VOL. 10 NO. 2,
NOVEMBER, 2025
E-ISSN 3027-1533
P-ISSN 3026-8648



African Scholar Publications & Research International
www.africanscholarpub.com

Journal of African Innovation & Advanced Studies (JAIAS)

State Management of the Joint Account System and Sustainable Infrastructural Development in Rural Areas of Cross River State, Nigeria

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DOI: https://doi.org/10.70382/ajaias.v10i2.053

Abstract

The management of the joint account system by the state was meant to ensure prudent use of resources, foster accountability, maintain efficient utilization of the available revenue accruable to the local government areas from the federation account; thereby ensuring adequate infrastructural development in rural areas of Cross River State, Nigeria. In consonance, the study sought to ascertain whether the management of the joint account system has brought adequate infrastructural development in the study area. The study's theoretical foundation is hinged on the overlapping authority model. Sources and methods of data collection included primary sources (from questionnaires) and secondary sources (from published government publications, journals, and online materials). Predictive correlational design was adopted for the study. The study's target population was 1,799,000 eligible adult male and female residents in nine (9) selected local government areas in the study area and out of which a sample of 384 were purposively selected using stratified random sampling technique. Data were presented and analysed using tables, descriptive statistics and simple linear regression analysis. The findings revealed that the establishment of the joint account system has not brought adequate infrastructural development in the rural areas of Cross River State. The study

recommends as a critical policy issue for equal access and decision for both the LG and state to the joint account if it must continue to exist, and that LG administrators are to show prudence and transparency in the use of the fiscal allocations to the LGs.

Keywords: State management, joint account system, infrastructural development, rural areas, Cross River State, Nigeria

Introduction

Federalism is a system in which a national government and several sub-regional governments share powers of government within a federal state so that each exists as a separate and independent government, operating directly on people and property within its territorial area, having its own will and apparatus for conducting its affairs, and having authority in certain matters exclusive of all others. This indicates that the federating units place a high value on independence. Accordingly, understanding between and among the different levels of government without usurpation, undue influence, and dominance is the main goal. This is because one of the key characteristics of a federal system is the hub of interaction that exists between and among units of government. Intergovernmental fiscal relations is the term used to describe the financial relationships between the several levels of government within a federal framework (Nchuchuwe & Adejuwon, 2019). Assigning funds and responsibilities to various governmental levels is a crucial aspect of intergovernmental fiscal relations. In order to achieve excellent governance, Nigeria's three-tier federal system requires that the three tiers relate to one another both vertically and horizontally. Federalism is practical, dynamic, utilitarian, and changing, according to (Fatile & Adejuwon, 2018). It can only aim for compromise, agreement, negotiation, bargaining, and consultation among the participating governments. It develops in a mutualistic and interdependent system. As a result, the federating units place a high value on mutual exclusivity. Since local governments are closest to the people in every federal system, they can effectively provide grassroots development within their borders (Ekpo & Ndebbio, 2018).

However, the state management of State Joint Local Government Account (SJLGA) system is a constitutional provision meant to facilitate rural development by pooling and distributing funds to local government areas (LGAs), but it has become a major impediment due to excessive deductions by state governments. This practice helps in diverting funds away from LGAs, undermining their ability to provide essential services and impacting their capacity for sustainable infrastructural development. While intended for oversight, the system has fostered a loss of fiscal autonomy for LGs and has been linked to corruption and mismanagement, leading to calls for policy reform and greater accountability. The state-local government relationship is one of the most topical issues of dispute among scholars and advocates alike across different fora in Nigeria’s fourth republic. The contention is made more complicated by the provisions of

the 1999 Constitution as amended which makes the institution of local government, especially its establishments, structure, composition, finance and functions, a residual matter for state government. Due to the absence of a suitable formula that indicates the extent of corrupt activities in the execution of fiscal responsibilities in Nigeria, the question of allocating resources among the three tiers of government has remained contentious. According to Oyediran (2018), the majority of Nigeria's state administrations, if not all of them, have consistently seized control of federal funds that belong to local governments. Local government money was handled by federal pay units until 2000. This was a secretive process with widespread corruption, and the establishment of the statutory account has not made a difference. According to the aforementioned, the goal was for central funds to reach the third tier through the state; however, regrettably, the state-joint local government account management is currently abused, primarily as a result of excessive corruption that has plagued the nation's overall system. The law is very precise about the financial relationships between the federal, state, and municipal governments; the fundamental problem is the political actors' lack of commitment, which is the foundation of systemic corruption. In general, Nigerians exhibited varying degrees of confidence in other people. According to Chatham House (2025), 41.3% of respondents in the 2023 SNAG survey said that “most people can be trusted,” while 58.7% expressed distrust. According to a study that evaluates governance performance in Nigeria at the state and local government levels (subnational levels), 17.9% of respondents said "not at all," while 40.8% said "not much." Just 41.3% reported higher levels of trust; 35.5% answered "to some degree," and 6.1% stated "a great deal."

