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POLITICAL OFFICE HOLDERS PENSION AND ITS ECONOMIC BURDEN ON STATES IN NIGERIA

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Abstract

This study critically examines the effect of pension and entitlement of state governors and their deputies in some states in Nigeria. It is a known fact that the Nigerian economy is enmeshed in difficulty in terms of the production and reproduction of its material needs which has ultimately increased the level of unemployment, underemployment, non-payment of salaries of civil servants, huge arrears of pension of retirees, infrastructural deficit, poorly equipped security system and a heavy debt burden. In all these, some former state chief executives, particularly elected governors and their deputies have continued to receive huge amount of payout as pension allowances, which include; vehicle renewal and maintenance, housing in choice places and domestic aids. Using qualitative method and rent-seeking rational theory, the paper ascertained that, pensions and entitlements for political office holders are products of legislation from the State Houses of Assemblies that were not subjected to severe public hearing. Also, most beneficiaries of this acts usually get elected or appointed into another public office with full salaries and allowances but still enjoy the pension from their financially burdened states. The paper concludes that, pensions for political office holders in an underdeveloped economy like Nigeria where federating units depend on federal allocation, are rather a burden on the common wealth of the people. The paper recommends that, considering the lean resources available to states vis a vis the prevailing economy challenges, this law should be abrogated by the concerned state houses of assembly.

Keywords: Politics, Pensions, Economy, Elite and Development

Introduction

At the return of democracy in 1999, there was an array of hope for better legislation and socio-economic development but, twenty-six years after, majority of Nigerians are still wallowing in poverty. Also, the role of the legislature has scarcely excited the people as lot of its actions and inactions in the discharged of its primary responsibility have been considered as that which promotes the interest of the ruling elite. These ruling elites usually make their ways through laws or executive orders to enhance their status and increase their level of influence on the political system and to get

hold of its utmost benefits at the expense of the masses and the economy. One of such laws to maximize their benefits is the act for life pensions for public office holders such as the governors, deputy governors and in some cases the leadership of the legislative houses. These pensions and entitlements for political office holders are products of legislation from the Houses of Assemblies. Also, most beneficiaries of this arrangement usually get elected or appointed into another political office with full salaries and allowances. Of course, pensions for ex-political office holders in federation where the federating units are

productive and less dependent on the central government may be sustainable but in a weak and less-productive economy like Nigeria where everyone depends on the state for survival, borrowing to sustain the luxurious life of the Nigerian elite may lead some of these federating units' bankrupt.

In spite of increasing concern about the liabilities of public officers' pensions in many Nigerian states and the pinch they are having on state budgets, there has been relatively no effort on the part of the legislature to repeal these retirement pension laws for public officers. Apart from Zamfara, and more recently Imo, Kwara and Abia that repealed the law as well as Lagos State that reduced the pension benefit by 50%, more than 20 federating units in the country still maintain this legislation (Ogunyinka, 2020).

The study examines pensions for ex-political office holders by the federating units in the face of increasing evidence of huge sums of domestic and foreign debt being owed by such states, salaries in arrears, high rate of unemployment, difficulty in implementation of new minimum wage and lack of basic amenities which is a clear indication that the pensions for former chief executives is a burden on these states. This study seeks answers to the following questions.

- i. How are different states approaching (legislating) pension for public office holders?
- ii. Was public hearing had before these laws were passed?
- iii. What are the economic implications of these laws?

Conceptual Explication

Concept of Pension

The idea of pension developed as a result of the desire of the employer to induce an employee or worker to accept employment in his establishment, to arouse in the employee a feeling that his /her own interest is to some extent coterminous with that of his employer, thereby inducing sense of loyalty and commitment to the cause of the employer and to engender confidence in the body of workers by practical demonstration of what each of them might expect from long faithful service (Abifarin & Olatoke, 2017). Pension is simply the amount set aside either by an employer or an

employee or both to ensure that at retirement, there is something for the employee to fall back on as income. It ensures that at old age, workers will not be stranded financially. It is aimed at providing workers with security by building up plans that are capable of providing guaranteed income to them when they retire or to their dependents when death occurs (Saleh, Ibrahim & Adadu, 2019).

