EFFECT OF FISCAL DISCIPLINE AND COMMUNITY DEVELOPMENT IN ENUGU STATE NIGERIA

MADUNEZIM, Chukwuma Joel[1,]

EZE, Chukwukadibia Chimauzom[2]

ISHIWU, Mascus Udechukwu[3]

ILO Chijioke Paul [4]

[1, 2, 3] Department of Public Administration, Enugu State University of Science and Technology, Enugu, Nigeria.
lugardmadu@gmail.com

[4.] Department of Political Science, Alex Ekwueme Federal University
Ndufu Alike Ikwo, Nigeria

ABSTRACT

The study examined fiscal discipline and community development in Enugu State. Specifically, the determined the extent to which financial discipline affected affordable health care service delivery in Enugu State, Nigeria; to find out how which financial discipline affected rural road maintenance services in Enugu State, Nigeria and ascertain the implications of financial discipline on improved educational service delivery in Enugu State, Nigeria. To achieve these objectives, three research questions were raised while three hypotheses were formulated. The study adopted a descriptive survey research design. The population of the study was 644,670. Taro Yamani formula was employed in determining the sampling size of 400. Data collected for the study was formulated with descriptive statistics using tables and mean scores while Chi-square-test Analysis was used to test the Hypotheses. The study found that Financial discipline has not significantly improved educational service delivery in Enugu State, Nigeria, Financial discipline has negatively impacted rural road maintenance services in Enugu State, Nigeria

Journal of Policy and Development Studies (JPDS)
Vol. 14. Issue 1 (2023)
ISSN(p) 0189-5958
ISSN (e) 2814-1091
Home page
htttps://www.ajol.info/index.php/jpds

ARTICLE I N F O:
Keywords
Fiscal federalism, development, revenue

Article History
Received 16th September 2023
Accepted: 6th October 2023

and that financial discipline has not significantly improved educational service delivery in Enugu State, Nigeria. However, this research on policy uncertainty, corruption budget deficit has negated the significant relationship between monetary development and economic growth in the short and long term. Advance level of uncertainty, corruption budget deficit has negated the significant relationship between monetary development and economic growth in the short and long term. Hence the research makes it visible that budget policy crowed out of monetary development. Also, outstanding payments have played a major negative impact on the relationship between monetary development and economic growth in terms of long-term plans, hence it also shows that a lack of sustainable budget policy has a destructive effect on financial development and economic growth in the long run. Thus, it is recommended that the government should maintain a healthy debt-to-GDP ratio which is one of the indicators of the debt repayment capacity of the borrowing nation.

1. INTRODUCTION

The level at which the services are rendered is not only inextricably linked with the financial resources available to it, but the ability of managers of such funds to exhibit a sense of probity and prudence in the management of the financial resources. The term fiscal refers to financial issues involving community governments, specifically how they manage their budgets and produce income to meet a range of social and economic objectives. An important facet of every community's overall economic management is its finances. Communities indeed require financial resources to develop and thrive. Finance plays a crucial role in various aspects of community development, including infrastructure improvement, social services, education, healthcare, and economic empowerment. Finance is the bedrock of any successful organization, including the area council system in Nigeria (Ani, 2022). Of all the features of public monetary management, one of the most exceptional properties is the duties of budget control in government and private institutions e.g. Treasury office, Parliament and office of auditors, in public spending (linert, 2005). The role of most budget control is embedded in the constitution to ease the work of financial responsibility.

Fiscal discipline describes the process of keeping tabs on and being accountable for managing public finances and budgets. It entails fiscally sensible and long-term management of government spending, taxation, and debt. A community's long-term economic stability and well-being depend on its ability to exercise fiscal restraint. A state of optimal equilibrium between the community's revenues and expenditures is referred to as fiscal discipline. Given the community's limited funding sources, it calls for a required check on the spending. Excessive or excessive spending is usually the result of inadequate budget regulation. Current academic debate centres on the implementation of fiscal policy and its propensity to usefully experiment with fixed macroeconomic variables intended to generate workable economic growth. This is due to the country's deteriorating economic situation, which is reflected in a number of economic indicators, such as the debt crisis, historically high levels of inflation, high unemployment, the foreign exchange rate, etc.