PROBLEM STATEMENT

Fundamentally, the essence of creating local government was to bring governance as well as development closer to the people at the grassroots, which is why democratically elected local government administration was necessary in every democratic system and which Nigeria is one of such countries. However, that golden aim has been variously truncated as local government system in the country and particularly in Cross River State has not done much in terms of infrastructural development as a result of the fiscal mismanagement of local governments by the state government which has not only eroded the fiscal autonomy of local governments but has also jeopardized its mandate and/or responsibility it owes to the people (Ekunke, 2025). Documentary evidences show that the management of state-local government fiscal relations has rendered the local government system incapacitated due to the overbearing power of the state over the local government areas in their respective domains. By this therefore, state governments collect and disburse local government funds through the instrumentality of the joint account system without given due recourse to the independence of the third-tier level of government**.**

As evidently scattered across the 36 states of the federation and particularly in rural areas of Cross River State, the physical infrastructures, especially in the areas of portable source of water supply, primary healthcare services, feeder roads and primary educational facilities, to mention but the least, are all inadequately provided (Ekunke, 2025). It is hard to believe that

local government that was visibly seen delivering social services to the rural people in recent past especially during the 1976 Local Government Reforms, is now unable to exercise its statutory responsibilities as it were. This constitutes the problem of the study hence, the study assesses state management of the joint account system and sustainable infrastructural development in rural areas of Cross River State, Nigeria

OBJECTIVES OF THE STUDY

In order to address the radicalism and/or obstinacy surrounding the intergovernmental fiscal relations environment, this paper aims:

1. To situate the current state management of the joint account system for sustainable infrastructure development in rural areas of Cross River State and,
2. To propose strong institutional frameworks for sustainable infrastructural development in rural areas of Cross River State.

RESEARCH QUESTIONS

The study is poised to address the following research questions to wit:

1. How has the state management of the joint account system brought about sustainable infrastructural development in rural areas of Cross River State?
2. How can the institutional frameworks be strengthened for sustainable rural development in Cross River State?

RESEARCH HYPOTHESES

H_1: State management of the joint account system has not brought about sustainable infrastructural development in rural areas of Cross River State

H_2: Institutional frameworks cannot be strengthened for sustainable rural development in Cross River State

State management of the joint account system and sustainable rural development in Cross River State

During President Shehu Shagari's second Republic government in 1981, the Nigerian federation first implemented the state Local Government Joint Account (SLGJA). The administration purportedly sought to establish a platform wherein both the federal and state governments could play some roles in funding and monitoring the local government's revenue earnings and expenditures to ensure their success in rural development, given that the Nigerian economy is monocultural and that over 80% of the federal, state, and local governments' revenues come from their respective shares of the oil wealth (Ogunna, 2023). The "Allocation of Revenues (Federation Accounts) Act 1981" was a national assembly act that established the joint account system (Olukoya, 2022). The Federation Account Allocation Committee (FAAC) was founded by the same statute. The committee meets once a month. Decree 49 of 1989, for example, established the Revenue Mobilization, Allocation and Fiscal Commission (RMAFC) for the Federation (note the word Federation, not Federal government) with the

authority to monitor the accruals and disbursement of revenue allocations from the Federation account during Nigeria's intervening military eras. Section 153N subsections 31 and 32 (a e) part 1 of the third schedule to the 1999 constitution upholds this particular authority of RMAFC, among other functions in the aforementioned decree (Okafor, 2020). The commission became a member of both the State Joint Account Allocation Committee (JAAC) and the Federation Accounts Allocation Committee (FAAC) after RMAFC was constituted by decree 49 of 1989. The 1999 constitution does not include the State Joint Local Government account (SJLGA), but it does remove the Federation Account Allocation committee (FAAC). Section 162, Sub-section 18 of the Federal Republic of Nigeria's 1999 Constitution also established the legislative authority over public finances, particularly with regard to SJLGA.

Specifically, section 58 of the constitution states: The money that is in the federation account to the credit of local government councils will also be distributed to the states for the benefit of their local government councils on the terms and in the way that the national assembly may specify. Every state must keep a special account known as the state joint local government account, to which all funds from the federation account and the state government are transferred to the state's local government councils. A part of each state's total revenue must be paid to the local government councils within its borders on terms and in a way that the national parliament may specify. The amount owed to a state's local government councils will be divided among them according to the terms and procedures that the state's house of assembly may specify. However, decree No. 160 of 1992, sub-section 5(2), made it clear that each state's local government councils would receive 10% of its internally generated revenue on terms and in a manner determined by the state house of assembly.

However, local government councils picked up the cheques for their allotments from the federal pay offices (PPOS) in their respective states until 2000, when there were no joint account committees. The Accountant General Office continues to publish these remittances and disbursements to states and local governments for public consumption on a monthly basis, and these FPOS diligently maintained records of all the allocations obtained. Due to the military's many disruptions of the political process, the laws that introduced the joint account system in 1981 have remained silent and unimplemented by the governments. However, when civilian democracy resumed in May 1999, state chief executives were persuaded to adopt the 1999 constitution's sections pertaining to the state joint local government account system and, as a result, establish the joint account system in their respective states by certain interest groups with clear ulterior motives for the allocations (Ojo, 2021). Since Nigeria's local government system was established, there has been a continuous demand for the local government's autonomy as the federation's third level of government. Interestingly, the federal government has recently joined the cause of local government autonomy. It was stated unequivocally in support of the 1979 local government reforms' principles that the states have persisted in encroaching on areas that would have been the sole domain of local governments. As the nation's third level of government, the local government was given the authority of grassroots governance through this reform, which also seemed to increase their autonomy. The federal

