DEMOCRACY AND THE QUEST FOR ACCEPTABLE REVENUE SHARING FORMULA IN NIGERIA

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Abstract

This study interrogated the interface between democracy and the agitation for an acceptable revenue formula in Nigeria. We examined the various revenue sharing formula and the inherent heated continuous debate associated with it. We relied on documentary and survey source for data collection, content analysis and percentages for data analysis, relative deprivation, rising expectation and frustration aggression model as our theoretical framework. Our findings were that the argument and debate on revenue sharing formula is between the federal government and the south-south particularly the oil producing states who complained bitterly of the environmental hazards suffered by their region, we also discovered that most people from the north are not in support of resource control while their southern counterpart grossly support it, thereby leading to a stalemate. Despite the plethora of committee and commissions setup by the federal government to tackle the problems ranging from Philipson commission of 1946, Hick-Philipson commission of 1951 to Armed Forces Ruling Council (AFRC) 1992 and even to the present day the problem is yet to be solved. We recommended among others that the argument on revenue sharing formula should be based on the nation's socio-economic needs rather than the interest of a given geopolitical region. The federal government should stop focusing her tentacle only on distributive but productive politics. They should think of what to do to increase the revenue of the country or at least provide enabling environment for the increase of the wealth of our nation which is the essence of political economy. Division of the country is not the only solution to Nigeria hydra-headed calamities, rather the federal government should through the Revenue Mobilization Allocation and Fiscal Commission (RMAFC), increase the percentage of revenue accruing to the oil producing states in *the south on account of the heavy and almost irreversible ecological damages suffered by these states. In as much as we recommend that the federal government should review the allocation to oil producing states upward; the governors must renew and restructure their minds to make sure that money allocated to their states are judiciously utilized.*

Keywords: Revenue sharing formula, economic development, political economy, government, revenue mobilization allocation, fiscal commission

Introduction

The Nigerian governance both at the military and democratic dispensation is replete with the problem of revenue sharing formula. Our administrative experiment from1960-1966 and 1999 till date seem to be the worst culprit in this formula. Democracy is all about the betterment of people and principle of equity in governance, while true federalism which Nigeria claim to be practicing is grossly not balanced. The sharing formula in the early 1960s were acceptable and more in line with a true federalist and democratic spirits.

More importantly, since the figurative statement of Winston Churchil that "democracy is the worst form of government except for all the others that have been tried, points to the claim that democracy is the surest path to economic prosperity. Democracy has gained fundamental momentum. This position assumes more logical pedestal when juxtaposed with the intractable convulsion on revenue sharing formula in Nigeria spanning through Philipson Commission of 1946 on revenue sharing formula till the present day. Looking back to decades of both democratic and military governmental experiments in Nigeria, starting from the first republic to the present fourth republic, keen observers would ask whether we are still groping in the darkness of adopting a revenue sharing formula acceptable by all Nigerians without hysteric grumbling.

Many revenue sharing formula that have been adopted over the years in Nigeria are not without protracted arguments among major stakeholders from the north and south part of the country. Those from the oil producing state are of the view that the revenue accruing to them should be increased while those from the north prefers more revenue going to the centre without due considerations given to the irreversible ecological damages which oil exploration does to the oil producing states. Democracy despite its practice in Nigeria has not in the least been able to proffer a suitable model for this endemic problem of revenue sharing formula. Against this background, this paper/article examines democracy and the quest for acceptable revenue sharing formula in Nigeria

Conceptual clarification

The term democracy has been subjected to scores of definitions, however, despite this hazardous and definitional fuzziness we shall examine some core ones here and give a detailed description of the concept to suit our central thesis.

It has been defined as a form of government in which the people govern a country, state or other body with such a form of government (Chambers 21st century Dictionary, 1999). Democracy essentially implies rule of the people. it has been conceptualized as control by the vast majority of the inhabitants of a country or popular control or the catalyst to political development and social progress for mutual benefit of the people (Oji, 1997). It has its origin from the Greek city state with specific reference to the period of Aristotle, between 6th and 4th century B.C (Oji,1997). The most popular and enduring definition of democracy was postulated by one-time American president, Abraham Lincoln who defined it as government of the people, by the people and for the people. In this study however, democracy is defined simply as the government of the majority of the people, whereby the views, aspirations, ideas and input of the majority are preserved, respected and honoured. More importantly, democracy is first and foremost about people, the relationship of those who lead and those who are led, those who govern and those who exercise political power and those who are the subjects of this power. It posits and insist that power springs from and therefore, belongs to the people. Hence, those who exercise political power should use it in the interest of the people or at least the majority, since the primary purpose of government is to provide the greatest happiness for the greatest number of people.

