



The Role of Institution Building in Development Administration In Nigeria

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Abstract. Institution building is a vital necessity for the sustenance of good governance and socio-economic growth and development. This is because institutions serve as viable channels through which the citizens express their expectations or dissatisfactions on any national issue. Moreover, they serve as effective means to establish political accountability; yet within the process of institutional development, there should be balanced development of the intuitions so that no particular institution becomes more powerful over other institutions. However, in recent years, in Nigeria there is a challenge of eroded institutions that has ultimately continued to grapple with emergent socio-economic and political challenges. This paper examines institution building as a strategy for sustainable growth and development in Nigeria, the objective is to explore the meaning of institution building and its role in achieving the desired national development and to identify the challenges militating against institution building in Nigeria. Findings from the study show that Nigeria's institutions are generally weak and dysfunctional; persistently incapable of delivering on broad national goal of promoting growth and development. If we are to build institutions that will raise the quality of life of Nigerians, there should be policies that would result in institution building, that regulate the conduct of all in respect of institutional change and economic performance. The paper recommends that there must be political will towards implementing sound governmental policies and strengthening institutions that would make the citizens to have confidence in the leadership for stable political systems that would ensure economic prosperity and national security.

Keywords: Development Administration, Institution Building, Political Systems, Sustainable Growth, Nigeria.

1. Introduction

Institution building is a vital precondition for any social, economic and political growth and development which are critical and essential to any nation. It is one of the aspects of development administration which as a constituent factor for economic development, contributes to development actions that are often utilized to bring about change. It is primarily intended for developing countries that have decided to be transformed through modernization, whose superseding goals are tilted towards socio-economic progress and nation building. A country is classified as developed when she is able to provide qualitative life for her citizenry. Nigeria since independence has been faced with the problems of development in spite of abundant human, and natural resources she is endowed with. The country has been experiencing difficulty in adapting to social and economic changes arising from new social order associated with, economic, social and political challenges such as population increase, stumpy capital formations, slow ability to acclimatize with modern technology due to inconsistent policies; over-dependence on foreign 'aid' and deficient political and bureaucratic policy-making institutions and other myriads of security challenges (Okwuchukwu, 2011). Government is primarily responsible for setting the stage for achieving development administration through strong governmental institutions for making effective policies for capacity building by acquiring new skills,

attitudes, behaviours that are most often driven by public sector institutions (Olaopa, 2019). Although public sector institutions in Nigeria basically have responsibility for ensuring effective development administration, the symptoms of failure are easily noticeable as the causal factors for poor public sector performance because most public institutions in the country tend to be weak due to lack of capacity for institution building. Against this background, this paper seeks to examine the problems affecting national development as well as strategies for achieving development administration with particular reference to the roles of institution building as a strategy for sustainable growth and development in Nigeria.

2. Literature Review

2.1 Conceptualizations

Huntington (1965) defined institutions as the stable, valued, recurring patterns of behaviour which can be referred to as the mechanisms which govern behaviour of a set of individuals within a given community. Institutions are often identified with social purposes transcending individuals and intentions by mediating the rules that govern the living. Hodgson (2009) stated that institutions are integrated system of rules that structure social interactions. From a disciplinary perspective, institutions are principal object of study in social sciences such as political science, anthropology, economics and sociology. For example, Durkhiem (1968) explained that institution is the science of institutions, their genesis and functions and that it is central to law and a formal mechanism for political rule making and enforcements. An institution is a social structure in which people cooperate and influence the behaviour of people and the way they live. The most generally agreed definition of institutions is provided by North (1990) who states that 'Institutions are the rules of the game of a society, institutions structure incentives in human exchange, whether political, social, or economic which may take any form of constraint that human beings devise to shape human interaction.' Institutions are made up of formal rules instituted by people such as statute law, common law, and regulations; informal constraints such as conventions, norms of behaviour and self-imposed codes of conduct; and the enforcement characteristics of both. They are generated from socially transmitted information and imposed by people upon themselves in order to structure their relationships with each other. Finally, there is the enforcement mechanisms which are integral part of the institutional framework

of a society and can function fully, marginally, or not function at all – institutions are ineffective when they are not enforced. According to Yeager (1998), the major role of institutions is to reduce uncertainty by establishing a stable but not necessarily efficient structure to human interaction and points out that both formal and informal institutions are evolving and changing, thereby continually altering the choices available to man

2.2 Institution Building

There are various terms used to describe institution building. One of the many features of development administration is institution building and as an element of economic development, it leads to development actions which brings about change in the society; and describes the concept of institutional building as it relates to development. The phrases often used include: 'civil service reform', 'institutional development', 'capacity building', 'institutional strengthening', etc.' Although these terminologies are widely used, they are yet ambiguous; there is need to ensure common interpretation for better explanation that will bring about broad understanding of the matter under consideration in this essay so it will be worthy to define institution building in a way that will guarantee uniformity in meaning and application.

