at a “local” level are more likely to be seen as intelligible and, therefore,

legitimate. Liberty is protected by decentralization through the dispersion of government power, thereby creating a network of checks and balances. Peripheral bodies check the central government, as well as each other (Heywood, 1972; Rondinelli, 1981).

1.4.1. Institutional theory

The Institutional theory approach to decentralization in organizations (most explicit in Zucker 1977) is shaped by two defining elements, viz: (a) a rule-like social fact quality of an organized pattern of action, and (b) an embedding in formal structures, such as formal aspects of organizations that are not tied to particular actors or situations. Institutional environments as proposed by Thomas & Meyer (1984) obtain their defining power from "rationalization" and from accompanying state elaboration. These environments are constructed as one consequence of a much wider "state project," related to expansion of state jurisdiction (Thomas & Meyer 1984). This "statist" view conceives of the collective normative order, including the professions and widespread agreements shared by members of organizational fields, as linked to a broad conception of the state (Thomas et.al., 1987; DiMaggio & Powell, 1983).

Conformity of organizations to the collective normative order increases the flow of societal resources and enhances "long-run survival prospects" (Meyer & Rowan 1977:252). Institutional elements invariably come from outside the organization. When organizations respond to external institutional pressure (or possibly only to coercive pressure as in DiMaggio & Powell 1983), they protect their technical activities through decoupling elements of structure from other activities and from each other, thus reducing their efficiency (Meyer & Rowan 1977:357, Weick 1976, Selznick 1949). In contrast, in line with predictions from economic theory, firms that operate in the technical sector "succeed to the extent that they develop efficient production activities and effective coordination structures" (Scott & Meyer 1983:141).

Organizational conformity to the institutional environment simultaneously increases positive evaluation, resource flows, and therefore survival chances, and reduces efficiency. In this view, the social becomes mythical and implicitly dysfunctional in strict task performance terms, while the technical remains real and rational (Meyer & Rowan 1977:356-57). Institutionalized organizations serve many important legitimating functions, but the core tasks are not performed as well as they would be in a market-oriented organization, and basic organizational objectives are also often deflected (Selznick 1957, reviewed in Perrow 1986:159-64).

In the context of this study, the local government administration is the organization while the environment is the undue and unconstitutional influence of the higher or state government as

reported by previous scholars (Abutudu, 2011; Ikeji, 2002; Ikeji, 2006; Mukoro, 2009; Green, 1995; Wunsch and Olowu, 1990; Olowu and Erero, 1997). According to Meyer and Rowan's (1977) argument, the conformity of the local government administration to the state government increases the flow of resources from the latter to the former and enhances the former's (i.e. local-government-level politicians) long run survival prospects in political arena. The direction of the local government administration's carrying out of its duties invariably comes from the outside (the state government). This in turn leads to inefficiency or dysfunctionality, as suggested by Meyer and Rowan (1977).

1.4.2. Traditional theory

There have been multiple views and applications of the traditional theory of fiscal federalism as developed by Oates in 1972. The theory views government as a benevolent agent and created a decentralization theorem, which states that in the presence of diverse preferences and needs, provision of services from a decentralized government will lead to increased citizen welfare. This occurs because decentralized government leads to information advantages and more flexibility in adapting to citizens' needs and preferences, as emphasized earlier by Hayek (1945). Today, the growing second-generation literature is based on "public choice," assuming a political economy with selfish officials, as opposed to the benevolent agents in the previous literature. A branch of this literature, known as market preserving federalism, focuses on incentives for government officials not to deviate from good behavior and emphasizes the role of decentralization as a mechanism to control an intrusive, expansive public sector and to support effective private markets (Weingast 1995, McKinnon 1997).

The effective link in the decentralized provision of local goods is possible through the mechanism of mobility of households, which is different from that of pure Samuelson goods. This concept is important to the understanding of decentralization in the United States, but it is not necessary to justify the advantage of fiscal decentralization in delivering more efficient outcomes in the delivery of public services. In fact, household mobility across local jurisdictions, like in the United States, hardly exists elsewhere. The classical principles for decentralization design are well traveled across countries and over time. Hundreds of decentralization programs proposed by the Asian Development Bank, the International Monetary Fund, the World Bank, bilateral donors, and policy advisors have been inspired by these principles. After certain design issues have been addressed, the classical framework has been quite successful (Martinez-Vasquez, 2011).

1.5. Impact of Decentralization on Service Delivery: Theoretical Insights

As reported by Martinez-Vasquez (2011), decentralization has generally positively impacted local self-government outcomes. In Bolivia, Faguet (2004) found that decentralization made public investment in local self-government and other services more responsive to local needs. In Indonesia, Simatupang (2009) and Qibthiyyah (2008) also noted improved Local self-government outcomes after decentralization, such as in overall and female literacy rates, years of schooling, and dropout rates for primary and secondary Local self-government. In Colombia, Faguet and Sánchez (2006) found that decentralization improved public school enrollment, and Barankay and Lockwood (2007) stated that the degree of decentralization was positively related to Local self-government attainment in Switzerland. Peña (2007) and Solé-Ollé and Esteller-Moré (2005) found that the proportion of successful students in the last course of secondary Local self-government in Spain improved with decentralization, mainly due to increases in government efficiency. Finally, Habibi et al. (2003) noted that decentralization had a positive, significant impact on secondary enrollment ratios in Argentina, and King and Özler (1998) similarly discovered that a decentralized Local self-government program much improved test scores in Nicaragua.

In Lithuania, decentralization has come to be seen as a way to ensure the application of management principles and create conditions for the representation of the concerns of all stakeholders in Local self-government. According to the model of the local self-government services, the production and consumption of local self-government services must be separated in order to depoliticize administrative processes. This changes the participatory nature of communities and concerned groups with regard to management. This promotes competition among service providers. Nevertheless, by choosing a particular product, consumers influence only the product's viability in the market and not the producer's decision on which product should be introduced into the market (Welsh & McGinn cited in Urbanovič, 2009).

The proposition that fiscal decentralization enhances economic efficiency may have a corresponding effect on the dynamic setting of economic growth (Oates 1993). Theoretically, according to Couderc and Ventelou (2005) and Brueckner (2006), fiscal autonomy is associated with higher output per unit of labor and higher steady state growth rates. However, a causation path is not clear, and decentralization may affect growth indirectly through its impact on other economic variables (Martínez-Vázquez and McNab 2002). In fact, empirical evidence is mixed, with Xie et al. (1999), Zhang and Zou (1998), Lin and Liu (2000), and Thiessen (2003) finding negative impacts.

Martínez-Vázquez and McNab (2003) cited no direct effect on economic growth but an indirect effect through macro stability. More recently, Feld et al. (2004) noted that in Switzerland, greater subnational fiscal autonomy has led to faster economic growth, and that matching grants from the center reduced growth. Qiao et al. (2008) find a positive impact of fiscal decentralization on growth in the PRC.

Urbanovič, (2009) probed into factors that determine processes of decentralization in managing the general Local self-government system in Lithuania. The study entails a review of pertinent literature and an analysis of the distribution of powers among entities managing the general Local self-government system in Lithuania. He portends that the Local self-government management system in Lithuania is gradually being decentralized and de-concentrated on the basis of the subsidiarity principle. A successful implementation of the decentralization reform requires the following two conditions: political support for proposed changes and the ability of those charged with carrying out the reform. An analysis of literature confirms that decentralization as a process is also a function of factors other than political will and capacity. These factors include the extent of decentralization depends on the central government's trust in the local government, financial troubles, path dependencies, international developments, etc.

Some case studies also exist on the effects of decentralization in different parts of the world, which provide some descriptive and suggestive correlations, but not enough to clinch any hypothesis. Azfar, Ka'hko'nen and Meagher (2000) survey households and government officials at municipal and provincial levels in the Philippines with respect to the stated public investment priorities in a given locality. Stated priorities of officials at the municipal level turned out to match weakly those of local residents, while those of officials at the provincial level did not, suggesting that decentralization may improve the quality of information officials use in public investment decisions. There is also some evidence in the survey of more perceived corruption at the central level than at the local level. A similar survey was carried out by Azfar, Ka'hko'nen and Meagher in Uganda with qualitatively similar results. In Uganda a greater reliance on community leaders for news concerning local corruption and local elections than for national news, which they interpret as evidence of greater potential for local capture (Bardhan, 2002).

There are several cases of quality improvement and cost savings in infrastructure projects after local communities were given part of the responsibility in management. A review of World Bankdata for 42 developing countries found that where road maintenance was decentralized, backlogs were lower and the condition of roads better (World Development Report, 1994). Data for

a group of developing countries revealed that per capita costs of water in World Bank–funded water projects were four times higher in centralized than in fully decentralized systems. A study of 121 completed rural water supply projects, financed by various agencies, showed that projects with high participation in project selection and design were much more likely to have the water supply maintained in good condition than would be the case with more centralized decision-making (World Bank, 2002).

Sepúlveda and Martínez-Vázquez (2010) recently found that decentralization has a positive (i.e., nonlinear) effect on measures of poverty and the Human Development Index. The impact on income distribution was also positive when the relative size of the government sector in the economy is large. With similar results, Crook and Manor (1998) and Crook and Sverrisson (2001) noted the positive impact of political and administrative decentralization on poverty reduction outcomes in some selected developing countries. Similarly, Von Braun and Grote (2002) and Lindaman and Thurmaier (2002) discovered the positive impact of decentralization on poverty as captured by the Human Development Index. Galasso and Ravallion (2001) noted that Bangladesh’s food-for-Local self-government program became more pro-poor with decentralization, and Bardhan and Mookherjee (2003) suggested that decentralized management advanced poverty alleviation goals in West Bengal, India.

Yet other studies have shown that decentralization can negatively impact poverty levels. West and Wong (1995) found that decentralization resulted in lower levels of public services in poorer areas of the PRC, and Ravallion (1998) observed that decentralization generated substantial inequality in public spending in poor areas of Argentina. Azfar and Livingston (2002) found no evidence of improved efficiency and equity of local public service delivery associated with decentralization in Uganda. Decentralization may also contribute to increased disparities due to differences in institutional capacities and socioeconomic endowments among areas. Further, decentralization may imply a reduction of the influence of poorer areas over the allocation of financial resources and transfers (Cheshire and Gordon 1996, Prud’homme 1995, Rodríguez-Pose and Gill 2005, Besley and Ghatak 2003).

In nondemocratic China, the local Communist Party officials have sometimes been quite responsive to local needs (at least as long as they are not conflicting with the party’s program), as the comparative study of two villages in China and India by Dreze and Saran (1995) show in the context of China’s far better performance in the provision of primary education at the local level. Similar accounts are available of more effective public pressure in rural basic education and health

services in Cuba compared with some of the more democratic regimes in Latin America. There are, of course, many authoritarian countries where local accountability is completely absent and the situation is much worse than in north India.

Taken as a group, these studies suggest generally positive effects of decentralization, but it is hard to draw conclusive lessons. Many of the studies are largely descriptive, not analytical, and often suggest correlations rather than causal processes.

Most of them are not based on household survey data, making the comparative impact of centralized versus decentralized programs on different socioeconomic groups of households difficult to assess.

On the other hand, decentralization may contribute to reducing disparities because of greater transparency and by bringing more efficiency and equalization. For example, Québec's more progressive and egalitarian welfare state compared to other provinces may have later contributed to strengthening social protection elsewhere in Canada (Béland and Lecours 2010). Others have also found that decentralization is associated with a general reduction in territorial disparities, including Weingast (1995), McKinnon (1997), Qian and Weingast (1997), Shankar and Shah (2003), and Rodríguez-Pose and Gill (2005). In addition, positive results have been found in most single-country studies, such as those by Qiao et al. (2008) for the PRC, Bonet (2006) for Colombia, Bagchi (2003) for India, Hill (2008) for Indonesia, and Silva (2005) and Hill (2008) for the Philippines. Others have found conclusions that go both ways depending on various conditions such as the wealth of a country, dimension of its existing disparities, and presence of solid fiscal redistribution systems (Rodríguez-Pose and Ezcurra 2010).