The boom and bust phenomenon of oil prices and revenue upon which fiscal policy has been benchmarked in the post-independent era, has been identified as the key problem (Ololade, 2019). The accomplishment of predetermined macroeconomic objectives, such as economic growth, price control, unemployment maximization, and pleasing balance of payments, among others, depends on the level of compliance with budgetary regulation and provision. One prominent factor that has hindered the efficient operation of fiscal policy execution in Nigeria is the lack of budgetary discipline by all levels of government. Bredino et al. (2022) claim that characteristics such as overreliance on oil revenue, fiscal regulation, administrative corruption, and poor governance impede the effectiveness of fiscal policy in resolving Nigeria's major economic problems and fostering sustainable economic growth. The Nigerian state is subject to budget supervision because of the central government that established it. As a distributed system, money is allotted to the local, state, and federal tiers of government. As was discussed in the previous section on this research, budget misappropriation trunk more from the departments, ministries, and agencies of government.

The activities of the aforementioned departments and ministries are fraught with a high level of profligacy that tends to undermine any attempt of policy formulators to achieve targeted macroeconomic objectives, and ultimately jeopardize sustainable economic growth. Arinaitwe et al., (2020) opine that Financial accounting in government involves both collective and detailed documentation, exchanges, summaries, evaluations, and explanations of financial accounts. Community accounting must fulfil internal management standards and offer the general public a view into community operations. According to Achua (2009), the goal of preparing community financial reports would have been to provide full disclosure of all pertinent facts relating to the financial status and operations of the community in a timely manner. Many communities and their institutions appear to undermine this method. Ejalonibu (2019) demonstrated to the Nigerian public that there are numerous unethical practices in most community's payroll systems, including ghost workers, illicit financial transactions, the burning of offices housing sensitive documents, and general fraud throughout the communities in Nigeria.

According to Bello (2001), a significant quantity of Nigerian money is lost due to shady operations, which, to put it mildly, has a significant impact on the development of communities. Every year, corrupt activities cause communities to lose revenues. The only part that gets uncovered and made public is the known. Holding community leaders accountable is now a resolute concern in every community due to the overwhelming need for transparency in communities against corruption. As Addison (2022) correctly demonstrated, a fault identification issue that leads to ineffective fiscal discipline is the lack of clarity and transparency in the use of public funds. In the public sector, a lack of accountability fosters corruption and all of its unfavourable effects. For instance, through corruption, a select few misuse the commonwealth of the communities, leaving the entire communities at a loss. Fraud has become as a new way of life in leadership and governance, partly because it is accepted truth that our highest officials are not just corrupt but also engaged in fraud as a business. The audit report on the Federation of Nigeria's accounts for the period ending on December 31, 2009, recently released by the office of the Auditor General of the Federation, contained scandalous revelations of widespread corruption and improper use of public funds by government officials.

It is impossible to overstate the value of community as a driver of development. To expand the reach of governance and development to regions deemed too far from the authority of the state and federal governments, communities were established. To support sustained grassroots development, statutory means for utilizing the workforce have been established. The number of stopgaps that the community has available and how prudently they use them will determine if this essential goal is accomplished. The implementation of objective codes for improved fiscal discipline has not prevented significant parties from improperly interfering with community money management. The structure of community government has changed due to the adoption of account holding. This justifies the call to examine the fiscal discipline and the cost of community development in Enugu State, Nigeria.

1.1 Statement of the Problem

The importance of citizen accountability is a result of the increased focus on preventing fraud and enhancing transparency in government. As a result of Nigeria's level of governance, the issue of clarity is a fundamental disadvantage. Increased financial malfeasance was impeding tax collection, making law enforcement difficult to deal with, and discouraging foreign investment. The prevalence of corruption in government entities has rendered the traditional methods of inspection and inquiry inappropriate and ineffective for uncovering fraud. Because corruption spreads so quickly, the rising tide of financial irresponsibility and lack of accountability has caused significant disruption in community development.

The issues surrounding public sector governance are rooted in the historical context of Nigerian society. Nigerians and the government face numerous hurdles as they work to construct their communities. Creating a structure of administration that would be suitable to all ethnic groups without demeaning any one of them. The governmental sanity of inter-fiscal fiscal relations, which was accommodated by decentralization and the creation of states and local government bodies, governs how the nation's income is distributed. The ultimate objective is to promote equal development and effective government. The second issue is how effectively the three tiers of government are using the resources they have been given to improve the people's quality of life.