Institution building is an approach of the developmental process which relies on the notion of 'social engineering' which underlines leadership role of bureaucrats that ensures the success of that process and the approaches available to them. It could also be described as a set of activities that supports organization building or organizational efficiency and other activities meant to change the method through which the society is regulated. However, the weaknesses of political, legal and administrative institutions tend to hamper the process immensely (Okwuchukwu, 2011). The political aspects of institution building entail the creation of a system that focuses on organization-influenced change toward progressive political, economic and social objectives.

Esman & Bruhns (1965) observed that institution building is an approach of the development administration processes which rely heavily on the concept of social engineering which stresses the leadership functions of elite groups within that process and the alternative action/strategies available to them. Institution building implies programmes of sustainable and constructive change in organizations which are designed to make them better at doing

what they already do, and more efficient; or which are designed to change the character of societies by transforming their goals and strategies, cultures, ways of functioning, management styles and so on (Habib, 1980). A level of self-sufficiency which enables organizations to manage their own affairs effectively, equitably and efficiently in the interests of development through the process of institution building to help governments to interpret and define the philosophies behind human development (UNDP, 1993). Institution building must be in harmony with local customs and practices which is built upon to complement what is already known and accepted by the society. It also entails the formulation of policies that strengthen and manage the resources needed for the realization of suitable programmes and projects.

Institution building most often takes account of what could be referred to as the imperatives of effective organization which include: clearly articulated missions, goals, strategies and main function which entails arranging functions into logical groups for the attainment of organizational objectives; methods of coordination and control adapted to the circumstances of the organization; the delegation of sufficient authority to enable managers or groups to exercise direct control over their areas of responsibility and clearly defined roles and relationships; the institutionalization of planning and communication at all levels; strong connections between performance and reward; credible transformational leadership capable of setting directions, motivating and inspiring employees and colleagues, and creating an organization culture which places high value on productivity (Blunt, 1990).

In practice, most development administration practitioners are now more concerned with improving on what exists rather than building from scratch. Institution building and development administration are used interchangeably being that they attempt to improve the functioning of societies by creating, strengthening or changing the way people relate to one another in the context of public action and public activities.

Effective institution building may sometimes involve changing relationships among important actors without apparently changing the formal organizational context of regular informal interaction between different groups of public servants involved in economic policy-making (Schiavo-campo, 1994). The term is used to refer to attempts to improve the functioning of societies by creating, strengthening or changing institutional framework, the main thrust of

institution building is the strengthening of institutional and human resource capacities of governments for the achievement of national development objectives and the internationally agreed development agenda for sustainable development by assisting countries in transforming public administration institutions into effective, efficient, transparent, accountable, innovative and citizen-oriented ones to accomplish missions of the State including delivery of services and sustainable development goals and targets; promoting the development of public sector human resource leadership capacities, professionalism and ethical conduct that fosters commitment to public service among the civil servants (Israel, 1987).

Changes in institutions occur incrementally since it is a consequence of the imbedded nature of informal constraints in societies. While the change in formal rules as a result of political or judicial decisions may occur so fast; “informal constraints embodied in customs, traditions, and codes of conduct are much more impervious to deliberate policies (Blunt & Collins, 1994). These cultural constraints represent the link between the past and the future and provide “the key to explaining the path of historical change.” Therefore, it is a representation of the complex interaction between the State as a designer of formal rules and the society as being bounded by its informal constraints where the actors or players –groups of individuals are bound by a common purpose to achieve objectives while institutions are the rules of the game of a society. These players can be “political bodies (political parties, the senate, a city council, a regulatory agency); economic bodies (firms, trade unions, family farms, cooperatives); social bodies (churches, clubs, athletic associations); and educational bodies (schools, universities, vocational training centres) (Blunt & Collins, 1994).