government ensured the statutory nature of local government by enshrining it in the 1979 constitution, which strengthened the autonomy and philosophy of local government. The system of democratically elected local government councils is guaranteed by the constitution, according to section 7(1). Even General Ibrahim Babangida's military regime from 1986 made audacious moves to increase local government sovereignty. By January 1988, the state ministries of local government across the nation were abolished, which eliminated the political influence and bureaucratic red tape that these state ministries had fostered. This marked the beginning of good measures of autonomy for local government. The 1989 Constitution's subsequent increases in the statutory allocations to local government, such as sections 7(8), 292, and 304, are intended to eliminate the shortcomings of the local government system. While acknowledging that local government sovereignty in a federation cannot be absolute, it is important to remember that in order for local governments to properly carry out the duty of rural development, they must be provided a considerable degree of fiscal autonomy. The revenue basis of the councils has clearly improved as a result of the federal government's series of reforms aimed at bolstering local government as the federation's third tier of government. Under the heading "State Joint Local Government Account/Distribution of Revenues and other related matters law 2001," this legislation was published in Gazette No. 6 of 2001.

The Federal Republic of Nigeria's 1999 Constitution establishes State Joint Local Government Accounts in each of the federation's states for the purpose of managing and controlling local government finances. Funds from the Federal Account are deposited into these accounts prior to being distributed to the state's local government councils. State governments have taken advantage of this system to deny local governments under their control the necessary funding for rural development and project execution. Mbam, the Chairman of the Revenue Mobilization Allocation and Fiscal Commission (RMAFC), appropriately acknowledged this point when he noted that data available to the Commission demonstrates unethical practices in the distribution of funds from the State Joint Local Government Account in several states of the federation. According to him, the Local Government Councils typically do not receive allocations from the Federation Account. Several claims of account manipulation at the payout point have been made. According to Section 162(7) of the Federal Republic of Nigeria Constitution, states virtually contribute on their own. Given the aforementioned difficulties, the RMAFC believes that local governments should be given fiscal autonomy by receiving statutory allocations from the Federation Account directly into their coffers. In this scenario, the State Joint Local Government Account should be eliminated through the necessary reforms (RMAFC-Canvasses for Direct Funding of Local Government Areas). In Nigeria's democratic environment, there are several financial management and control systems.

Legislative control is one of these. The country's constitution established the legislative framework within which local governments function. The purpose of these legislative provisions is to direct how money is distributed throughout the system. In Nigeria, local governments are governed by three levels of legislation. The National Assembly, State Assembly, and Legislative Councils are among them. However, in reality, they function more

under the latter as legislative councils are directly in charge of the council budget and the execution of the local government's financial plan. Barking but unable to bite, these checks and controls resemble toothless bulldogs. Inadequate funding continues to be the most frequently mentioned cause of the ineffective execution of public policies and programs at the local level, notwithstanding these checks and balances. Because it restricts local governments' financial autonomy, the State Joint Local Government Account (SJLGA) has been closely associated with the poor performance of rural development in Nigeria and Cross River State. State governments can take money meant for local communities by controlling local government funds, which makes it difficult for local governments to carry out projects required for sustainable rural development, develop social assets, and offer essential services (Ene, 2019; Nnamani & Ibe, 2021). Research shows that local governments find it difficult to fulfill their duty for rural development in the absence of a steady source of income and financial independence. In order for local governments to reach their full developmental potential, some academics contend that the SJLGA system should be dissolved (Adeyemo, 2005; Agba, et al., 2013).

Local government councils' financial stability is weakened by the State Joint Local Government Account (SJLGA), which gives state governments control over funds intended for local governments. This frequently leads to deductions from federal allocations for projects that may not be locally prioritized or carried out without adequate consultation (Oviasuyi et al., 2010). Particularly in rural areas, local governments' capacity to deliver basic services like water, sanitation, and healthcare is hampered by a lack of sufficient and direct funding. In Cross River State, inadequate infrastructure and insufficient finance are significant obstacles to efficient service delivery in sectors like rural water and sanitation, according to Agba et al. (2013). The development and upkeep of social assets, such as roads, markets, and schools, which are essential for sustainable development, are also adversely impacted by the financial instability brought on by the SJLGA system (Ekpo & Ndebbio, 1998). Additionally, the system restricts the ability of local government chairmen to carry out local development goals and weakens their authority as chief accounting officers. Many academics and policy professionals contend that the SJLGA's existing fiscal structure impedes sustainable growth and support changes that would provide local governments complete fiscal autonomy and direct access to their finances (Ene, 2019; Agba et al., 2013).

Strengthening Institutional Frameworks for Sustainable Rural Development in Cross River State

Peters (2006) defines an institutional framework as a collection of formal organizational structures, regulations, and unofficial standards for service delivery. These frameworks must be carefully taken into account since they are necessary for the effective execution of healthcare management intervention tools and rural development initiatives. An institutional framework in the field of development administration entails defining the duties of service institutions related to different facets of the industry. The concept of participatory engagement,

which views rural residents or community members as active participants in the development process rather than as passive beneficiaries, is essential to this approach. By encouraging a sense of accountability and ownership among community members, this participatory approach produces developmental outcomes that are more durable and sustainable. Additionally, the framework highlights the significance of flexibility and adaptation, enabling institutions to effectively respond to evolving situations and new problems. By incorporating these components, the institutional framework becomes a pillar for promoting sustainable development, guaranteeing that community engagement is an ongoing, dynamic process that honors and utilizes local knowledge and insights for group advancement.