The Nigerian government's commitment to the integration of the country and building of the nation determines how far the second difficulty has been addressed. The third issue is brought on by the nature of military rule, which operates arbitrarily in governance relationships with little concern for accountability and openness. Many of the problems that Nigeria is currently dealing with were exacerbated by periods of military misrule. The military government played a key role in the pace of the rise in impoverishment, joblessness, and disparities, as well as inefficient bureaucracy, poor budget execution, corruption, and most importantly, financial irresponsibility. Most emerging nations are believed to be where they are as a result of poor governance and resource mismanagement, which has caused significant capital outflow from their economy.

The scenario is really pitiful because as these resources are transferred to the developed countries of the world, employment possibilities are created and their living standards are raised there, but the source country experiences a job drain, poverty, and inadequate development as a result.

An example is Nigeria where corrupt governance and budget indiscipline have caused the major underdevelopment of the country that has a fertile human and natural resource. This made people see Nigeria as the poorest oil-rich country. The outcome of bad leadership and budget mismanagement has caused large debt and siphon of country funds in Nigeria during and after military administration

1.2 Objectives of the Study

The general objective of the research is to examine the fiscal discipline and the cost of community development in Enugu State. The specific objectives of the study were to:

i. Determine the extent to which financial discipline affected affordable health care service delivery in Enugu State, Nigeria;
ii. To find out how financial discipline affected rural road maintenance services in Enugu State, Nigeria.

1.3 Hypotheses

The following research null hypotheses were formulated

i. The application of the financial discipline has not significantly impacted affordable health care service delivery in Enugu State, Nigeria;
ii. Financial discipline has negatively impacted on rural road maintenance services in Enugu State, Nigeria.

2. REVIEW OF RELATED LITERATURE

2.1 Fiscal Discipline

Researchers and experts use the concept of fiscal discipline to portray a clear culture of successful management of administration and financial governance. The ethical foundation upon which democratic government and equitable progress can be supported is a requirement in both public and private administration. It grants government officials, voters, taxpayers, and corporate individuals inclusive and multisector values. Budget discipline was related by Musgrave (1959), Musgrave and Musgrave (1989, p. 101), to the financial structure of current operations (sic) of people, governments, and corporate entities. Fiscal discipline plays a crucial role in reducing the cost of community development by ensuring that financial resources are managed efficiently and effectively. When local governments or organizations practice fiscal discipline, they can optimize their budget allocation, minimize wasteful spending, and maximize the impact of their investments in community development.

Here's how fiscal discipline can help reduce the cost of community development:

i. Prioritizing Projects:
    a. Fiscal discipline involves setting clear priorities for community development projects based on their economic and social benefits. This helps ensure that resources are allocated to projects with the highest potential for positive impact.

ii. Budget Planning and Monitoring:
    a. Careful budget planning and continuous monitoring of expenditures are essential components of fiscal discipline. By tracking expenses and adjusting budgets as needed, communities can prevent overspending and stay within their financial limits.
iii. Avoiding Debt Accumulation:
    a. Excessive borrowing can lead to high interest payments and fiscal instability. Fiscal discipline encourages communities to limit their reliance on debt financing, reducing long-term costs associated with servicing that debt.
iv. Competitive Bidding:
    a. Encouraging competitive bidding processes for development projects can lead to cost savings. When multiple contractors or suppliers compete for contracts, it often results in more competitive pricing and better value for the community.
v. Efficient Resource Allocation:
    a. Fiscal discipline encourages communities to allocate resources efficiently. This means investing in projects that provide long-term benefits, such as infrastructure improvements, education, and healthcare, rather than short-term, unsustainable initiatives.
vi. Preventing Corruption and Fraud:
    a. Sound fiscal management practices help prevent corruption and fraud in community development projects. Transparent financial processes and oversight mechanisms can deter misuse of funds and reduce the overall cost of projects.
vii. Cost-Benefit Analysis:
    a. Conducting cost-benefit analyses for development projects allows communities to assess whether the expected benefits justify the expenses. Fiscal discipline ensures that projects with a favorable cost-benefit ratio are prioritized.
viii. Resilience and Sustainability:
    a. Fiscal discipline encourages communities to consider long-term sustainability and resilience in their development plans. Investments in disaster preparedness, environmental sustainability, and infrastructure maintenance can reduce future costs.
ix. Public Accountability:
    a. Engaging the public in the budgeting and decision-making process enhances transparency and accountability. This helps ensure that community development funds are used efficiently and for the benefit of all residents.
x. Long-Term Planning:
    a. Fiscal discipline encourages communities to adopt long-term planning and budgeting strategies. This allows for better financial forecasting and the identification of potential cost-saving opportunities.

