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Institutional Fragmentation, Fiscal Opacity, and Corruption Risk in Nigeria's Federal Ministry of Education: A Governance Assessment A Corruption Risk Governance Analysis of the Federal Ministry of Education, Nigeria (2021–2026)

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Abstract

Nigeria's Federal Ministry of Education (FME) is constitutionally mandated to steer a sector that is central to the country's human capital development. However, it exhibits a persistent gap between statutory design and operational performance. This article draws on the Centre for Fiscal Transparency and Public Integrity's TACRA-012 sectoral assessment, official federal budget documents, transparency and Freedom of Information (FOI) compliance indices, Auditor-General reports, National Assembly proceedings, and investigative and scholarly literature to examine the transparency, accountability, and corruption-risk profile of the FME between 2021 and 2026. Employing principal-agent theory and agencification (New Public Management) theory as complementary analytical lenses, the study synthesises secondary quantitative indicators, including budgetary allocation trends, transparency-index scores, and procurement records, with documented case evidence of financial malfeasance, credential fraud, and legislative oversight failure. The findings show that nominal budgetary growth has coincided with a widening real funding gap against the UNESCO benchmark, that fragmentation across twenty-one semi-autonomous parastatals diffuses accountability even where headquarters-level audit compliance appears comparatively strong, and that Freedom of Information and open-procurement reforms have not translated into

operational transparency at agency level. The analysis further identifies a double-agency dynamic in which legislative oversight bodies, themselves compromised by rent-seeking behaviour, undermine the accountability mechanisms they are constitutionally charged with enforcing. The study contributes an integrated theoretical account of how agencification, weak information disclosure, and civic-space contraction jointly reproduce corruption risk within a federating, resource-constrained education bureaucracy, and offers empirically grounded recommendations for policy and institutional reform.

Introduction

Education systems occupy a distinctive position in the governance of developing states. They simultaneously absorb some of the largest shares of discretionary public expenditure and generate some of the most consequential long-run externalities for economic growth, social cohesion, and political stability. In Nigeria, the Federal Ministry of Education (FME) holds the apex statutory mandate to regulate, finance, and coordinate education across primary, secondary, and tertiary tiers, consistent with the constitutional directive that government should ensure equal and adequate educational opportunities at all levels (Constitution of the Federal Republic of Nigeria, 1999, s. 18). The Ministry operates through internal departments and a wide network of agencies, including regulatory, funding, examination, and quality-assurance bodies listed under its official institutional structure (Federal Ministry of Education, n.d.). Despite a sequence of digitally enabled reforms, ranging from an open-contracting portal to an interest-free student loan scheme, independent assessments continue to document chronic fiscal leakage, opaque procurement, credential fraud, and legislative oversight capture within the sector.

This article is based on the TACRA-012 (Transparency and Corruption Risk Assessment) report produced by the Centre for Fiscal Transparency and Public Integrity (CeFTPI). This civil-society diagnostic exercise evaluates the internal integrity of public institutions rather than isolated infractions. The assessment offers a rich empirical record. The article is based on three interrelated objectives. First, it maps the FME's transparency and corruption-risk profile across five governance domains: fiscal allocation, procurement, information disclosure, human resource management, and legislative oversight. Second, it interprets the empirical pattern through principal-agent and agencification theory, arguing that Nigeria's education bureaucracy exhibits a compounded, multi-layered agency problem in which the very institutions designed to hold the executive accountable are themselves susceptible to capture. Third, it identifies the research gap around fiscal transparency, procurement corruption, information-access compliance, and civic space contraction as separate phenomena, and proposes an integrated framework for analysing sector-level corruption risk in federating developing states. This focus is also justified by international education-financing commitments under the Education 2030 agenda, which urge governments to allocate at least 15–20 per cent of public expenditure to education (UNESCO, 2016; United Nations, n.d.).