Brennan and Buchanan (1980) and Niskanen (1975) depicted government as a revenue-maximizing, mythical leviathan; they argued that with mobility of individuals and private companies, fiscal decentralization imposes a check on government growth through tax competition. Oates (1985) posited that greater decentralization may result in the loss of certain economies of scale with the consequent increase in administration costs and the size of government. Prud'homme (1995) and others suggested that the relative poorer quality of local bureaucrats is likely to weaken public expenditure management and result in higher supply costs of public services. Overall, no consistent evidence has been found to support or reject this leviathan hypothesis, where government size is measured as government tax revenues or expenditures as a fraction of personal income. While Wallis and Oates (1988) and Zax (1989) found supporting evidence for this hypothesis, Giertz (1983), Oates (1985), Nelson (1987), and Forbes and Zampelli (1989) rejected it.

Martínez-Vázquez and Yao (2009) noted that the increase in public employment at the subnational government level as a consequence of decentralization often overwhelms the corresponding decrease in public employment at the central level. As a result, the level of total public sector employees unambiguously increases with the degree of fiscal decentralization of a country.

Sevillano and Villalonga (2004), in Spain, found that the increase in the number of public employees at the regional government level was 1.6 times the reduction of the number of public employees at the central government level during the period of decentralization, 1990–2003. For India, Rajaraman & Saha (2008) found that horizontal splintering of the federation into smaller subnational governments (where size is measured as population or gross state domestic product) increased the total size of the subnational civil service across all subnational governments. However, these findings do not mean that decentralization is more inefficient than centralization; for example, a larger number of employees may respond to a more efficient offer of public services as desired by citizens, which requires more labor-intensive production technologies.

Decentralization can lead to subnational tax competition and other forms of competition, but this may not be desirable. From a political economy perspective, competition may help control government size and solve the “common pool problem” (the tendency for agents to overuse and ultimately destroy a commonly owned resource). However, there is the possibility of the “race to the bottom,” that is, that competition among jurisdictions will drive them to continue to lower taxes in order to attract businesses or, more mildly, that taxes and public spending will be possibly pushed below the social optimum (Zodrow & Mieszkowski 1986, Wilson 1999).

However, government accountability can be increased through yardstick competition, in which local residents evaluate the performance of their local government by comparing the achievements in neighborhood jurisdictions (Besley & Case, 1995).

Certain institutional setups provide incentives to local governments to exploit the fiscal commons (central pool of revenues) thus exporting tax burdens to other regions in the country, especially where subnational governments operate with soft budget constraints. Subnational governments tend to be more inefficient if they face soft, rather than hard, budget constraints (Qian and Roland 1998). This issue has been modeled in a sequential game theory framework (e.g., Rodden, Eskeland, and Litwack 2003) that found a final stage where a bailout is the preferred solution (i.e., irresponsible behavior may be endogenous to decentralized systems like Brazil and India). Another reason developed by Wildasin is the difficulty of central governments committing to

a no-bailout policy because of the “too big to fail” story (some subnational governments can be too big and important for the central authorities to let them go bankrupt).

2. IMPACT OF DECENTRALIZATION REFORMS ON PUBLIC SERVICE DELIVERY AT THE LITHUANIAN AND NIGERIAN LOCAL SELF-GOVERNMENT: RESEARCH METHODOLOGY

The essence of this research is to examine the impact of decentralization reforms on public service delivery at the local self-government in Lithuania and Nigeria. It underscores a comparative study of decentralization practices in the two countries under study. To achieve the objectives of this study the adopted methodology must be justified. This segment gives details of the selected topic and explains how the research question was propounded in conformity with the objectives. The segment also contains other discussions such as the research, procedure for data collection and statistical method for data analysis.

2.1. Research Approach and Strategy

The research design that was adopted for the study is the deep literature and document analysis. This method saves time and allows access to a wide range of document on the subject matter. In addition, it affords the researcher the opportunity to determine and ascertain the position of different authors on the different areas of this study.

The Research methodology is based on these theoretical insights:

- Decentralization theories (Hayek, 1945; Thomas & Meyer, 1984 and Oates, 1972; Swianiewicz 2002)
- Local self-government in decentralization reforms (Astrauskas, 2011; Zlinskas, 2010; Eaton, Kaiser, Smoke, 2010; Kraujutaityte, et al., 2014; Vries, 2000; Rondinelli, 1990; Mgonja & Tundui, 2012).
- Public Service Models (Prefontaine, Ricard, Turcotte & Dawes, 2000; Institute for International Cooperation, 2001, Brosio, 2014)

In view of this research work, the aim is to adopt multiple methods which Alan and Emma (2011) have reported that consists of both research strategies that are qualitative in nature, and that they can be explored in a particular research work accordingly. The study will adopt qualitative research approach which is a research technique through which empirical method can be adopted for the collection of data. The empirical methods include document analysis and deep literature analysis. The study cannot carry out expert analysis due to time and the scope of this work.

Nonetheless, this approach will help in generating insights and generalize opinions from authors and experts from the various books reviewed (Pat and Melanie, 2010).

a) Qualitative Research with Inductive Approach: An inductive approach is using in qualitative research. According to Thomas (2006) the aim for using an inductive approach are to (a) compress textual data into a brief, summary format; (b) establish clear links between the research objectives and the findings derived from the data; and (c) develop a framework of the underlying structure of experiences or processes that are evident in the data.

Ahuja (2006) maintained that qualitative researchers have the ultimate choice of picking the kind of people to be included in their study. He also maintained that they employ sampling non-probability sampling such as snowball, accidental or purposive. It often involves using observation and / or diary methods. Richards (2005) defined the method ‘as a spectrum of interpretive techniques that seek to describe, decode, translate and otherwise come to terms with the meaning, not the frequency of certain more or less naturally occurring phenomenon in the social world’. Ahuja (2006: 40) also defined it as one that presents non – quantitative type of analysis. On the one hand, he also believed that it also describes reality as experienced by the groups, communities, individuals, etc. while Straus et al (1966) on the other hand, defined it as ‘any kind of research that produces findings not arrived at by any statistical or any other form of quantification’. He sees it as an exploratory tool concerned with providing understanding. While this means that each result obtained with its use is different and peculiar to each researcher that uses it, it is also the same reason why its critics could not comprehend the reason why same research in the same field with the same topic using same tools but different researchers should yield different results just as a result of slight difference in their circumstances and possibly, levels of their experience. However, the main benefit of this type of technique is that it provides an opportunity to gain more insight into the reason for certain kinds of behavior being analyzed which is very important to provide solutions to problems.

Its demerits include the fact that this technique does not;

- a) Identify and consider small differences in research works.
- b) Provide samples that are representative of the targeted population of the research.

b) Research Strategy

Case Study

This strategy enables a researcher to closely examine the data within a specific area or context. In most cases, a case study strategy selects a small geographical area or a very limited number of individuals as the subjects of study. Case studies, in their true essence, explore and investigate contemporary real-life phenomenon through detailed contextual analysis of a limited number of events or conditions, and their relationships. Yin (1984:23) defines the case study “as an empirical inquiry that investigates a contemporary phenomenon within its real-life context; when the boundaries between phenomenon and context are not clearly evident; and in which multiple sources of evidence are used.” (Zainal, 2007).

The longitudinal examination provides a systematic way of observing the events, collecting data, analysing information, and reporting the results over a long period of time. For instance, studies on child language development can be conducted using this longitudinal case study method. Data collected through observations are recorded to ascertain the language development of a child. In another example, a researcher conducting a case study may examine the reading processes of only one subject over a period of time. In other words, a case study is a unique way of observing any natural phenomenon which exists in a set of data (Yin, 1984). By unique it is meant that only a very small geographical area or number of subjects of interest are examined in detail. Unlike quantitative analysis which observes patterns in data at the macro level on the basis of the frequency of occurrence of the phenomena being observed, case studies observe the data at the micro level.

Based on the report of past studies, case study allows the exploration and understanding of complex issues. It can be considered a robust research method particularly when a holistic, in-depth investigation is required. Recognized as a tool in many social science studies, the role of case study in research becomes more prominent (Gulsecen&Kubat, 2006).

2.2. Research Methods

Law Basis Analysis

Law analysis seeks to answer two basic questions about legal rules. Namely, what are the effects of legal rules on the behavior of relevant actors? And are these effects of legal rules socially

desirable? In answering these positive and normative questions, the approach employed in economic analysis of law is that used in economic analysis generally: the behavior of individuals and firms is described assuming that they are forward looking and rational, and the framework of welfare economics is adopted to assess social desirability (Kaplow&Shavell, 1999).

Strategies and Documents analysis

In this method, documents are interpreted by the researcher to give meaning around an assessed topic. Analyzing documents incorporates coding content into themes similar to how focus group or interview transcripts are analyzed.

Document analysis is a social research method and is an important research tool in its own right and is an invaluable part of most schemes of triangulation. It refers to the various procedures involved in analyzing and interpreting data generated from the examination of documents and records relevant to a particular study. In other words, documentary work involves reading lots of written material (it helps to scan the documents onto a computer and use a qualitative analysis package). A document is something that we can read and which relates to some aspect of the social world. Official documents are intended to be read as objective statements of fact but they are themselves socially produced (Administration methods. (2010).

Data analysis and interpretation

The process by which sense and meaning are made of the data gathered in qualitative research, and by which the emergent knowledge is applied to clients' problems. This data often takes the form of records of group discussions and interviews, but is not limited to this. Through processes of revisiting and immersion in the data, and through complex activities of structuring, re-framing or otherwise exploring it, the researcher looks for patterns and insights relevant to the key research issues and uses these to address the client's brief.

2.3. Sources of Research Data

The researcher will employ the use of multiple data gathering technique in order to adequately cover research questions and hypotheses and to achieve precise and reliable result. According Saunders et al (2009), it is logical to assume that the way you are collecting your data is going to yield valid data. If you interview top bosses, you are likely to encounter the good news syndrome.

Also collect press cuttings from newspapers, how can you assume there has been no political bias put on them?

Saunders et al (2003) noted that there are several different data collection methods that can be used in public service based research, but the choice more often than not varies according to the nature and scope of the research, chosen topic, the research paradigm, the type of data, the amount of control the researcher is prepared to exert in gathering data and the assumptions he or she is prepared to make in analysing data collected.

When considering the public service studies, secondary data analysis is of increasing interest to researchers. Secondary data as referred to initially possibility of the directly collected of data from the sources which already entail either quantitative or qualitative data that has answer some research questions through the used either descriptive and explanatory research methods (Allan and Emma 2007).

This study relies heavily on the documentary secondary data because it plays a prominent role by providing the main sources to address the objective through the analyses of the quantitative or qualitative data, and also help to triangulate findings based on written document and primary data collection (Mark et al, 2009).

The use of secondary data is to solve design problem of the research through critical depiction of different information that will explore general clue of the finding. This includes both the raw data and published materials, which comprise written documents that include: minutes of meeting, diaries, reports of shareholders and also contain journal, books, magazines articles, web sources and newspapers, (Mark et al, 2009)

The secondary data also includes non- written materials such as voice, picture, drawings, television and film. Its main advantages are create heavily saving of sources, remain quality sound and reliable, it saves time and money, similarly it useful to help triangulation to discovered fact through interviews and questionnaires. It also used to justify the report of primary data because of the usual constraints in time and lack of accurate figure and fact of information due to the privacy policies of many firms and banks (Fisher C, 2010).

The theoretical approach of secondary data was explored in order to blends inputs from different disciplines relevant to understand and deal with the subject matter of this study.

Method of Data Analysis

For the purpose of data analysis, the result to be obtained from the field by the researcher was organized and analyzed with descriptive statistics of frequency tables and simple percentage. Furthermore, inferential statistics of Pearson product Moment Correlation Co-efficient will be used for the hypothesis testing.