Fiscal restraint is necessary to lower the cost of community development by encouraging good financial management, giving top priority to high-impact initiatives, and avoiding unnecessary spending. Communities may achieve their development objectives more effectively and efficiently when resources are appropriately managed, thereby benefiting their citizens and fostering sustainable growth.

2.2 Community Development

Community development has to do with the active involvement of community members in decision-making processes and the development of solutions by conducting thorough assessments to understand the specific needs, challenges, and opportunities within a community. This helps in setting priorities and designing targeted interventions. This can include conducting surveys, hosting meetings, and establishing community organizations. This helps in providing training and support to community members to enhance their skills, knowledge, and abilities to take an active role in their community's development. Identifying and leveraging the strengths and assets within a community rather than focusing solely on its deficits. This approach recognizes that every community has unique resources and capacities that can be harnessed for development. This is the major means of empowering community members to have a voice in decisions that affect their lives, enabling them to take ownership of their community's development process and also encourage the emergence of local leaders who can guide and represent the community in development efforts. Community development cannot be achieved without building partnerships among various stakeholders, such as local government, businesses, schools, and non-profit organizations, to pool resources and expertise for community development projects. It helps ensure the designing and implementation of projects and initiatives that are sustainable over the long term, taking into consideration economic, environmental, and social support from the partnerships. The various partnerships also aid in continuously monitoring and evaluating the impact of community development projects making necessary adjustments based on feedback and changing circumstances, and also ensuring that all members of the community, regardless of their background, have equal access to opportunities and benefits from development initiatives.

A wide range of activities can be categorized as community development, including housing construction, job training programs, educational initiatives, bettering access to healthcare, environmental sustainability projects, and more. Depending on the requirements and interests of each community, different community development efforts have different objectives and tactics.

It's crucial to remember that effective community development frequently calls for a patient, cooperative approach, as well as continual commitment from all concerned parties. It is a dynamic process that changes as communities expand and contract throughout time.

2.3 Indicators of Community Development

A community's economic, social, cultural, and environmental well-being are all improved through the intricate and varied process of community development. The effectiveness and progress of community development efforts are evaluated and measured using indicators of community development. To paint a more complete picture of community development success, these indicators are frequently utilized in conjunction. Depending on the particular requirements and objectives of their communities, community development practitioners, local governments, and organizations may modify their specific indicators. Utilizing these indicators for routine monitoring and assessment helps to guarantee that community development initiatives are successful and adaptable to changing conditions. These indicators can change based on the particular objectives and priorities of a community, but the following are some typical ones that are frequently employed:

i. **Economic Indicators:**
   a. **Income and Employment:** Rising average incomes and increased job opportunities can indicate economic growth.
   b. **Poverty Rate:** A decreasing poverty rate suggests improved economic conditions.
   c. **Business Development:** The number of new businesses, business investments, and entrepreneurship can be indicators of economic development.

ii. **Social Indicators:**
   a. **Education:** Improvements in educational attainment, school enrollment rates, and literacy rates.
   b. **Healthcare:** Access to healthcare services, healthcare outcomes, and life expectancy.
   c. **Crime Rate:** Lower crime rates often indicate safer communities.
   d. **Social Cohesion:** Community engagement, volunteerism, and social capital can be measured to gauge community bonds.

iii. **Infrastructure and Housing:**
   a. **Housing Quality:** Access to safe and affordable housing.
   b. **Transportation:** Adequate and accessible transportation infrastructure.
   c. **Utilities:** Access to clean water, sanitation, and reliable electricity.

iv. **Environmental Indicators:**
   a. **Environmental Sustainability:** Measures related to conservation, pollution control, and sustainable resource management.
   b. **Green Spaces:** Availability of parks and recreational areas.
   c. **Air and Water Quality:** Monitoring of environmental pollutants.

v. **Cultural and Civic Indicators:**
   a. **Cultural Preservation:** Efforts to preserve and promote local culture and heritage.
   b. **Civic Engagement:** Voter turnout, participation in community organizations, and involvement in decision-making processes.

vi. **Quality of Life:**
   a. **Happiness and Well-being:** Surveys and assessments of residents' overall satisfaction and well-being.
   b. **Access to Services:** Availability and accessibility of essential services like education, healthcare, and social support.

vii. **Infrastructure Development:**
   a. **Roads and Transportation:** The quality and coverage of road networks and public transportation.
   b. **Utilities:** Reliable access to electricity, water, and sanitation services.

viii. **Community Capacity Building:**
   a. **Skills and Training:** Programs aimed at improving the skills and capacities of community members.
   b. **Leadership and Governance:** Effective governance structures and leadership development.

ix. **Economic Diversity:** The presence of a diverse range of industries and economic activities, reducing dependency on a single sector.

x. **Community Resilience:** The ability of the community to withstand and recover from various shocks and disasters, including economic downturns and natural disasters.