To Babatunde (2012), pension plans are usually established by a legal document called a trust deed with the declaration that the funds would be administered in accordance with the rules spelt out in the document. Employers offer pension benefits to attract, retain and reward employees. Employees, on the other hand, rely on retirement benefits as a form of financial security in their less productive years. Ugwu (2006) identified four main classifications of pensions in Nigeria (as cited in Eme & Okwueze, 2014) which are:

- i. Retiring pension: This type of pension is granted to a worker who is permitted to retire after completing a fixed period of qualifying service usually between 30-35 years.
- ii. Compensatory pension: This type of pension is granted to a worker whose permanent post is abolished and government is unable to provide him with suitable alternative employment.
- iii. Superannuating pension: This type is given to a worker who retires at the prescribed age limit of 60-65 or 70 years.
- iv. Compassionate allowance: This occurs when pension is not admissible or allowed on account of a public servants from services for misconduct, insolvency or incompetence or inefficiency.

In retrospection of the Pension Reform Act of 2004 that introduced contributory pension scheme in Nigeria, Obiora and Chiamogu (2020), observed that, it is occasioned by a slight redefinition of the concept of pension. Herein, pension is considered as a regular payment made during a person's retirement from an investment fund or account to which that person and his/her employer(s) contributed during his/her time as an active member of the labour force. The payments generally continue for the remainder of the natural life

of the recipient, and sometimes to a widow or other survivor.

This implies that, retired civil/public servants are paid monthly from a pool/investment contributed by the workers and their employers for the formers' subsistence at retirement. This category of workers is by age and physical strength not usually capable of taking up other jobs upon retirement. They thus depend on their contributions (investment in pension) for sustenance at old age because the Nigerian system does not have social security and welfare for the aged and vulnerable.

There are two types of pension scheme, the contributory and non-contributory pensions. What have been elucidated above is the contributory pensions. The non-contributory pensions are pure cash transfers to beneficiaries rather than savings or insurance schemes. This implies that, the prospective beneficiary is not eligible on the basis of a contributory history but the eligibility criterion is usually a socio-economic or political factor (Saleh, Ibrahim & Adadu, 2019).

Anderson (2010) identified two major events that initiated the system of paying pensions to ex-presidents and prime ministers around the world. First was the case of the former president of the United States, Harry S. Truman (U.S. President, 1945–1953), who immediately after leaving the White House, went for a bank loan for his moving expenses. His action, which was motivated by the dramatic drift in his income status, necessitated the enactment of the Former Presidents Act (FPA, 1958) which allows ex-presidents to draw pensions. The second case was that of the former Polish president, Lech Walesa whose "severance pay ended three months after he left office in 1996. He famously showed up at the Gdansk shipyard asking for his old electrician's job back" (Anderson, 2010), and the act led to a rushed enactment of a pension law for ex-presidents by the Polish parliament.

In the United States, FPA provides for increases in presidential pensions, allowances for office staff, travel funds, health benefits, mailing privileges, secret service protection, and office allowances (Smith, 2008). The essence is to ensure that they are shielded from any form of ridicule or exploitation from corporate

organizations, groups of criminals, or any other individual, thereby, maintaining the dignity of the office of the President. In Nigeria, the practice is enshrined in Section 84(5) of the 1999 Constitution of the Federal Republic of Nigeria (as amended) Hence, former heads of government as well as their deputies enjoy pension benefits like their counterparts in many other countries. However, an emerging trend in the payment of pensions to public office-holders in the country from 1999, is the practice where state Houses of Assembly (HoAs), in more than two-third of the federating states, enacted laws providing pension benefits to the former state governors and their deputies. In many of those states, the legislators tend to argue that in addition to the justifications for president's pension, the pension schemes dis-incentivize corrupt practices at the subnational levels.

