

# Our leaders' insensitive lifestyle

By Martins Oloja

It is beginning to appear that our leaders are not ready to read any writings on the walls. They don't seem to be interested in any risk analysis of these difficult times. They appear too busy to be aware that our democracy isn't working. Plato thought democracy was a terrible system, a prelude to tyranny, giving power to selfish and dangerous demagogues. Watching what is happening these days in democracies around the world, especially in Africa's most populous country, it's hard to disagree with Plato. Democracy seems to be producing an abundance of incompetent and dishonest political



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leaders, who exploit people's credulity and prejudices and thrive on emotion-driven discourse and sensational headlines that signify nothing, after all. I mean our leaders aren't resourceful enough to note that people are beginning to lose trust in our elected politicians. And because of rise of incompetent political leaders most people don't trust democracy to deliver any dividends. This is another time to speak truth to power in Abuja and the 36 state capitals and Abuja now. As I noted here on Sunday July 23, last year, I wish the new authorities in Abuja would listen to the many voices of reason and wisdom, which have continued to pour in at this time that photo opportunities should be frozen immediately. The new strong man in Africa needs to freeze the meretricious visitations and photo sessions so that he can observe the implications of the flame of fire from the midst of the bush called Nigeria at this moment. The bush is already burning with fire even as the bush isn't consumed yet. As I was saying here the other time, the oracles are already out warning our leaders about the fire of inflation rate that is already burning enthusiasm that came with having a New Sheriff in Town. Now is a time to reflect on the likely consequences of rising cost of transport, which Frantz Fanon "wretched of the earth" still can't understand. It is a time for the new men in power to step aside and look closely at the burning bush of rise and rise of cost of living the morning after the removal inexplicable fuel subsidy. It is indeed a time to organise a think tank on the status of our local currency against the dollars. I hope the duty bearers in our national capital would step out of the Aso Villa's presidential cocoon and ask for real reports of risk analysis on rising food prices, difficulties in paying school fees at all levels of public and private schools even when the framework for the bait called student loans has not been clearly set up. I hope the risk analysts in the powerhouses in Abuja and 36 state capitals would consider the implications of a report the other day that, "Residents desert roads in states". And so as the bush is still burning but not yet consumed, it is relevant to draw attention of the authorities at all levels to engage in some introspection on their personal comfort, personal emoluments within the context of public service and sacrifice. Our leaders should not get it twisted: this isn't a time for careless public policies and insensitive calls on people to understand the times without concomitant attention to calls too on

the leaders to look at their lifestyles.

*For their lifestyles today, they have ruined our tomorrow. What is worse, our leaders haven't been paying attention to the ever-rising cost of governance. They give directives to civil service leaders for reckless employment of even unqualified cronies and emergency friends. They don't study the colour of expenditure framework before implementing their numerous consultants' projects. The public service nationwide is full of people they can't even pay. The revenue agencies and institutions of governance even have special remuneration packages different from the mainstream public service. But now even the Head of the Civil*

*Service of the Federation or indeed the presidential bureaucracy can't answer any questions offhand on the number of public officers we have even with Integrated Personnel and Pay System (IPPSS) and other digital tools for payments in the federation.*

Expectedly, those who should know have been telling the president that he should not be too distracted to deal with soaring cost of governance. It is however beginning to appear before the people who dwell in the poverty capital of the world that our representatives in the National Assembly do not understand the essence of calls being made to deal with cost of governance. They aren't ready to listen to the need to deal with their national greed. They are ever ready to increase the cost of governance. Sadly, the power of the national purse, the power to control the treasury and public accounts generally rest with them.

At the inauguration lecture in May last year, President of the African Development Bank (AfDB), Dr. Akinwumi Adesina, charged the then President-elect Bola Tinubu, to cut down the cost of governance. Adesina noted that the bloated size of government would normally come with high cost of public sector expenditure and its negative impact on the development process in the country. Speaking on the topic, "Strengthening Nigeria's Economy", he said, "The cost of governance in Nigeria is way too high and should be drastically reduced to free up more resources for development. Nigeria is spending very little on development. Today, Nigeria is ranked among countries with the lowest human development index in the world, with a rank of 167 among 174 countries globally, according to the World Bank 2022 Public Expenditure Review report." He asked Tinubu to rise to the challenge of governance on his first day in office, as the country needs leadership that will reassure it with hope of security, peace and stability. On this same subject, The Guardian, Nigeria did a symposium and contextual report titled, Soaring cost of governance: All eyes on Tinubu (July 2, 2023). According to the report, President Tinubu who manifested a curiously bloated cabinet was reminded of the need to cut the cost of governance in line with economic realities of the moment. According to the article, dwindling revenue on various fronts, fiscal measures being

