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ELECTIONEERING CAMPAIGN AND THE NIGERIAN ECONOMY

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Abstract

Elections constitute a livewire that gives real meaning to democracy on which great nations have been built. A cardinal factor of elections is the electioneering campaign, which is run on funds so huge that candidates to elective offices cannot attempt to undertake it alone. The magnitude of this funds have potentials to impact (positively or negatively) on an economy, as made more manifest by the experience of the general elections of 2015 in Nigeria. This paper therefore, described electioneering campaigns in Nigeria and their impact on the Nigerian economy. The theory that forms the framework of study is economic shock theory. The study used survey method. Descriptive statistics was used to analyze the data. The findings showed that electioneering campaigns have caused a serious shock to the Nigerian economy. Hence, the implication of these findings is that if Nigeria continues with their mindset of electioneering campaign, the economy will continue to deteriorate. Hence, the study recommended that the federal government should empower the Independent National Electoral Commission (INEC) to step up on its duties as regards the implementation of electoral laws in terms of the financial laid – down rules in elections so as to control its negative impact in the country's development.

Keywords: Electioneering campaign, Nigeria, Economy, Sustainable development, Politics, INEC

INTRODUCTION

Electioneering campaign is a process provided by law which enables a candidate to ascertain an elective office and to sensitize the populace on his party's manifesto. If such a candidate has clout, his pedigree comes to play as a selling point. However in recent times, electioneering campaign in Nigeria, which is supposed to be a platform for the exchange of ideas and a means to harness and develop the natural and human resources of Nigeria, has become an opportunity for the exchange of expletives and platitudes. Ill gotten wealth are lavished on electioneering campaigns only to be recouped *via* corruption later to settle godfathers as the masses bear the brunt of these excesses in the long run.

Tradition of electioneering campaigns in Nigeria too often inclines towards the bandwagon syndrome. Of course, this is because the electorates are bedeviled by poverty and limited access to quality education. The electioneering seasons in Nigeria are normally times for publicity-blitz designed to sway the electoral masses. This electioneering publicity is rampantly found in media and particularly, in the social networks that enjoy a boom during electioneering seasons.

The cost for electioneering campaigns is now on the increase as well as outrageous. In fact, Nduneche (2015) reported that according to data gathered from different agencies and reports from advertisement regulatory bodies, five days before the March 28th elections, advertising cost political parties, friends and well wishers of those seeking elective office a princely sum of 4.9billion naira.

On similar vein, it is therefore not a surprise that at a dinner to raise funds for the re-election of Dr. Goodluck Jonathan, the 21 PDP-controlled states donated more than N1 billion. Private firms were also part of the donors. Unnamed oil and gas sector players were said to have donated N5 billion to the campaign; "those in Real Estate and Building donated N4bn; Transport and Aviation, N1bn; Food and Agriculture, N500m; Power, N500m; Construction, N310m; Road Construction, N250m; National Automotive Association, N450m; and Shelter Development Limited, N250m"(Olalekan, 2014). These instances reveal the huge amount of financial resources plunged into electioneering campaigns.

So mindboggling are the funds plunged into electioneering campaigns as attested by the 2015 elections, knowing fully well that the Section 91 of the Amended Electoral Act (2010) stipulates that the maximum election expenses to be incurred by a candidate in Presidential elections should not exceed N1 billion, similar ceilings are set for Governorship election at N20 million while election to the Senate and the House of Representatives are not to exceed N40 million and N20 million respectively. Also, no individual donation should exceed N1 million.

Those limits have never been seen to be kept and of course, the law stipulating stiff penalties for contravening these limits has never been implemented.

Another shenanigan witnessed during electioneering campaigns is that the government both at Federal and State levels in order to create the obviously cosmetics atmosphere of a performing-incumbent pump huge funds into the system *via* the execution of sleeping or moribund projects. For example, the flagging off of the construction of the second Niger Bridge estimated at N130 billion, which President Jonathan promised during his first tenure in 2011, took place in March 2014 less than one year left in his administration (“We’ve spent N10bn,” 2015).

