



EXPLORING THE RELATIONSHIP BETWEEN REVENUE GENERATION AND SOCIAL DEVELOPMENT INDICATORS IN PLATEAU STATE

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Abstract

Deficits in empirical research on state revenue production and utilization for the provision of public service inspired this investigation. However, the research looks at how social service delivery in Plateau State is affected by revenue creation and consumption. This study employs a descriptive and empirical research strategy based on an experimental research methodology. The concentrate experimentally tests the impact of income creation on friendly assistance conveyance in Level State using engaging information examinations and Ordinary Least Square (OLS) relapse investigation. While most of Level State's income will come from organization accounts, capital receipts, and other income, this investigation discovers that income age in general affects the arrangement of social administrations over the period 2013-2022. As per the examination, Level State didn't take full advantage of the cash it got somewhere in the range of 2013 and 2022, especially when compared to the benchmarks set by foreign experts. This was especially true in the health and education sectors. Among other things, the report suggests that the Plateau State Government prioritizes spending money on social services and infrastructure to better the lives of its citizens.

Keywords: Revenue Generation, Social Development, Plateau States, Public Services, Public Administration, Health Services, Revenue Services.

1. INTRODUCTION

There is a rising recognition of the need to address the plight of people throughout the world, particularly in emerging countries. Many people in these countries are so impoverished that getting enough to eat is just one of many daily struggles. As a result, boosting people's material well-being has gone from being on the radar screen of particular nations to being a top priority on the global agenda. Numerous poverty alleviation projects are designed to address the issues created by poverty among her citizens, demonstrating a rising acceptance



of the necessity to reverse the undesired situations. To this goal, a plethora of economic reform initiatives and policies have emerged, with a focus on encouraging individual initiative and the development of a thriving micro, small, and medium-sized business sector. Most of the world's developing nations can thank their independent citizens (entrepreneurs) and the many small and medium businesses they've started for their recent economic growth. Therefore, it is considered that development relies on those who take risks and make a living by starting enterprises and developing new ideas.

The Plateau Central Senatorial Zone of Plateau State has seen a steady increase in entrepreneurial activity over the years and with good cause. Many explanations have been offered for this phenomenon, but one of the most plausible is that the typical local resident is resourceful and self-reliant. Among the many local business initiatives, farming is particularly prevalent. This is done by commercially growing cash crops such as maize, millet, guinea corn, Irish potatoes, and groundnuts, and is typically done by both men and women. They also engage in the raising of animals and poultry. Tomatoes, onions, and peppers are grown in such abundance by the inhabitants of the Zone that truckers from all over the country make special trips to the region on market days to stock up. Trading is another initiative aimed at fostering business growth in the region. Those with more means rent stores in the marketplace or build shopping centers; those working the periphery, as seen in parking lots, military designated spots along roadways, and, surprisingly, a few extremely durable business sectors in the zone, sell their products from trucks or on their heads. What's more, local people of the Zone have fostered their own organizations by learning new exchanges, for example, blacksmithing, bricklaying, welding and manufacturing, plumbing, electrical, and carpentry.

Insufficient or breaking down foundation is one of the fundamental impediments to pioneering development. Transient products like tomatoes, onions, peppers, and different merchandise that age and are consequently obliterated are remembered to make huge misfortunes due to an absence of handling and conservation offices, as well as other fundamental infrastructural offices, for example, great streets, great water supply, steady influence, admittance to data and correspondence innovation, and, in particular, absence of handling and protection offices. In the event that a country does not have these, economic



progress will be stunted. Many young individuals with insightful ideas and the motivation to implement such ideas at the national level are disappointed by the current state of affairs. Most of these essential amenities are unavailable in the Plateau Central Zone.

The improvement of business in Level Focal Senatorial Zone has not irrelevantly contributed a ton, as it has assisted with making position, work on the job of individuals, lessen their reliance on the public authority, and help essentially to the ascent in the income base of Level Express, which have enormously further developed the prosperity all individuals of Level Focal Senatorial Zone. It has likewise become exposed that business visionaries in the zone have confronted and keep on confronting a plenty of obstructions, including an absence of framework, deficient subsidizing, over and numerous tariffs, an absence of enterprising training, and a frail legal framework.