2.3 Development Administration

The concept of development is not new but still it is in an incipient stage. Since civilization it has been growing in scope and substance, and the present nature of development greatly differs from that of the early period. Serious attempts have been made by scholars of different disciplines particularly after the Second World War to define the concept of development (Luke, 1986). The concept of development administration has two major aspects. One aspect of it refers to 'development of administration'. This means to develop administration. It involves strengthening and improving administrative capabilities as a mean for achieving development goals. Administration of

development has a key role in implementing the development programmes, projects and policies. This may involve raising the standards of education, transforming social systems, improving public health, raising national income, stabilizing political system, conserving national resources, improving communication system, constructing dams, power plants and undertaking many other developmental tasks of national importance.

These are two sides of one coin. Riggs (2015) said that administration can be improved by changes on environmental constraints that hamper its effectiveness and with the strengthening of development programmes. Unless the administrative effectiveness of government is increased, the developmental objectives which a developing country may aspire for fulfillment cannot be achieved. The field of development administration covers both aspects first, the development of administration and second is administration of development. Development of administration concerns the nature of administrative capacity for development and methods of improving and increasing it. Administration of development concerns the organization and management of various, development efforts (Braibanti, 1969).

Fainsod (1962) defined development administration as a carrier of innovating values involving the establishment and allocating resources to expand national income. It involves the organization of new planning and development agencies; the reorientation of existing nation-building agencies; and the creation of an administrative cadre to provide leadership in stimulating and supporting developmental programmes which can only be achieved through the mechanism of institution building as a major component of economic development. (Habib, 1980).

Development administration is concerned with increasing and improving the capabilities of the administrative system. If the developmental goals are to be carried out successfully with efficiency and effectiveness; there is need to increase the capacity of those involved in developmental tasks. Development administration has to perform the functions of improving the education of, and imparting training to, the personnel engaged in developmental goals (Sapru, 2002). Although policy making, planning and budgeting are advisory functions of development administrators, yet they constitute a significant part of efforts to enhance administrative capacity for development. Administrative capability also involves the use of modern management techniques and other ways and means to identify individual objectives with developmental goals. Improving and enhancing the

administrative capabilities are directly related to achieving developmental goals. Katz says that to achieve development objectives, administrative capability for development is required which has the capacity to mobilize, allocate and combine the activities. According to Katz "Administrative capability for development involves the ability to mobilize, allocate and combine the actions that are technically needed to achieve development objectives (Swerdlow, 1963).

Development administration concerns the administration of development which is further simplistically referred to as administering development. This is identified with organizational development - government departments, public enterprises, regulatory agencies, public corporations, cooperative institutions, etc. The government machinery is responsible for achieving the broader socio-economic and political goals. Precisely, development administration has two main functions, one relates to realizing development goals and objectives and second is to improving and enhancing capabilities of those involved in development goals and objectives. Based on the foregoing, it is safe to say that development administration is therefore about projects, programmes, policies and ideas which are focused at development of a nation, with emphasis on socio-economic and political development of society in general carried out by talented and skilled bureaucrats (Chandler & Plano, 1982).

3. The Role of Institution Building in Development Administration

Joseph Easten hypothesizes that "resident and entrenched leadership can easily command resources for a new programme and develop strong enabling linkages with other institutions in the society than absentee and changing bad leadership. The institution must have to relate with its environment to ensure survival and appropriate growth. An effective adjustment between organizational needs and environmental norms and values must be made and the leadership must claim and establish the legitimacy of the organization. Because institution-building is essentially a group process, leadership is one of its important elements. The critical role of formulating the doctrines and programmes as well as defining the set of values to which the organization attaches itself rests on leadership. Leadership is the process by which one member of a group influences other members of the group towards the attainment of specific group goals. It is the ability to lead others with the aim of bringing about change in an

organization (Carlson, 1998). Esman (1967) believes that leadership is critical to institution-building because induced-change process requires intensive, skillful and committed management of both the internal and environmental relationships. Besides the conviction that the set goal is achievable, Tang (2005) suggests that there are four important ingredients or set of skills necessary for effective leadership in institution-building which are: optimism - the belief that the ultimate goal is attainable; devotion- willingness to pursue the goal relentlessly; pragmatism - setting time lines and deadlines for achieving and reaching the goals before the deadlines; and skill- possessing the intellectual and technical capacity for understanding every issue relevant to realizing the set goals. Leadership, therefore, is akin to a bow which drives guides and gives direction to an arrow to help it reach its target. In this regard, what Nigeria needs is not only a strong leader, but one with the right mix of vision, intellect, commitment, etc. to initiate, drive and champion the reform process that will position the country to the desired nation building path.