Pension for public office holders which is the concern of this study, is conceived here to mean, monies paid monthly to political office holders such as the Governor of a State, Deputy Governors, and Speaker of State House of Assembly elected by the people for a period not more than 8 years in case of two tenures. Unlike their regular civil/public servants' counterparts, these political office-holders do not contribute to their pension as investment during their working days neither do they meet the 35 and 60 years of service and age respectively. This therefore establishes the case of primitive accumulation and institutionalized political corruption whereby; such public office holders have continuous access to state fund throughout their lives at the expense of the state and the people.

Theoretical Framework

This study utilizes the assumptions of Rent-Seeking Rational Choice (RSRC) theory. The term rent, in the sense of economic, was coined by the British 19th-century economist David Ricardo, but rent-seeking only became the subject of durable interest among economists and political scientists more than a century later after the publication of two influential papers on the topic by Gordon Tullock (1967), and Anne Krueger (1974). The theory argues that, rent-seeking is the act of growing one's existing wealth by manipulating the social or political environment without creating new wealth (Ezeoha, Nkwor, Kanu, Ojide & Ikor, 2023).

The basic proposition of the RSRC is that a public officer has incentives to follow a decision path that enables him or her to draw resources from the state at near-zero productivity (Goldsmith, 2004; Khan & Jomo, 2000; Tollison, 2012). The activities of the rent-seekers, the theorists argued, reduced economic efficiency through misallocation of resources, stifled competition, reduced wealth creation, lost government revenue, heightened income inequality, risk of growing corruption and cronyism, decreased public trust in institutions and potential national decline.

Specifically, rent-seeking is of concern because the resources so expended often create no social good, and therefore, are regarded as a social waste (Khan & Jomo, 2000; Tollison, 2012). Analyzing the modern practice of law-making and law enforcement from the RSRC lens reveals a situation where public interest becomes a mere aggregation of the interests of a few powerful individuals (Hillman, 2015). This is more so in countries where the principle of separation of powers between the executive and the legislative arms is blurred and where the tendency for collusive behaviour among politicians is most likely (Demarest, 2021). Collusion in this sense makes it difficult for the separation of decision-making from the production of welfare and other public services (Nepworth, 2009).

At subnational levels in Nigeria, governors utilize threats of suspension and impeachment as a tool for coercing the legislatures to bid their wills (Akpeji, 2019). It was also in the bid to curtail executive meddling in the legislative process at subnational levels that President Mohammadu Buhari, in June 2018, signed into law a bill granting financial autonomy to the state Houses of Assembly (Usigbe, 2018). Succinctly capturing the Nigerian case within the analysis of rent-seeking rational choice theory, Mbaku (2008, p. 430) argued that the situation provides avenue for the emergence of "fiscally discriminating laws." Such laws stripe the system off the needed standardized practices enough to mitigate opportunistic behavior by politicians. Rent-seeking is "profiteering" by using social institutions, such as but not limited to the power of the state, to redistribute wealth among different groups without creating new wealth. The ex-governors' pension laws are the outcomes of such discriminating

laws of which the circumstance of their emergence was blurred by rational subjugation of public interests and affronting of rent-seeking tendencies that are foreign to the socio-economic realities of the states involved. The collusion between the executive and the legislative arms of governments at the state level undermines public opinion and facilitates the framing and emergence of such laws thereby, manipulating the social and political environment without creating new wealth.

An Overview of State Chief Executives Pension Law in Nigeria

The pension law for former governors and deputy governors was formerly enacted by 26 states of the federation. Though, there are variations in these laws, they all have one thing in common, former chief executives of the states are entitled to pensions for life. The states, with such pension laws includes; Lagos, Akwa Ibom, Rivers, Delta, Kwara, Kano, Kogi, Imo, Osun, Bayelsa. Others are Oyo, Bauchi, Borno, Edo, Abia, Katsina, Nasarawa and Gombe. The rest are Enugu, Ebonyi, Niger, Jigawa, Sokoto, Yobe, Anambra and Benue State (Ijaseun, 2023). Few of these states, spread across the geo-political zones are selected here for analysis even though some of the states (Zamfara, Imo, Kwara and Abia), recently repealed the law.