Institutional Background and Statutory Mandate

The FME derives its mandate from the 1999 Constitution and subsidiary legislation, and is charged with national policy formulation, quality assurance, data aggregation for sector planning, inter-governmental harmonisation through the National Council on Education, and international cooperation on curriculum development (Constitution of the Federal Republic of Nigeria, 1999, s. 18). Executive leadership rests with the Minister of Education and the Minister of State, with day-to-day administration delegated to a Permanent Secretary who serves as chief accounting officer. Operationally, the bulk of the Ministry's capital expenditure and sectoral influence is exercised not by the core Ministry but by its parastatals, which the Ministry lists to include bodies such as the National Universities Commission, the National Board for Technical Education, the Teachers Registration Council of Nigeria, the Universal Basic Education Commission, the Tertiary Education Trust Fund, the Joint Admissions and Matriculation Board, and the National Examinations Council (Federal Ministry of Education, n.d.). These agencies perform regulatory, funding, intervention, examination, and quality-assurance functions across Nigeria's education system; for instance, the National Universities Commission describes itself as a parastatal under the FME responsible for approving programmes, establishing degree-awarding institutions, and quality-assuring university education (National Universities Commission, n.d.). In contrast, TETFund describes its mandate as providing supplementary intervention support to public tertiary institutions (Tertiary Education Trust Fund, n.d.).

This decentralised architecture reflects a broader pattern common to public bureaucracies that have undergone New Public Management–style disaggregation: policy design, financing, implementation, and evaluation are distributed across a proliferation of semi-autonomous units, each notionally more accountable for its narrow mandate, but collectively harder to coordinate and audit (Cingolani & Fazekas, 2020; Lapuente & Van de Walle, 2020). In the Nigerian case, this structural feature interacts with a federal system in which basic education financing additionally depends on sub-national counterpart funding, adding a further layer of principal-agent relationships between the federal commission and thirty-six state governments.

Problem Statement

Three empirical problems motivate this study. First, aggregate federal allocations to education have grown in nominal terms even as the sector's share of the federal budget has remained persistently below the fifteen to twenty per cent range recommended under the Dakar and Incheon education-financing frameworks (UNESCO, 2016; United Nations, n.d.), and the 2026 proposed budget indicates an outright contraction in real allocation. Second, the Ministry has simultaneously pursued high-visibility digital transparency reforms, including an open-contracting portal, a tertiary-institution financial disclosure platform, and a national student loan scheme. In contrast, independent transparency and Freedom of Information compliance indices continue to rate the sector's constituent agencies among the weakest performers in the federal civil service. Third, statutory legislative oversight of the Ministry, intended as a corrective mechanism, has itself been credibly implicated in extortion and rent-seeking, raising the question of whether formal accountability institutions in this context function as intended by their designers. The problem this article addresses is therefore not simply whether corruption

risk exists within the FME, but why formally robust accountability instruments, spanning fiscal law, procurement law, information-access law, and parliamentary oversight, have failed to convert into substantive institutional integrity.

Fiscal Transparency and Public Sector Accountability in Nigeria

A substantial body of Nigerian public administration scholarship documents a persistent gap between the country's legal architecture for financial accountability and its practical enforcement. Reviews of the constitutional, EFCC, ICPC, Freedom of Information, Public Procurement, and Fiscal Responsibility frameworks conclude that while these instruments formally establish oversight institutions and disclosure obligations, their impact is consistently blunted by weak enforcement capacity, political interference, and limited institutional independence (Omoniyi & Akintoye, 2024). Complementary work on sub-national fiscal autonomy finds that civil society, media, and citizen groups function as informal accountability mechanisms precisely because formal audit and reporting channels remain constrained by capacity deficits and political interference. Studies of electronic transparency initiatives similarly show that digitised budgetary systems in Nigeria have not eliminated budgetary corruption, since officials continue to exploit discretionary stages of the budget cycle even where disclosure platforms exist (Olarewaju, 2021). This literature establishes that transparency reforms in Nigeria tend to be necessary but insufficient conditions for accountability, a pattern this article tests specifically within the education sector.

Corruption in the Education Sector: Global and Nigerian Evidence

Corruption in education systems has been recognised internationally as a distinct governance problem with disproportionate developmental costs, because it directly compromises human-capital formation. Seminal comparative work on credential fraud describes how weak accreditation oversight enables the proliferation of degree mills and the erosion of academic standards, a dynamic with direct relevance to the FME's own credential-verification failures (Chapman & Lindner, 2016). Nigeria-specific scholarship extends this argument, documenting how examination malpractice, procurement fraud, and nepotistic recruitment interact to erode educational quality and public trust, and recommending stronger quality-assurance units to monitor teaching, admission, and examination practices. More recent stakeholder-perception research finds strong consensus among students, teachers, administrators, and community members that corruption substantially undermines educational quality, reinforcing the case that the sector's integrity deficits are not merely elite-level phenomena but are experienced across the system.