The place of institutions in economic performance and nation building in general is easy to assume that all agree on or understand its primacy of place in quest for human progress. Though scholars and thinkers are moving towards consensus on the importance of institutions for human advancement, there have been several writings that emphasized how important institutions are for progress. They include Daron Acemoglu and James Robinson's *Why Nations Fail*; Neil Ferguson's *Civilization – the West and the Rest*; Raghuram Rajan and Luigi Zingales' *Saving Capitalism from the Capitalists*; Hernando De Soto's *The Mystery of Capital*; and the groundbreaking book by the Nobel Laureate Douglas North - *Institutions, Institutional change and Economic Performance*.

These books generally emphasized the importance of institutions; policy choices, institutions, human capital, entrepreneurship, culture - value system and leadership. We need to bring institutions and culture which is shaped by leadership with focuses on institutions and think less of values as a factor in making economic progress happen.

A development administration explanation for the function of institutions and their linkage to governance suggest that they evolve functionally within societies to address checks and balances and comparative advantage issues. Contemporary attitudes and beliefs about institutions and the role that they play constrain centralization of authority in the sense that national government becomes deterred

just as predictably, informal bodies exert their influence when decentralization provides better approaches to solving societal problems. Governance cannot be said to be in place if the people do not identify with the state, if the system continues to be alien to the cultural norms, corruption in its behaviour fails to guarantee the people's security and does not influence the economic activities of the people in a positive way. The system must recognize the importance of local institutions and realize that institution building cannot take place without taking the super institution of the state into consideration; e.g., high rates of population increases with capital formation remaining correspondingly low, difficulties in adapting advanced technology; problems of launching an agrarian and industrial revolution due to lack of coherent policies; heavy dependence on foreign 'aid' and lack of balance between political policy-making institutions and bureaucratic policy implementing structures have caused tremendous obstacles to development.

Economic development as a determining variable in the process of modernization is largely dependent "on the intellectual and political aspects of the process, the growth in knowledge and the ability of political leaders to mobilize resources in transitional societies however the weakness of political, legal and administrative institutions, 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) 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 (Johnston 1998).

In the Nigerian context, the formal structures of government in Nigeria have increasingly become a fiction in governance. According to Olowu & Erero (1997), the services they provide have declined sharply in quality and quantity, which inadvertently has given rise to the development of alternative institutional structures for providing essential services; empirical studies have shown that highly centralized states are expensive to run, cumbersome, inflexible and are subjected to being abused (Esman, 1991). Governance must be rooted in functioning local, participatory self-governance institutions (Wunsch, 2004).

There is in no doubt that governments have not been doing well politically and economically but that emphasis should now be shifted to the growth of civil societies, public ownership of political institutions,

mobilization of talents and resources into constructive patterns and countervailing power vis-à-vis national institutions. This new re-awakening is undoubtedly a reaction to years of frustrating experience with highly centralized national governments; any explanation that can be given for the continuing malaise of governance in our societies is the choice of their policies and the strategies employed in pursuing them. These policies include centralization (Olowu, 1995), central control of resources both fiscal and jurisdictional (Gboyega, 2003); turbulent economic and policy environment which have undermined local institutions (Olowu & Wunsch, 1995, 1996); leadership impunity to the laws of the land as if they are unchangeable and the absence of complimentary reforms in the legal systems (Ayee, 1997). According to Wunsch (2004), governments tried to develop policy and deliver services. States must share their powers of governance with regional and self-governing communities and there should exist a jurisdictional integrity that recognizes the political and legal competence of a unit of government to operate within a spatial and functional capacity where the citizens should be able to give consent and pass judgment on the exercise of authority over that governmental entity. There should be the transfer of responsibilities and resources from the central government to local entities and the development of networks between governments at all levels (Mukoro 2017). One of the many aspects of development administration is institution building as a component of economic development (Mutahaba, 1989). Weak institutions must be combated for the love of the next generation. To fail to build institutions that support growth and stability is to betray the mission of this generation. If institutions are to be involve in nation building, among the critical areas for institutions to be built or invigorated are in education, law and order, financial markets, communication and land reforms (Utomi, 2020).