Given the staggering volume of funds spent on electioneering campaign by the two major parties APC and PDP during the 2015 elections, many corporate bodies especially in the media houses, as already been highlighted, were beneficiaries of the electioneering windfall. Apart from such organizations, it would be expected that employment opportunities in tens of thousands for political foot soldiers to advance the cause of either of the presidential candidates in all the nooks and carnies of the thirty six states of Nigeria, including Abuja should materialize. Unfortunately, it was not so. Besides, the over saturated labour market of Nigeria is such that it breeds a desperate labour force ready to take any amount as wage or allowance and under whatever conditions regardless whether their dignities were at stake.

The foregoing having been said, there is the need for a rethink, with nearly two decades of uninterrupted democratic dispensation in Nigeria, little or no progress has been made as the standard of living keeps nose-diving. The winner takes it all approach to electioneering campaigns in Nigeria has not helped matters. The treasury at each transition/elections is basically emptied by an incumbent and his associates. Eventually and with this, Nigeria is thrust into continuous vicious cycle of poverty, high inflation rate and teaming unemployment rate

This paper therefore, is intended to x-ray the effects of electioneering campaign on the Nigerian economy, and finally makes some recommendations.

THEORETICAL REVIEW

Here, the study brings to fore the theory underpinning it. The theory adopted is the Economic Shock Theory. This theory helps the study to drive home its message.

Economic Shock Theory

To render an understanding of what economic shock theory is all about, this study recoured to Liden’s (2015) notion of economic shock. For him, “an economic shock is any unexpected event

that has a drastic effect on an economic system.” Ordinarily, the term "economic shock" normally refers to events that occur outside of a given economic system but still have a significant effect on the system. But in some cases, the term is applied to significant but unexpected events that occur within the system (Liden, 2015). Economic shocks could be in the form of supply shocks or demand shocks. And as Liden (2015) puts it, supply shocks are much more common.

Liden (2015) explains the supply economic shock as some unexpected event that has a drastic effect on the supply of a given product or service. He continues, “If the supply of a given good or service decreases significantly, its cost tends to increase and its availability tends to decrease. This combination of economic stagnation and inflation is commonly referred to as stagflation. A positive supply shock, on the other hand, usually leads to an increase in availability and a decrease in price. When this occurs, it is not uncommon for supply to exceed demand, resulting in an unsellable surplus of goods.”

On the other hand, a demand economic shock, for Liden (2015), is “an unexpected event suddenly and significantly alters the demand for a given good or service.” He adds that when demand increases significantly, prices increase and availability tends to decrease; when demand decreases, price decreases and availability remains high.

So far, from the foregoing, it is clear that the economic shock theory accounts that supply and demand shocks are sudden in nature and happens to any economy, of which eventually, the economy does return to some form of equilibrium. Economic shock can be caused by human beings or by chance. In Nigeria, for example, the 2015 general elections generated an economic shock in terms of the unprecedented amount of money that was pump into the economy during electioneering campaigns, which currently has effects on economy in terms of high rates of inflation and unemployment in the Nigerian economy.

EMPIRICAL LITERATURE

Acemoglu and Robinson (2008) approached the issue of democracy (of which election is an important ingredient) and growth by instead examining whether high incomes lead to democracy. They found no such effect and concluded that the observed effect therefore goes from democracy to high incomes.

Moricz and Sjöholm (2014) in their study, tried to empirically estimate the causal effect of local elections on local economic growth in Indonesia by using a quasi-experimental research method. The estimations of study show no general effect of local elections on economic growth. The result is robust to various robustness tests and is supported by data that show small effects of elections on governance.

Acemoglu, Naidu, Restrepo and Robinson (2014) approached the endogeneity problem by including lagged GDP in the estimations and using an instrumental variable (IV) strategy in which democratization is assumed to spread within regions in Indonesia, but without having a regional growth effect. Their estimations show a positive and statistically significant effect of democracy (of which election is an important ingredient) on economic growth.

Having reviewed the foregoing studies, it is important to note that it was difficult obtaining studies on electioneering campaigns as they affect the Nigerian economy. This apparent gap is what this study will fill.