Public Procurement, Agency Theory, and the Limits of Digital Reform

The dominant analytical lens for procurement corruption is principal-agent theory, which models corruption as arising from information asymmetry and interest divergence between principals, understood as the public interest embodied in government, and agents who administer public resources on the principal's behalf (Leruth & Moers, 2006). A recurring caution in this literature is that the model's usefulness depends on an assumption that principals

are themselves principled; where elected or appointed principals are as prone to capture as the agents they are meant to supervise, principal-agent remedies that merely reduce agent discretion are unlikely to succeed (U4 Anti-Corruption Resource Centre, n.d.). This concern has been formalised by collective-action theorists, who argue that in high-corruption equilibria there may be no principal willing to align agents' interests with long-term public welfare, so that corrupt behaviour becomes a rational individual response to a shared expectation of corrupt behaviour by others (Persson, Rothstein, & Teorell, 2013). Digital anti-corruption interventions such as e-procurement portals are frequently proposed as a remedy that reduces information asymmetry. However, evaluations caution that technological transparency measures address only the administrative-corruption half of the principal-agent problem and leave political-level, principal-driven corruption largely untouched (Mahmood, 2014).

Agencification, Fragmentation, and Coordination Failure

Public administration theory on agencification, the disaggregation of centralised bureaucracies into narrower, mission-focused semi-autonomous agencies, offers a structural complement to agency theory. Comparative research finds that agencification can improve narrow measures of efficiency and value for money over time, particularly in mature agencies operating under strong central results-control regimes (Lapuente & Van de Walle, 2020; Cingolani & Fazekas, 2020). However, the same literature consistently identifies fragmentation as an unintended cost of disaggregation: dividing administrative functions among numerous autonomous units narrows accountability to agency-specific targets at the expense of system-wide coordination, institutional memory, and consolidated oversight. Where the central results-control mechanisms that offset fragmentation in mature administrative systems are themselves weak, as is frequently the case in developing-country bureaucracies, agencification risks compounding rather than resolving accountability deficits.

Freedom of Information Implementation Gaps

Right-to-information scholarship across Africa consistently finds a substantial gap between the formal adoption of access-to-information legislation and its practical implementation. Analyses attribute poor implementation to restrictive statutory clauses, limited understanding of disclosure obligations among public officials, weak political will, and inadequate institutional capacity to comply with access-to-information obligations (Asogwa & Ezema, 2017, as cited in Afrobarometer, 2026). Continental survey data corroborate this pattern, finding that despite a growing number of African states enacting right-to-information laws, implementation gaps persist even in jurisdictions with well-established legal frameworks (Afrobarometer, 2026). Comparable studies of South Africa's Promotion of Access to Information Act reach similar conclusions, noting that constitutional and statutory guarantees have not translated into consistent compliance by public bodies. This body of work situates Nigeria's own Freedom of Information compliance deficit within a wider regional pattern rather than as an isolated national failure.

Shrinking Civic Space and the Erosion of External Accountability

A parallel literature examines the contraction of civic space across sub-Saharan Africa, documenting how governments increasingly use legal harassment, restrictive registration requirements, and public delegitimisation campaigns to constrain civil society organisations that monitor public expenditure and expose corruption (Smidt, 2018). Recent legal scholarship on Strategic Lawsuits Against Public Participation (SLAPPs) in African jurisdictions shows how disproportionate defamation litigation against civil society actors functions as a deterrent to oversight activity, particularly where judicial systems are vulnerable to power and resource asymmetries between litigants (Cambridge AJIL, 2026). This literature is directly relevant to the Nigerian case, in which civil society organisations that monitor education financing operate within a legal environment increasingly characterised by punitive litigation against advocacy actors.

Fiscal Federalism and Intergovernmental Transfer Compliance

Nigeria's basic education financing model requires state governments to provide fifty per cent counterpart funding to access federal matching grants administered by UBEC, a design intended to encourage sub-national fiscal commitment to education. Empirical research on this arrangement in North-Central Nigeria finds that the federal-state fiscal relationship significantly shapes the accessibility, quality, and sustainability of basic education delivery, and that intergovernmental coordination and state-level fiscal capacity are the binding constraints on programme performance (Adedeji, 2025). This scholarship provides a theoretical and empirical anchor for interpreting the persistent stock of unaccessed UBEC funds documented in Section 7 of this article.

Research Gap and Contribution

The literature reviewed treats fiscal transparency, procurement corruption, information-access compliance, civic space contraction, and intergovernmental fiscal federalism largely as discrete research programmes, each with its own theoretical vocabulary. Few studies integrate these dimensions within a single sector-level institutional case to show how they interact and reinforce one another. This article addresses that gap by applying principal-agent and agencification theory jointly to a single ministry-level case, and by tracing an integrated double-agency dynamic in which the oversight actors, namely the National Assembly, are themselves shown to behave as compromised agents rather than reliable principals. This integration constitutes the article's principal contribution to the governance and public policy literature on developing-country education bureaucracies.