The following tactics can be used to build institutional frameworks: first, mainstream the Sustainable Development Goals (SDGs) into national development plans, budgets, and policies to include sustainability into governance structures. To integrate policies in areas such as the environment, economics, health, and education, interministerial coordination bodies should be established. Additionally, decentralized governance should be promoted to empower local authorities in resource management and sustainable planning (UNDP, 2020; OECD, 2019). Second, by passing and upholding environmental protection legislation that establishes precise guidelines for pollution, land use, and biodiversity preservation, legal and regulatory frameworks will be strengthened. All significant public and commercial projects should be required to complete sustainability impact assessments (SIAs). Regular monitoring, sanctions, and rewards should be used to encourage compliance and responsibility (World Bank, 2021). Third, strengthen institutional capacity by giving government organizations the tools and training they need to carry out sustainability policies. Enhance infrastructure and technology for waste management, renewable energy development, and environmental monitoring, and bolster data collection and analytical skills to support evidence-based decision-making (UNEP, 2019). Fourth, promote open access to information and transparent reporting on sustainability metrics and advancements to encourage accountability, transparency, and public involvement. Involve the commercial sector, academics, indigenous communities, and civil society in the creation and execution of policies.

Create ombudspersons and grievance redress procedures for social and environmental issues (Transparency International, 2020). Fifth, enhance financing methods by raising money both domestically and abroad for sustainability initiatives, such as green bonds and climate finance. Encourage public-private partnerships (PPPs) for innovation, clean energy, and infrastructure. To finance sustainability projects, implement environmental taxes, such as carbon and plastic taxes (UNESCAP, 2021; IMF, 2020). Sixth, promote innovation and research by funding R&D in the fields of circular economy, renewable energy, and sustainable agriculture. To advance sustainable solutions, establish collaborations and innovation hubs across government, business, and academia. Plan, forecast, and monitor sustainability using digital tools and artificial intelligence (UNESCO, 2021). Seventh, adhere to regional and global frameworks by signing international accords like Agenda 2030, the Paris Agreement, Coordinate on transboundary environmental challenges and harmonize national rules with

regional sustainability standards. To enhance institutional performance, take part in peer assessments and international benchmarking (United Nations, 2015; CBD, 2020). Finally, incorporate education for sustainable development (ESD) into professional training and school curricula to further education and cultural shifts. Encourage corporate social responsibility (CSR), ethical company practices, and public awareness programs that promote sustainable principles and behaviors (UNESCO, 2021).

Empirical Literature

Sakpere's (2020) study assessed the efficacy and efficiency of the State Joint Local Government Account (SJLGA) in Nigerian local government governance. Additionally, it evaluates how SJLGA affects rural development. It looks at the connection between SJLGA and the crisis of governance and how it affects the local government system's deteriorating infrastructure. In order to analyze primary data from questionnaires and in-depth interviews, the study used a survey approach. Using proportionate random sampling, 844 individuals were chosen from the research population (6,757). Regression, Pearson correlation, and chi-square statistics were used to analyze the data. According to the study, Nigerian local government governance has not benefited from the State-Joint Local Government Account (SJLGA). The findings also showed that the SJLGA has weakened the idea of the division of powers between the state and local governments rather than having a major positive impact on rural development. The findings also demonstrated that the SJLGA has contributed to Nigeria's local government's governance crisis. The study came to the conclusion that the SJLGA is preventing Nigeria's local government councils from carrying out their statutory and constitutional duties, which include promoting rural development and offering benefits of good governance like portable drinking water and electricity, among other things. In a related study, Dibal et al. (2020) looked into how the State Joint Local Government Account (SJLGA) affected the ability of a few chosen Borno State Local Government Councils. Both primary and secondary data were sourced for the study, which used survey research. Simple percentages and frequency counts were used to display the data in tables. Out of the 800 questionnaires that were randomly distributed to respondents, 400 were given to local government employees and 400 to community leaders. Of these, 353 were returned as legitimate and used for data analysis. In the meantime, the hypotheses were tested using an inferential statistical technique and Spearman Rank order. According to the study, local governments' effectiveness in carrying out capital projects in crucial areas including basic health care, primary education, agriculture, and rural infrastructure has not been considerably enhanced by joint account operations. According to the study's findings, Borno State's chosen local government councils' performance in providing services has not been considerably enhanced by the State Joint local government account. To guarantee the financial independence of local governments in Borno state, it was suggested, among other things, that the State Joint local government account be eliminated. Only then will local government service delivery be significantly enhanced. Ojugbeli and James (2023) conducted a study to

examine the joint account system in Nigeria: problems and potential. The report notes that the financial policy faced difficulties and that different state governments changed it into more profitable endeavors. Face-to-face interviews and questionnaires were used in the descriptive survey study to collect data. Purposive sampling was used in the study to select 420 respondents in total. The ideas were tested using a statistical tool called Pearson Moment Correlation. The study's findings also demonstrate that the joint account was created to prevent potential manipulation, misappropriation, and the security of funds for local governments; however, the state governments' incorrect implementation of the joint account has undermined the policy formulators' good intentions. In a similar vein, Nwogwugwu and Olusesi (2023) conducted research on the functioning of the State local government joint account and the financial independence of local government in Nigeria's fourth republic. The report notes that the quasi-federal political structure, which was defined by the dominance of lower government, is the cause of the incorrect distribution of funding to local government. The study's conclusions also reveal evidence of the state government's forced deduction from the joint account and improper access. The analysis comes to the conclusion that the 1999 constitution needs to be changed in order for local governments to achieve effective financial autonomy.