2.4 Fiscal Discipline and Community Development

Two crucial elements of governance and economic planning that can significantly affect a society's well-being are fiscal restraint and community development. The prudent management of public finances, including budgeting, taxing, and expenditure, is referred to as fiscal discipline. It includes keeping tabs on how much money the government spends, making sure that revenues cover or exceed expenditures, and successfully handling the public debt. Fiscal discipline and Community

Therefore, development denotes the wise combination and application of the financial assets (both internal and external) obtainable by a national, state, or local government in order to achieve predetermined objectives through the use of administrative instruments such as arranging, directing, controlling, and planning for the good of the community. The method is to ensure that there is money always, at the lowest possible cost, and that it is utilized as efficiently as possible for the good of society. According to these definitions, effective and efficient fiscal discipline for community development refers to the art of collaborating with others to achieve the objectives set forth in the Federal Republic of Nigeria's Constitution as well as the financial memoranda/instructions, laws, and regulations that govern the creation and use of available resources.

In conclusion, financial restraint and communal growth are interwoven. Financial support for community development initiatives is provided by responsible fiscal policies, which can then help the economy flourish and the quality of life for the populace improve. For a society to function well, these two factors must be balanced.

2.5 Theoretical framework

Concepts of governmental involvement in the economy present three opposing perspectives. According to Voss (2002) and Ganelli (2003), the theory of neoclassicism opposes government involvement in the crowding-out consequences. According to Baldacci, Hillman, and Kojo (2004), the Keynesian theory supports government involvement in the matching effects. According to the Ricardian equalization assumption (Barro, 1978; Ghatak and Ghatak, 1996), deficits in the budget have no bearing on financial decisions in the absence of crowding out or crowding in effects. Government involvement in the economy throughout the last few decades has been supported by various perspectives. Hence, government interposition in the financial state has unforeseen consequences which example budget mismanagement which supersede many forms of policy riskiness, fraud, weak budgeting, non-sustainable fiscal policy and the crowding-out effects.

For instance, unpredictability of policies has a significant role in decision-making and has significant effects on economic and monetary growth (See Lensink, 2000; Fatima and Waheed, 2011; Farooq and Yasmin, 2017).

3. METHODOLOGY

The study adopted a survey design in view of the nature of the study which among other things sought the opinions of respondents through the administration of a questionnaire instrument. The reason is that it allows a researcher to have person-to-person interaction with the proposed population and an opportunity to move to the field where information can be sourced freely. The study made use of primary and secondary data. The sampling technique used for this study in selecting of sample population was the simple random sampling technique. In that regard, each of the sample size population has equal and independent opportunity of being selected in the sample of the study. The researcher then used simple random sampling to select respondents within each of the sub-groups. To ensure the respondents were equally represented, the researcher purposively selected staff of the admin department, health, agriculture, education and social welfare, and works department. The researcher used the questionnaire and interview guide for the study. The questionnaire instrument was in a 5-point Likert scale structured form (Strongly agreed, agreed, undecided, disagree, strongly disagree/ V). The researcher used the *Face Validity* approach to make sure the measuring instruments properly actualize their task which is to gather relevant data for the study.

3.1 Population of the Study

The population are presented in the table below.

Table 3.1: Population distribution of LGAS

LGA	**Population**
Enugu South	198,032
Udi	208,333
Igbo Etiti	238,305
Total	644,670

Source: National Population Commission 2006.