Theoretical Framework

This study combines two complementary theoretical lenses. Principal-agent theory frames the relationship between citizens, government, and public officials as a chain of delegated authority in which information asymmetry allows agents to divert resources from the interests of their principals (Leruth & Moers, 2006). Applied to the FME, this chain includes at least four nested principal-agent relationships: citizens and the National Assembly; the National Assembly and

the executive branch, represented by the Ministry; the Ministry and its twenty-one parastatals; and, in basic education financing, UBEC and thirty-six state governments. Collective-action theory's critique of the principal-agent model is instructive here: where a principal in this chain, such as the legislature, is itself prone to rent-seeking, the assumption that principals are principled breaks down, and standard remedies that merely constrain agent discretion are unlikely to resolve the underlying accountability deficit (Persson et al., 2013).

Agencification theory supplies the structural complement to this agency-based account. The FME's twenty-one semi-autonomous parastatals represent a textbook case of administrative disaggregation, in which narrow mission-focused units are expected to be individually more accountable for their mandates. However, the comparative literature finds that fragmentation of this kind reliably narrows the focus of oversight at the expense of system-wide coordination, unless offset by strong central results-control mechanisms (Cingolani & Fazekas, 2020; Lapuente & Van de Walle, 2020). Where such central mechanisms are themselves weak, as documented in Section 7 below, agencification is more likely to diffuse than to strengthen accountability. Read together, these two frameworks predict precisely the empirical pattern this article documents: formally robust accountability instruments coexisting with substantive institutional opacity, because the chain of delegated authority is compromised at multiple points simultaneously, and because administrative fragmentation disperses responsibility across units that are individually difficult to monitor and collectively difficult to coordinate.

Methodology and Analytical Approach

The study adopts a qualitative, document-based case study design appropriate to institutional governance assessment where primary survey access to serving officials is neither feasible nor, given the sensitivity of the subject matter, likely to yield reliable self-reported data. The analysis synthesises four categories of secondary data. The first category comprises official and quasi-official financial documents, including federal budget appropriation figures, BudgIT's independent federal budget analyses, and Auditor-General reports for the Federation. The second category comprises independent transparency and integrity indices, namely the Transparency and Integrity Index produced jointly by the Bureau of Public Service Reforms and CeFTPI, the Audit Assessment Index produced by the Centre for Social Justice, and the national Freedom of Information compliance ranking produced by a coalition of the Public and Private Development Centre, the International Centre for Investigative Reporting, and Right to Know. The third category comprises documented case evidence drawn from anti-corruption agency prosecutions, National Assembly probe records, and investigative journalism from established outlets. The fourth category comprises the peer-reviewed and institutional scholarly literature reviewed in Section 4, used to theorise and contextualise the empirical record.

Data were analysed through thematic synthesis across five governance domains, namely fiscal allocation, transparency and disclosure, procurement, human resource management, and legislative oversight, with civic space treated as a cross-cutting condition affecting the strength of external accountability pressure on all five domains. Where figures reported by different sources diverged, for example longitudinal reporting on unaccessed Universal Basic Education Commission funds, the analysis privileges the most recent, most methodologically transparent

source and reports the trend rather than a single static figure. Where the underlying draft data contained an internal computational inconsistency, specifically the stated 2024 UNESCO benchmark figure, the analysis recalculates the benchmark using the stated fifteen per cent threshold applied to the reported total federal budget. It flags the correction transparently in the corresponding table note. This approach reflects a document-analysis and process-tracing logic common in qualitative public administration research, rather than a statistical hypothesis-testing design, and the findings should be read as an analytically structured synthesis of the best available secondary evidence rather than as originally generated primary data.