Research Gap

Studies on the joint account system are considered from two perspectives, with one dealing with its implication on infrastructural development and the other on fiscal administration discipline which showed that the account system maleficence is caused by low budget implementation rate or system obduracy. However, there has been little study on how fiscal administration discipline can be enhanced to ensure efficiency and accountability in the use of financial resources, and even fewer research on how fiscal administration discipline techniques can enhance the joint account management and improve efficiency. This paper aims at bridging the gap by focusing on how institutional frameworks can be strengthened to improve sustainable rural infrastructural development.

Theoretical thrust

The overlapping authority model serves as the study's theoretical cornerstone. Deil Wright developed this theory in his book Understanding Intergovernmental Relations (1978), and other academics in the field of IGR literature have popularized it (Wright, 1978; Okoli, 2015). Deil Wright outlined three distinct strategies for handling the intricate subject of interstate relations. The third framework, the overlapping-authority model, provides a unique depiction of these relationships (Wright, 1978). The theoretical foundation for going beyond basic presumptions was established by the work. The model offers an innovative approach to intergovernmental collaboration because it incorporates multiple levels of government simultaneously.

This is based on three distinct presumptions: a limited scope of jurisdictional autonomy, a combined scope of governmental functions, and a comparatively small amount of authority available to each unit (Wright, 1978). It is evident from the aforementioned that the overlapping-authority model places a high priority on cooperation, equity, negotiating terms, and equality between the federating institutions (Ayoade, 1999; Wright, 1978). Experts concur that this model more accurately captures the intricacies and shifts of Nigeria's current political system than the other two (Eneanya, 2013). The overlapping authority paradigm allows the federating entities to allocate funds and resources equitably. In an ideal federal system, all governmental levels would bargain for jurisdictional influence and assist one another to guarantee optimal performance (Ayoade, 1999)

This is done in order to avoid an excessive quantity of money from being accessible to any one federating unit. For this reason, local governments are in charge of basic education, while the state and federal governments are in charge of elementary and secondary education. While tertiary and secondary health facilities like the Teaching, National, and General Hospitals receive funds and are jointly controlled by the state and federal governments, primary health care institutions are funded and run at the municipal level (Eneanya, 2013). In sharp contrast to the overlapping powers, state governments have historically been able to exercise more power over their local equivalents due to this provision, including the capacity to distribute funds, enforce laws, and collect taxes (Okoli, 2015). This is because the overlapping authority model emphasises the benefits of mutual cooperation and relative independence. Hence, the reason for its suitability and applicability in this study.

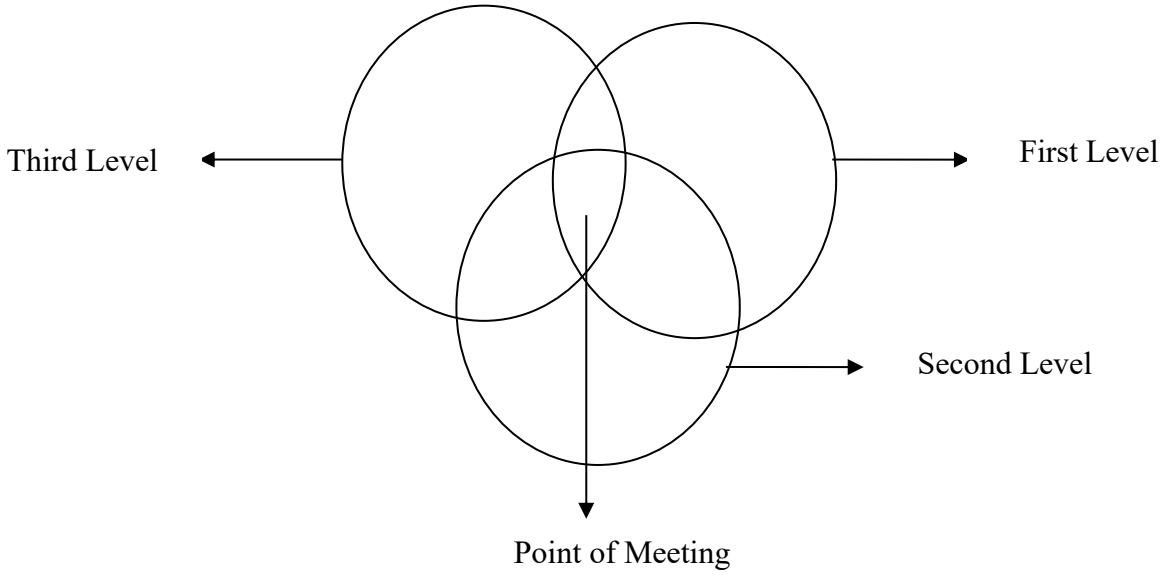


Fig. 1: Conceptual Model of Intergovernmental Relations

Source: Adopted from Wright Deil (1978)

Design and study area

The study adopted a predictive correlational survey design. Ekunke (2025) employed predictive correlational survey design in a similar and related study. According to **Creswell (2014),** predictive correlational research examines the relationship between variables and uses these relationships to make predictions about future behavior or outcomes. Using this design, the researcher collects data on variables without manipulating them and applies statistical techniques such as **regression analysis** to determine how well one variable predicts another. This design was used to determine the relationship between the joint account system and sustainable infrastructural development in rural areas of Cross River State, Nigeria. The justification for the use of this design is on the basis of its ability to determine the strength of the relationship between the variables.