3.2 Sample Size

In determining the sample, the sample size determination formula was using Taro Yamane. The formula is stated as follows:

$$n = \frac{N}{1 + N(e)^2}$$

Where

n = desired sample size

N = finite population size

1 = unity (which is constant)

e = error margin (0.05, 0.03, 0.04, 0.5, etc)

$$n = \frac{644{,}670}{1 + 644{,}670\,(0.05)^2}$$

$$n = \frac{644{,}670}{1+644{,}670 \times 0.0025}$$

$$n = \frac{644{,}670}{1612.675}$$

n = 399.7

Sample size approximately = 400. Therefore, the sample size for the study is 400

4. DATA PRESENTATION AND ANALYSIS

4.1 Data Presentation and Analysis

Research Questions One: Determine the extent to which financial discipline affected affordable health care service delivery in Enugu State, Nigeria;

Table 4.1: The extent to which financial discipline affected affordable healthcare service delivery in Enugu State, Nigeria

s/n		VHE	HE	UD	LE	VLE	Mean	Decision
1	financial discipline accounts ensure efficient service delivery in rural areas	18	37	27	27	95	2.30	Rejected
2	The financial discipline has resulted in the provision of essential health facilities in my area.	18	73	18	37	58	2.79	Rejected
3	With the financial discipline am able to provide basic health care service in my area.	37	73	18	58	18	3.26	Rejected
4	With financial discipline, health care in my area is made affordable by the local government.	18	73	40	55	18	3.09	Accepted
5	financial discipline in my area has not lived up to expectations in the area of providing basic healthcare services.	18	75	37	37	37	3.0	Accepted

6	In my area, there is no presence of local government in the provision of medical services	20	37	37	73	37	2.66	Rejected
	Valid N (listwise)	204					**2.85**	Rejected

Source: Field Survey 2025, SPSS version 23.0 Result Output

Table 1 above shows the mean distribution of opinions of the respondents on the extent to which financial discipline affected affordable health care service delivery in Enugu State, Nigeria. With regards to item one, the data shows the mean score of 2.30 is an indication that the respondents rejected that State joint local government accounts ensure efficient service delivery in rural areas. On item two, the high mean of 2.79 is an indication that the majority of the respondents strongly disagreed with the proposition that financial discipline has resulted in the provision of essential health facilities in my area. With reference to item three, the result shows a mean score of 3.26 which directly implies that the majority of respondents agreed that the financial discipline is able to provide basic health care service in my area. For item number four, the result shows a high mean score of 3.09 which directly implies that the majority of respondents agreed that with state/joint account, health care in my area is made affordable by the local government., for item five the high mean of 3.0 depicts that respondents are all in agreement that Local government in my area has not lived up to expectation in the area of providing basic healthcare services, for item five the high mean of 2.66 depicts that respondents rejected that In their areas, there is no presence of local government in the provision of medical services. The grand mean of 2.86 showed that respondents rated low the extent to which the application of the financial discipline impinges on health care service delivery in Enugu State, Nigeria

Research Questions Two: To find out how which financial discipline affected rural road maintenance services in Enugu State, Nigeria;

Table 4.2: How financial discipline affected rural road maintenance services in Enugu State, Nigeria;

S/N		SA	A	UD	DA	SD	Mean	Decision
1	With the financial discipline, the road maintenance services of my local government is grossly inadequate	92	55		55	2	3.8	Accepted
2	The local government in my area lack the capacity to maintain our rural roads as a result of heavy deductions by the state government.	112	37	37	18		4.20	Accepted
3	The poor state of rural roads is a result of the deprivation of funding from a joint account	37	94	37	18	18	3.56	Accepted
4	The local government in my area lack the political willpower to execute road projects in the rural areas	94	37	18	55		3.83	Accepted
5	The capacity of the local government is effectively being utilized in the provision of road culverts and bridges		73		95	37	2.54	Rejected
6	Our rural roads are more accessible with the road maintenance of the Local Government	18	18		131	37	2.26	Rejected
	Valid N (listwise)				204		3.36	Accepted

Source: Field Survey 2023, SPSS version 23.0 Result Output

Table 2 is assumed to be indicative responses on how financial discipline affected rural road maintenance services in Enugu State, Nigeria with a mean score of above 3.0. With regards to item one, the data revealed that the mean score is 3.8 is an indication that the majority of the respondents accepted that with the joint account of State/Local Government, the road maintenance services of my local government are grossly inadequate. On item two, the mean of 4.20 is an indication that the majority of the respondents accepted that the local government in their area lack the capacity to maintain our rural roads as a result of heavy deductions by the state government. With reference to item three, the result shows a high mean score of 3.56 implies that the majority of respondents accepted that the poor state of rural roads is a result of the deprivation of funding from the joint account For item number four, the high mean of 3.83 depicts that respondents accepted that the local government in my area lack the political and willpower to execute road projects in the rural areas, for item number five, the mean of 2.54 depicts that respondents rejected that the capacity of the local government is effectively being utilized in the provision of road culverts and bridges and item six with the mean of 2.26 equally showed that the respondents rejected that their rural roads are more accessible with the road maintenance of the Local Government. The grand mean of 3.36 is an indication that the respondents agreed that the State Joint Local Government Account Policy affected the rural road maintenance services in Enugu State, Nigeria.