METHODOLOGY

This study is descriptive in nature. The methodology to be used in the study is the survey method, which served as a guide for generating the primary data. For clarity, the study was conducted in Awka, Anambra state, Nigeria. The random sampling was used to identify the respondents. For data collection questionnaire methods was used; where the responses on the questionnaires were completed based on the 400 respondents. The data collected from the respondents were compiled and analyzed with the help of SPSS, using frequency and simple percentage ratio.

ANALYSIS

Frequencies

The frequency table summarizes the various responses given by the respondents on various questions.

Table 1. Descriptive Statistics

		Elections' campaigns bring big shock to the economy	Stolen cash are wasted on electioneering campaign	Nigeria's electioneering campaigns are the most corrupt in the world	Nigeria's elections lead to wastage of resources	The elections in Nigeria cause hyperinflation
N	Valid	400	400	400	400	400
	Missing	0	0	0	0	0
Mean		1.81	1.80	1.69	2.19	1.28
Median		2.00	2.00	2.00	1.00	1.00
Mode		2	1	1	1	1
Std. Deviation		.875	1.025	.821	1.642	.737

Table 2. Elections' campaigns bring big shock to the economy

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly agree	163	40.8	40.8
	agree	181	45.3	86.0
	undecided	29	7.3	93.3
	disagree	23	5.8	99.0
	strongly disagree	4	1.0	100.0
	Total	400	100.0	100.0

The table shows the frequency and percentage distribution of our respondents' positions. First, we discovered that the frequency distribution of respondents that strongly agreed that elections' campaigns bring big shock to the economy was 163 with the percentage of 40.8% while that of those that agreed that elections' campaigns bring big shock to the economy was 181 with the percentage of 45.3%. A total of 86.1% agreed. While those not in agreements were 6.8%.

Table 3. Stolen cash are wasted on electioneering campaigns

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly agree	199	49.8	49.8
	agree	132	33.0	82.8
	undecided	33	8.3	91.0
	disagree	24	6.0	97.0
	strongly disagree	12	3.0	100.0
	Total	400	100.0	100.0

The table shows the frequency and percentage distribution of our respondents' positions. We discovered that the frequency distribution of respondents that strongly agreed that stolen cash are wasted on electioneering campaigns was 199 with the percentage of 49.8% while that of those that agreed that stolen cash are wasted on electioneering campaigns was 132 with the percentage of 33.3%. A total of 82.8% agreed. While those not in agreement were 9.0% and 8.3% of the respondents are undecided.

Table 4. Nigeria's electioneering campaigns are the most corrupt in the world

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly agree	182	45.5	45.5
	Agree	181	45.3	90.8
	Undecided	26	6.5	97.3
	strongly disagree	11	2.8	100.0
	Total	400	100.0	100.0

The table shows the frequency and percentage distribution of our respondents' positions. We found out that the frequency distribution of respondents that strongly agreed that Nigeria's electioneering campaigns are the most corrupt in the world was 182 with the percentage of 45.5% while that of those that agreed that Nigeria's electioneering campaigns are the most corrupt in the world was 181 with the percentage of 45.3%. A total of 90.8% agreed. While those not in agreement were 2.8% and 6.5% of the respondents are undecided.

Table 5. Nigeria's elections lead to wastage of resources

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly agree	260	65.0	65.0	65.0
	disagree	86	21.5	21.5	86.5
	strongly disagree	54	13.5	13.5	100.0
	Total	400	100.0	100.0	

The table shows the frequency and percentage distribution of our respondents' positions. We discovered that the frequency distribution of respondents that strongly agreed that Nigeria's elections lead to wastage of resources was 260 with the percentage of 65.0 while that of those that agreed that Nigeria's elections lead to wastage of resources was 86 with the percentage of 21.5%. A total of 86.5% agreed. While those not in agreements were 13.5% representing a total of 54 respondents.

Table 6. The elections in Nigeria cause hyperinflation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	strongly agree	332	83.0	83.0	83.0
	agree	43	10.8	10.8	93.8
	undecided	11	2.8	2.8	96.5
	disagree	9	2.3	2.3	98.8
	strongly disagree	5	1.3	1.3	100.0
	Total	400	100.0	100.0	

The table shows the frequency and percentage distribution of our respondents' positions. We found out that the frequency distribution of respondents that strongly agreed that the elections in Nigeria cause hyperinflation was 332 with the percentage of 83.0% while that of those that agreed that the elections in Nigeria cause hyperinflation was 43 with the percentage of 10.8%. A total of 93.8% agreed. While those not in agreement were 3.6% and 2.8% of the respondents are undecided.