The Public Office Holder (Payment of Pension) Law No. 11 Official Gazette of Lagos state 2007 states that former governors of the state are entitled to a house each in any location of their choice in Lagos and Abuja. Section 2 of the law states that, "One residential house each for the governor and the deputy governor at any location of their choice in Lagos state and one residential house in the Federal Capital Territory for the governor on two consecutive terms." The law also provides six new cars every three years, 100 per cent of the basic salary of the serving governor (N7.7m per annum), as well as free health care for himself and members of his family. The law also says that former governors will be entitled to furniture allowance, which is 300 per cent of their annual basic salary (N23.3m); house maintenance allowance, which is 10 per cent of basic salary (N778, 296); utility allowance, which is 20 per cent of the salary (N1.5m) and car maintenance allowance, which is 30 per cent of

the annual basic salary (N2.3m). Other benefits include entertainment allowance, which is 10 per cent of the basic salary (N778, 296) and a personal assistant, who will earn 25 per cent of the governor's annual basic salary (N1.9m). A former governor will also be entitled to eight policemen and two officials of the Department of State Services for life (Ismail, et al, 2019).

However, due to the economic burden of such laws, the Lagos State House of Assembly amended the state Pension Law in 2021, reducing the benefits and emoluments for the former governors by 50 per cent. It also expunged the provision of houses in Abuja and Lagos for former governors, as stipulated in the earlier law operated by the State. The House of Assembly also reduced the number of vehicles to be made available to former governors and their deputies.

Akwa Ibom, a state from the South-South geopolitical zone of the country first enacted its pension law in 2008. According to Nwabuo (2014), until the controversial amendment that was done, there was a cap for the expenses. The law said "free medical treatment." In effect, a former chief executive of the state could spend 500 million or more on medical treatment per year. The amended law reveals that, the law provides for 200 million annual pay for former chief executive and the deputy. The governor and deputy enjoy a pension for life at the rate equivalent to the salary of the incumbent governor and deputy respectively. Their benefits include a new official car and a utility vehicle every four years; one personal aide and provision of adequate security; a cook; chauffeurs and security guards for the governor at a sum not exceeding 5 million per month and 2.5 million for deputy governor. There are also free medical services for the governor and spouse at an amount not exceeding 100 million per annum and 50 million for the deputy governor. Also, there is a five-bedroom mansion in Abuja and Akwa Ibom and an allowance of 300 per cent of annual basic salary of four years in addition to severance gratuity (Abifarin & Olatoke, 2017).

Until the amendment of the pension law, each of the ex-governors in Zamfara State was receiving N7m and deputy governors N2m every month. However, months before handing over, former Governor Yari amended the law and raised the

allowance of each of the ex-governors to N10m as upkeep allowance, deputies N5 million each, ex-speakers N3 million while their deputies would be going home with N1.5 million every month. There are also other privileges, including two vehicles to be replaced every four years, free medical treatment for a former governor and his immediate family, vacation within Nigeria and outside and a 5-bedroom house in any location of their choice within the country (Adelanwa, Ismail, Oloyede, Abbas & Matazu, 2019).

According to Socio-Economic Rights and Accountability SERAP (2019), the Kwara State pension law provides that, governors and deputy governors from 1967 shall be entitled to pension for life at the rate equivalent to the annual basic salary of the incumbent and other benefits as provided by the Revenue Mobilisation, Allocation and Fiscal Commission. The pension also provides for a former governor, two cars and a security car, replaceable every three years, a "well-furnished five-bedroom duplex," furniture allowance of 300 per cent of his salary; five personal staff, three operatives from the Department of State Service, free medical care for the governor and the deputy, 30 per cent of salary for car maintenance, 20 per cent for utility, 10 per cent for entertainment, and 10 per cent for house maintenance.

In Abia State, before the law was repealed, the former chief executives were entitled to 100% of the salary of the incumbent monthly. An official vehicle earmarked at 20 million each, allowances for cooks, stewards, driver and gardener. These domestic staff take monthly payment of 30,000 each.