2.4. Characteristic of Research Cases

For case analysis where selected two countries: Lithuania and Nigeria. These countries were selected because Nigeria has a well-defined local government structures, and the local government is constitutionally regarded as a tier of government with distinctive powers. Lithuania, on the other hand has carried out a decentralisation reform in its municipal areas in order to bring service efficiency to the people. In addition, the two countries have diverse number of people in various communities who look up to the service rendered by the local government. Hence, the need for improved decentralization for improved performance. Due to the capacity of these countries to provide us with the needed information, more focus will be on them for the bulk of this work.

Lithuania

Lithuania is a country and the southernmost of Europe's Baltic states, a former Soviet bloc nation that borders Poland, Latvia and Belarus. Its capital, Vilnius, near the Belarus border, is known for its medieval Old Town, subsequent Gothic, Renaissance and baroque architecture, and its 18th-century cathedral. Hilltop Gediminas' Tower, a symbol of the city and the nation, offers sweeping views. It is situated along the southeastern shore of the Baltic Sea, to the east of Sweden and Denmark. It is bordered by Latvia to the north, Belarus to the east and south, Poland to the south, and Kaliningrad Oblast (a Russian exclave) to the southwest. Lithuania has an estimated population of 2.9 million people as of 2015, and its capital and largest city is Vilnius. Lithuanians are a Baltic people. The official language, Lithuanian, along with Latvian, are the only two living languages in the Baltic branch of the Indo-European language family (United Nations, 2008).

It covers an area of 65,200 km² (25,200 sq mi). The country lies between latitudes 53° and 57° N, and mostly between longitudes 21° and 27° E (part of the Curonian Spit lies west of 21°). It has around 99 kilometres (61.5 mi) of sandy coastline, of which only about 38 kilometres (24 mi) face the open Baltic Sea and which is the shortest among the Baltic Sea countries; the rest of the coast is

sheltered by the Curonian sand peninsula. Lithuania's major warm-water port, Klaipėda, lies at the narrow mouth of the Curonian Lagoon (Lithuanian: *Kuršiūmarios*), a shallow lagoon extending south to Kaliningrad. The main and largest river, the Nemunas River, and some of its tributaries carry international shipping (Lithuania Geography, nd).

The current administrative division was established in 1994 and modified in 2000 to meet the requirements of the European Union. Lithuania has a three-tier administrative division: the country is divided into 10 counties (Lithuanian: singular – *apskritis*, plural – *apskritys*) that are further subdivided into 60 municipalities (Lithuanian: singular – *savivaldybė*, plural – *savivaldybės*) which consist of over 500 elderships (Lithuanian: singular – *seniūnija*, plural – *seniūnijos*).

The county governors (Lithuanian: *apskritiesviršininkas*) institution and county administrations have been dissolved in 2010 (Republic of Lithuania, 2014).

Municipalities are the most important administrative unit. Some municipalities are historically called "district municipalities", and thus are often shortened to "district"; others are called "city municipalities", sometimes shortened to "city". Each municipality has its own elected government. In the past, the election of municipality councils occurred once every three years, but it now takes place every four years. The council appoints elders to govern the elderships. Mayors are elected directly since 2015, being appointed by the council before that (Vanagas, 2015)

Elderships, numbering over 500, are the smallest units and do not play a role in national politics. They provide necessary public services close to their homes; for example, in rural areas the elderships register births and deaths. They are most active in the social sector: they identify needy individuals or families and distribute welfare or organise other forms of relief (Republic of Lithuania, 2014). While the elderships have a potential of becoming a source of local initiative to tackle rural problems, complaints are made that elderships have no real power and receive too little attention (Makraityte, 2004).

Nigeria

Nigeria is a federal constitutional Republic in West Africa, bordering Benin in the west, Chad and Cameroon in the east, and Niger in the north. Its coast in the south lies on the Gulf of Guinea in the Atlantic Ocean. It comprises 36 states and the Federal Capital Territory, where the capital, Abuja is located. Nigeria is officially a democratic secular country.

Nigeria is a Federal Republic modelled after the United States, with executive power exercised by the president. It is influenced by the Westminster System model in the composition and

management of the upper and lower houses of the bicameral legislature. The president presides as both Head of State and head of the national executive; the leader is elected by popular vote to a maximum of two 4-year terms (Central Intelligence Agency, 2016). In the March 28, 2015 presidential election, General Muhammadu Buhari emerged victorious to become the Federal President of Nigeria, defeating then incumbent Goodluck Jonathan.

Nigeria is divided into thirty-six states and one Federal Capital Territory, which are further sub-divided into 774 Local Government Areas (LGAs) otherwise called municipals. The plethora of states, of which there were only three at independence, reflect the country's tumultuous history and the difficulties of managing such a heterogeneous national entity at all levels of government. In some contexts, the states are aggregated into six geopolitical zones: North West, North East, North Central, South East, South South, and South West.

Nigeria has eight cities with a population of over 1 million people (from largest to smallest: Lagos, Kano, Ibadan, Kaduna, Port Harcourt, Benin City, Maiduguri and Zaria. Lagos is the largest city in Africa, with a population of over 17 million in its urban area alone. However, these figures are regularly disputed in Nigeria (*Onuah, 2006*).

2.5. Limitations faced by this research work

The methodological approaches propose to get an accurate data that is capable of providing information. The bulk of the data gathered were secondary reports from the existing literature so as to establish understanding of the different strategies employed.

Similarly, it can also encounter a limitation of the challenges of getting across to the municipal officials in order to extract any useful information for the research work. Such document that has been classified as confidential, that it very difficult to access. Also the use other materials such as journals, media and films can only be accessible through subscription, permission from operators. In addition, the allotted time for this work also contributed to the constraints.

3. IMPACT OF DECENTRALIZATION REFORMS ON PUBLIC SERVICE DELIVERY AT THE LITHUANIAN AND NIGERIAN LOCAL SELF-GOVERNMENT: RESEARCH RESULTS

3.1. Measuring Decentralization at local self-government

Decentralization has been defined and understood in multiple ways. Although typically defined in public planning, management and decision-making as the transfer of authority and power from higher to lower levels of government or from national to subnational levels. As a complex multilevel phenomenon, encompassing a number of political, fiscal and administrative dimensions, decentralization also is difficult to measure. At least three challenges exist in terms of assessing decentralization:

- 1) measuring decentralization (both state and process);
- 2) measuring the outcomes of decentralization;
- 3) comparing decentralization between countries.

The cross-national comparisons are difficult because the delegation of power occurs in such different contexts and takes such different forms. In Master's thesis context it is focused on the outcomes of decentralization.

Among reported outcomes of decentralization are the capacity to innovate within county councils, improved efficiency, a more patient-oriented system and enhanced cost-consciousness (Bergman 1998); higher regional and local authority accountability (Jommi and Fattore 2003); stimulation of broader change regarding work organization and working time (Arrowsmith and Sisson 2002).

3.2 Decentralization reforms and strategies in Nigeria

Decentralization holds great promise for improving the delivery of public services, but the outcomes depend on its design and on the institutional arrangements governing its implementation. First, it has been argued that for decentralization to increase allocative and productive efficiency, local governments need to have the authority to respond to local demand as well as adequate mechanisms for accountability. Second, functions need to be devolved to a low enough level of government for allocative efficiency to increase as a result of decentralization. Decentralization has

had mixed effects on public service delivery. Limited evidence suggests that effectiveness of decentralized service delivery depends on the design of decentralization and on the institutional arrangements governing its implementation. Specifically, the argument that decentralization promotes allocative and productive efficiency assumes that the devolution of functions occurs within an institutional environment that provides political, administrative, and financial authority to local governments, along with effective channels of local accountability and central oversight. These channels include; a voice mechanism for citizens to express their views to government bodies; exit mechanisms for citizens to switch to nonpublic service providers or to move to other localities; central government laws, rules, budget constraints, and oversight over local government operations, and channels for local governments to influence central governments decisions concerning them; public sector management arrangements that promote accountability- such as merit-based personnel policies and rules and arrangements promoting fiduciary accountability and constraining corruption (The World Bank, 2001).

Decentralization creates advanced sustainability and efficiency as well as equity in economic resource management in local societies. The theoretical advantages of decentralization have become extremely appealing. It is generally believed that the process of decentralization can substantially improve efficiency, transparency, accountability, and responsiveness of service provision compared with centralized systems.

Decentralized education promises to be more efficient, better reflect local priorities, encourage participation, and, eventually, improve coverage and quality. In particular, governments with severe fiscal constraints are enticed by the potential of decentralization to increase efficiency. Beneficiary cost recovery schemes such as community financing have emerged as means for central governments to off-load some of the fiscal burden of education service provision (World Bank, 2001).

Health sector decentralization has become appealing to many because of its several theoretical advantages. These include the potential for a more rational and unified health service that caters to local preferences improved implementation of health programs; decrease in duplication of services as the target populations are more specifically defined; reduction of inequalities between rural and urban areas; cost containment from moving to streamlined targeted programs; greater community financing and involvement of local communities; greater integration of activities of different public and private agencies; improved intersectoral coordination, particularly in local government and rural and development activities (Faguet and Sanchez, 2009)

In Nigeria, the devolution of responsibilities for public service delivery has been a complex, ongoing process involving retention of some powers by the central government. The 1999 constitution has increased responsibilities of all sub-national governments: 36 states, a federal capital territory and 774 local governments. Most health spending has been devolved to sub-national governments, though the central government retains responsibility for public goods like immunization and communicable diseases. In education, the central government is still responsible for budgeting and hiring, but local governments are responsible for operating and maintaining schools and are often involved in hiring teachers (Akpan, 2011).

Largely, a strict interpretation of the constitution of Nigeria with regard to the sharing of responsibilities between the three tiers of government implies that it is the state governments that have principal responsibility for basic services such as primary health and primary education. In addition, the extent of participation of Local Government Authorities (LGAs) in the execution of these responsibilities is determined at the discretion of individual state governments.

Aigbokhan (1999) examines fiscal federalism and economic growth in Nigeria. He employs an endogenous growth model to investigate the pattern of fiscal decentralization in Nigeria and its impact on growth. A single equation model is adopted with three different measures of decentralization; 1. Sub national own-source (internally generated revenue) revenue as a ratio of total central (federal) revenue; 2. Sub-national expenditure as a ratio of total federal expenditure and 3. Sub national own-source as a ratio of total federal expenditure. The Ordinary Least Squares technique was used to estimate the model. His findings indicate an inconsistent pattern. On the whole, a negative impact of decentralization on growth was observed for Nigeria in the study. The problem observed with the work is that the time series properties of the variables were not conducted which makes the results obtained likely to be spurious. More so, the OLS technique has been criticized as not too robust when testing interrelationships between variables. In a related and more recent study by Onwi and Obiora (2007) on Nigeria, the authors found no evidence that fiscal decentralization leads to any meaningful rise in per capita income. The results indicated a positive but insignificant relationship between fiscal decentralization and growth.

Empirical studies on decentralization and provision of social services are scant. Robalino *et al* 2002, Ramani (2002), Oriakhi (2006), Elhiraika (2007), are some the works on decentralization and social services. Robalino *et al* investigated the linkages between fiscal decentralization and health outcomes. The study was based on a panel of low and high income countries using socioeconomic indicators such as infant mortality rate, GDP per capita, and the share of public expenditures

managed by local governments which is used as a proxy for the level of fiscal decentralization. The indicator of fiscal decentralization was defined as the ratio between expenditures managed by local governments and expenditures managed by the central government. From their findings it was evident that higher fiscal decentralization led to improved health outcomes (lower mortality rates), particularly in environments with strong political rights and high levels of ethno-linguistic fractionalization.