The above definition and description are in line with what the meaning and nature of democracy is in respect to this study. Thus the notion and practice of democracy as a system of government will be vague if it is unable to proffer an equitable fair and acceptable revenue sharing formula especially since May 29, 1999 when the fourth republic began in Nigeria.

Concept of Revenue Sharing Formula

The revenue allocation formula is the proportion of resources accruing to the federation that goes to each of the components states; it equally define the slice of resources retained in the territories where they are generated as well as the proportion of the revenue accruing to the collecting agencies of government (Mbanefo and Egwaikhinde 1998). It is this perceived absence of fairness and equity in the distribution of the resources that often account for tension and controversy that culminated in the continuous quest for restructuring in Nigeria federalism.

Statement Of The Problem

The essence of democracy and viable revenue sharing formula that can been accepted by all segments of Nigerian states is to bring about good governance. The function of the RMAFC is spelt out in the 3rd schedule of the 1999 constitution. Aside from the above, several committees and commission have been charged to review the revenue sharing formula in Nigeria, ranging from Philipson commission of 1946, Hick- Philipson, 1951, Chick, 1953, Rainsman 1958, frequent promulgation of military decree on revenue and other heated debate on revenue sharing formula to this day. It has been observed that controversies have continued to trail the formula for sharing revenue in Nigeria till date. This has become a major source of problem for the unity of the country.

Methodology

The method employed to collect data in the study is documentary. Thus we shall focus on secondary sources such as textbooks, journals, newspapers, internet materials and official documents. These will be complemented by survey method. Here we shall use unstructured elite interview to extract relevant information from 15 major interviewee\ stakeholders from relevant government agencies and commissions relevant to our discussion. We shall anchor our analysis on the logic of content analysis and percentage where necessary; relative deprivation, rising expectation and frustration aggression model as our theoretical framework.

General Overview of Revenue Sharing Formula.

The formula for sharing revenue has remained a controversial issue in democratic governance in Nigeria. According to the governor of Lagos State Mr. Babajide Sanwu-Olu our demand is a sharing formula that is just fair and equitable reflecting the contribution of stakeholders to the common purse at the end we hope the revenue mobilization allocation and fiscal commission (RMAFC) will base their review of the revenue allocation formula on objective criteria in the overall interest of the country (Sabowale, 1997). It has changed more than fifteen times in Nigeria, four times in India and twice each in Pakistan and Malaysia. In older federalism like USA, Canada, Swiss and Australia, the revenue from customs and exercise contribute the bulk of government fund in those countries, Ugwu (1998; emphasis added).

In Australia it was noticed that from the onset that the units would lose revenue, once the federal government took control of custom and exercise duties. In USA, Switzerland, Canada and Australia, power to tax income was initially assigned to the federating states, but overtime, due to political and economic factors and pressure, the central government came to participate in taxing income.

However, in Nigeria and USA, both national and state government impose taxes on individuals and corporation in some countries, special bodies are set up or entrusted with the exclusive responsibility of making allocation between the centre and component states. For example, there are common wealth grants commission in Australia, finance commission in India, national Finance council in Malaysia and Revenue Mobilization, Allocation and Fiscal Commission (RMAFC) in Nigeria, presently established in 1989 to periodically review Nigeria's intergovernmental fiscal relations (Ugwu, 1998, Okibe 1999). Thus in Nigeria, the revenue sharing formula has remained as controversial as ever because of its special nature. This is because, according to Oyovbaire (1979) as quoted in Agu, (2004), fiscal federalism had been a recurring issue of political tension in the political history of Nigeria's federalism. The table below shows the historical summary of revenue allocation in Nigeria from 1946 to the present day.

s/n	Commission/committee	Year
1	Philipson	1946
2	Hicks – Philipson	1951
3	Click	1953
4	Rainsman	1958
5	Binus	1964
6	Decree No 15	1967
7	Dina	1968
8	Decree No 13	1970
9	Decree No 9	1971
10	Decree No 66	1975
11	Aboyade	1977
12	Okigbo	1980
13	Decree No 36	1984
14	Danjuma	1989
15	AFRC approval	January, 1990
16	AFRC approval	January, 1992
17	AFRC approval	June, 1992

Source: National Revenue Mobilization, Allocation and Fiscal Commission (NRMAFC) (cited in Agu, 2004 pp 265 – 269).