Budgetary Allocation and the Widening Financing Gap

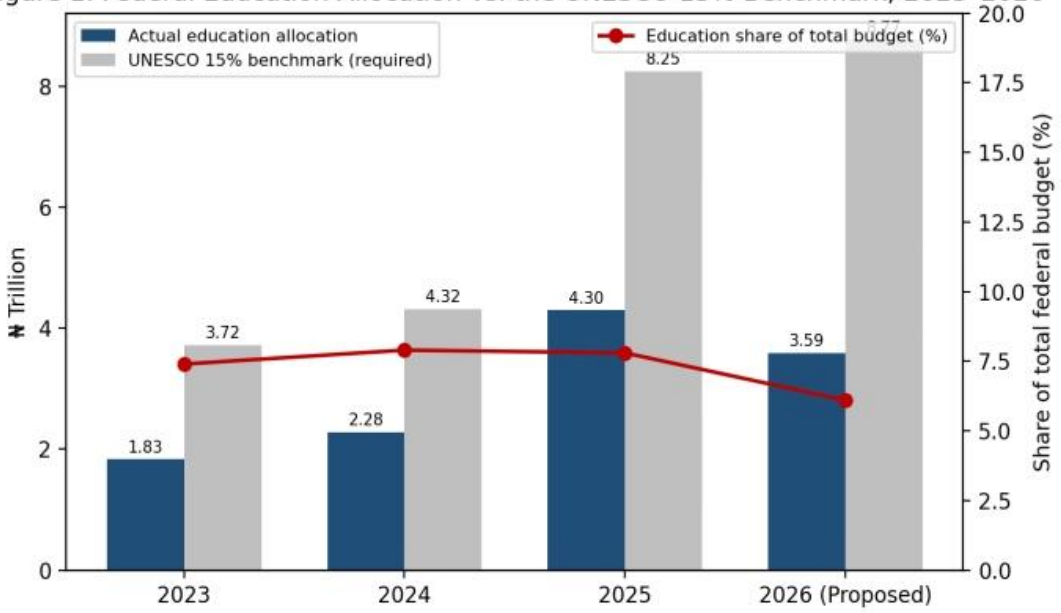
Table 1 summarises federal budget allocations to education between 2023 and the proposed 2026 budget. Nominal allocations rose from ₦1.83 trillion in 2023 to a peak of ₦4.30 trillion in 2025, reflecting the general expansion of a federal budget that grew to ₦54.99 trillion that year on the back of exchange-rate realignment and revised oil-revenue assumptions. However, education's share of the total federal budget remained within a narrow 6.1 to 7.9 per cent band throughout the period, well below the fifteen to twenty per cent range recommended under the UNESCO Dakar and Incheon education-financing frameworks. The proposed 2026 budget indicates an absolute contraction in the education allocation to ₦3.59 trillion, a reduction of approximately 16.4 per cent, even as the overall federal budget continues to expand, implying a deliberate reprioritisation of fiscal resources away from human-capital investment during a period in which Nigeria's out-of-school-children population remains among the largest in the world.

Fiscal Year	Total Federal Budget (₦)	Total Education Allocation (₦)	Education Share (%)	Required 15% UNESCO Benchmark (₦)	Funding Gap (₦)
2023	24.82 trillion	1.83 trillion	7.4%	3.72 trillion	1.89 trillion
2024	28.77 trillion	2.28 trillion	7.9%	4.32 trillion*	2.04 trillion*
2025	54.99 trillion	4.30 trillion	7.8%	8.25 trillion	3.95 trillion
2026 (Proposed)	58.47 trillion	3.59 trillion	6.1%	8.77 trillion	5.18 trillion

Note. Nominal figures are drawn from BudgIT's federal budget analyses and independent education-financing briefs. The 15% UNESCO benchmark for 2024 has been recalculated in this article as ₦4.32 trillion (15% of the reported ₦28.77 trillion total federal budget), correcting an internal inconsistency in the underlying draft assessment, which had reported ₦5.26 trillion; the corresponding funding gap has been recalculated accordingly.

Figure 1 visualises this trend, plotting actual allocations against the recalculated benchmark and against education's share of the total federal budget. The figure illustrates that the gap between actual and benchmark allocation has widened in absolute naira terms even in years of nominal budgetary growth, because the benchmark itself scales with an expanding total budget.

Figure 1. Federal Education Allocation vs. the UNESCO 15% Benchmark, 2023–2026



Note. Author's construction based on data reported in Table 1.

Transparency and Disclosure Indicators

Table 2 synthesises four independent transparency instruments applied to the FME and its constituent agencies. A consistent pattern emerges: where the FME headquarters is directly and individually assessed, as in the Audit Assessment Index's measurement of audit-query submission, compliance appears comparatively strong. Where assessment extends to the Ministry's parastatals and affiliated tertiary institutions, compliance collapses. Only TETFund among all FME-linked parastatals crossed the fifty per cent threshold on the Transparency and Integrity Index, scoring 54.12 per cent. At the same time, most educational agencies failed to meet it. Similarly, an independent audit of sixty-three federal universities found near-total non-compliance with a ministerial directive requiring the publication of financial records, notwithstanding the subsequent launch of the Federal Tertiary Institutions Governance and Transparency Platform in November 2025, which conditions future funding on compliance.