4. The Importance of Institutions in Development Administration

Empirical analyses provide strong support for the overwhelming importance of institutions in predicting the level of development in countries around the world (Ferrini, 2012). Acemoglu, Johnson & Robinson, (2001) state that protection of property rights, effective law enforcement, and efficient bureaucracies, together with a broad range of norms and civic values are found to be strongly correlated to better economic performance. Institutions support economic development through four broad channels: determining the costs of economic transactions,

determining the degree of appropriateness of return on investment, determining the level for oppression and expropriation, and determining the degree to which the environment is conducive to cooperation and increased social capital. North (1990) opined that institutions are the rules of the game in a society, the humanly devised constraints that shape human interaction. They structure incentives in human exchange, whether political, social or economic. Institutions comprise, for example, contracts and contract enforcement, protection of property rights, the rule of law, government bureaucracies, financial markets. They also, however, include habits and beliefs, norms, social cleavages and traditions in education (Hall & Jones, 1999).

Formal institutions typically tend to be the crystallization of informal institutions (North, 1990). As social norms in the realms of gender, class and caste, for example, determine rules of political participation and representation, methods of economic exchange, and inclusion of different groups in society (Pateman, 1988). Rodrik, Subramanian & Trebbi (2002) assess the relative importance of institutions, geography and integration (trade) in determining the differences in incomes between the world's most developed countries and the poorest ones. They find that institutional determinants surpassed all others. It is not a new intuition that is responsible for the prospering of economic activity but it is institutions that matter. Adam Smith had noted the importance of a justice system, private property rights, and the rule of law in his text called - *The Wealth of Nations*. Aron (2000) surveys the studies which correlate indices of development to institutional ones and showed a positive correlation with property rights and enforcement, with civil liberties, others with political rights and democracy, with institutions for cooperation (e.g., clubs and associations), and find a negative correlation of development with political instability. On a general note, institutions appear so important to economic development in the following aspects according to empirical studies:

- Institutions conducive to economic development reduce the costs of economic activity. The costs include transaction costs such as search and information costs, bargaining and decision costs, policing and enforcement costs (Coase, 1992, Dahlman, 1979).
- Institutions lower transaction costs by providing common legal frameworks (e.g., contracts and contract enforcement, commercial norms and rules) and encourage

trust by providing policing and justice systems for the adherence to common laws and regulations (Shirley, 2003).

- Institutions increase the security that the risk of incurring in an economic transaction is matched by the full appropriation of its eventual benefits. This includes the presence of individual private property rights. If property is protected, individuals are more willing to invest and to incur sunk costs (Grief 1993). This, according to Pande & Udry (2005) increases output and thus is conducive to economic development (Bates, 2001). Thus, property rights are by no means sufficient to spur economic growth, and must be balanced by institutions which limit the extractive capacity of state power. These typically involve independent parliaments and judiciaries. Democratic institutions of political representation strongly contribute to this process (Rodrik, 2000).
- Institutions determine the extent to which those in power are able to expropriate the economy's resources to their private advantage. Unequal institutions strongly limit development by reducing the capacity of individuals to access resources, expand production and increase their incomes. Institutions which benefit elites and allow their appropriation of resources and products have perpetuated underdevelopment. (World Bank, 2008, & Myrdal, 1992). Greater equality and functional economic institutions are also seen as the cause for the successful development while high inequality has concentrated power in the hands of restricted elite, and governments have failed to adequately invest in infrastructure and public welfare (UNFAO, 2006).
- Similarly, institutional capacity to exploit domestic primary resources is indicated as the key to the success of Botswana and Mauritius in comparison to other developing countries for which primary resources have turned into a curse, i.e., Sierra Leone (diamonds), Angola, Equatorial Guinea and Nigeria (oil) (Birdsall, et al., 2005).
- Institutions have effects which lie deep in the socio-economic fabric of societies. (Banerjee & Duflo, 2011). Institutions which are conducive to development ensure greater self-expression, allow the free flow of information and encourage the formation of associations and clubs. These form

prosperous social relationships, which are conducive to greater economic interaction by increasing levels of trust and wider availability of information (Putnam, 1993) and allow greater sharing of resources through democratic institutions and the use of the state to reduce the risk attached to economic activity (Bardhan, 2006).