In addition to the above commissions and panels, there was also the 1999 revenue sharing controversy under president Olusegun Obasanjo and the Presidential executive order of 2002 till date The burning issues in Nigeria, political economy is that the current revenue sharing formula adopted in 1992 is not inequitably and grossly unacceptable, because it has elapse the clamour for resource control by different ethnic group is a clamour for adequate compensation, a cry for justice and redistribution of revenue allocation. Without mincing words, the statutory distribution of revenue from the federation account had always been controversial. This could be evidenced from the fact that none of the formula evolved at various times from the table above by either a commission or decree under different regimes since 1964 had gained general acceptability among the component units of the country (Agu, 2004). Eminent citizens from Delta state also explained their views on the revenue sharing formula explaining that the Niger Delta petroleum is the reason for Northerners current advocacy for a powerful central government controlling all the country's resources and weak client states fully dependent on the centre for survival (Agu, 2004).

An interview with Gary Filman, a former elected governor of Maintaba Canada, revealed that it is absolutely necessary to balance the power, responsibilities and financial resources at the level of government. According to him, Canada after sixty years of confederation eventually transferred the authority for natural resources from the federal government to the provinces or confederation in 1867. As time went on people realized the need to keep resources in the hands of the province (states) and that the states will do a better job of managing this resources (Vanguard Newspaper, March 2001). The former governor of Kebbi state Alhaji Adamu Aliero kicked against true federalism in Nigeria. He argued that the true federalism in Nigeria with greater autonomy given to the state, could lead to Nigeria's disintegration, Guardian Newspaper, June 5, 2001.

Government Bodies in Charge of Sharing Revenue

The Revenue Mobilization Allocation and Fiscal Commission (RMAFC) is a part of the federal executive bodies that occupies a very crucial position in Nigeria responsible for fiscal administration of Nigerian government. The powers of the RMAFC are vested on it by the 3rd schedule of the 1999 constitution of the Federal Republic of Nigeria (FRN). Items 31 and 32. Accordingly, the RMAFC shall,

a. have power to monitor accruals to and disbursement of revenue from the federation account.
b. Review from time to time the revenue allocation formula and principles in operation to ensure conformity with changing realities, provided that any revenue which has been accepted by an act of the National Assembly shall remain in force for period of not less than five years from the date of commencement of the Act.
c. Advise the federal and states government on fiscal efficiency and methods by which their revenue can be increased.
d. Determine the remuneration appropriate for political office holders, Deputy Governors, Ministers, Vice President, commissioners, special advisers, legislators and the holders of the offices mentioned in section 48 and 124 of this constitution and,
e. Discharge such other functions, as are conferred on the commission by this constitution or any Act of the National Assembly.

The above enumerated functions are given to the RMAFC to ensure that the idea of revenue sharing will not be a thorny issue, since the commission must consist of a chairman and one member from each state of the federation the federal capital territory (FCT), Abuja who in the opinion of the president are persons of unquestionable integrity with requisite qualification and experience.

Distribution of Revenue

There are two fundamental components of revenue allocation formula used for disbursement of revenue to the three tiers of government- vertical Allocation formula and horizontal Allocation formula.

1. Vertical Allocation Formula (VAF). This formula portrays the percentage allocated to the three tiers of government, federal, state and local government. As the name implies, this formula is vertically applied to the total volume of revenue in the account of the federation at a particular point in time. The VAF enables all tiers of government to know what is due to it; the federal government on one hand and 36 states and FCT and 774 local government areas on the other hands.
2. Horizontal Allocation Formula(HAF). This is applicable to states and local government only. Providing the basis for sharing of the revenue volume already allocated to the 36 states and 744 local government areas. Through this HAF, the allocation due to each state or local government is determined. Thus it is explicable here that the VAF is for inter-tier sharing between three tiers of government, while the HAF is for sharing among the 36 states and 774 local government areas in Nigeria Oasdom, 2020.