In a similar study, Oriakhi (2006) examined fiscal decentralization and efficient service delivery in Nigeria. His work was purely descriptive based on data on education indicators, health indicators and other infrastructural facilities. He posited that service delivery by sub-national governments had been poor and attributed it to some constraints such as, the mismatch between expenditure assignments and sources of revenue, lopsided vertical allocation formula which favoured the federal government, rent seeking, ineffective monitoring of public expenditures among others. The following remedial measures were suggested as means of improving service delivery at the sub-national levels of government; the need to reform and modernize institutions and processes for budgetary and financial management, devolution of a greater share of both revenue/ tax sources and funds allocated from the federation account to sub-national levels of government and the need to tie budget items to community based projects and empower the communities to track such expenditures.

There is consensus worldwide that improved service delivery is central to the reduction of poverty and the vulnerability of the low income class to diseases such as malaria, HIV/AIDS, tuberculosis, and a host of other diseases. In addition, investment in education, especially basic (primary and lower secondary) education also contributes to poverty reduction through enhancement of productivity of the poor's labour, by reducing fertility and improving health. Hence, improving access to primary health and basic educational services which could impact positively on the poor, will promote growth. Currently, Nigeria seems a long way off the track towards the achievement of this lofty objective. In its 2005 report, the African Economic Outlook (AEO) noted that the net enrolment ratio in primary education indicated that there is only one country in the whole of Africa, which has achieved the Millennium Development Goals (MDGs) objective of achieving universal primary education. Eleven others were said to be on the track towards achieving the target. The incidence of drop-out according to the AEO (2005), is however, much more serious in sub-Saharan African countries such as Angola, Madagascar and Mozambique where more than half of the children who enroll in primary school do not reach grade five. The AEO further reports those

African countries' health indicators such as infant mortality rate, life expectancy at birth, maternal morbidity and mortality rates are among the worst in the world. One in six children born in low-income Africa will die before the age of five. More than a third of young children are malnourished. Maternal mortality rates are as high as 1600 per 100,000 births for Africa. The report concluded that achieving the MDGs will be extremely difficult for African countries.

In Nigeria, the performance of some health and education indicators reported for Africa above is grimmer. With such poor performance of basic social service indicators in the education and health sectors, policy analysts are often constrained to ask if Nigerian administrators are able to access sufficient resources to meet relevant expenditure assignments at sub-national levels of government. Sala-i-Martin and Sibrermanian (2003) report that over the last 25 years, Nigeria has received \$300 billion in oil revenues after deducting payments to foreign companies. Yet, development indicators clearly place Nigeria at the bottom line. Nigeria's per capita GDP (in PPP terms) was US\$1,113 in 1970. It is estimated to have fallen to \$1084 in 2000, a figure which placed the country among the fifteen poorest in the world. The percentage of Nigerians living below the United Nation's US\$1 per day absolute poverty line has also risen from 27 percent in 1980 to 66 percent in 1996, and 70 percent in 2006. Available evidence from central Bank of Nigeria Statistical bulletins reveals that between 1999 and 2006, the Federal government, states and local governments and the Federal Capital territory spent N11.185 trillion. States and local

governments and the Federal Capital territory got N6, 047 trillion, representing 54 percent, while the balance accrued to the Federal government. With such huge allocations to the three-tiers of government, it is expected that basic necessities such as pipe-borne water, electricity, health services, educational facilities, roads etc., would be adequately provided. On the contrary, these services where they are provided are either grossly inadequate or highly inefficient.

Historically, local government in Nigeria began with the Native Authority Act of 1916 during the colonial era of indirect rule. The Macpherson Constitution of 1951 was the first to introduce decentralization and regional autonomy where the constitution encouraged both the Eastern and Western regions to evolve local government administration. The Northern Region had a more gradual policy, being the first and most successful area for the administration of indirect rule. After the independent it was discovered that the First Republic and attendant military rule negatively affected the structure and operation of the local government (Anyaeibunam,2010). So, in a bit to ameliorate these anomalies the 1976 local government reform introduced uniform system for the whole country. In the Second Republic, the 1979 Constitution of the Federal

Republic of Nigeria sustained the autonomy of the third tier momentum of the 1976 Local Government Reforms through its guarantee of a democratically elected local government system.

On fiscal autonomy to be specific, the 1989 constitution of the Federal Republic of Nigeria in addition to the replication of some provisions by the 1979 constitution in its section 7(7) provided in 7(6) (a) that subject to the provisions; the National Assembly shall make provision for the statutory allocation of public revenue to local governments in the federation. It is this provision in the 1989 constitution that freed local governments from the financial strangulation by both the state and federal governments. Subsequently the 1999 constitution in its section 7(6) similarly reiterates the same financial autonomy of the local government.

Further, about the political, administrative and even fiscal autonomy of local government, the Nigerian 1999 Constitution toed the line of the 1979 Constitution by enshrining the provision for democratically elected local government with an establishment that is well structured as well as functions that are well financed. Hence, section 7(1) emphatically holds that.

The system of local government by democratically elected local government councils is under this Constitution guaranteed; and accordingly, the Government of every State shall, subject to section 8 of this Constitution, ensure their existence under a Law which provides for the establishment, structure, composition, finance and functions of such councils (FRN 1999 Constitution). A critical look at the above provision again will clearly show that it is an enabling law that ensures the political, administrative and financial autonomy for local government councils in Nigeria.

It is imperative at this juncture, to consider the various assertions made by scholars concerning the constitutional/legal framework on political, administrative and fiscal decentralization in

France, Germany and England vis-à-vis the situation in Nigeria. The unitary character of France which is based on the Jacobine state tradition is an example of a highly centralized model of public administration with local units being in a relatively weak position (Peters [2008]; Hoffmann-Martinot [2006]; Reiter et al. [2010]). Acte I of the French decentralization reforms of 1982/83, though criticized by some scholars, is said to have promoted a “system change”. That Acte abolished the states’ right to comprehensively ex-ante controls the local government action and enhanced the huge transfer of competencies and resources from the state to the local authorities. Acte I, therefore is generally regarded as the first step of decentralization that moved towards a more coordinated and multi-purpose form of territorial government (Thoenig 2005; Kuhlmann 2009; Le Lidec 2007; Reiter et al. 2010).

The installation of the territorial government in France continued during the second round of decentralization reforms following the enactment of Acte II between 2003 and 2004 when a major constitutional reform was introduced under the Fifth Republican Constitution as amended. With this Acte, a truly decentralized Republic was created which allowed the department to have new competencies and resources in the field of social policy. It is instructive to note that this stage was characterized by high complexity and marked by a strengthened autonomy of local government as well as high degree of vertical integration between levels of government in different functional fields (Cole 2006; Kuhlmann 2008; Thoenig; Reiter et al. 2010).

From the above analysis, it is discovered that two issues that have always dominated the discussion of legal/constitutional framework on local government autonomy are “Paternalism” and “Populism”. According to Bhattacharya quoted in Ukertor (2009) “*Paternalism* refers to the view that local governments have to be regularly controlled, supervised, guided and occasionally punished to get to work. *Populism* on the other hand advocates and entails unbridled local democracy opposed to any form of central interference”. However, *paternalism* seems to be the norms in Nigeria, as local government have not enjoyed the unfettered freedom expected of them giving the level of interference by higher level of governments. This is against the resolution of the 1979 Hague conference on local authorities which resolved that local communities should preserve their independent personality and existence to the extent that they wish to do so.

3.3 Decentralization outcomes in Nigeria

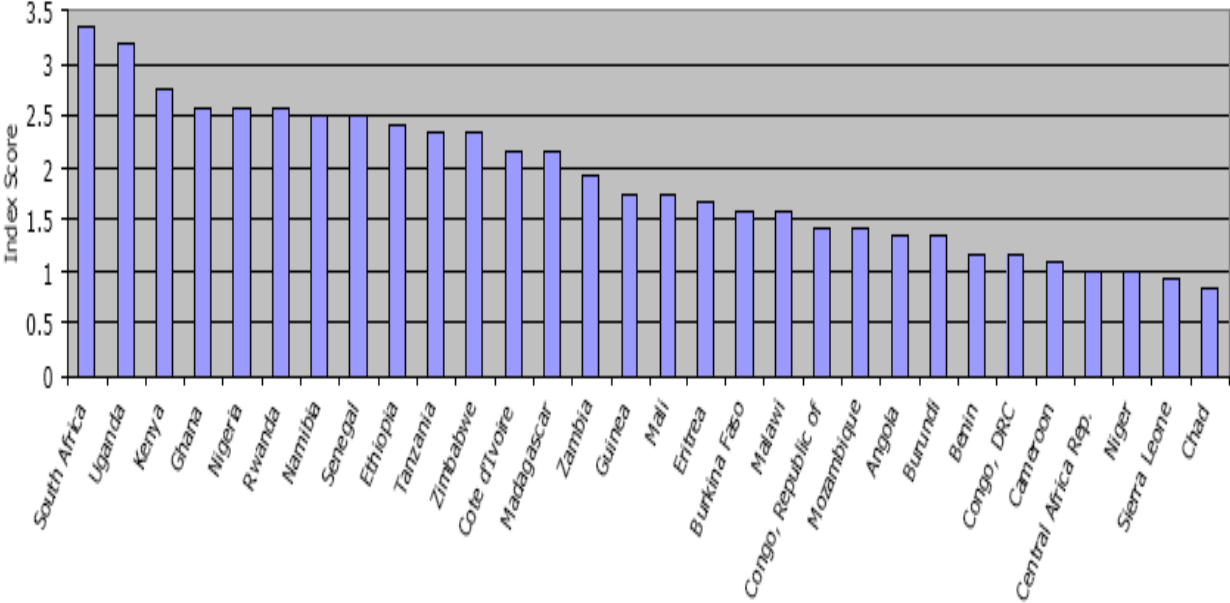
In the wake of widespread disappointment with the centralized state structure and the ongoing democratization process, the transfer of some power and resources from the central to the local governments and organizations has been advocated (Enemuo, 1999). Many donor agencies and international financial institutions, such as the World Bank, see decentralization as a means of creating an enabling environment for development and promoting accountability. For most African governments, however, decentralization is now viewed as a strategy for mobilizing local resources and an initiative for national development. Since it has become evident that federal or state governments, alone, cannot guarantee development in the local areas, it then becomes imperative for the power, authority, and responsibility to be transferred from the central or state government to the local government for the purpose of enhancing development in the rural areas.

This is important because of the remoteness of the federal government to the rural people. Following from the above assertion, it is believed that decentralization would make the local

governments more competent in the management of their own affairs. In that, decentralization provides an important opportunity for local economic initiative. This is so, because in many parts of the world, highly centralized governance systems tend to concentrate both political and economic power in the capital city of the nation. This concentration often serves to work against the interests of other cities and communities within a country. When power is highly centralized, other communities often have great difficulty in creating an enabling environment that can facilitate community and economic development (Rosenbaum, 2009; Thiessen, 2000).

Figure 3.1 shows the mean extent of political, administrative, and fiscal decentralization, with the score ranging from 0-4. The figure shows that Nigeria is one of the most decentralized countries in Africa. The decision to adopt a federal system of political administration has important implications for the fiscal system and economic management of the country. Nigeria’s federal system is recognized in the constitution, which broadly spells out the functions to be performed by each government tier. All three levels perform fiscal functions. The constitution makes provisions to generate financial resources for providing public goods and services and to ensure equitable arrangements for distributing resources or sharing revenue among the government tiers.

Figure 3.1: Measure of political, fiscal and administrative decentralization in Africa



Source: Ndegwa, N. (2002).

In Nigeria, traces of decentralization dates back to a long time before independence. At independence in 1960, Nigeria had only a central government and three regional governments, namely, the Northern, Eastern, and Western regions. The need to bring governance closer to the people led to the creation of a fourth region—the Mid-West, in 1963. However, to achieve further decentralization and enhance the federal structure of the country, Nigeria changed from a two-tiered federal arrangement comprising three unequal regions to a three tiered federal system of a central, State and Local governments. Since then, the number of states and local governments has increased. 12 states were created out of the existing four regional structures in May 21, 1967. Seven more states and a Federal Capital Territory (FCT), Abuja, were created in 1976; in 1987 two additional states were created and yet another nine states were added on August 27, 1991. The number of states increased to the present 36 and a Federal Capital Territory (FCT) with the creation of six more states in 1995.