Population of the study

Cross River State has a projected population of 4,406,200 of male and female adult residents (National Population Commission, 2022). The target population comprised 1,799,000 eligible male and female adult residents above (18) years in nine selected (9) local government areas of Cross River State with Obudu having a total of 245,900 people, Obanliku with 167,000 people, and Bekwarra with 160,700 people, from the Northern Senatorial District; Boki having 284,200, Ikom, 249,300 and Etung with 121,900 people from the Central Senatorial District; and Akamkpa having 228,000 people, Odukpani with 293,800 people, and Bakassi with 48,200 people from the Southern Senatorial District, respectively. The selection of nine (9) Local Government Areas (LGAs) out of the eighteen (18) LGAs in Cross River State was guided by the need to obtain a representative sample that accurately reflects the socio-economic, geographical, and administrative diversity of the state while ensuring feasibility in terms of time, cost, and logistics. According to Nworgu (2015) and Creswell (2014), when a population is large and geographically dispersed, it is both practically and methodologically sound to draw a representative subset that captures the key characteristics of the entire population. Cross River State is divided into three senatorial districts, Northern, Central, and Southern, each with distinct socio-political and economic features. To ensure balanced representation, three LGAs were purposively or randomly selected from each senatorial district, making a total of nine LGAs. This approach ensures that findings from the study can be generalized to the entire state with a reasonable level of confidence. The decision aligns with sampling principles that emphasize representativeness and efficiency (Yamane, 1967; Kerlinger & Lee, 2000). Thus, the choice of nine LGAs was both methodologically justified and logistically strategic; allowing the researcher to maintain a balance between comprehensiveness and feasibility in data collection and analysis.

Sample and sampling technique

The Cronbach's Alpha Reliability Method was used in a trial test to validate the instrument, and both probability and non-probability sampling strategies were used to choose the

respondents. The instrument has the necessary capacity and may be utilized for the investigation, as indicated by the reliability coefficient's R-Value of 0.84. Furthermore, the content and face validity of the instrument were used to validate it. The study used a quantitative approach to collect data from 384 research participants. Purposive and stratified random selection approaches were used to pick community clusters, villages, streets, housing units, and respondents using probability and non-probability sampling techniques. The study described the correlational relationship between factors and the joint account system's state management and was predictive. The survey used 384 respondents in total. The chosen participants were thought to be aware of the state's management of the joint account system and how it affected the case study area's infrastructure development. Krejcie and Morgan (1970) were used to calculate the study's sample size. The Krejcie and Morgan formula was given as below:

$$S= X^2NP(1-P)/d^2(N-1) + X^2P(1-P)$$

Where:

S = required sample size

X^2 = Chi-square value for 1 degree of freedom at 0.95 confidence level (3.841)

N = population size (1,799,000)

P = population proportion (assumed to be 0.5 for maximum variability)

d^2 = degree of accuracy (0.05)

Ethical consideration and administration of instruments

The study got institutional consent and ethical approval from the Ethical Board of the University of Calabar. Relevant information regarding the objectives and significance of the study were made known and informed consents were equally obtained from the study's participants before they were enrolled. Before administering the questionnaire and interview, participants were briefed on the purpose of the study and were made to understand that participation was optional and should be out of one's volition. Participants were also made to understand that their responses were going to be treated with utmost confidentiality and that the responses provided will be used only for academic purposes. Before the administration of instruments, dates to visit places for questionnaire distribution were put in place in advance. Nine research assistants, who were youth leaders, one from each selected LGA, were used for the study. The number of questionnaires to be distributed and retrieved, as well as the logistics involved, necessitated the need for research assistants who were members of the local government areas and communities involved. The research assistants were educated and trained in the fieldwork.

Method of data analysis

The coded data from the quantitative closed-ended questionnaire designed following Likert 5-point scale options were sent into the Statistical Package for the Social Sciences (SPSS) software, version 27. The data were tested and analysed with the aid of Simple Linear

Regression Statistical Analysis (SLRSA), whereas the qualitative data were presented using descriptive analysis. The use of simple linear regression statistical analysis was guided by the fact that it is the most appropriate statistical method for testing the study's hypotheses because the hypotheses are linear, which means that each involves one predictor or independent variable and dependent variable that links the predictor variable (state management of the joint account system) to the indicators of the criterion variable (sustainable infrastructural development). This is supported by **Keller (2018),** that simple linear regression (SLR) models determine the relationship between two quantitative variables through a linear function, allowing for clear and direct prediction.