Table 7. Chi-Square Tests

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	847.932 ^a	16	.000
Likelihood Ratio	620.685	16	.000
Linear-by-Linear Association	338.038	1	.000
N of Valid Cases	400		

a. 12 cells (48.0%) have expected count less than 5. The minimum expected count is .12.

Table 8. Symmetric Measures

	Value	Asymp. Error ^a	Std.Approx. T ^b	Approx. Sig.
Interval by Interval Pearson's R	.920	.010	46.978	.000 ^c
Ordinal by Ordinal Spearman Correlation	.883	.017	37.571	.000 ^c
N of Valid Cases	400			

a. Not assuming the null hypothesis.

b. Using the asymptotic standard error assuming the null hypothesis.

c. Based on normal approximation.

The above chi square and symmetric measure shows that the data are statistically significant. This is proven since sig level is 0.000 (< or = 0.05%)

Crosstabs

Table 9. Case Processing Summary

	Valid		Missing		Total	
	N	Percent	N	Percent	N	Percent
Elections' campaigns bring big shock to the economy * stolen cash are wasted on electioneering campaigns	400	100.0%	0	0.0%	400	100.0%
election's campaigns bring big shock to the economy * Nigeria's electioneering campaigns are the most corrupt in the world	400	100.0%	0	0.0%	400	100.0%
election's campaign bring big shock to the economy * Nigeria's elections lead to wastage of resources	400	100.0%	0	0.0%	400	100.0%
election's campaigns bring big shock to the economy * the elections in Nigeria cause hyperinflation	400	100.0%	0	0.0%	400	100.0%

Table 10. Elections' campaigns bring big shock to the economy * stolen cash are wasted on electioneering campaign Cross tabulation

		stolen cash are wasted on electioneering campaign					Total
		strongly agree	agree	undecided	disagree	strongly disagree	
Elections' campaign bring big shock to the economy	strongly agree	163	0	0	0	0	163
	agree	36	132	13	0	0	181
	undecided	0	0	20	9	0	29
	disagree	0	0	0	15	8	23
	strongly disagree	0	0	0	0	4	4
Total		199	132	33	24	12	400

Table 11. Elections' campaign bring big shock to the economy * Nigeria's electioneering campaigns are the most corrupt in the world Cross tabulation

Count		Nigeria's campaign is the most corrupt in the world				Total
		strongly agree	agree	undecided	strongly disagree	
Elections' campaigns bring big shock to the economy	strongly agree	163	0	0	0	163
	agree	19	162	0	0	181
	undecided	0	19	10	0	29
	disagree	0	0	16	7	23
	strongly disagree	0	0	0	4	4
Total		182	181	26	11	400

Table 12. Elections' campaigns bring big shock to the economy * Nigeria's elections lead to wastage of resources Cross tabulation

Count		Nigeria's election leads to wastage of resources			Total
		strongly agree	disagree	strongly disagree	
Elections' campaigns bring big shock to the economy	strongly agree	163	0	0	163
	agree	97	84	0	181
	undecided	0	2	27	29
	disagree	0	0	23	23
	strongly disagree	0	0	4	4
Total		260	86	54	400

Table 13. Elections’ campaigns bring big shock to the economy * the elections in Nigeria cause hyperinflation
Crosstabulation

Count		the election causes hyperinflation					Total
		strongly agree	agree	undecided	disagree	strongly disagree	
Elections’ campaigns bring big shock to the economy	strongly agree	163	0	0	0	0	163
	agree	169	12	0	0	0	181
	undecided	0	29	0	0	0	29
	disagree	0	2	11	9	1	23
	strongly disagree	0	0	0	0	4	4
Total		332	43	11	9	5	400