4.2 Test of Research Hypotheses

Chi-square test tools with formula were used to test the hypotheses from the data generated in this research paper as follows,

:

$$\chi^2 = \sum \frac{(O - E)^2}{E}$$

Where O = observed frequency

E = Expected frequency

Assumptions: Level of significance = 0.05

Decision Rule:

1. Reject Ho if the P-Value cal < 0.05 at a 5% level of significance.
2. Otherwise accept the null hypothesis (Ho).

Test of Hypothesis One

Restatement of Hypothesis One

Ho: The application of the financial discipline has not significantly impacted affordable health care service delivery in Enugu State, Nigeria

Table 1 Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	85.598[a]	16	.060
Likelihood Ratio	99.604	16	.060
Linear-by-Linear Association	1.060	1	.203
N of Valid Cases	204		

a. 12 cells (48.0%) have an expected count of less than 5. The minimum expected count is .20.

D.F = Degree of freedom; D.F = 16; χ^2cal = 85.598, p = 0.060

Decision: The Chi-square analysis in Table 4.4, based on the χ^2cal value of 85.598 and P-value of 0.060, in table 4.4 revealed that the application of the financial discipline has not significantly impacted affordable health care service delivery in Enugu State, Nigeria

and this influence is statistically not significant at 5% level of significance as the P-value is not within 5% significance level. This result, therefore suggests that we should accept our null hypothesis one (H_o) which states the application of the financial discipline has not significantly impacted affordable health care service delivery in Enugu State, Nigeria

Test of Hypotheses Two

Statement of Hypothesis Two

Ho: Financial discipline has negatively impacted rural road maintenance services in Enugu State, Nigeria

Table 2 Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	36.091[a]	16	.003
Likelihood Ratio	42.634	16	.000
Linear-by-Linear Association	10.100	1	.001
N of Valid Cases	204		

a. 12 cells (48.0%) have an expected count of less than 5. The minimum expected count is .41.

D.F = Degree of freedom; D.F = 16; χ^2cal = 36.091[a], p = 0.003

Decision: The Chi-square analysis in Table 4.5, based on the χ^2cal value of 36.091[a] and P-value of 0.003, in table 4.5 revealed that Financial discipline has negatively impacted rural road maintenance services in Enugu State, Nigeria and this influence is statistically significant at a 5% level of significance as the P-value is within 5% significance level. This result, therefore suggests that we should accept our alternate hypothesis one (H_1) which states the Financial discipline has negatively impacted rural road maintenance services in Enugu State, Nigeria.

5. SUMMARY OF FINDINGS

i. Fiscal indiscipline has negatively impacted rural road maintenance services in Enugu State, Nigeria. This implies that rural roads are more accessible with the road maintenance of the Local Government authority

ii. Fiscal indiscipline has not significantly improved educational service delivery in Enugu State, Nigeria. This suggests that fiscal discipline help reduce all local government efforts towards providing educational services in my area

5.1 Conclusion

Fiscal discipline can play a significant role in enhancing community development, but it is just one piece of the puzzle. Fiscal discipline refers to responsible management of government finances, including budgeting, spending, and taxation. When applied effectively, it can have several positive impacts on community development such as enhancing stability and predictability by ensuring that government finances are stable and predictable. This can provide a conducive environment for businesses and investors, which in turn can lead to economic growth and job creation within a community. It allows governments to allocate resources efficiently and prioritize spending on critical areas such as education, healthcare, infrastructure, and social services. These investments can directly benefit the community by improving living standards and overall quality of life. Fiscal discipline has also been found to help reduce government debt levels as high levels of debt can lead to higher interest payments, crowding out other essential spending, and potentially burdening future generations with debt.

However, it's essential to note that fiscal discipline alone is not sufficient for community development. Other factors, such as good governance, rule of law, social cohesion, and economic policies, also play critical roles. Additionally, the specific impact of fiscal discipline can vary depending on the local context, the level of government (local, regional, or national), and the overall economic conditions.

In summary, while fiscal discipline can contribute positively to community development by ensuring responsible financial management and resource allocation, it should be part of a broader strategy that includes various factors and policies to promote sustainable and inclusive development.