Table 3.1: Tiers of government in Nigeria, 1946-1996.

YEAR	FEDERAL GOVERNMENTS	REGIONAL/STATE GOVERNMENTS	LOCAL GOVERNMENTS
1946	1	4*	N.A
1960	1	4*	N.A
1961	1	3**	N.A
1963	1	4	N.A
1967	1	12	299
1970	1	12	299
1976	1	19	299
1979	1	19	301
1981	1	19	703
1984	1	19	301***
1987	1	21	449
1991	1	30	500
1991	1	30	589
1996	1	36	774

Source: CBN, 2000, The Changing Structure of the Nigerian Economy and Implications for Development, Table 8.1, p.158.

Following from the above therefore, it should be noted that the politics or the concept of decentralization, goes together with centralized government power. Though, decentralization is primarily a strategy for transferring authority and responsibility from the central government to sub-national (regional and district) levels of government (Ostrom, 1989; Stone, 1997) many African leaders only adopt the concept in theory but fail to delegate powers to the districts and regions. Concerning Local Government administration, a new legislation came up in 1976 which attempted to impose uniformity on the structure of local government authorities, which were henceforth to be administered by councils. However, what became apparent was that, with each increase in the number of states, more local governments were created. Hence, the number of local governments increased from 449 in 1987, to 589 in 1991, to 770 in 1998 to the present 774 (Khalil and Salihu, 2011). Thus, the 1999 federal constitution decentralized and distributed power among the federal, 36 states, a Federal Capital Territory, and 774 local government councils.

Table 3.2: Allocation of expenditure responsibilities in Nigeria

Tier of Government	Expenditure Category
Federal only	defense; foreign affairs and International trade (including export marketing); currency, banking, borrowing, and exchange control; use of water resources affecting more than one state; shipping, federal trunk roads; aviation, railways and postal service; police and other security services; regulation of labor, interstate commerce and telecommunication; immigration, citizenship and naturalization rights; mines and minerals, nuclear energy; social security, insurance; national statistical system; guidelines and basis for minimum education; business registration; price control Federal-State (shared): health and social welfare; education (post primary/technology); culture; antiquities; monuments, archives; statistics; stamp duties, commerce, industry; electricity (generation, transmission, distribution); research surveys
State only	residual powers, i.e. any subject not assigned to federal or local government level by the constitution
	Local government economic planning and development; health services; land use; control and regulation of advertisement; pets small businesses markets; public conveniences; social welfare; sewage and refuse disposal; marriages, registration of births, and deaths; primary; adult and vocational education; development of agriculture and natural resources

Source: Anyanwu 1999.

Decentralization in Nigeria stemmed from the central government's desire to neutralize the power hitherto resident in the regional governments rather than as a means or vehicle of economic development. Anyanwu (1999) noted that there are no underlying principles behind the assignment of constitutional functions in Nigeria. However, he reiterated that it is reasonable to infer that the size of the country and economies of scale must have weighed heavily in the decision to assign responsibility to the various levels of government. From the table, basic services such as health and education are concurrent activities, both the federal and state governments have powers to legislate and implement them. Local governments are responsible for the services closest to the grassroots: primary education and primary health care.

Most proponents of centralizing tax collection note that the tax revenue would be allocated back to the lower tiers of government through an appropriate revenue allocation formula. Table 3.3. below shows the vertical revenue allocation since the 1981 Revenue Allocation Act to date.

Table 3.3: Vertical revenue allocation in Nigeria

Level of Government	1981 Revenue allocation Act (%)	Babangida Administration (%)	Abacha Administration (%)		Civilian Administration (%)	
	Jan. 1990	Jan. 1992	March 1992	1993-1998	1999-2008	
Federal	55.0	50.0	50.0	48.5	48.5	48.5
State	30.5	30.0	25.0	24.0	24.0	24.0
Local	10.0	15.0	20.0	20.0	20.0	20.0
*Special Fund	4.5	5.0	5.0	7.5	7.5	7.5
Total	100	100	100	100	100	100

Note: The special fund, administered by the President, takes care of ecological problems, funds to mineral producing areas as well as stabilization of the economy.

As it is evidently shown, governments after governments in Nigeria have tried to grapple with the problem of decentralization and how to make local governments efficient, people-focused, development and result oriented. Thus, the major objective of the re-structuring that has taken place in Nigeria since 1946 was to decentralize governance. In fact, local government reforms of 1976 coupled with other administrative reform were carried out to solve decentralization problem and enhance its efficiency. Under the reforms, local governments are constitutionally recognized as third

tier of government in Nigeria as well as official beneficiaries from the Federation Accounts. And as a form of devolution, local government was conferred with powers to discharge specified.

If this allocation truly reflects what gets to the local government councils, we have to look elsewhere to explain the paucity of social and economic services delivered at this level. Perhaps the explanation emanates from the fiscal games the federal government played with the revenue sources. First is the Value Added Tax (VAT), which supplanted the sales tax in 1994. Formerly revenue from the sales tax accrued to the states solely, with local governments having access through state and local council transfers. Although the collection and administration of VAT by the federal government was based on convenience, the federal government allocated a substantial part of VAT proceeds to the center. The sharing arrangement is 15, 50 and 35 percent for the federal, state and local governments, respectively.

Table 3.4: Re-structuring of Nigerian Federal system since 1946 to date

Year	Federal government	Regional/State governments	Local governments
1946	1	4*	n.a
1960	1	4*	n.a
1961	1	3**	n.a
1963	1	4	n.a
1967	1	12	299
1970	1	12	299
1976	1	19	299
1979	1	19	301
1981	1	19	703
1984	1	19	301***
1987	1	21	449
1991	1	30	500
1991	1	30	589

Source: Central Bank of Nigeria, (2000: 158)

At the actual stage, the intergovernmental setting of the Nigerian state and public service delivery is characterized by high complexity. It is as well marked by high level of control and lack of autonomy for local governments. The local governments constitute the most basic level of government which intimately involved with the rural people's immediate environment and

community and could therefore easily identify and address local needs and concerns. The constitutional allocation of functions to the three tiers of government emphasizes this role. The

Nigerian 1999 constitution heaped far reaching responsibilities on the local government, though with the seeming undertone that it is an economic development partner of the state government. Thus, Section 7(3) and (2) provide that:

(3) It shall be the duty of a local government council within the State to participate in economic planning and development of the area referred to in subsection (2) of this section and to this end an economic planning board shall be established by a Law enacted by the House of Assembly of the State.

Section 7(5) of the 1999 constitution describes the functions to be conferred by Law upon local government council which shall include those set out in the Fourth Schedule to the Constitution.

The main functions of a local government council are as follows:

- a) The consideration and the making of recommendations to a State commission on economic planning or any similar body on;
 - i) The economic development of the State, particularly in so far as the areas of authority of the council and of the State are affected, and
 - ii) Proposals made by the said commission or body;
- b) Collection of rates, radio and television licenses;
- c) Establishment and maintenance of cemeteries, burial grounds and homes for the destitute or infirm;
- d) Licensing of bicycles, trucks (other than mechanically propelled trucks), canoes, wheel barrows and carts;
- e) Establishment, maintenance and regulation of slaughter houses, slaughter slabs, markets, motor parks and public conveniences;
- f) Construction and maintenance of roads, streets, street lightings, drains and other public highways, parks, gardens, open spaces, or such public facilities as may be prescribed from time to time by the House of Assembly of a State;
- g) Naming of roads and streets and numbering of houses;
- h) Provision and maintenance of public conveniences, sewage and refuse disposal;
- i) Registration of all births, deaths and marriages;

j) Assessment of privately owned houses or tenements for the purpose of levying such rates as may be prescribed by the House of Assembly of a State; and

k) Control and regulation of –

i) Out-door advertising and hoarding,

ii) Movement and keeping of pets of all description,

iii) Shops and kiosks,

iv) Restaurants, bakeries and other places for sale of food to the public,

v) Laundries, and

vi) Licensing, regulation and control of the sale of liquor.

2. The functions of a local government council shall include participation of such council in the

Government of a State as respects the following matters -the provision and maintenance of primary, adult and vocational education;

a) The development of agriculture and natural resources, other than the exploitation of materials

b) The provision and maintenance of health services; and

c) Such other functions as may be conferred on a local government council by the House of Assembly of the State.

But the constitution which enables political, administrative and fiscal decentralization to all tiers of government also recognizes the local government as the creature of State and allows for Joint Allocation Account between the State and Local Government. Thus, despite the far – reaching provisions of the 1976 local government reforms, 1979, 1989 as well as 1999 Constitutions to guarantee local government autonomy, local government in Nigeria today both in theory and practice remains and is regarded as an appendage of the state in which they exist. This is further buttressed in the guideline for implementing the local government (Basic constitutional provisions as amended by Decree No. 27 of 1991) which states that local government in Nigeria shall be charged with, among other functions as may be assigned to it from time to time by the House of Assembly of the state in which it is situated. This means that local governments are “Subject to the authority” of the legislative arm of the state government.

The limitation of the autonomy of local government is manifested in several other areas listed below:

1. The ministry of local government as an agency of the state exercises stringent controls on all the activities of local governments.

2. All byelaws of local governments have to be approved by the ministry of local government before they can come into force.

3. Annual estimates of local governments are subject to the approval of the ministry before they are implemented

4. The ministry exercises very powerful control over local governments through its inspectorate division.

5. The Auditor-General for local governments at the state level carries out annual audit of local government accounts and their report are usually sent to the Auditor-General for scrutiny.

6. The state government provide local government with the financial memoranda which guides financial management at the local government level, and

7. The Local Government Service Commission which is an organ of the state government is charged with the responsibility for the appointment, promotion, training, transfer and discipline of staff of local government on grade level 07 and above. For staff on grade level 06 and below, their matters are handled by the Junior Staff Management Committee whose composition and functions are spelt out in the 1988 civil service reforms for local government. In handling personnel matters of this category of staff, the JSMC will have to notify the LGSC on major decisions affecting staff.

The above in a nutshell are characteristics of the limitations of the autonomy of local government as it relates to other tiers of government in Nigeria. Commentators on these issues of IGR are of the opinion that even though some state agencies serve as clearing house and coordinating centers on the activities of local governments, it had in many ways constituted a hindrance. This usurpation of Local Government functions and revenue sources by State Government is a serious problem that has eroded the autonomy of the Local Government. More often than not, parallel revenue boards from the states, unwittingly usurps and erode the revenue yielding areas of the Local Government. It is not uncommon to see such Boards to include market, motor parks, building plan approvals and forest royalty collection fund etc (Adeyemo, 2005).

The situation in Nigeria is that local governments often do not have the resources to carry out most of their functions as the federal and state governments provide only limited funding. The state and LGA joint account is administered by the Joint Account Allocation Committee (JAAC), which

determines what goes to each local government. Typically, states have joint projects with the LGAs and deduct funds for such projects through JAAC. The balance of their allocations from the federation account, which is usually only enough to pay salaries and manage administration costs, is then transferred to the LGAs. Consequently, the LGAs have a challenge financing their constitutional duties and social services.

3.4. Decentralization reforms and strategies in Lithuania

The powers of municipal authority are mostly concerned with ensuring a learning environment and the establishment of assistance institutions (counseling services, professional development centres for teachers). Education policy and strategic planning (drafted according to the centrally prepared methodology) are emphasized on the level of municipal authorities. Among the goals of the National Education Strategy is the expansion of municipal authority with regard to accessibility and quality of education within their territories. Municipal authorities and counties have been vested with a great share of responsibility not only for general education, but also for vocational education and training, special education, and adult education. Every municipal authority has become responsible for a register of children residing in their territories, and the coordination of the number and flow of students in the schools under their responsibility [Lietuvos, 2003]. Generally, municipal authorities have acted as both mediator and coordinator between policy makers and service providers.