Bar Chart

Figure 1. Election’s campaign bring big shock to the economy

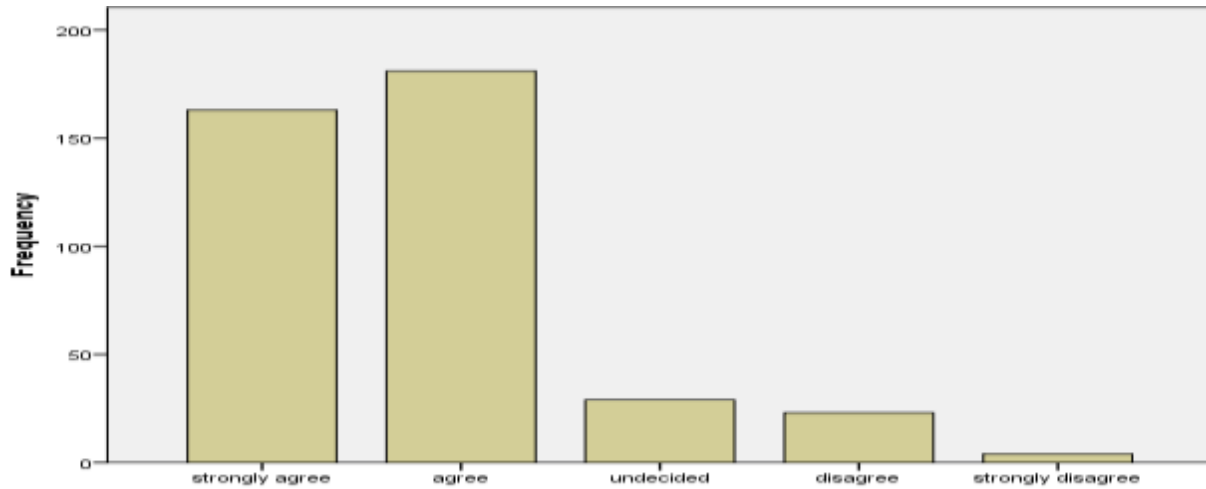


Figure 2. Stolen cash are wasted on election campaigns

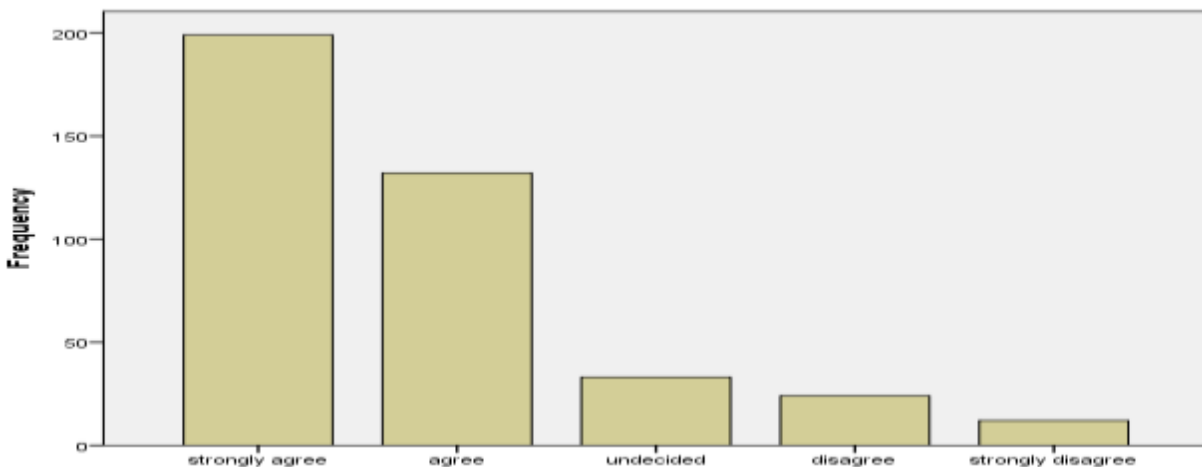