Controversy Over Revenue Sharing Formula Since 1999

There have been several heated debates over the most acceptable amount of revenue to be allocated to the tiers of government that makes Nigeria federation. Many well-meaning Nigerians both from the North and South have expressed their opinions over time. The former governor of Akwa Ibom state Mr. Godswill Akpabio, in 2013 told the revenue review committee to consider an increment of the 13 percent derivation currently allocated to oil producing state for the development of the region. The former Deputy governor of Abia state Mr. Emeka Ananaba recommended a reduction in the federal government (FG) allocation from the federation account from 52.68 percent to 45 percent. While the allocation to the federating state be increased from 26.72 percent to 32 percent and local government increased from 20.60 percent to 23 percent and 13 percent derivation increased from 13 percent to 70 percent on account of the environmental hazards suffered by oil producing states. For Mr. Peter Obi, the Labour Party (LP) Presidential candidate during the 2023 election, there should be 40-40-20 percent revenue allocation formula for federal, state and local government areas respectively. He noted that in a federation anywhere in the globe, the key driver is the state which is the sub-nation. former governor Olusegun Mimiko opined that greater allocation be given to the state, while former governor Umaru Al-makura Tanko of Nasarawa State beat his drum for the large concentration of solid mineral deposit in the state to be considered while reviewing sharing formula (Ishaya, 2014).

It was the position of former Governor of Lagos state and a current President of Nigeria, Ahmed Bola Tinubu that it is utter ridiculous for more than 80 percent of value Added tax which is generated to be spent outside the state which generated it. Mr. Ezeife, a former governorship aspirant opined that state should be allowed to control their resources, this was corroborated by Chief Joseph Evan and Professor Sagay see Guardian Newspaper, March 15th 2000. Again Mohammed Bello the current minister of FCT noted that more fund must be given to FCT to meet its massive developmental needs.

However, critics of the revenue formula have on several occasions been calling for a review of the existing formula. It was recalled that the current formula was designed in 2002 when13 percent of the national income from oil and gas was apparent for the oil producing states (Ishaya, 2014)

The revenue sharing formula in Nigeria further continued to generate formidable controversy up till the administration of former president Oluseugun Obasanjo, during this period, the proposed formula by RMAFC was as follows

Level Of Government	**Percentage**
Federal government	41.3
State government	31
Local government	16

Sources: Revenue Mobilization, Allocation and Fiscal Commission quoted in Business News September 12, 2014 p.6

Following the endemic controversy and protracted arguments that characterized other formulae, this formula did not go well with and highly dissatisfactory to the southern Nigeria governors. Consequently, they requested for the adoption of the formula below for revenue sharing in Nigeria

Level of government	Percentage
Federal government	36
State government	36
Local government	25
FCT	1
Ecology	2
TOTAL	**100**

Sources: Business News Staff September 12, 2014 p.12

In spite of the raging argument, the current vertical Allocation formula (VAF) which is anchored on presidential executive order are presented below.

Level of government	Percentage
Federal government	52.68
State government	26.72
Local government	20.60
Total	**100**

Sources: Business News Staff September 12, 2014 p.6

The above formula is presently in use up till the time of writing this paper. Currently as part its concern about revenue matters the Chairman of RMAFC Mr Mohammed Bello, shortly after the announcement of subsidy removed by former President Mohammadu Buhari but announced by President Bola Tinubu. Mr Bello hailed the initiative. He noted that since January 2022 the NNPC has not been contributing to the federation account.

As at 2004, the approved allocation of revenue (federation account etc) Act of 2004 stated that revenue shall be distributed among the three tiers of government as follows:

Level of government	Percentage
Federal government	56
State government	24
Local government	20
Total	100

Source: Government Revenue Allocation in Nigeria and Sharing Formula May,2020

It should be noted however that any revenue distributed to each level of government is to be effectively utilized by such government. There is a body that ensures that all revenue allocates to states from the federation account are promptly and fully paid into the treasury of each states such body is called Federation Account Allocation Committee (FAAC). It was set up by the allocation of revenue (federation account) Act cap A15 LFN 2004 to deliberate upon and allocate funds from the federation account to the three tiers of government. The committee is composed of the federal Ministry of Finance as Chairman, all state commissioners as members' two persons to be appointment by the president, Accountant General of the Federation, all states Accountant Generals including the permanent secretary of the Federal Ministry of finance or representative as designate by the said minister, the secretary. The major functions of the FAAC is to ensure that allocations made to the states from the federation account are promptly and fully paid into the treasury of each state on the basis and terms prescribed by law. Another body associated with sharing of revenue is the state joint local government account committee. The function of this committee is to ensure that allocation made to the local government from the federation account and the state internally generated revenue (IGR) are promptly paid into the state joint local government account and distributed to the local government according to the provision of the law. It consists of the permanent secretary for the local government affairs as chairman, chairman of each local government areas in the state as member, two persons to be appointed by the governor of the state and the federal pay officer of the state. This committee is set up to ensure equitable distribution of the statutory allocation to local government from the federation account and 10 percent of the IGR of the appropriate governments are shared to the beneficiaries in accordance with the 1999 constitution (see Government Revenue Allocation and Sharing formula, May, 2020). What is germane in democracy and the quest for acceptable revenue sharing is that there is a regulatory body in charge of revenue allocation in Nigeria called RMAFC, government revenue sharing formula across the three tiers of government which has been controversial and the committee in charge of allocating fund from the federation account to the three tiers of government called FAAC.