The Constitution of Nigeria mandates that Plateau State, like the other states, must prioritize the well-being of its population. Social justice, poverty reduction, housing, health, education, and human rights are all crucial areas where the government must intervene. The state administration of Plateau is responsible for creating an environment where all residents, regardless of race or ethnicity, feel welcome and comfortable working toward the betterment of their community.

The following are the designated goals for Plateau State from 2013 through 2022:

- a. Plateau State's health care funding from 2013 to 2022 will be analyzed.
- b. Evaluating the spending of Plateau State's education budget from 2013 to 2022.

2. Literature Review

Jacobs, I. A., Olanrewaju, T. O., & Chukwudi, P. O. (2017) This study compared and contrasted the impact of the Country Women Association of Nigeria (COWAN) and the Evangelical Church of West Africa-People Oriented Development (ECWA-POD) on rural development in Plateau State. To better understand what accounts for the diversity among NGOs, we compared several of them to one another.

Ettang, D., & Okem, A. E. (2016) The discourse on women's roles and narratives in political contexts characterized by the interplay of ethnic and religious identities; an examination of



how peace-building and conflict-resolution techniques can be used to mitigate ethnic and religious tensions; and a reliance on conflict theories to explain the origins of the ethnoreligious conflict.

Ola-Adisa, E. O., Mangden, E. Y., Sati, Y. C., & Adisa, J. O. (2015) Using data collected over time from 70 healthcare facilities in Jos North LGA, Plateau State, this study evaluates the efficacy of current waste management practices by looking at the beliefs of stakeholders to see how they influence the implementation of waste management strategies.

You, H., Zhou, D., Wu, S., Hu, X., & Bie, C. (2020) attempted to define the connection between economic disadvantage and health in China's rural areas. In particular, 14 indicators are used to characterize social deprivation as it exists across five dimensions: financial, occupational, educational, residential, and demographic. We utilize the logical ordered progression process, the Delphi approach, the entropy strategy, and the coefficient variety technique to work out suitable loads for different proportions of social hardship.

Omotehinse, A. O., & Ako, B. D. (2019) allowed Nigeria to establish and implement some minimal environmental guidelines for the mining of solid minerals. Surface mining reclamation best practices could also be implemented.

Schuck, A. M. (2017) intended to measure how gender diversity affected the rate at which community policing was adopted. The results of three different structural equation models illustrate the potential impact of gender diversity in organizational development and suggest that gender diversity is the stronger temporal predictor. In principle, having more women in leadership positions can make an organization nimbler by fostering a new cultural mindset.

Powell, R. B., Green, T. F., Holladay, P. J., Kraft, K. E., Duda, M., Nguyen, M. T., ... & Das, P. (2018) featured how understanding local area versatility can be utilized to illuminate future the travel industry improvement endeavors including foundation advancement, limit building, and more in Dong Van Karst Level Geopark in northern Vietnam. The review, utilized family overview procedures to explore occupants' mentalities toward the three parts of local area flexibility — natural, social, and monetary strength — with regards to a travel industry improvement arranging process.



Liu, Y., Zhang, R., Zhao, W., Wang, S., & Fu, B. (2020) processed and analyzed 2445 eye to eye polls from guests and local people regarding the matter of WTP for nature in the Tibetan Level. Six biological system administrations — water protection, soil maintenance, carbon obsession, contamination breakdown, biodiversity preservation, and feel—were chosen to symbolize nature's gifts to humanity. Then, in seven different provinces across China, we connected the dots between tourists' perspectives on ecosystem management and the local conditions there.

Wang, P., Yan, J., Hua, X., & Yang, L. (2019) found that the goal of poverty reduction is at risk of being missed in the Tibetan Plateau due to a contradiction between poverty alleviation strategies and the demands of local farmers. Policymakers and development practitioners need to understand what variables influence people's decisions about what to do for a living in order to create programs that will help the majority of the poor in the area. This paper offers a novel approach to anti-poverty policymaking and uses a case study to expand on the ideas presented by the safety net/cargo net models.