In the dynamic environment institutions focus on the management of service quality, therefore, institution's activity assessment raises the service quality into important place. Quality of services has always been an important issue; however, interpretation of quality itself as well as methods of quality control eventually has changed. Expanding quality concepts have changed research objects too. At the beginning, only quality of service as final result of institution's activity was a matter of interest. Later, an interest in service implementation process quality was taken. Currently, the understanding of quality is even wider—it includes quality of processes and functions carried out in institutions and incorporation of all staff in the process of quality improvement. In the public sector's institutions, questions of service quality are mostly assigned as direct responsibility of directions, trying to make every employee not only implement all activity procedures properly and on time, but to be concerned to think about further activity improvement as well. Recently, the assessment of the main economic resource of this epoch reveals itself—employee's knowledge quality in the institution. It shows that the direction of institutions understood the importance of

service quality; however, practical management of service quality in the public sector is still poorly related to meeting the consumer's needs. Lithuanian municipalities are affected by the economic recession of the country, political changes and especially public administration reform, also by changes in the fields of health care, education, social care. Most of the mentioned conditions are changing very intensively and essentially. So, staff of municipal institutions must change their activity constantly and adapt systematically to the changing environment. Strategic plans of municipalities and objectives for the carrying out of public services presented there should be the basis for formulating strategic requirements for staff.

According to Žalimienė (2001), social services in a wide view are the services offered to society – education, health care, social care, sport, leisure, culture services. In the opinion of Žalimienė (2001, 2003), when speaking about the issues of social services, the following needs of the receiver of social services (client) as consumer, citizen and member of society should be considered firstly:

1. Receiver of services as consumer—individuality should be ensured, as consumption of any service is individual.
2. Receiver of services as citizen—rights of the citizen should be ensured.
3. Receiver of services as member of society—their integration into the society where they live should be ensured.

Supplied services will be quality services when their quality will be guaranteed in all pointed out aspects. Lack or ignoring of any of them will mean insufficient quality. All mentioned aspects of clients' needs are typical for municipal institutions and should be object for new research. Quality of social services also can be estimated as quality of technology or as quality appointed to the individual. Quality of social services in the level of the individual depends not only on politics of social services carried out on the state level but also on quality of supplied services on the institution level.

Decentralization and local autonomy is a highly valued feature of good governance. The continuous attempts of many European countries to strengthen the autonomy of local government show the importance given to decentralization and far-reaching competences at the lowest units of a state. Measuring and comparing local autonomy, however, has proven to be a difficult task. Not only are there diverging ideas about the core elements of local autonomy, there are also considerable difficulties to apply specific concepts to different countries. For the purpose of this report, which focuses especially on the European context, we draw in particular on the definition of local

autonomy of the European Charter of Local Self-Government: “Local self-government denotes the right and the ability of local authorities, within the limits of the law, to regulate and manage a substantial share of public affairs under their own responsibility and in the interests of the local population” (art. 3). In the spirit of the charter we consider local autonomy as a *policy space for local democracy*. Local government embodies “two faces of democratic self-determination” (Scharpf 1999: 6-13), i.e. government for the people and government by the people. Drawing on Dahl and Tufte’s definition (Dahl and Tufte 1973) of the constituent elements of democratic polities – ‘system capacity’ and ‘citizen effectiveness’ – local autonomy may be further characterized as components of system capacity that enable decision-makers to respond fully to the collective preferences of citizens expressed effectively (Ladner, Keuffer, and Baldersheim 2015).

Decentralization policies in Lithuania are hampered by a lack of comprehensive approaches to the definition of the architecture of the state. Whereas much attention has been devoted in the literature on decentralization to the optimal size of local authorities, the definition of the number of levels of government, models of financial and fiscal relations between levels of government and the legal basis for local government, there are few examples as yet of comprehensive processes of reform. Such comprehensive processes would include the review of the allocation of functions across levels of government, the design of a clear architecture of the state administration across levels of government. These are design issues to be undertaken as a basis for and over and above the development and implementation of the necessary ‘technical’ elements that make the system function and deliver services effectively, such as the system of fiscal intergovernmental relations.

The lack of attention for systemic aspects of public administration development is due in part to the lack of reflection on the role of the state in Post-Communist states, with reforms and re-allocation guided by a mixture of ad hoc decisions and, in some cases, perceived requirements of EU accession. It is also due to the lack of a comprehensive approach to central government reform, which only in the last 3–4 years has started to emerge as an important issue on the political agenda of the states of Central and Eastern Europe. However, the increased attention for this area of reform does create an opportunity to re-visit some of the more fundamental questions that continue to hamper the creating of effective and efficient systems of public administration (UNDP, 2000).

Administrative reform and decentralization are often treated as rather separate elements of institutional reform processes, even if they are clearly and indisputable linked. In central Europe, for instance, much of ‘administrative reform’ in the early 1990s was in fact decentralization and local government development, as politicians and citizens alike turned their back on discredited central

state structures. When reforms in the area of decentralization stalled in many states of the region in the mid-1990s (with the exception of Poland), attention shifted to central government reform.

This was due to some degree to the issue of ‘administrative capacity’ arriving on the EU enlargement agenda after 1995, but also due to the increasing realization that strengthening the system of central government is a key condition for the development of effective and efficient local government [UNDP, 2002]. As a crosscutting issue, sectoral institution building requirements for EU membership have in recent years driven a more sectoral approach to administrative development, thus reducing to a certain degree the attention both for horizontal administrative reform issues and for general issues related to decentralization policies. ‘Institution building’ in the sectoral sense has become a category of administrative reform of its own in many candidate states, often managed again by a different institution to those responsible for general administrative development and decentralization, and thus further reducing the chances for a successful overall reform of administrative systems.

Therefore, even if all three elements of administrative development, local, central and sectoral, have at times featured as important issues on the political agenda of Lithuania, they have rarely been addressed together and holistically, except maybe in institution building plans. Institution building plans became an additional requirement for candidate states in 1998-1999.

They are now a mandatory element of the documents candidate states have to submit to the EU on a regular basis, much in the same way as the National Programs for the Adoption of the Acquis. However, in most EU candidate states these have remained relatively low-key planning tools, and for other associated states they are not yet an integral part of the association process. In many cases, responsibilities for central government reform, decentralization policy and the management of institution building plans are even institutionally separated. In particular, in states where EU accession is a key priority, however, the three areas should be clearly and explicitly linked, as the EU will assess the quality of the administrative system as a whole, and in particular the strength of the linkages between levels of government. Two important illustrations of the above are the system of checks and balances, in particular in the area of financial control and oversight, and systems for cooperation in decision-making.

The latter is important both in terms of the way regional development resources are planned and, ultimately, in the extent to which local governments are effectively involved in EU decision-making. However, attempts to sensitize governments to the importance of integrating central government reform, decentralization policies and sectoral institution building strategies in a holistic

approach to institutional development [OECD, SIGMA, 1999] have generally not led to changes in the way these issues are being handled.

3.5. Decentralization outcomes in Lithuania

Apart from questions related to the architecture of government, there are additional questions of importance that link central and local government development. As an example, the degree to which the central policy on civil service employment conditions is mirrored and local level and the extent to which civil service systems are integrated across levels of government have fundamental repercussions on the ability of local governments to attract and retain qualified staff (Beblavy, 2003).

Institutional depth (ID)

Institutional depth looks at the formal autonomy (the “Constitutional and legal foundation for local self-government” according to art. 2 of the European Charter of Local Self-Government) and, more concretely, at the extent local authorities can choose the tasks they want to perform.

Table 3.5: **Institutional depth (ID) in Lithuania**

Country_name	IDmean	Institutional depth_1990	Institutionaldepth_1995	Institutional depth_2000	Institutional depth_2005	Institutional depth_2010	Institutional depth_2014	
Lithuania	2.76	2.00	2.00	3.00	3.00	3.00	3.00	1.00

In 1990 local authorities in Lithuania are explicitly autonomous and can choose from a wide scope of predefined tasks (2.00), same applies for 1995. But between year 2000 and 2014 local authorities in Lithuania are free to take on any new tasks (residual competencies) not assigned to other levels of government (3.00). This indicates a more robust decentralization as the years go by. The mean value is an indication of a progressive decentralization policy in the country.

Policy Scope (PS) in Lithuania

Policy scope measures the extent to which local government is effectively involved in the delivery of services, be it through its own financial resources or its own staff, in accordance with the principle of the European Charter of Local Self-Government saying that “public responsibilities

shall generally be exercised, in preference, by those authorities which are the closest to the citizen” (art. 4. 3).

Table 3.6: Policy scope (PS) in Lithuania

country_name	PSmean	PS_Total_1990	PS_Total_1995	PS_Total_2000	PS_Total_2005	PS_Total_2010	PS_Total_2014	2014-1990
Lithuania	2,48	1,83	2,17	2,67	2,67	2,67	2,83	1,00

Among the different tasks municipalities are effectively involved in, the regulation of land-use, Social assistance, health, Public transport management. In 1990 local authorities are not fully involved in the listed responsibilities (1.83), local authorities got more involved in 2000 and the involvement progressed by 2014. Municipalities are equally often involved in the administration of building permits and in drawing up zoning plans for their territories. Two other important functions are education and social assistance. With regard to education, responsibility for the construction of school buildings is more undertaken by local government than the full responsibility for teachers’ employment and salaries. In social assistance, providing temporary economic relief is more carried out by local authorities than other forms of social security. Municipalities are more rarely involved in functions regarding health and police.

Effective political discretion (EPD)

With the variable effective political discretion, we measure the extent to which municipalities have some influence and can decide on aspects of the different functions enumerated by the previous variable. Executing policies is one thing, but effectively deciding on aspects of the services delivered is a further sign of local autonomy: “Local authorities shall, within the limits of the law, have full discretion to exercise their initiative with regard to any matter which is not excluded from their competence nor assigned to any other authority” (European Charter of Local-Self-Government, art. 4.2).

Table 3.7a: Effective political discretion (EPD) in Lithuania

country_name	EPDmean	EPD_Total_1990	EPD_Total_1995	EPD_Total_2000	EPD_Total_2005	EPD_Total_2010	EPD_Total_2014	2014-1990
Lithuania	2,48	1,83	2,17	2,67	2,67	2,67	2,83	1,00

Table 3.7b.: **Effective Political Discretion (2014)**

2014	Education	Social Assistance	Health	Land use	Public Transport	Housing	Police	Caring functions	Total
Lithuania	1,5	1,5	1,0	2,0	1,0	1,0	0,0	0,5	8,5

Lithuania is ranked low in political discretion. With respect to the different tasks and services, the pattern is very similar to the one for policy scope. In 1990, local authorities in Lithuania do not have real authoritative decision-making in land-use matters, but here the municipalities enjoy a little bit more decisional power when it comes to building permits compared to zoning. It is important to mention that as the years go by effective political discretion in quite a few tasks and services increased as shown in the figures on the table.

However, in table 3.7b which shows the extent of political discretion for local authorities in Lithuania for the year 2014, local authorities have some political discretion on such tasks as education, social assistance, health, public transport, housing; more political discretion on land use and no discretion at all on police.

Fiscal autonomy (FA)

Fiscal autonomy is measured by the extent to which local government can independently tax its population. The variable ranges from no autonomy at all to local government sets rate and base of more than one major tax (such as personal income, corporate, value added, property or sales tax).

Table 3.8: **Fiscal autonomy (FA) (2014) in Lithuania**

country_name	FAMean	fiscalautonom y_1990	fiscalautonom y_1995	fiscalautonom y_2000	fiscalautonom y_2005	fiscalautonom y_2010	fiscalautonom y_2014	2014-1990
Lithuania	1,00	1,00	1,00	1,00	1,00	1,00	1,00	0,00

According to table 3.8, in 1990, local authorities in Lithuania set base or rate of minor taxes (1.00). The same trend remains throughout the year under study. The fiscal autonomy power of local authorities have not changed in Lithuania over the years.

Financial transfer system (FTS)

Any local authority depends to some extent on transfers. Some of the transfers are unconditional and some of the transfers are conditional, meaning that local governments can only

use the money received for policies specified by national (or regional) government. The higher the percentage of unconditional transfers is the more autonomy local government has.