Results

The presentation, analysis and interpretation of data relating to 384 respondents out of the 380 representing 99% of the entire sample drawn from the study area of which 4 representing 1% were nullified due to error and wrong manipulation. Respondents were demographically distributed in this study according to sex, age, marital status, and occupation, respectively. Data obtained shows that the majority of the respondents (63.2%) reside in the rural areas. Gender composition of the respondents shows that majority of the respondents (56%) were males. The age group with the highest number of respondents falls between the age brackets of 31-40 years, with 55% of the sample size; majority of the sample 55% is made up of married people. The result further revealed that 41% have had their university education even with second degree. The finding also show that a greater percentage of the respondents (44%) were civil or public servants.

Descriptive analysis

This section analyses the data collated from the questionnaire which depicts the respondents' responses to the hypotheses (H):

Q1: How has the state management of the joint account system brought about sustainable infrastructural development in rural areas of Cross River State?

Table 1: Responses on the state management of the joint account system on sustainable infrastructural development

S/N	Variable	SA	A	D	SD
1	Low budget rate reduces infrastructural development efforts	188 (49percent)	118 (31percent)	34 (9percent)	40 (11percent)
2	High level of financial mismanagement and deductions is a bane of infrastructural development	155 (41percent)	137 (36percent)	39 (10percent)	49 (13percent)
3	Reduced LG's financial autonomy discourages service provision	160 (42percent)	128 (34percent)	51 (13percent)	41 (11percent)
4	Paucity of funds retards development	133 (35percent)	121 (32percent)	58 (15percent)	68 (18percent)
5	Lack of accountability is a critical challenge of development	119 (31percent)	118 (31percent)	73 (19percent)	70 (18percent)

Source: Fieldwork, (2025)

Table 1 is the responses on the management of the joint account system on sustainable infrastructural development in rural areas of Cross River State. Item 1 showed that 'Low budget rate reduces infrastructural development efforts' 188(49 percent) respondents strongly agreed that Low budget rate reduces infrastructural development efforts, while 118(31 percent) agreed, 34(9 percent) disagreed, 40(11percent) strongly disagreed. For item 2 'High level of financial mismanagement and deductions is a bane of infrastructural development' 155(41percent) strongly agreed that the High level of financial mismanagement and deductions is a bane of infrastructural development, 137(36 percent) agreed, 39(10percent) disagreed, 49(13percent) strongly disagreed. For item 3 'Reduced LG's financial autonomy discourages service provision" 160(42percent) strongly agreed, 128(34 percent) agreed, 53(13 percent) disagreed, 41(11 percent) strongly disagreed. For item 4, 'Paucity of funds retards development' 133(35percent) strongly agreed, 121(32percent) agreed, 58(15percent) disagreed, 68(18percent) strongly disagreed. Finally, for item 5, 'Lack of accountability is a critical challenge of development', 119(31 percent) strongly agreed, 118 (31 percent) agreed, 73(19percent) disagree, 70(18 percent) strongly disagreed. The implication of the responses above is that the state management of the joint account system has not brought about sustainable infrastructural development in rural areas of Cross River State.

Q2: How can the institutional frameworks be strengthened for sustainable rural development in Cross River State?

Table 2: Responses on strengthening institutional frameworks for sustainable rural development

S/N	Variable	SA	A	D	SD
1	Clear accountability strengthens development efforts	194 (51percent)	96 (25percent)	50 (13percent)	40 (11percent)
2	Sufficient financial and human resources facilitate service provision	172 (45percent)	109 (29percent)	56 (15percent)	43 (11percent)
3	Performance monitoring is panacea for development	132 (35percent)	120 (32percent)	65 (17percent)	63 (17percent)
4	Strategic planning is a catalyst of development	133 (35percent)	121 (32percent)	64 (17percent)	62 (16percent)
5	Legal and regulatory environment promotes development	140 (37percent)	122 (32percent)	60 (16percent)	58 (15percent)

Source: Fieldwork, (2025)

Table 2 is the responses on the strengthening institutional frameworks for sustainable rural development in Cross River State. Item 1 showed that 'Clear accountability strengthens development efforts' 194(51 percent) respondents strongly agreed that clear accountability strengthens development efforts, while 96(25 percent) agreed, 50(13 percent) disagreed, 40(11 percent) strongly disagreed. For item 2 'Sufficient financial and human resources facilitate service' 172(45percent) strongly agreed that sufficient financial and human resources facilitate

service, 109(29percent) agreed, 56(15percent) disagreed, 43(1percent) strongly disagreed. For item 3 'Performance monitoring is panacea for development' 132(35percent) strongly agreed that performance monitoring is panacea for development' 120(32 percent) agreed, 65(17 percent) disagreed, 63(17 percent) strongly disagreed. For item 4, 'Strategic planning is a catalyst of development' 133(35percent) strongly agreed that strategic planning is a catalyst of development, 121(32percent) agreed, 64(17percent) disagreed, 62(16percent) strongly disagreed. Finally, for item 5, 'Legal and regulatory environment promotes development', 140(37 percent) strongly agreed that Legal and regulatory environment promotes development, 122 (32 percent) agreed, 60(16percent) disagree, 58(15 percent) strongly disagreed. The implication of the responses above is that the institutional frameworks can be strengthened for sustainable infrastructural development in rural areas of Cross River State, if the above measures and/or factors are taken into keen consideration.