- Institutions often pool resources to limit the negative effects of business cycles on incomes and unemployment. Institutions conducive to development pool resources to provide the investments in education, health and infrastructure which lie at the basis of economic interaction and are necessary and complementary to private investment.
- Informal institutions lie at the basis of an economy. They include public agencies, trade unions, community structures and professional associations. They make up the fabric which determines the response to laws and government decisions. Most often they shape these outcomes themselves.
- Institutions matter a great deal in determining the level of economic development of a country. Indicators such as degree of protection of property rights, the rule of law, and civic liberties are strongly correlated to economic performance. Institutions are so important for economic development and it has identified four broad channels through which the correlation can be explained.
- Institutions determine the costs of economic transactions: they spur development in the form of contracts and contract enforcement, common commercial codes, and increased availability of information, all of which reduce the costs of transactions, risk, and uncertainty.
- Institutions determine the degree of appropriability of return to investment: protection of property rights and the rule of law spur investment and thus increase incomes.
- Institutions also determine the scope for oppression and expropriation of resources by elites: unequal institutions which allow the dominance of powerful elites over economic exchange strongly limit development, as can be seen in the case of many ex-colonial countries.
- Institutions strongly affect the economic development of countries and act in society at all levels by determining the frameworks in which economic exchange occurs. They

determine the volume of interactions available, the benefits from economic exchange and the form which they can take.

- Lastly, institutions determine the degree to which the environment is conducive to cooperation and increased social capital; inclusive and participatory institutions increase the flow of information and the extent to which resources can be pooled to reduce risk and ensure sustained levels of wealth. High quality institutions today are rooted in greater equality, political competition and cooperative norms in the distant past.

5. Institution Building and Development Administration in Nigeria

Some of the most critical challenges to development administration in Nigeria include entrenched poverty and unemployment, conflict, hunger, and diseases. If the country must achieve meaningful national development, there is need to build strong institution for service delivery, government efficiency, and strong policy and programme implementation capacity in order to achieve meaningful public sustainability. Our infrastructural development, maintenance and delivery of other state services need viable and functional institutions. All governmental institutions should aim to attract and maintain a talent pool and dedicated workforce that would drive development and should be independence and autonomous of government interference so that they should be able to perform and deliver services without fear or favour (Skelcher, 2005).

The civil service as an institution should serve as a catalyst that drives national development; not only the execution of government programmes but also policy formulation and implementation and researches aimed at actualizing government vision, mission and objectives. There should be no frequent and constant change in policy. Leaders should avoid policy inconsistency and discontinuing of the policy of their predecessors. Policy inconsistency is one of the major setbacks to achieve any enduring meaningful development. When a person assumes an office the first thing, they do is to rubbish the policy or programme initiated by their predecessor and introduce new and often ill-conceived policies that are not realistic before the end of their tenure.

The dismal underdevelopment the country is experiencing can be attributed to the lopsided and visionless plan of our previous leaders. There is lack of consistency in our programme and public policy

that is why any incoming administration or government tend to discredit their predecessors before even sitting down to plan their own programmes. Governance should be seen as a continuous process so there should be consistency in any ongoing project of statehood by investing substantial part of our nation's wealth in strong institutions and training and retraining of our workforce because every nation's strength is in her workforce.

“What Africa needs are strong institutions not Strong men” – Former US President Barack Obama in Accra on his maiden visit to Africa as President. “There is a monstrous relationship between the government and the citizen whereby the government is more powerful than the citizen...” (Adewale 2012). The absence of institutions, strong men dominate, and the effect of their dominance is weakened rule of law and elevated uncertainty levels (Utomi, 2020).

Institutions have and follow rules, strong men have friends and follow whims that make decision making problematic and often results in either the avoidance of economic engagement or the high cost of hedging against undesired outcomes which often results in poor economic performance and create a class of people who are so left out and feel they have nothing to lose such that with no stake in the social order are inimical to the country. It is therefore imperative to recognize that institutions matter and concentrate on more problematic issue about how societies need strong institutions. Bearing in mind that many public institutions in Nigeria have floundered of which every citizen must be concern is how enduring institutions are able to function. When costs are placed on conduct outside agreed range of behavior and the rule of law ensures that they are followed, it is easier to anticipate transaction engagement. Where boundaries and consequences for conduct outside those boundaries are unclear, for example in the country of the big man might tend to be right rather than the rules. (Utomi 2020)