Table 3.9: Financial Transfer system in Lithuania

Country name	FTS mean	1990	1995	2000	2005	2010	2014	2014-1990
Lithuania	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00

According to table 3.9, in 1990, local authorities in Lithuania there is largely a balance between conditional and unconditional financial transfers (unconditional = 40-60%) (1.00). This implies that financial transfers system among the municipals of Lithuania is very low. The same trend was recorded between 1990 and 2014. And, since the higher the percentage of unconditional transfers is, the more autonomy local government has. This result implies a reduced autonomy on this part.

Financial self-reliance (FSR)

In addition to taxes and transfers, local government also generates revenue through fees and charges. The variable financial self-reliance tries to establish the proportion of local government revenues derived from own or local sources (taxes, fees, charges without transfers and subsidies).

It is usually argued that the more important the municipalities' own resources are for financing their budgets, the higher is their degree of autonomy. This is definitely the case when they are able to generate the resources needed to fulfil the functions they are responsible for and if they are not bound by far-reaching regulations specifying their duties in great details.

Table 3.10: Financial self-reliance (FSR) in Lithuania

Country name	FSR mean	1990	1995	2000	2005	2010	2014	2014-1990
Lithuania	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00

According to table 3.10 local authorities in Lithuania generate between 10-25% from their own sources. This is the proportion of local government revenues derived from own or local sources (taxes, fees, charges without transfers and subsidies). The table shows that between 1990 and 2014, local authorities cannot generate more than 10-25% (1.00) from own sources.

Organisational autonomy (OA)

A last variable concerning self-rule capacities focuses on the extent to which local government is free to decide on its own organisation and on its political system. It involves therefore both political and administrative elements. Regarding the political system, the European Charter of Local Self-Government includes a general recommendation, saying that local self-government “shall be exercised by councils or assemblies composed of members freely elected by secret ballot on the basis of direct, equal, universal suffrage, and which may possess executive organs responsible to them” (art. 3.2). In the table below, organizational autonomy is considerably high in Lithuania.

Table 3.11: **Organisational Autonomy (OA)**

Country name	FTS mean	1990	1995	2000	2005	2010	2014	2014-1990
Lithuania		3,00	3,00	3,00	3,00	3,00	3,00	0,00

As shown on table 3.11, the executives of local authorities in Lithuania are elected by the citizens and the municipality may decide some elements of the electoral system (3.00). The practice has been on since 1990 when the study looked at till 2014. They also have the power to hire their own staff, establish legal entities and municipal enterprises and fix their salaries.

Country ranking Local Autonomy (LA)

Figure 3.2: Local autonomy mean (1990-2014)

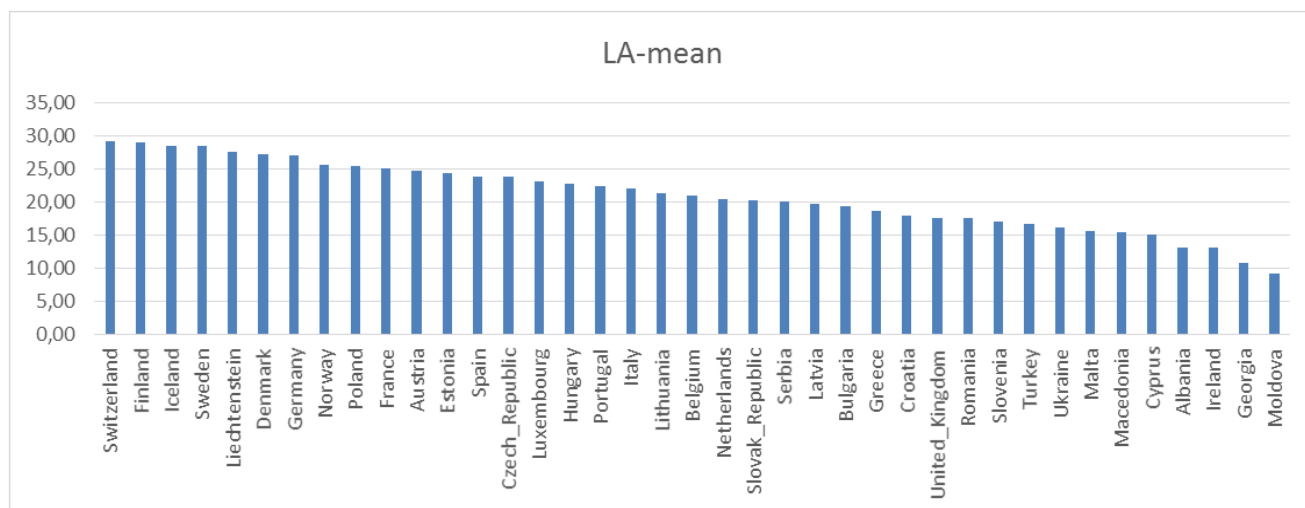


Figure 3.2 shows the local autonomy mean of 39 European countries between 1990 and 2014. The local autonomy highest value is 35.00. Switzerland has the highest mean value of 28.00 and Moldova has the least with 8.00. Lithuania is around European average with a value of 22.00

3.6. Generalizations

The review in this section has shown how decentralization has influenced service delivery in Lithuania and Nigeria. Averagely, the level of decentralization in European countries is relatively high, while Lithuania also record average in local self-autonomy, self-rule, self-financial reliance, organizational autonomy, etc. The case of Nigeria was ironical in the sense that decentralization towards local self-government has been around as introduced by several regimes. Furthermore, the policy is also entrenched in the Constitution (1999) of Nigeria, which gives it more relevance in local self-government. However, despite the adoption of decentralization policy in Nigeria, especially in the administration of local self-government, service delivery has not met the expectations of the citizens. There is need for closer monitoring of decentralization for effective service delivery for the people.

Table 3.14: Summary of main streams in Decentralization at local self-government in Lithuania and Nigeria

Outcomes of decentralization on public service delivery	Nigeria	Lithuania
Capacity	Local self-government in Nigeria is too tightly controlled by the State and therefore lagging behind in carrying out the duties allotted to it by the constitution. There is lack of autonomy as one of the biggest challenges facing local self-Governments in Nigeria making them neither democratically accountable nor territorially viable (Akpan, 2011).	The ability of decentralized administrations or government to raise local revenue to support staffing and services, has a large influence on the extent of decentralization instituted. Similarly, the issue of management capacity is major and defining factor. Small countries like Lithuania have low decentralization level due to their size, but they have very good economic performance (Nesteruk, 2008).
Corruption	Corruption has become the order of the day in Nigeria polity. Corruption has eaten deep into the fabric of Nigeria local councils. There have been glaring cases of embezzlement and misappropriation of the councils' funds by the official of the council. The most pathetic and painful is the sharing of federal allocation meant for the development of the area by council lords and stalwarts. These unethical conduct has rendered local council financially impotence, hence incapable of providing basic needs to it citizens.	Corruption level is high in these countries; therefore, decentralization leads to wasting of resources. Local governments are more likely to corrupt, because of problems to control them. Developing countries with high level of corruption face with wasting resources as the result of corruption. Ghanem (2002) stressed that fiscal centralization is like a shield against underdeveloped governance in developing countries. Optimal decentralization level for transition countries is very low.
Public-Private sector partnership	There is also the challenge of misplacement of public-partnership project priority by the local government. Many of the policies and programmes initiated and implemented by the local government fails to impact positively on the basic needs of the people. This is because they are mostly initiated without consultation with the people (Fatile & Ejalonibu, 2015)	Public-private partnership has increased in public service delivery in areas where the public alone is not efficient (Ladner, Keuffer and Baldersheim, 2015)
Infrastructure Investments	Since the inception of the present democratic dispensation in Nigeria in 1999, getting the local government councils to function as development and positive change agent in infrastructural	Since the introduction of decentralization at the grassroot, municipal councils have increased investments in infrastructures.

	investments for communities and residents has been a challenge (Abutudu, 2011).	
Citizens participation	Another major challenge that has detrimental effects on local governance is the problem of political interference as most often, public policies of the councils are politicized to serve selfish interests at the expense of general interest of the people. Appointments in the councils are sometimes based on political patronage and party affiliation thereby creating room for mediocre and nonperformance.	Especially in service delivery, the citizens are highly involved and they provide an active means of feedback mechanism (Urbanovič, 2009).
Clarity of Accountability	Decentralized systems often flounder when the spread and distribution of accountabilities between different levels of government for specific functions and services are not adequately clear. Decentralization process usually starts out with a rather clear specification of accountabilities among the various levels of government. However, over time and due to circumstance, this clarity gets diluted owing to corruption.	Accountability is higher since the introduction of decentralization (Beblavy, 2003).
Legal Framework	Issues of tiers, autonomy, revenue sharing, and accountabilities are usually worked out within the legal framework which controls the decentralization process	Legal protection increased most markedly in the first two five-year periods. Administrative supervision increased in the first and to a lesser extent in the third period and central and regional access in the second and the third period. Since 2005, the overall picture remained quite stable, with a slight tendency towards a decrease. An analysis of the distribution of decision making powers in areas of legal framework resources demonstrates that there is a trend towards decentralization
Efficiency in Service provision	Decentralization measures have achieved improved efficiency in service provision and more transparency of service providers.	Decentralized system ensures a level and combination of public services consistent with voters' preferences while providing incentives for the efficient provision of such services. Some degree of central control or

		compensatory grants may be warranted in the provision of services when spatial externalities, economies of scale, and administrative and compliance costs are taken into consideration
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From the analysis above, the experience of Lithuania and Nigeria shows that decentralization is a useful and needed concept in the management of local self-government in the two countries. The two governments have decentralization plan inexistence, effort must be made to follow the plan meticulously and implement it steadily. The implementation should have an ambitious target of increasing the share of local authority service delivery to a new height. There is the need to transfer authority, budget funds, and human resources simultaneously at the local self-government

Possible trends for improvement of better public services delivery at local self-government

In the work above, effort was made to reveal the decentralization outcomes in both Lithuania and Nigeria, with their shortcomings. However, there is a quite convenient institutional solution to problems emerging in the assignment of responsibilities with important implications for possible trends for improvement of better public services delivery at local self-government. In this framework, government units of the same layer have different allocation, regulatory, and also taxation powers. It implies that the level of decentralization varies across the two countries, amounting to different-paced decentralization.

The adoption of asymmetric federalism (These are large sparsely inhabited areas, where the assignment of the same responsibilities devolved to the rest of the country would have created problems in terms of capacity and finance. Asymmetry in this case means more centralization—or better, more central government help for the territories) allows the avoidance of excessive decentralization and simultaneous provision of a deeper level of autonomy to a small number of regions. Asymmetrical devolution is quite helpful and also popular in (highly) divided societies with different demands for autonomy. Of course, there are institutions that reduce this risk, such as qualified majorities. Asymmetric assignments may be a better alternative: “asymmetric” municipals enjoy the benefits (and also the cost) of higher autonomy in some areas of their activity. The rest of the municipal enjoy the benefits of centralized arrangements in the same areas, such as economies of scale and better coordination.

Where decentralization is adopted, it seems to increase welfare and government quality since local self-governments adapt easier to satisfy citizen preferences (Oates 1972). In addition, fiscal decentralization can constrain governments' misbehavior because it opens up the possibility of interjurisdictional competition (Brennan and Buchanan 1980, Weingast 1995). In the absence of coordination, the creation of additional levels of regulatory and fiscal authority may lead to "overgrazing" the commons (the pool of revenues raised by the central government in the entire country) by the multitier government structure (Shleifer and Vishny 1993). However, competition may reduce tax pressure and thus the capacity of local governments to collect sufficient taxes to provide basic public goods (Oates 1999). Local governments may compete for capital by helping agents cheat the central government in ways that reduce the central government's capacity to enforce regulations and to collect taxes (Cai and Treisman 2004).