The Gombe State Executive Pension Law enacted in 2008, provides for monthly salary for life to all former governors and deputy governors. According to the law, the state governor and his deputy shall be entitled to monthly pension at the rate equivalent to their salary when they were in power and the benefit should be for life. An ex-governor is also entitled to a 30-day paid travel expenses annually to any country of his choice alongside his wife, so also the deputy governor and his wife. They have a choice to ask for a befitting house of their choice at any location in the state, or may request that money equivalent to such house be given to them. A former governor is also

entitled to two utility cars, while his deputy is entitled to one car to be replaced periodically. The governor is entitled to an employee on level 12 who will be serving him, also to be paid by the state government. The governor, deputy governor and their wives are entitled to paid medical treatment at home or abroad. The state executive pension law also stated that a governor and

his deputy serving their second term can pay themselves the housing and gratuity if they have successfully finished one term in office (Ismail, et al, 2019).

These pension laws in the effected states have severe economic burden leading to development crisis as well as huge foreign and domestic debts as shown in table 1 below.

Table 1. 36 States External and Domestic Debt Stock as at Q2 2023

S/N	STATE	EXTERNAL DEBT STOCK (\$)	DOMESTIC DEBT STOCK (N)
1.	Abia	92,328,683.83	142,470,717,702.46
2.	Adamawa	100,919,509.51	127,751,037,344.55
3.	Akwa Ibom	43,543,332.92	199,580,487,851.93
4.	Anambra	105,584,754.19	76,399,608,968.24
5.	Bauchi	170,438,576.39	147,360,920,066.11
6.	Bayelsa	59,799,420.09	134,508,899,618.20
7.	Benue	29,295,245.64	186,940,007,871.06
8.	Borno	18,750,661.03	93,386,414,943.18
9.	Cross River	153,168,738.50	204,045,567,373.66
10.	Delta	59,531,861.99	465,404,504,431.59
11.	Ebonyi	57,364,087.67	76,140,911,689.58
12.	Edo	258,400,877.66	126,081,366,555.30
13.	Ekiti	103,479,209.05	114,290,302,870.57
14.	Enugu	120,667,083.51	93,197,207,627.52
15.	Gombe	36,707,509.83	134,639,260,664.69
16.	Imo	77,813,615.31	220,838,595,301.38
17.	Jigawa	26,258,560.57	43,132,050,837.37
18.	Kaduna	569,376,406.87	87,282,487,580.65
19.	Kano	101,319,905.96	122,361,942,618.03
20.	Katsina	50,699,671.36	62,374,809,154.32
21.	Kebbi	40,891,524.34	60,942,597,524.72
22.	Kogi	54,339,811.55	93,669,523,962.52
23.	Kwara	43,058,805.95	107,576,926,423.98
24.	Lagos	1,263,205,537.01	996,440,044,235.35
25.	Nasarawa	52,330,117.84	71,106,455,397.36
26.	Niger	66,791,105.75	121,954,169,872.21
27.	Ogun	111,620,782.55	293,204,959,775.19
28.	Ondo	80,842,932.82	74,034,430,748.98
29.	Osun	89,690,602.27	145,709,274,676.21
30.	Oyo	63,986,795.70	162,402,219,128.92
31.	Plateau	31,418,228.18	157,615,986,155.32
32.	Rivers	83,954,909.86	225,505,011,356.83
33.	Sokoto	35,972,909.57	91,678,946,481.14
34.	Taraba	21,918,173.26	83,129,388,663.90
35.	Yobe	21,969,446.50	91,447,856,211.24
36.	Zamfara	28,395,635.03	96,306,167,430.76
37.	FCT	23,372,946.50	84,773,760,127.36

	TOTAL	4,349,207,976.55	5,815,684,819,242.35
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Source: National Bureau of Statistic (2023).

The debt, both external and domestic being owed by states as depicted above, is a clear indication that the pensions for former chief executives is not sustainable, especially with the low level of development in the states and the struggle by most of them to implement the new 30,000 minimum wage. Due to the economic crisis, many of the states had had to rely on bailouts from the federal government to pay salaries and pensions. Over 37.367 billion naira was according to Vanguard Special Report (2017), expended on servicing 47 former chief executives from 21 of the states of the federation in pension payment between three to four years.