6. Development Administration Institutions in Nigeria

These institutions are the ministries, departments, agencies and corporations, local authorities, any business or undertakings entrusted by the government and any company registered or deemed to be registered under the companies Act No.7 of 2007 in which the government holds more than fifty percent (50%) of the shares. These institutions perform administrative functions; e.g., the civil service as government institution functions as an administrative machinery to formulate and implement government

policies and programmes while other are political in structure but work in synergy with the other institutions for the purpose of achieving political objectives of government e.g., the political parties, INEC, the executive and the legislature (national and state assemblies) perform political functions. Others yet perform economic functions; e.g., the Central Bank. Some of the institutions in Nigeria are highlighted below:

- Central Bank of Nigeria
- Civil Society Legislative Advocacy Centre
- Code of Conduct Bureau
- Federal Ministry of Finance
- Federal Ministry of Justice
- Independent Corrupt Practice and other related Offences Commission (ICPC).
- Independent National Electoral Commission
- National Agency for food, Drug, Administration and Control NAFDAC.
- National drug Law Enforcement Agency (NDLEA).
- National Pension Commission
- National Planning Commission
- National Population Commission of Nigeria
- Nigeria Customs Service
- Nigerian Communications Commission
- Nigerian Electricity Regulatory Commission
- Nigerian Stock Exchange
- Petroleum Products Pricing Regulatory Agency
- Securities and Exchange Commission
- Standards Organization of Nigeria
- The Independent National Electoral Commission (INEC)
- The Legislature (National Assembly)
- The Nigeria Immigration Service
- The State House, Abuja

7. The Challenges of Institution-Building in Nigeria

There are several challenges to institution-building in Nigeria (Esman, 1967). These factors are inter-related and complementary in their effects; and together act as obstacles to the effective functioning of public institutions on the one hand, and attempts at strengthening them and improving their effectiveness on the other (Tang, 2005). They include:

7.1 Elite Resistance

The Nigerian elite could be described as a rent-seeking group of people that seek to control and influence political and economic institutions for personal gains. Any change in the existing

institutional set up is likely to unfavorably affect the rents earned by the elite (Manjumbar & Mukand, 2004). This is why the elites have insistently and clandestinely resisted the existence of strong institutions in Nigeria. Their monopoly is not just on economic institutions; they have also infested the political, judicial and law enforcement institutions in order to consolidate their positions to protect themselves against any possible repercussion. The elites are not only powerful, but everywhere with different nomenclatures such as ‘cabal’ or ‘vested interest groups’ in virtually all critical sectors of the Nigerian polity and economy (Manjumbar & Mukand, 2004).

7.2 Conflict of Interests

A major discernible obstacle to institution-building is the existence of actor-goals. This refers to conflicts between the objectives of individual actors involved in an organization and those of the organization as a whole. Often, individuals who run and operate national institutions in Nigeria pursue personal goals that are conflicting with those of the corporate entity. Such contrasting circumstances produce two adverse effects: it prevents optimal performance of the organization; and provokes an internal rivalry towards strengthening the institutions. Opportunities for personal material gains create incentive for institutional actors (leaders and operators) to establish themselves while weakening the institutions. Institutions, therefore, remain compromised from within (Gambari, 2008).

7.3 Lack of Political Will

Institution-building requires for its take-off, continuity and success, the intention and commitment of those who are vested with the statutory authority to control and run the organizations; i.e., those responsible for governance. These include political heads, such as Directors-General (DGs), members of the board, ministers and commissioners, etc. whose tenures are most often short and because, institution-building is a long-term activity, it is unpleasant to them because they are more interested in short-term and more financially rewarding activities such as project conception, design and execution; which offer greater opportunity for personal enrichment than focusing on strengthening the institutions. For example, members of the National and State Assemblies are usually more interested in constituency projects and other similar matters than sponsoring motions or bills that have bearing to improve legislative performance, DGs and other heads of MDAs tend to show greater interest in

contract awards than in designing and implementing training programmes for capacity building of staff (Carlson, 1998).