H_1: State management of the joint account system has not brought about sustainable infrastructural development in rural areas of Cross River State

Table 3: Simple linear regression analysis of the state management of the joint account system has brought about sustainable infrastructural development in rural areas of Cross River State N=380

Model	Sum of square	Df	Mean Square	F-value	P-value
Regression	23.418	1	23.418	90.080	.06
Residual	98.267	378	.260		
Total	121.684	379			

Source: Fieldwork, (2025)

Table 3 indicated an Analysis of Variance result of F-value = 90.080 with a P-value of .06 at 1 and 379 degrees of freedom. The F-value which was greater than 1 yielded efficient model. Also, since the P-value of .06 was greater than the tolerable significance value of .05, it therefore indicates that the regression model did not significantly predict the outcome variable. Thus, the null hypothesis was upheld and the alternative rejected. This implied that the state management of the joint account system has not significantly brought abought sustainable infrastructural development in rural areas of Cross River State, Nigeria.

H_2: Institutional frameworks cannot be strengthened for sustainable rural development in Cross River State

Table 4: Simple linear regression analysis of the institutional frameworks cannot be strengthened for sustainable rural development N=380

Model	Sum of square	Df	Mean Square	F-value	P-value
Regression	83.631	1	83.631	897.061	.001
Residual	35.240	378	.93		
Total	118.871	379			

Source: Fieldwork, (2025)

Table 4 indicated an Analysis of Variance result of F-value = 897.061 with a P-value of .001 at 1 and 379 degrees of freedom. The F-value which was less than 1 yielded efficient model. Also, since the P-value of .001 was less than the tolerable significance value of .05, it therefore indicated that the regression model significantly predicts the outcome variable. Thus, the null hypothesis was rejected and the alternative accepted. This finding implied that the institutional frameworks can be significantly strengthened for sustainable infrastructural development if adequate measures and or factors are taken into keen consideration.

Discussion

Scholars, the government, and even civil society organizations have been deeply concerned about the urgent need for the wise administration of local government financial resources. As a result, the federal government of Nigeria thought it appropriate to establish the joint account as a cure-all. The study evaluated how state administration of the joint account system affected Cross River State's rural communities' ability to construct sustainable infrastructure. According to the research findings, every respondent is aware of the radicalism and/or obstinacy surrounding state-local government fiscal relations, particularly the management of the joint account system, which has resulted in little to no significant infrastructure development in Cross River State's rural areas. Due to the state's excessive marginalization of LG through the use of the joint account system, available data shows a concurrent and associated lack of physical infrastructure development in rural areas in the case study area. The results in this area are consistent with those of Sakpere (2020) and Dibal et al. (2020). They concurred that local governments' performance in carrying out capital projects in the areas of basic health care, primary education, agriculture, and rural infrastructure has not been greatly enhanced by the joint account's operations. The results are also consistent with those of Ojugbeli and James (2023), who conducted a similar study and found that although the joint account system was designed to prevent potential manipulation, misappropriation, and financial security for local governments, the policy formulators' good intentions have been undermined by excessive corruption and poor fiscal management by the state governments. Nwogwugwu and Olusesi (2023) were included in this exposition because they provided proof of the state government's unauthorized entry and forced withdrawal from the common account without the local government councils' prior approval.

Conclusion

The research assessed the effect of state management of the joint account system on the infrastructural development in rural areas of Cross River State, Nigeria. From the findings, it can be deduced that the variables did not show a positive sign, indicating a significant blame by the respondents on the managers of the joint account system which has inhibited the fundamental essence for the establishment of the joint account. However, the study revealed that the management of the joint account system by the state has shown some level of infrastructural improvement in some areas of social services, like education, healthcare, water

and sanitation. But a lot still need to be done, as the society keeps expanding and population rapidly increasing, while the available social infrastructures are decaying. The findings of the research have significant implication for intergovernmental fiscal relations in Nigeria. Firstly, it was found that the provision for the management of the joint account is skewed in favour of the state government as against the local government. This has a policy implication as the LG is a creation of the constitution and should be allowed equal rights with the other tiers of government. The major strength of this research lies in the triangulation of the quantitative method and literature sources. This approach facilitates the genuineness of the research findings from two distinct sources, thus providing more valid and reliable research findings.

Recommendations

1. A critical policy issue from the research findings is for the government and policy makers to make both the state and LG have equal access and decision to the joint account, if it must continue to exist. Otherwise, LG should be allowed to operate its own account independent of the state, devoid of interference.
2. Local government administrators are to show prudence and transparency in the use of the fiscal allocations to the local governments. In this way, they will become accountable to citizens at the grassroots. One way to show this is through quarterly publication of projects done as well as the statements of account. This can only be achieved if the institutional frameworks are strengthened.

Limitations of the Study

However, this study's primary drawback is that it only looks at rural areas in Cross River State, Nigeria. As a result, the data collected is based solely on information provided by the locals and is bolstered by secondary sources like online resources, textbooks, and journal articles. All data gathering methods fall under the category of intrusive measures with built-in flows. It is crucial to use caution when extrapolating the results of this study to other regions of Nigeria and abroad, as the respondents were chosen from just nine (9) local government areas of the state.

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