Instrument / Index	Scope	Key FME-Related Finding	Source
Transparency and Integrity Index (TII), 5th Edition	500+ federal MDAs (BPSR/CeFTPI)	Only TETFund among FME parastatals crossed the 50% pass mark, scoring 54.12%; most education agencies scored below the threshold.	Bureau of Public Service Reforms & CeFTPI
Audit Assessment Index (AAI)	Federal MDAs' compliance with audit-query submission	FME headquarters recorded a 100% submission rate to the Office of the Auditor-General, contrasting with weak parastatal-level disclosure	Centre for Social Justice

Instrument / Index	Scope	Key FME-Related Finding	Source
National FOI Compliance Ranking	MDA responsiveness to information requests	91.84% of assessed MDAs classified as "non-proactive" in information disclosure; FME positioned in the mid-to-lower tier historically	PPDC, ICIR & Right to Know coalition
Federal Tertiary Institutions Governance and Transparency Platform (FTIGTP) compliance audit	63 federal universities	Near-total non-compliance with the May 2025 financial-disclosure directive prior to FTIGTP's November 2025 launch	Athena Centre for Policy and Leadership

This divergence between headquarters-level and agency-level compliance is consistent with the agencification literature's prediction that disaggregation narrows accountability to the reporting unit that is most directly and visibly monitored, in this case the Ministry's central administrative hub, while diffusing responsibility across the larger and less visible network of parastatals and tertiary institutions that actually manage the bulk of sectoral expenditure.

Procurement Openness and Contract Management

The Ministry's adoption of the Nigeria Open Contracting Portal has generated a public digital trail of contract awards, including infrastructure and supply contracts in the tens of millions of naira. However, the existence of a disclosure trail has not translated into substantive procurement integrity. The Bureau of Public Procurement has repeatedly attributed procurement failures across federal ministries, departments, and agencies to weak sanctions and limited institutional capacity, while the Independent Corrupt Practices and Other Related Offences Commission has, as of the period under review, been prosecuting 156 corporate entities for submitting forged Tax Clearance Certificates to secure federal contracts. This pattern illustrates the limits of transparency-through-disclosure reforms identified in the procurement literature: digital visibility reduces one form of information asymmetry, namely ex-post observability of awards, without necessarily reducing the administrative and political discretion that enables document falsification, bid rigging, and contract-sum inflation at earlier stages of the procurement cycle.

Documented Financial Malfeasance and Credential Fraud

Three documented cases illustrate the practical consequences of the disclosure-compliance gap. First, an Independent Corrupt Practices and Other Related Offences Commission investigation found that ₦2.67 billion allocated to feed students in 104 Unity Colleges under the Home-Grown School Feeding Programme during the COVID-19 period was diverted into personal accounts of ministry officials, indicating a collapse of internal financial controls at the point of programme implementation. Second, the Universal Basic Education Commission's matching-grant mechanism has accumulated a substantial and persistent stock of unaccessed funds, reported at approximately ₦263 billion across thirty-four states and the Federal Capital Territory in late 2024, before falling to approximately ₦97.88 billion by March 2026 as some states belatedly met

their fifty per cent counterpart-funding obligations. The scale and persistence of this stock indicate a structural, rather than transitory, coordination failure between federal and state fiscal actors, consistent with fiscal-federalism research identifying weak intergovernmental coordination and uneven sub-national fiscal capacity as the binding constraints on programme uptake (Adedeji, 2025).

Third, the Ministry's credential-evaluation function was shown to have validated a fraudulent foreign degree obtained within hours from an unaccredited institution in the Republic of Benin, in exchange for a nominal evaluation fee. The episode, which reportedly enabled more than 1,500 individuals to secure public and private sector employment using similarly fraudulent credentials before the Ministry moved to blacklist eighteen foreign institutions, exemplifies the credential-fraud dynamic documented in the comparative higher-education literature, where weak accreditation gatekeeping allows degree mills to convert a nominally rigorous quality-assurance function into a revenue-generating formality (Chapman & Lindner, 2016).

