

Principles, Concepts and Perspectives of Fiscal Federalism: A Comparative Analysis of Selected Countries

by

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Abstract

This study is a comparative analysis of fiscal federalism as practised in other countries with the practice in Nigeria. Different aspects of fiscal federalism are depicted which focus on the vertical intergovernmental fiscal relations although some aspects of the horizontal relationship are highlighted. The motivation for the study is derived from the contrast in developmental strides in other countries practising fiscal federalism and compared to that of Nigeria. Nigeria seems to be doldrums. The practise of fiscal federalism in Nigeria does not seem to create necessary incentive to drive competition and innovation such that the country could attain greater height in the nearest future. There is so much of apathy, laziness, nepotism and conscious imbalance in the present practise of fiscal federalism in Nigeria and there is the need to restructure the system to suit the present-day circumstances. The major recommendation is that fiscal federalism as adopted in a country like the United States of America should be pursued and give the local communities the leading role in the management of resources within their domain and that resources from other states be explored and exploited to the benefit of all now. In conclusion, since Nigeria is a multi-ethnic, multi-lingual and multi-religious and cultural society, the country should not be administered in a highly centralised structure but power devolution to the sub-tiers of government be initiated.

Key Words: Principles, Concepts, Fiscal Federalism: A Comparative Analysis.