3. RESEARCH METHODOLOGY

This study employs a descriptive and empirical research strategy based on an experimental research methodology. This methodology emphasizes the study process as a whole and provides a simplified description of the connection between revenue generation and its use in financing the provision of social services in Plateau State. Ministries, Departments, and Agencies (MDAs) of the Government of Plateau State make up the sample population. Government actions within these MDAs include collecting tax money from lawful sources and then using that money to support various industries in Plateau State. Administrative Sector, Economic Sector, Law and Justice Sector, and Social Sector make up the four pillars of the Plateau State economy. The State's budget and all government activities are managed within these spheres, which are responsible for generating revenues and delivering essential services to the population. Taxes, fines and fees, licenses, sales and earnings, rent on government property, and revenue from boards and parastatals all fall under the category of internally generated revenue (IGR), while the Federation Account (FEDACC) includes statutory allocation, reimbursements from the federal government for federal infrastructure



intervention, exchange rate gains, and SURE-P funds. Finally, Capital Receipts (CAPREC) include Value Added Tax (VAT), excess crude oil sales, and SURE-P funds. Reimbursement of foreign loans, grants, and contributions are all examples of other sources (OTHERS). Capital receipts from both internal and external sources are shown here under "others" due to the high-risk exposure they bring.

The Plateau State government uses the money it receives from these four sources to deliver essential services to its residents. According to the approved budget for 2016 by the government of Plateau State, there are a total of 31 Ministries, Departments, and Agencies (MDAs) in the Social Sector, 13 in the Administrative Sector, 21 in the Economic Sector, 3 in the Law and Justice Sector, and all serving the people of Plateau State. This study's sample size was drawn from the population by include all of the revenue producing items in their broad categories and services offered by the social sector. Although the rest of the Plateau State economy is vital, the research difficulty prohibits us from focusing on it here. In order to make conclusions about the population under investigation, this study investigates the relationship between state government revenue and the provision of social services. In this investigation, researchers opted for a non-probability sampling method. Purposive sampling is used to determine the sample size. The sample chosen for this study appears to be statistically representative of the population under consideration. Time series data collected over the years from the Plateau State government are used here. These figures come from internal and external papers provided by the Plateau State administration; hence they are considered secondary data. Publicly available internal publications include approved budgets from the Plateau State Government and revenue reports from the Plateau State Internal Revenue Service (PSIRS). Publications from the NBS and the CBN Statistical Bulletins make up the bulk of what can be found in the wild. The State Government plans its finances by projecting how much money it expects to receive in taxes, fees, and other forms of revenue over a given time period, usually one year. Keynesian economists argue that the quality of economic development spending cannot be inferred from how those revenues are used for social service delivery alone. Capital expenditure, according to Keynesians, is more important to economic growth and development than recurrent spending. For the years under consideration, Figure 1 reveals that the majority of revenue was spent on recurrent



expenditures rather than capital expenditures, which is detrimental to the growth of the Plateau State economy. This means that, in Plateau State, most of the money spent on social services between 2013 and 2022 went toward salaries and other operating costs in the social services sector rather than the social services infrastructure itself.

Table 1: Revenue allocation to social programs

Year	Revenue utilized to recurrent society service (in %)	Revenue utilized to capital society service (in %)
2013	16%	1%
2014	14%	1%
2015	20%	1%
2016	27%	1%
2017	16%	5%
2018	13%	5%
2019	13%	3%
2020	16%	11%
2021	13%	7%
2022	25%	2%