The tempo of decentralization should be sustained and reviewed for better performance in the two countries. Decentralization is associated with greater citizen participation, more political and democratic accountability, social justice, and improved economic management. De Mello and Barenstein (2001) and Fisman and Gatti (2002) found that more fiscally decentralized countries tended to be more efficient. This is also supported by Estache and Sinha (1995) who found that expenditure decentralization related to more infrastructure spending at subnational levels in developing countries and, to a lesser extent, in developed ones. Dreher (2006) noted that decentralization for local self-government had a positive effect on institutional quality and government quality.

CONCLUSIONS

Conclusions from the theory

Decentralization is conceptualized as a term of broad conceptual and empirical meaning, which can designate static fact and dynamic process and it can refer to pure ideal-type and moderate incremental change when the rational theory of decentralization is applied in all compartments. Because decentralization is a relative concept, each dimension should be measured in terms of the central government proportion of the overall total. It is critical to examine each dimension, identifying the unique characteristics that set it apart from the other dimensions, and at the same time, recognizing that the dimensions may be tightly interrelated. Understanding the uniqueness of these dimensions requires also understanding their interaction.

Decentralization connotes the transfer of political power from central governments to sub-national governments. In principle, decentralization is perceived as a means of improving the efficiency and responsiveness of the local government. Devolution/deconcentration is not a form of decentralization. Decentralization is a process where central government transfers political, fiscal and administrative powers to lower levels (local government) in an administrative and territorial hierarchy. The use of decentralization to devolving decision-making power to levels of government that are close to beneficiaries, that is the municipals, decentralization can give citizens greater influence over the level of government services they get and greater ability to hold their officials accountable, hence transparent governance. In theory, decentralization holds regional leaders accountable to their constituents instead of the central government. One major problem in conceptualizing decentralization is the disagreement among scholars about what comprises it.

Public service and local self-government

Public service is a service which is provided by government to people living within its jurisdiction, either directly (through the public sector) or by financing provision of services. The term is associated with a social consensus (usually expressed through democratic elections) that certain services should be available to all, regardless of income. Even where public services are neither publicly provided nor publicly financed, for social and political reasons they are usually subject to regulation going beyond that applying to most economic sectors.

Local Governments, world over, are generally formed as an extension of the Central Government in an attempt to improve service delivery to people living in urban and local areas. There are too many structures involved in service provision within the area of jurisdiction of the Local Authority. There is therefore no control and accountability especially on the part of the other service providers. This has had spin off effects on the Local self-government for example constant water cut offs in a one town led to a public outcry about the quality of service provision in that particular town. This has led for calls for the Local self-government to ensure that the quality of service is improved and that water is provided. This has led to the Local self-government playing more of a facilitatory role in ensuring that the quality of service is improved by the other agencies of government.

Conclusion from the research

Lithuania as a European country has adopted so many policies that facilitate decentralization at the local self-government. A review of an indepth work on decentralization among European countries shows that local authorities in Lithuania are highly decentralized and have high level of autonomy. In the area of fiscal autonomy, self-rule, effective political discretion, public transport, financial self-reliance, organizational autonomy, borrowing money and financial transfer system, municipals in Lithuania.

The European Charter of Local-Self-Government also shows that decentralization for effective service delivery in Lithuania has been very effective since 1990. The Lithuanian constitution also provides recognition for decentralization for effective municipal services. Lithuania needs to do more in the area of operationalization to bring about improved service delivery to the municipals.

Despite the comprehensive decentralization policy of the government, Nigeria is yet to feel the real impact of decentralization, while Nigeria is still buried in a highly centralized top-down public administrative political system. The little gains made in the area of decentralization seem to be eroding as partisan politics take precedence over democratic principles and local interest. The complexity of public management calls for the cooperative effort of all the individuals who makeup an administration. The actions and decisions are so complex with multiple possibilities and changes that it becomes practically impossible to identify a universally acceptable definition for decentralization.

As in the case of Lithuania, the local government reform of 1976 ensured that decentralization and devolution of powers to the local authorities was enshrined in the constitution of 1979. And since then, the local self-government has been part of integral governance in Nigeria. A lot of literature review lend credence to this fact.

Furthermore, despite the gains and strength recorded in the two countries, more still need to be done. For instance the local authorities in Lithuania do not power over the police, while fiscal decentralization is also restricted. In Nigeria, much of the decentralization carried out in the country could be likened to be political decentralization. In the rea of fund, there is always paucity of fund as the local government is very restricted in revenue generation ability, and have too much of the time, depend on higher tiers of government for survival.

In some cases, regional or local authorities may become very powerful with regard to local self-government even if operating under the direction of a central government. In fact, all systems are a mixture of centralization and decentralization. An effective implementation of the decentralization reform requires the following two conditions: political support for proposed changes and the ability of those charged with carrying out the reform. The distribution of decision-making power in education management and observed decentralization tendencies in Lithuania confirm, that despite the nature of the implemented decentralization, success of the reform largely depends on the professional training of local officials in the field of management.

An analysis of the distribution of decision making powers in areas of financing demonstrates that there is a trend towards decentralization, albeit inconsistent due to obstacles on the level of centralized management in Lithuania and Nigeria.

The problems connected with the decentralization consist mainly on unequal spreading revenues in the country. Deepening disproportions between regions result mainly from the fiscal potential of the given region. Disproportions in the regional development manifest itself in the unemployment rate and the amount of revenues, equipping into the infrastructure, in the range of the natural environment condition, the access to capital education and services. This is the case with Nigeria. In Nigeria, even though municipalities received greater influences on own revenues the number of imposed new tasks caused the decrease in their revenues actually.

Service delivery at the local self-government can only be meaningfully autonomous when popular structures, organizations and supportive values have been created to sustain, propagate and perpetuate fair representation, constant dialogue, openness of policy making, public accountability and collective self-defense. The quest for local government autonomy therefore should be related to

the political, administrative as well as financial aspects of governmental power. The provisions in the Constitution that dictate the power and financial relationship between the various tiers of government, especially the State and the local government are deliberate. They are made to serve as checks and balances; and ensure transparency and accountability, among others. But the way some states go about it, is rather more of punitive rather than corrective measure.

Part of the reasons for poor service delivery at local level is that, decentralization as a strategy was introduced in Nigeria without thinking through its structural functional implications. While the Lithuanian decentralization program is to be commended for its achievements over a short period of time, its long-term success is not assured as the program has failed to recognize and provide incentives for local governments to be accountable and responsive to their residents.

RECOMMENDATIONS

While advocating for decentralization/participatory local governance as the model of choice for Nigeria and Lithuania, the feasibility of model in the smaller states must be given consideration. It must be accepted that some municipalities will find a full-fledged local government system to be non-viable. Nor is it essential in order to embrace the principles of decentralized, participatory governance. The critical factor is that the principles of decentralization, local self-government and citizen participation be woven into the fabric of governance, in a manner compatible with the particular circumstances of each territory.

The effectiveness of decentralization in service delivery depends on the design of decentralization and on the institutional arrangements governing its implementation. Therefore, the controversy surrounding the position of the Local Government in the 1999 constitution should without delay be resolved otherwise the autonomy and developmental efforts at the grassroots will be in jeopardy. In this regard we of the opinion that the desired development envisaged from local government council through autonomy can only be achieved if the following recommendations are taken in to consideration:

1. That the section 162(6) of the 1999 constitution (Nigeria) should be amended to abolish the provision which states that: "Each State shall maintain a special account to be called "State Joint Local Government Account" into which shall be paid all allocations to the local government councils of the State from the Federation Account and from the Government of the State".

2. That the roles of the National Assembly as regard the section 162(7) of the 3rd amendment should be taken with all seriousness.

3. That the local government council should be represented in Revenue Mobilization Committee.

4. That the statutory allocation standing to the credit of the local government council should be paid directly to the local government council account by the National Assembly.

5. And lastly, to ensure accountability and probity of the state governors, National Assembly should carry out audit of the state local government account of each state.

The minimum requirements for there to be a system of governance which reflects the ideals promoted in this study are the following:

1. There must be a clear division of state functions/responsibilities into those to be administered at the national as against the local level; such division to be determined by applying the principle of subsidiarity.

2. Autonomous Local Government should exist to manage affairs designated as local. These bodies can take the form of full-fledged professional Authorities, such as Parish, Municipal or regional Councils/ Corporations, or of voluntary District, Village or Town Councils.

3. The political leadership of Local Authorities, whether these are professional or voluntary, should be fully elected by the people on whose behalf they exercise authority, otherwise there will be no local control.

4. Local Authorities must have full control over all resources required for proper discharge of their mandate.

5. The system of participatory local governance should be properly clothed in an appropriate legal framework and incorporated into the constitutional arrangements of the state, to safeguard against arbitrary actions.

In Nigeria, the local government system should be strengthened by being made to function as a government indeed with autonomy and control over their resources without undue involvement and interference of the state government. Local government administrations must have levels of autonomy which is commensurate with its functions, local peculiarities and democratic credibility. As the closest governmental authority to the people, it should have the necessary powers to function and control its own finances and personnel. This autonomy and powers should be subject to

investigation, probe or scrutiny where necessary, to ensure they are used indeed for achieving development for their constituencies.

Every local government community and their people should imbibe the culture of electing into offices morally sound people and people who have a record of competence in managing resources and achieving success that is measurable. This is their first precaution towards avoiding a disloyal, non-representative and ineffective and non-development focused local government administration. Elections as the chief tool to midwife a democracy also implies that those given the mandate to govern must view that mandate in terms of the imperative of promoting the welfare of the electorate.

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Annex No 1.

National Strategies

- Education
- health Sector

Decentralized education promises to be more efficient, better reflect local priorities, encourage participation, and eventually, improve coverage and quality.

Health service that caters to local preferences improved implementation of health programs; decrease in duplication of services as the target populations are more specifically defined.

Annex No. 2

Summary of main streams in Decentralization at local self-government

- Capacity
- Corruption
- Public-Private sector partnership
- Infrastructure Investments
- Citizens participation

Annex No. 3

Decentralization Outcomes

- Institutional depth (ID)

Table 3.5: Institutional depth (ID) in Lithuania

Country_name	IDmean	Institutional depth_1990	Institutionaldepth_1995	Institutional depth_2000	Institutional depth_2005	Institutional depth_2010	Institutional depth_2014	
Lithuania	2.76	2.00	2.00	3.00	3.00	3.00	3.00	1.00

- Policy Scope (PS)

Table 3.6: Policy scope (PS) in Lithuania

country_name	PSmean	PS_Total_1990	PS_Total_1995	PS_Total_2000	PS_Total_2005	PS_Total_2010	PS_Total_2014	2014-1990
Lithuania	2,48	1,83	2,17	2,67	2,67	2,67	2,83	1,00

- Effective political discretion (EPD)

Table 3.7a: Effective political discretion (EPD) in Lithuania

country_name	EPDmean	EPD_Total_1990	EPD_Total_1995	EPD_Total_2000	EPD_Total_2005	EPD_Total_2010	EPD_Total_2014	2014-1990
Lithuania	2,48	1,83	2,17	2,67	2,67	2,67	2,83	1,00

- Fiscal autonomy (FA)

Table 3.8: Fiscal autonomy (FA) (2014) in Lithuania

country_name	Famean	fiscalautonom_y_1990	fiscalautonom_y_1995	fiscalautonom_y_2000	fiscalautonom_y_2005	fiscalautonom_y_2010	fiscalautonom_y_2014	2014-1990
Lithuania	1,00	1,00	1,00	1,00	1,00	1,00	1,00	0,00

- Financial transfer system (FTS)

Table 3.9: Financial Transfer system in Lithuania

Country name	FTS mean	1990	1995	2000	2005	2010	2014	2014-1990
Lithuania	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00

- Financial self-reliance (FSR)

Table 3.10: **Financial self-reliance (FSR) in Lithuania**

Country name	FSR mean	1990	1995	2000	2005	2010	2014	2014-1990
Lithuania	1.00	1.00	1.00	1.00	1.00	1.00	1.00	0.00