Figure 3. Nigeria's campaign is the most corrupt in the World

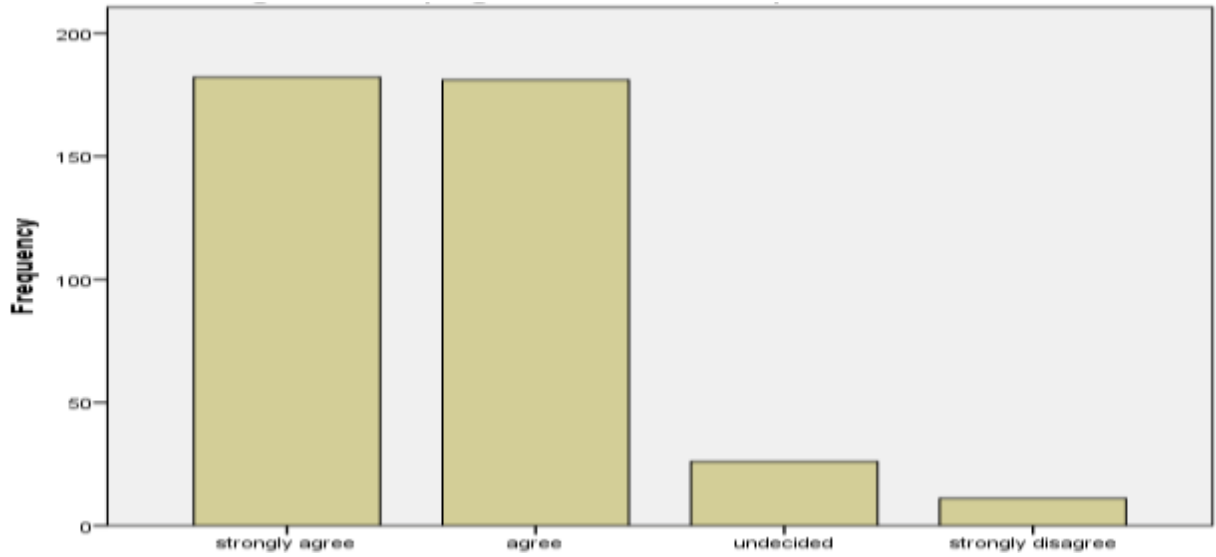


Figure 4. Nigeria's election leads to wastage of resources

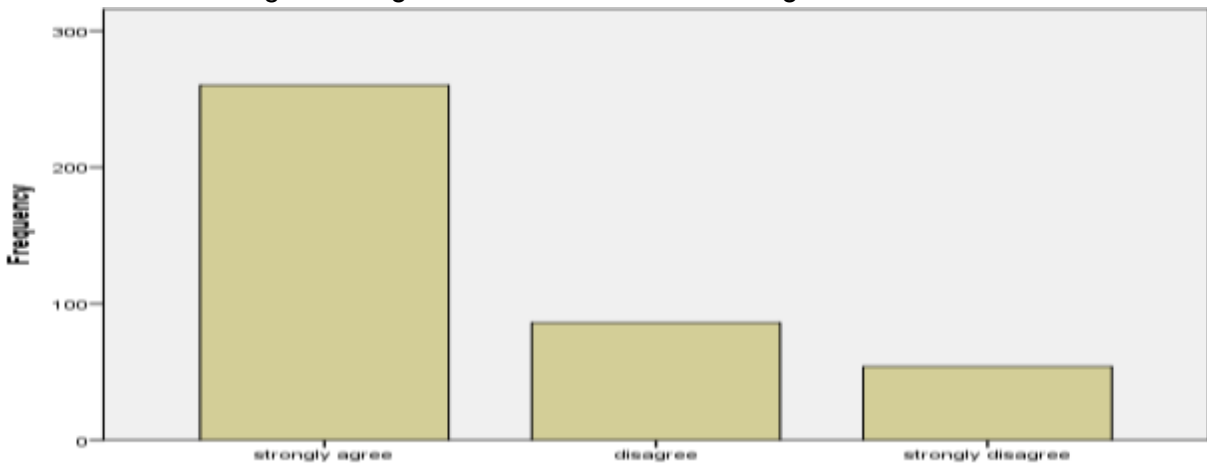
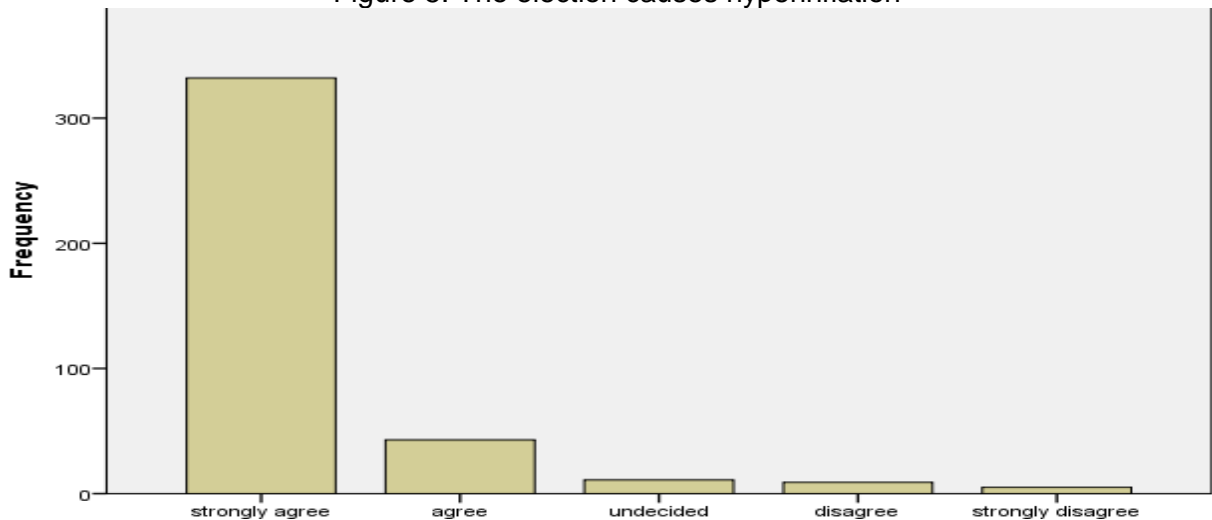