Human Resource Management and Recruitment Irregularities

A joint assessment by the National Bureau of Statistics and the United Nations Office on Drugs and Crime found that only forty per cent of public sector recruitment between 2020 and 2023 followed transparent, merit-based processes, with the remainder attributed to nepotism, bribery, or political influence. Within the education sector specifically, an investigation into recruitment at the Federal College of Education, Yola, documented approximately 1,000 applicants who paid between ₦800,000 and ₦1,000,000 for fraudulent employment offers that were never honoured. These recruitment irregularities compound the sector's substantive human-capital deficit, and the government's subsequent recourse to recruiting retired personnel to fill instructional gaps addresses a symptom of teacher shortage without resolving the underlying integrity failure in the hiring pipeline.

Legislative Oversight and the Double-Agency Problem

The National Assembly has initiated several high-profile probes relevant to the education sector, including an inquiry into the failed thirty-million-dollar Safe Schools Initiative and a broader inquiry into recruitment racketeering across federal ministries, departments, and agencies. In principle, these probes represent the constitutional oversight function that principal-agent theory assigns to the legislature as the citizens' delegated principal over the executive. In practice, however, investigative reporting has documented credible allegations that legislative summonses are frequently used as leverage to extract bribes, employment slots, or procurement contracts from summoned officials, rather than to secure substantive remedial action. This dynamic constitutes what this article terms a double-agency problem: the institution formally tasked with correcting agency failure within the executive branch is itself acting as a self-interested agent relative to the citizens it is meant to represent, precisely the scenario collective-action theorists identify as undermining the standard principal-agent remedy (Persson et al., 2013).

Civic Space as a Cross-Cutting Constraint on External Accountability

Civil society organisations, including budget-monitoring and rights-based groups, have historically supplied the external, non-state accountability pressure that formal oversight institutions have struggled to provide. However, the operating environment for this pressure has become more constrained, illustrated by a defamation judgment ordering a prominent accountability-focused organisation to pay ₦100 million in damages to state security officials, a ruling the organisation has characterised as a Strategic Lawsuit Against Public Participation. Consistent with the regional civic-space literature, this pattern suggests that the erosion of external monitoring capacity removes one of the few remaining checks capable of substituting for weak internal principal accountability, reinforcing rather than counteracting the double-agency dynamic identified above (Smidt, 2018).

Discussion of findings

The evidence assembled across Sections 7.1 to 7.7 supports a coherent theoretical interpretation rather than a set of disconnected sectoral complaints. From the perspective of the principal-agent theory, the FME case demonstrates a compounded agency failure operating simultaneously at four nested levels: between citizens and the legislature, between the legislature and the executive, between the Ministry and its parastatals, and between the federal government and state governments in basic education financing. Standard principal-agent remedies, such as improved ex-post disclosure through open-contracting portals or financial-transparency platforms, address only the agent-side of this chain. They leave untouched the possibility, documented directly in Section 7.6, that a principal in the chain, the National Assembly, is itself behaving opportunistically. This is precisely the scenario collective-action theory identifies as a structural limit of principal-agent-only remedies in high-corruption equilibria: where no credible principal exists to align agents' incentives with the public interest, disclosure reforms function as necessary but insufficient conditions for accountability.

Read through agencification theory, the divergence between strong headquarters-level audit compliance and weak parastatal-level disclosure compliance, documented in Section 7.2, is not an anomaly but a predictable consequence of administrative disaggregation absent strong central results-control mechanisms. The comparative agencification literature finds that fragmentation can be offset where a central authority retains robust, resourced capacity to monitor and sanction disaggregated units; the Nigerian case, in which the Bureau of Public Procurement openly attributes procurement failure to weak sanctions and poor capacity, suggests that this offsetting mechanism is largely absent. The result is an institutional architecture that formally satisfies international good-governance templates, namely digitised procurement, financial-disclosure platforms, and a stated legislative oversight function, while substantively reproducing the fragmentation risk the underlying theory would predict.

The civic-space findings in Section 7.7 indicate that external, non-state accountability actors, who might otherwise substitute for weak internal principal-agent controls, are operating under increasing legal constraint. This has a compounding theoretical implication: not only are the formal internal principal-agent chains compromised, but the informal external check that collective-action theory identifies as necessary to escape corruption equilibria is itself being

narrowed. The convergence of these three dynamics, namely compounded internal agency failure, fragmentation without central offsetting control, and shrinking external civic pressure, offers an integrated explanation for why the FME's formally sophisticated accountability architecture has not converted into substantive institutional integrity.