The Implications of Public Office Holders Pension Laws on States in Nigeria

The rent-seekers theorists argued that, reduced economic efficiency through misallocation of resources, stifled competition, reduced wealth creation, lost government revenue, heightened income inequality, risk of growing corruption and cronyism, decreased public trust in institutions and potential national decline. In all the 36 states of the federation, economic inequality find expression in every day struggles of a greater number of the people for survival in the face of the accumulation of huge amounts of wealth by a small number of people. Poverty and inequality in Nigeria are not as a result of lack of resources, but the misuse and allocation of such funds.

The National Bureau of Statistics (NBS, 2022) released a high multidimensional poverty report. The report put Nigeria poverty index at 0.257, with about 133 million people being poor. Sokoto, Bayelsa, and Jigawa States led the list of states in Nigeria with the highest multidimensional poverty index, having an aggregate of 14.18 million impoverished people. Factors such as healthcare, food insecurity, education, nutrition, and access to cooking fuel contributed the most to the national poverty index. According to the NBS, over half of Nigerian populace is multidimensionally poor and deprived of cooking fuel. This is in a country where ex-governors and their

deputies takes away over one billion naira (NBS, 2022) from the common wealth as pension every month.

Some of the ex-governors are not only taking pensions from their states but are either members of the Federal Executive Council or are members of the Senate, for instance, currently, the former governors in the 10th Senate include, Senate President, Godswill Akpabio (Akwa-Ibom State); Adams Oshiomhole (Edo State); Adamu Aliero (Kebbi State); Aminu Tambuwal (Sokoto State); and Abubakar Sani Bello (Niger State). Others are: Ibrahim Dankwambo (Gombe State); Danjuma Goje (Gombe State); Abdulaziz Yari (Zamfara State); Aliyu Wammako (Sokoto State); Orji Kalu (Abia State); Ibrahim Gaidam (Yobe State); Gbenga Daniel (Ogun state); and Seriake Dickson (Bayelsa State).

Contributing on the implication of the public officers' pension law, Omojologboju (2013, p.14) argued that the life pension for an elected individual, who holds an office for four to eight years is undesirable. He further said, "you cannot come and work for four or eight years and you will be asking for life pension. It will not do a country like Nigeria any good because our economy is not strong enough for such venture." Many states that provide exorbitant life pensions to previous governors and their deputies as indicated above, still owe workers' paychecks and are among the poorest in the country. As Budget (2017) nationwide survey showed, twenty states in Nigeria owed workers and pensioners salaries and entitlements ranging from one to 36 months. Strengthening the above position, Busari (2019), provided a compilation of states where salaries are being owed. The amount owed Benue workers during former governor Samuel Ortom regime for instance, vary by levels but workers in levels eight to ten were owed between four- and 11-months salaries. In August 2018, there was over N69 billion of unpaid workers salary arrears, pension and gratuity and over 70 billion for other engagement of government.

Similarly, Soludo (2013) argued that, the cost of governance in Nigeria is without doubt high; actually

outrageous. As a consequence, very limited resources are left to provide basic essential services for the wider, growing Nigerian population. Similarly, Falana (2023) opined that, most Nigerians never take cognizance of the war being waged by the state governments against the poor and disadvantaged citizens.

Another effect of the mismanagement of the nation's funds is the high rate of unemployment, particularly among the youth. In 2016, between 12.1% and 21.5% of Nigeria's youth were without a job, and level of unemployment are even higher. The failure of the economy to create enough jobs results from inadequate allocation of resources to the creation of new economic opportunities (Oxfam, 2017). According to Ojeme, et al (2014), the situation of unemployed reached a hopeless level when on 15th May 2014, 6.5 million people visited recruitment centers to apply for 4000 vacant positions in the Nigerian Immigration Service. At least, 16 persons died in the stamped that ensued during the process.