Figure 5. The election causes hyperinflation



SUMMARY OF FINDINGS

Following from the foregoing, the study found the following:

- The elections' campaigns in Nigeria brought big shock to its economy.
- The injection of these stolen cash explains the shock brought about by electioneering campaigns in Nigeria.
- The Nigeria's electioneering campaigns are the most corrupt in the world.
- The elections in Nigeria lead to wastage of resources.
- The elections in Nigeria cause hyperinflation.

So far, the study has been able to observe the impact of electioneering campaigns on the Nigerian economy covering the pre and post 2015 general elections. In the course of the study, it was seen that electioneering campaigns have a negative impact on the Nigerian economy. Hence, the implication of this result is that if Nigeria continues with their mindset of electioneering campaigns, the economy will continue to deteriorate.

RECOMMENDATIONS

Based on the findings of the study, we hereby recommend the following:

- 1) The federal government should empower the Independent National Electoral Commission (INEC) on its duties as regards the implementation of electoral laws. The Independent National Electoral Commission needs to be motivated strongly in terms of manpower and finance so as to rightly implement the dictates of the electoral laws.
- 2) Compulsory citizenship training for all unemployed youths should be instituted in all the local government areas of Nigeria during election seasons for deployment in sensitizing the electorate on their civic responsibilities. These youths when trained and deployed to sensitize the citizens on what their civic responsibilities entail, will have a sense of belonging knowing that they are being carried along by the country as it betters itself.
- 3) A limited liability company for each of the major political parties should be provided by law to process all matters for electioneering on behalf of the party. This company will see to it that the threshold of the amount of money to be expended during campaigns is not surpassed.
- 4) CBN should impose stiffer penalties on banks that aid money laundering. This is very important since the banks collaborate with these politicians to perpetuate this financial crime and act as viable channels for bring in these funds into the economy during campaigns.

CONCLUSION

The elections of the 2015 have caused great economic shock to the Nigerian economy, no doubt. The elections saw an unprecedented amount of fund which was unaccountably dissipated. The result of this could be devastating and as such, the country is saddled with responsibility of accounting for and managing funds used in electioneering campaigns. The era of anything goes on the seat of governance needs to be curbed. This study met with limitations ranging from limited funds to difficulty in getting back the questionnaires to few studies on the topic to be reviewed, among others. That said, if the recommendations of this study are followed up, less money will be needed by politicians for electioneering and may checkmate the looting of public treasury. This will further go on to positively affect the Nigerian economy.

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