7.4 Constitutional Rigidities

The Constitution of Nigeria is the supreme law of the country. The enabling laws for all institutions are derived directly or indirectly from the Constitution therefore, an amendment of the enabling laws or the Constitution itself is often required before any changes like restructuring, re-organization etc. can be made to most institutions. However, the process and procedures for amending the constitution is very rigid and difficult. Nigerian lawmakers as a group seem not to be patriotic, they rarely act to promote national objectives. So being an elite group, the lawmakers' allegiance/loyalty is owed to their individual and group interests. An instance of this, is the approval and passage in February 2018 of a bill which purports to changing the order of elections in the time-able approved by the Independent National Electoral Commission (INEC) which attracted wide-spread criticism and condemnation by many Nigerians describing the action as unconstitutional and self-serving. The proposed law, rather than improving the effectiveness of INEC eventually undermines its autonomy and overall effectiveness in the conduct of elections (Mohammed, 2019).

7.5 Institutional Corruption

Official corruption has taken over the zeal to serve well and render oversight functions to the satisfaction of citizens. The ministries, departments and agencies never execute their target allocations nor even return unspent funds. Budget padding and allocation of unwarranted funds as constituency projects have been the bottlenecks of the Nigerian society (Guardian Newspaper Editorial, 2016). This coupled with judicial and administrative weaknesses and injustices; lack of punitive regimes and outright corruption and impunity (Daudu, 2016). The consequences have been poor state of affairs of the social and economic infrastructures and pervasive poverty and dependency on few that work and massive unemployment on an import dependent and massive unemployed youths. The youths serve as instruments for perpetrating violence and conflicts during elections and transitions of governments. Furthermore, uneducated youths and drug addicts and unemployable persons with massive child labour becomes challenges that most of those institutions are faced with (Daudu, 2016)

7.6 Bureaucratic Bottlenecks and Duplication of Duties and Roles

Our institutions are filled with bureaucratic inconsistencies, duplication of duties and roles. The institutions are set up to provide employment and generate revenue rather than provide essential services to the generality of the citizens. There is no distinction between essential services and luxury. Governments have no capacity to provide necessary infrastructural services to their citizens such as power supply, clean pipe borne water, standard gauge roads, educational institutions, health services, agricultural extension services, social security services and adequate economic assurance of their career after retirement. Most of the services have been privatized where in most cases; the highest bidder gets the companies sold to them. After much failure and duplication of duties and heavy employment and outstanding salaries and allowances, with most of the liabilities outstripping the assets, the companies are sold off by government to their cronies that are rich and can afford to operate with high prices and taxes. Those institutions and companies eventually fail to deliver because they were aperture and not true reflections of institutions that really need privatizations on public/private partnership to enhance a developing economy on investments with legal framework that will protect the investor (Olaopa, 2019).

8. Conclusion

From the foregoing discussion, outcomes are more difficult to predict because institutions are not decreed into existence, they evolve. Many of our so-called institutions have been decreed into being without requisite actions and this is the reason for weak institutions. These things are unlikely in our environment except to those with power as their patrons. It then adds up to poverty and failure to realize the imperative to accelerate institution building on the challenge for nation building. Citizens became victims and how altogether the obtuse power asymmetry between citizen and state kills the spirit of enterprise and keeps the economy recursive and underperforming. It is pertinent to make the point about how institutional weaknesses have kept Nigeria in the recursive mode and can be directly linked to the current state of high unemployment in the country, visiting the system with whims that assure we will lose one decade of progress. If we are to build institutions to raise the quality of life of Nigerians; institutional change and economic performance should engage in contestations that will ultimately result in institutions

that set boundaries to the conduct of all. If we continue to roll over and play dead; the authority figures will continue to act in ways that heighten uncertainty and sabotage economic progress; where people feel they are victims of injustice, it is hard to find peace and where there is no peace, progress is improbable. A just society is desirable and made likely by institutions that mete out consequences in a manner blind to who is involved.

Findings from this paper show that Nigeria's institutions are generally weak and dysfunctional; persistently incapable of delivering on broad national goal of promoting growth and development. Any process aimed at their strengthening must first grapple with a number of hindrances and challenges to institution-building. These include: elite resistance, conflict of interests, lack of political will and constitutional rigidities. Leadership is also identified as a critical element in the institution-building process. However, the emphasis should be on informed leadership - with a vision and the commitment to its pursuit - rather than strong leaders.

9. Recommendations

This paper recommends that:

- There must transparency and accountability in institutions.
- There must be proper separation of powers and independence of the judiciary in terms of funding and administration.
- Institutions should stick to their target when delivering their goals.
- Government institutions must be accountable to the people they represent.
- There must be the political good will to implement sound governmental policies and strengthening institutions in Nigeria.

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