Theoretical Framework

In order to logically explicate the interface between democracy and the quest for acceptable revenue sharing in Nigeria, we predicate our analysis on the relative deprivation rising expectation and frustration aggression model. It was articulated by Gurr (1970), Dullard, 1937, Berkowitz (1962), Davis and Gurr, (1968) among others. The basic proposition of this theory is that aggression is always a consequence of discontent. This implies that discontent and unhappiness of a sort predisposes men to rebel or go against a given system. The frustration aggression model was first espoused by Dollard and his colleagues in 1939. According to them, the primary source of human capacity for violence appears to be the frustration aggression mechanism. They propounded that anger induced by frustration is a motivating force that disposes man to aggression while frustration is an interference with goal-directed behaviours. According to this theory, relative deprivation is a form of frustration thus Gurr (1939), in series of studies culminating in a book, entitled “Why Man Rebel” argued that relative deprivation is a necessary condition for violence and controversy. Relative deprivation according to Gurr (1939) is a perceived discrepancy between men's value expectation and their value capabilities, value expectation are goods and condition of life to which people believe they are rightfully entitled to, while value capabilities are the goods and condition they think they are capable of attaining and maintaining, given the social means available to them. He also suggests some variables that affect the intensity of emotional response to the perception of deprivation (Okanya, 1999). Thus to resolve this problem in the state, it becomes the role of the state. In the description of Thomas Hobbes, life in the state of nature was brutish, nasty and short. Thus it becomes the role of the state and its institution to regulate the excesses of individuals. The state therefore become a means of taking violence out of the hands of individuals and group. This is in accordance with Max Weber’s argument that the state has the monopoly of the legitimate use of force (Johari, 2009, Okanya 1999).

According to this theory, four intervening variables may condition the perception of deprivation which are the legitimacy of the political regime in which the violence occur, the coercive potentials of the regime, institution and social structures. It further implies that relative deprivation or violence depends on the legitimacy of the regime or administration, the coercion or force to quell violence and the strength of political institution, Davis (1972), attributed the outbreak of violence to the frustration that results from a short term decline in achievement following a long term increase that generates expectation.

The relationship between democracy and the quest for acceptable revenue sharing formula is that the state from Southern Nigeria especially the South-South region are relatively deprived of their value expectation which is a viable and acceptable revenue sharing formula. They thus become frustrated and resort to violence to register their grievances since anger induced by frustration is a motivating force that predisposes men to violence. As the theory posited The military administration of Late Sani Abacha increased the tempo for the agitation for resource control because of its high- handedness in approaching the oil producing states who felt that they have been marginalized and deprived. Thus during this period there was the use of extreme force by the Abacha military junta to quell the situation. For example, the Ogoni debacle was a product of the insensitivity of the previous administration to the problems of the oil producing areas. (Anugwom, 2004). Thus the major reason why major oil producing state in Nigeria is at loggerhead with government is frustration and this leads to aggression due to the fact that the regions are relatively deprived. This justifies the use of this theory of relative deprivation, rising expectation and frustration aggression model.

Moreover, the acute environmental problems of the oil prospecting industry which has done more in calculable harm to the Ogoni environment in the South-South region has not received adequate attention from either the government or the oil companies themselves to this day (Anugwon, 2004). The long year of neglect and failure of previous development agencies to tackle the deprivation among the people has compounded the problem, (Ugochukwu, 2004). Thus the value expectation of the South-South region is that since the advent of oil that are generating more than 90% of Nigeria foreign exchange earnings and 80% of federal government revenue while the value capabilities represented by the present revenue sharing formula is unsatisfactory to them. Since the people are relatively deprived they cried intermittently but federal government is not helping matters. This was manifested in 1995 when the Ogoni four were killed and later led to the killing of 9 people in Ogoniland including Ken Saro Wiwa (Ugochukwu, 2004).