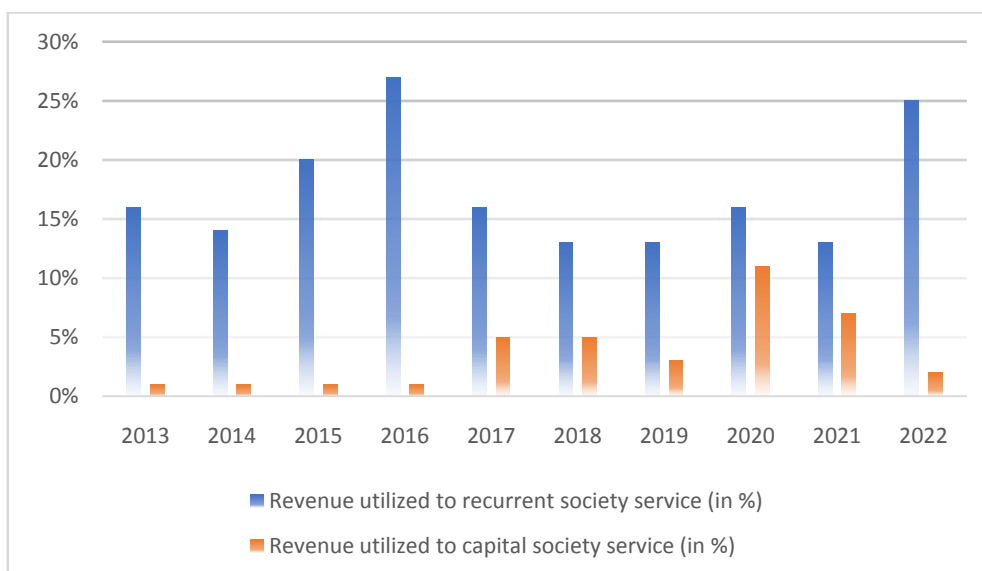


Fig.1: Spending on community services as a percentage of total revenue



➤ **Revenue Utilization in the Health Sector**

Plateau State's health sector economy cannot provide adequate social services with the quantity of revenue used in the health sector during the period under review (See Figure 2). Spending at least five percent of a country's gross domestic product (GDP) on health is recommended by the World Health Organization (WHO) to improve healthcare delivery. In the Abuja Declaration, signed in April of 2001, heads of state from African Endorser states resolved to distribute something like 15% of their yearly financial plan to further developing medical services. The percentages of health sector revenue utilization from 2013 to 2022 are displayed in Figure 2 below. Perhaps no more than six percent of the period's total revenue was spent on health care in Plateau State. This demonstrates that PLSG invests very little of its earnings into the provision of health services in Plateau State, much less than the Abuja Declaration's recommended 15%.

Table 2: Revenue Utilization in the Health Sector

Year	Health sector
2013	5%
2014	4%
2015	6%
2016	5%
2017	6%
2018	6%
2019	3%
2020	6%
2021	5%
2022	6%

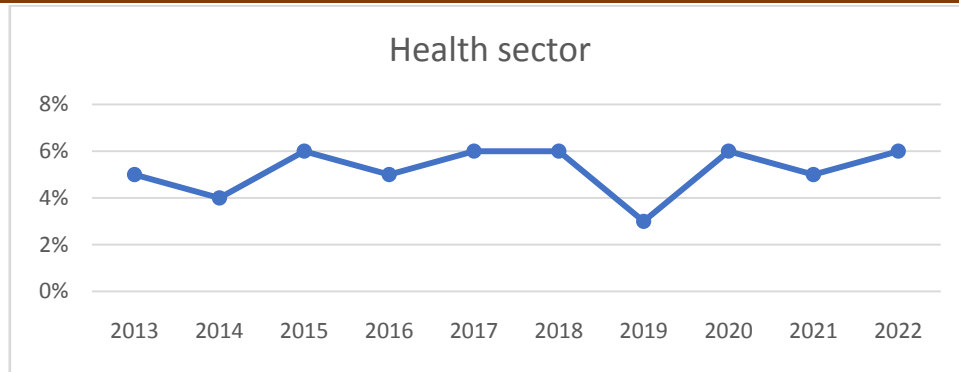


Fig. 2: Revenue Utilization in the Health Sector

➤ **Revenue Utilization in the Education Sector**

From 2013 to 2022, Plateau State's education sector generated and spent less money than the 26% minimum UNESCO (United Nations Educational, Scientific and Cultural Organization) recommends all governments spend on education.

Table 3: Revenue Utilization in the Education Sector

Year	Education sector
2013	11%
2014	10%
2015	14%
2016	22%
2017	13%
2018	9%
2019	10%
2020	14%
2021	11%
2022	18%