***This has been the attitude of the representatives of the people: they hardly understand the perilous times! The same National Assembly has raised its budgetary allocation by 74.23 per cent to N344.85 billion. This is the highest-ever budgetary allocation to the federal legislature whose initial allocation was pegged at N197.93 billion. This is incredibly insensitive at this time. The Assembly has spent N3.132 trillion in 25 years. The same National Assembly just spent N160 billion on sport utility vans (SUVs). So, as the Tinubu government desperately seeks ways to cut governance costs due to low revenue from oil sales, stakeholders believe that to save democracy, this is a time to show exemplary leadership and moderation in their lifestyle.***

introduced in the economy, mounting debts, and debt-servicing obligations are already putting strains on the nation's finances, while government hopes to run the country on shoestring budgets that cannot engender true development. A corollary to the point at issue is that development economists, public sector experts, are daily stressing that bogus civil service costs Nigeria around 30 per cent of its annual budget. They argue that the Federal Government could reap an estimated N12 trillion annually from the realignment of its national workforce. In 2022, out of the country's ₦16.3 trillion budget, ₦6.8 trillion was spent on the payment of salaries and other personnel overheads. Last year, the figure was higher as N8.5 trillion of the N21.82 trillion budgeted was spent paying salaries and allowances of public officers and other ancillary costs.

Indeed, it is estimated from available data that Nigeria can save as much as N12 trillion annually from the merger of government Ministries, Departments, and Agencies (MDAs) that have overlapping functions. This is if it implements the recommendations of the Stephen Oronsaye report (2011) on the reduction of the cost of governance. Nigeria is currently neck deep in debt with the nation's total debt stock now estimated at N49.85 trillion, according to the Debt Management Office (DMO). Still, the rising cost of governance is taking a huge portion of the yearly budget, leaving behind peanuts for development projects. During Buhari's eight years in office, for instance, only 19.7 per cent of the total budgetary spending, or N14.5 trillion went into capital expenditure (CAPEX), much of which would end up in office equipment and sundry items. The total CAPEX outlay was less than half of the over N30 trillion deficits accumulated by the administration, according to fact file from official quarters. Can we continue like this? I asked this last year. Sadly, within eight years, N59.2 trillion was frittered on overheads, personnel costs, and other items of recurrent expenditure and debt servicing. The African Development Bank (AfDB) had raised the alarm that the rising cost of debt service, which the World Bank said could surpass 100 per cent of retained revenues, would crowd out investment in infrastructure needed to develop Africa.

The Guardian also quoted from the DMO's file, which also informed us that between October and December 2022, Nigeria

spent N406.77 billion on domestic debt servicing, while it spent \$312.27 million (N143.74 billion) on external debt servicing, giving a total of N550.51 billion. Between January and March 2023, Nigeria spent N874.13 billion on domestic debt servicing, while it spent \$801.36 million (N368.87 billion) on external debt servicing, giving a total of N1.24 trillion. A detailed analysis of Nigeria's 2023 budget shows that a total of N18.04 trillion was allocated to all government MDAs. With a total of 541 MDAs, each MDA is estimated to receive about N33.27 billion. Going by the Oronsaye recommendation that the MDAs be pruned down to 161, Nigeria will only need a little above N5 trillion to spend on all the MDAs put together, saving the nation over N12 trillion. Meanwhile, the ostentatious lifestyle and fiscal indiscipline of elected government officials present even more cause for concern.

In the 2023 budget, Nigeria was to spend N14.2 billion on the Presidency alone while the National Assembly has a budget of N228.1 billion. Former President Buhari between 2016 and October last year, spent about N81.80 billion on the Presidential Air Fleet (PAF) maintenance and foreign trips. The colossal figures include N62.47 billion for the operation and maintenance of PAF, N17.29 billion for foreign and local trips, and N2.04 billion earmarked for related expenses. The Presidency has maintained 10 aircraft since the inception of the Buhari regime in May 2015. Under Buhari's administration, the government created more agencies, including the Nigerian Diaspora Commission (NDC), North East Development Commission (NEDC) as well as the Nigeria Data Protection Bureau (NDPB), amongst many others. In 2020, the federal government had to borrow the sum of N2.8 trillion from the central bank via the Ways and Means provisions. Debt servicing gulped N3.2 trillion in the same year, while Nigeria spent a total of N5.6 trillion on recurrent non-debt expenditure in 2021. The money was spent on Personal cost for MDA's rising from N2.8 billion, in the 2020 budget to N3 billion in 2021 budget. Personal cost for government-owned enterprises (GOEs) also more than tripled from N218 billion (2020) to N701 billion, in 2021.

What is worse, as Nigerians are raising concerns over the over-bloated government spending, the institution, that ought to help check government spending, the National Assembly, has consistently increased its annual budget as can be seen from the increase from N134 billion in 2022 budget to N169 billion, under the 2023 budget. They also just earmarked N70 Billion in an amendment to the N819.5 billion 2022 supplementary budget as support for the "working condition" of new lawmakers. ***This has been the attitude of the representatives of the people: they hardly understand the perilous times! The same National Assembly has raised its budgetary allocation by 74.23 per cent to N344.85 billion. This is the highest-ever budgetary allocation to the federal legislature whose initial allocation was pegged at N197.93 billion. This is incredibly insensitive at this time. The Assembly has spent N3.132 trillion in 25 years. The same National Assembly just spent N160 billion on sport utility vans (SUVs). So, as the Tinubu government desperately seeks ways to cut governance costs due to low revenue from oil sales, stakeholders believe that to save democracy, this is a time to show exemplary leadership and moderation in their lifestyle.***