While the states continue with the law to cater for chief executives who have had enough to take care of themselves after the expiration of their tenure, Olanipekun, Aje and Awodele (2014, p.83) posits that "there is an increased demand for economic and social infrastructure which efforts to improve them have not yielded the desire results." The current situation is that most infrastructures that facilitate socio-economic development are decayed and needed repair or replacement (Olaseni & Alade, 2012). This implies that, state laws and policies must enable increase in the efficiency of resource use to obtain more from less and reduce waste.

It is in this regard and the economy burden that such pension laws put on the states that, the governments of Abia, Kwara, Imo and Zamfara States have abolished the payment of pension to former chief executives. Also, Daniel Gbenga a former governor of Ogun and a current Senate member wrote a letter to the Ogun State Government dated June 14, 2023, that "getting a pension as a governor and pay as a senator violates my moral principles and ethical code hence, the monthly pension giving to me as an ex-governor should be channel to other activities that will benefit the people of Ogun State" (Ijaseun, 2023).

As such the call to abolish ex-governors' pensions has gained traction, with activists and rights groups like the Socio-Economic Rights and Accountability Project (SERAP) demanding an end to these laws. SERAP's legal action led to a court order instructing the Federal Government to recover pensions received by ex-governors currently serving as ministers and members of the National Assembly. SERAP in 2023 challenged Akpabio and the other 12 former governors in the tenth Senate to reveal the exact amount of their life pensions, if any, received from their states as former governors (Ijaseun, 2023). Nigeria can no longer afford to pay scandalous pension to ex-governors who, according to the rent-seeking theory, only grows their existing wealth by manipulating the social or political environment without creating new wealth for the people. Unfortunately, the collusion and manipulations to grow their wealth is done where workers are owed arrears of meagre pension and salaries, leading to poverty and lack of access to basic social amenities.

Conclusion

Pensions for political and public officeholders have evolved to become a popular governance mechanism for ensuring that such officers are disincentivized from corruption while in office and to protect and provide for them when out of office. Evidence from the Nigerian case has shown that this argument is context-specific and does not hold in all cases. Also, in ideal democratic culture, legislations are done in order to bring about good governance to the people, through the instrumentality of State institutions. The prevailing political arrangement, whereby laws made by the state houses of assemblies empowers few political elites to continue with the primitive accumulation of the common wealth of the people, in order to sustain flamboyant life outside public office is morally illogical. Payment of severance allowances, pension and gratuity to former governors constitutes economic burden for the states in Nigeria. It renders these states that are already dependent on federal allocation for their survival indebted, thereby, pushing the people into extreme poverty.

Recommendations

- i. Payment of both severance allowances and pension to political office holders in states of the federation should not be burdensome to the economy. Every former governor in Nigeria is expected to have wealth that will take care of him for the rest of his life. Therefore, the law is unnecessary. However, if these laws cannot be repealed by the concerned State Houses of Assembly, some former governors serving as ministers or National Assembly members should either take pension from their states or salary and allowances as a minister or member of the national assembly. Multiple remunerations should be proscribed by law. iii.
- ii. Governments of the federating units should introduce governance reforms to improve efficiency and effectiveness as well as help reduce the cost of governance. Political offices have become materially too enticing. Frivolous foreign trips, estate codes, duty tour allowance (DTAs) should be significantly reduced. Executives should pay for their own upkeep, the number of Personal Assistants, Special Assistants, Senior Special Assistants, Principal Senior Assistants, etc., as well as the number of vehicles in the convoys of public officials should be reduced. Governance should be about service to the people and not personal aggrandizement.
- iii. Given the level of unemployment rate in Nigeria which surged to 5.0 per cent in the third quarter of 2023 from 4.2 per cent in the previous quarter (NBS, 2023) the monies paid to former governors and their deputies as pensions should be channeled to employ more youth into the state civil service.
- i. These laws should be challenged in the courts, to ascertain if the issues of pension and gratuities are in the exclusive legislative list under the 1999 Constitution of the Federal Republic of Nigeria, as amended in 2011.

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