Findings

Up till now the quest for an acceptable revenue sharing formula continued to rear its ugly head because of the insincerity of the federal government towards the matter. After all, the commission set to review revenue formula out of the above principle set by the commission, the principle of derivation has been the most continuous the principle simply posits that "if any mineral in any state is exploited, its yield revenue shall be retained (given back) to that state on the principle of derivation, while the rest will be accrued to the federal account to be enjoyed by all the federating units" cited in Ugwuozor, 2009, p334). The above principle was championed and recommended by Philipson 1964, Hick/Philipson, and Rainsman commission of 1958 as basis for sharing the nation's revenue. it continued after independence in line with federalist and democratic spirit. This principle provided a considerable financial autonomy to the federating units but General Gowon who claimed to pursue a strong centre swept the principle under the carpet. We regard this action of General Gowon as not only unjust but oppressive, tyrannical brutish and gross abuse of power. In order to use northern hegemony to dominate, intimidate and harrass other federating units. After all, Gowon was not the right person to paddle the canoe of country after the gruesome killing of Major General Thomas Umunna Aguiyi- Ironsi by the northern military junta, but because Brigadier Ogundipe a Yoruba most senior military officer, took to his heels. This issues of northern dominance and hegemony has been negatively affecting our revenues haring formula to this day. The unanswered question is would the north and to some extent the south west have discarded the derivation principle if substantial oil was discovered in their geopolitical zone. They disregarded it because their area especially the north has no oil and oil exist in the south-south the north wants a strong central government. And the south-south is taking advantage of oil in their area to demand larger share of the revenue.

Conclusion

Nigeria as a democratic state in principle it is the sixth largest producer of crude oil and its export account for more than 90 percent of the country's foreign exchange. The formula for the sharing of oil revenue as we noted here has generated heated arguments and debate. The debate is mostly anchored on what will favour each part of the country, the north argues in its favour while the south especially the oil producing states expects the sharing formula to favour her because oil come from that region. No part of the country is considering a favorable formula for the entire country. This inability to arrive at consensus in the revenue sharing formula is traceable to greed and the fear of losing grip of the central government. The essence of democracy is to carry the people along Jeremy Bentham and J.S Mill the utilitarian philosophers and well known exponent of government postulated that the primary purpose of government is to provide the great happiness for the greatest number of people. We equally discovered that the president directly or indirectly influences the final decision of the RMAFC this is not a credible practice. The north should stop having the believe that without the south, especially the oil producing states that they will not survive. This is an error since the oil producing states are not their God, they should think of how to contribute to the wealth of our nation. The south should realize that God is the giver of resources and see the north as their brothers since to quote Sir Ahmdu Bello, the 1914 mistake has been made by Sir Fedrick Lugard who amalgamated the country through administrative fiat rather than mutual agreement. The south especially the oil producing states who continue to clamour for upward review of the revenue allocation are not effectively utilizing the ones given to them. The governors have become demi-gods in their states. We don’t want to mention some states in the South-South whose people are living below abject poverty level. Some of the governors have established universities and fixed the school fees at N200,000, (two hundred thousand naira) what then is the essence of government. Some governors in the same geopolitical zone have also unreasonably increase the transport fare of their various state transport companies with more than 300 percent. They have become heartless and grossly unsympathetic.

The country is in dire need of visionary leaders like former president Umaru Musa Yar’dua and former president Olusegun Obasanjo we mention the former here because of the tactful manners be handled the country during his administration.

Recommendations

Having reached the above conclusion, we here by recommended as follows

- The argument on how to arrive at a favourable revenue sharing formula must be based on the meeting the nation’s socio-economic needs rather than focusing on the interest of a particular geographical region.
- The federal government should stop focusing her tentacle only on distributive but productive politics. They should think of what to do to increase the revenue

of the country or at least provide enabling environment for the increase of the wealth of our nation which is the essence of political economy.

- Division of the country is not the only solution to Nigeria hydra-headed calamities, rather the federal government should through the RMAFC increase the percentage of revenue accruing to the oil producing states in the south on account of the heavy and almost irreversible ecological damages suffered by these states.
- In as much as we recommend that the federal government should review the allocation to oil producing states upward; the governors must renew and restructure their minds to make sure that money allocated to their states are judiciously utilized.

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