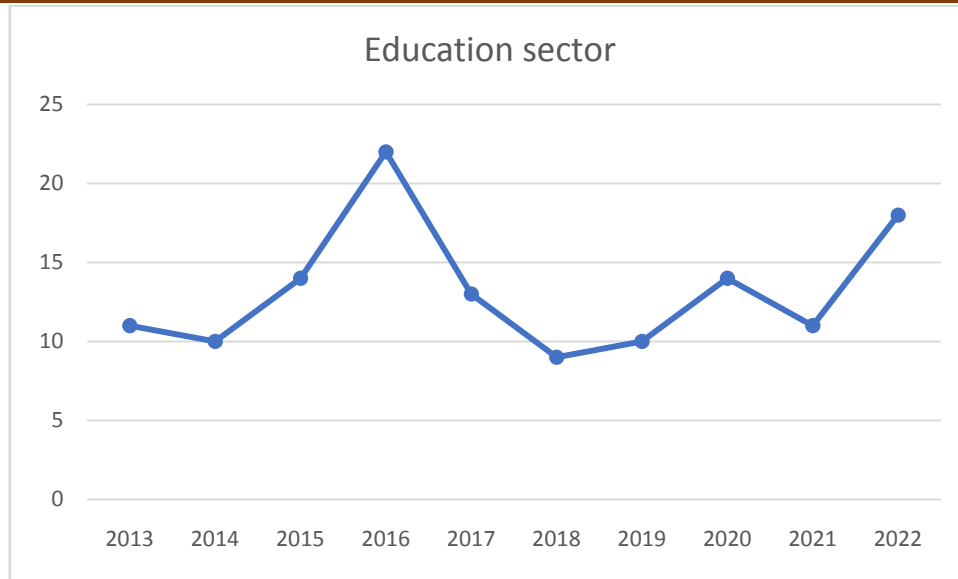


Fig.3:Revenue Utilization in the Education Sector

As can be seen in Figure 3, the education sector accounts for on average 13% of PLSG revenue, with 2016 being the highest at 22%. This suggests that during the time period under review, Plateau State's educational sector did not have sufficient funds to equip students with the necessary resources.

4. RESULTS AND DISCUSSION

Table 1's regression model indicates that the sum of Plateau State's revenue sources accounts for R squared = 89.25% of the variance in the provision of social services. Social service provision in Plateau State is significantly influenced at the 5% level by the independent variables (income generation sources) of IGR, federation accounts, capital receipts, and other revenue.

Table 4: OLS Model

Dependent Variable: LSOCSERV				
Variable	Coefficient	Std. Error	t-Statistic	Prob.
C	0.162413	3.497564	0.046435	0.9658
LIGR	1.061179	0.361828	2.933635	0.0335
LFEDACC	-0.046010	0.455838	-0.098753	0.9253



LCAPREC	0.000135	0.256441	0.000587	0.9997
LOTHERS	0.007324	0.014193	0.529019	0.6359
R-squared	0.892579	Mean dependent var		10.03599
Adjusted R-squared	0.806562	S.D. Dependent var		0.239342
S.E. of regression	0.105150			

Social service provision in Plateau State cannot be explained by any of the independent factors taken separately (3 out of 4 explanatory variables). Revenue from sources outside of taxes, capital inflows, and other federation accounts all factor into this model. See also the p-value in Table 4; only the IGR variable significantly affects social service delivery in Plateau State. This means that the federation account, capital receipts, and other revenues are massive, but aren't directly tied to or used for providing social services. Low IGR is associated with the meager provision of social services. The econometric examination results uncover that cash creation influences the utilization of social assistance conveyance in Level State. This is the situation when all out income is contrasted with PLSG social help spending. In addition, there is a strong positive correlation between the IGR and the provision of social services. When broken down, however, earnings from the federation account, capital revenues, and other sources are not dramatically altering social service delivery in Plateau State.

5. CONCLUSION AND RECOMMENDATIONS

Income and expenditures on social service provision in Plateau State are the focus of this research. From this, the study draws the primary conclusion that there is a connection between revenue generation and its application in social service delivery in Plateau State. This suggests that money production and utilization have indirect effects on the provision of social services.

As a result of research on key aspects of entrepreneurship in the Plateau Central Zone of Plateau State, it has been found that there is a great deal of opportunity for locals who are thinking about starting their own businesses to improve their level of life. However, there are some obstacles that have been identified that could prevent the anticipated outcomes from



being realized. Nonetheless, the conceptual literature above shows that the emergence of entrepreneurship has improved the lives of the people in the Plateau Central Zone.

Plateau State's health sector receives an insufficient share of the state's total revenue for the provision of health services, and the state's education sector receives an insufficient share of the state's total revenue for the provision of education services.

Recommendations based on the results are presented to help the study reach its full potential.

The research suggests:

1. The Plateau State Government has shifted its public financial management priorities to prioritize the use of revenues for social service capital expenditures.
2. The budgeting system of the Plateau State Government, represented by the State Ministry of Finance, aims to attend or meet the recommendations of the Abuja Declaration made by the World Health Organization and the African Union on the standards of expenditure by governments.
3. The budgeting system of the government of Plateau State aims to meet UNESCO's recommendations for the quality of public spending on education.

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