Policy Implications

These findings carry implications for several audiences. For the Federal Government and the National Assembly, the double-agency finding implies that legislative-oversight reform cannot rely solely on strengthening the Assembly's investigative powers, since the Assembly itself has been implicated in rent-seeking; complementary external checks, such as judicial-integrity safeguards for probe committees and independent parliamentary ethics enforcement, are therefore required alongside any expansion of oversight authority. For the FME and its supervising ministries, the divergence between headquarters-level and parastatal-level compliance implies that disclosure mandates should be paired with binding, automatically triggered financial sanctions administered by an entity outside the Ministry's own reporting chain, such as the Office of the Accountant-General, to avoid the same agency-capture risk that affects internal enforcement. For international development partners and multilateral education financiers, the persistent gap against the UNESCO benchmark, combined with a substantial stock of unaccessed intervention funds, suggests that additional external financing directed at aggregate sectoral allocation is unlikely to translate into improved outcomes without parallel conditionality tied to sub-national counterpart-funding compliance and agency-level disclosure. For civil society and the research community, the shrinking civic space finding demonstrates the importance of documenting and legally contesting SLAPP-type litigation as a distinct governance risk in its own right, rather than treating it solely as a human-rights concern separate from fiscal accountability.

Recommendations

1. Reforming the counterpart-funding modality for basic education financing would address the structural coordination failure; legislative amendment could permit the Universal Basic Education Commission to deploy funds directly to local government education authorities or ring-fenced infrastructure projects in states that persistently fail to meet counterpart-funding obligations, rather than allowing matching grants to remain indefinitely idle.
2. Attaching binding, externally administered financial sanctions to the Federal Tertiary Institutions Governance and Transparency Platform would address the headquarters-parastatal compliance divergence, since disclosure mandates enforced solely within the Ministry's own reporting hierarchy are vulnerable to the same agency-capture dynamics identified in the theoretical discussion.
3. Digitising and removing discretionary human control from foreign credential evaluation, through automated verification against international academic clearinghouses, would directly address the degree-mill vulnerability and is consistent

with the comparative credential-fraud literature's emphasis on structural rather than procedural safeguards (Chapman & Lindner, 2016).

4. Strengthening the Bureau of Public Procurement's sanctioning capacity and expediting the prosecution of entities found to have submitted forged compliance documents would address the gap between procurement disclosure and procurement integrity.
5. Legal and institutional protections against Strategic Lawsuits Against Public Participation, potentially including a statutory anti-SLAPP defence, would help preserve the external civic-space pressure that collective-action theory identifies as a necessary complement to internal accountability reform.

Limitations

This study relies entirely on secondary and documentary evidence, including official budget documents, independent civil-society indices, investigative journalism, and prior scholarly literature. It does not incorporate primary survey or interview data with serving FME or parastatal officials. This limits the study's capacity to verify internal institutional perspectives on the causes of non-compliance and constrains causal claims to documented association rather than direct institutional testimony. The analysis is further limited to a single federal ministry. While the theoretical framework is generalisable, the specific empirical findings should not be extrapolated to other Nigerian federal ministries or to other national contexts without independent verification. Some source figures, particularly longitudinal reporting on unaccessed Universal Basic Education Commission funds, vary across reporting dates and methodologies; this article has reported the most recent available figures and the observable trend, but a dedicated primary data-reconciliation exercise with UBEC and state accountant-general offices would strengthen future replications. Finally, because several of the underlying civil-society indices, including the Transparency and Integrity Index and the national Freedom of Information ranking, are updated only periodically, some indicator values may not reflect the most recent institutional reforms undertaken after the period covered by this assessment.

Conclusion

The Federal Ministry of Education sits at the intersection of Nigeria's human-capital development ambitions and its broader public sector governance deficits. This study has shown that the Ministry's persistent underfunding relative to international benchmarks, its divergent compliance profile across headquarters and parastatal levels, its documented procurement and credential-fraud vulnerabilities, and its compromised legislative oversight function are not independent failures but mutually reinforcing symptoms of a compounded principal-agent problem operating within a fragmented, agencified administrative structure, under conditions of shrinking external civic oversight. Addressing this pattern requires reforms that go beyond further disclosure mandates, since disclosure alone has already been shown to coexist with substantive opacity in this case. Structural reforms that remove enforcement discretion from compromised principals, whether the legislature or the Ministry's own internal hierarchy, alongside protections for the external civic actors capable of supplying independent oversight

pressure, offer a more theoretically grounded pathway toward converting Nigeria's formally sophisticated education-governance architecture into substantive institutional integrity.

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