5,2 Recommendations

1. Necessary reforms should be undertaken by the government to promote fiscal discipline by ensuring transparency and accountability in the use of public funds. Funds should target community development as a means to achieve holistic development in Nigeria.
11. Striking a balance between austerity measures and critical investments is crucial if fiscal discipline is to effectively foster community development. A narrow focus on cost-cutting may result in underinvestment in important areas. Governments must therefore emphasize responsible fiscal management while simultaneously attending to the particular demands and difficulties of their people. Additionally, budgetary transparency and citizen participation can assist in guaranteeing that fiscal policies are in line with the objectives and priorities of community development.

REFERENCES

Acaravcı, A., Erdogan, S., & Akalın, G. (2015). The electricity consumption, real income, trade openness and FDI: the empirical evidence from Turkey. *Intern*

Adam, C. S., & Bevan, D. L. (2005). Fiscal deficits and growth in developing countries. *Journal of Public Economics*, *89*(4), 571-597.

Adeola, O., & Evans, O. (2017). Financial inclusion, financial development, and economic diversification in Nigeria. *The Journal of Developing Areas*, *51*(3), 1-15.

Ahlin, C., & Pang, J. (2008). Are financial development and corruption control substitutes in promoting growth?. *Journal of Development Economics*, *86*(2), 414-433.

Alenoghena, R. O., & Evans, O. (2015). Corruption Effects on Nigeria: Aggregate and Sectoral Estimates Using VAR. *Journal of Economic & Financial Studies*, *3*(03), 41-48.

Ali, A. M. (2001). Political instability, policy uncertainty, and economic growth: An empirical investigation. *Atlantic Economic Journal*, *29*(1), 87-106.

Asteriou, D., & Spanos, K. (2018). The Relationship between Financial Development and Economic Growth during the recent Crisis: Evidence from the EU. *Finance Research Letters*.

Ayadi, R., Arbak, E., Naceur, S. B., & De Groen, W. P. (2015). Financial development, bank efficiency, and economic growth across the Mediterranean. In *Economic and social development of the Southern and Eastern Mediterranean countries* (pp. 219-233). Springer, Cham.

Baldacci, E., Hillman, A.L. and Kojo, N.C. (2004) "Growth Governance and Fiscal Policy Transmission in Low-Income Countries", *European Journal of Political Economy,* 20(3): 517-549.

Barbier, E. B. (2010). Corruption and the political economy of resource-based development: a comparison of Asia and Sub-Saharan Africa. *Environmental and resource economics*, *46*(4), 511-537.

Dumitru, I., & Stanca, R. (2010). Fiscal discipline and economic growth–the case of Romania. No 50, Advances in Economic and Financial Research - DOFIN Working Paper Series from Bucharest University of Economics, Center for Advanced Research in Finance and Banking - CARFIB

Dzhumashev, R. (2014). Corruption and growth: The role of governance, public spending, and economic development. *Economic Modelling*, *37*, 202-215.
Ebenstein, A., Harrison, A., McMillan, M., & Phillips, S. (2014). Estimating the impact of trade and offshoring on American workers using the current population surveys. *Review of Economics and Statistics*, *96*(4), 581-595.
Fatima, A., & Waheed, A. (2011). Effects of macroeconomic uncertainty on investment and economic growth: evidence from Pakistan. *Transition Studies Review*, *18*(1), 112-123.
Fetai, B. T. (2018). Does financial development accelerate economic growth? An empirical analysis of European countries in transition. *Journal of Financial Economic Policy*.
Furceri, D., & Sousa, R. M. (2011). The Impact of Government Spending on the Private Sector: Crowding - out versus Crowding - in Effects. *Kyklos*, *64*(4), 516-533.
Ganelli, G. (2003) “Useful Government Spending, Direct Crowding-Out and Fiscal Policy Interdependence”, *Journal of International Money and Finance*, 22(1): 87-103.
Ghatak, A. and Ghatak, S. (1996) “Budgetary Deficits and Ricardian Equivalence: The Case of India”, *Journal of Public Economics*, 60: 267-282.
Gupta, S., Clements, B., Baldacci, E., & Mulas-Granados, C. (2005). Fiscal policy, expenditure composition, and growth in low-income countries. *Journal of International Money and Finance*, *24*(3), 441-463.
Ketterer, T. D., & Rodríguez - Pose, A. (2018). Institutions vs. ‘first - nature’ geography: What drives economic growth in Europe's regions?. *Papers in Regional Science*, *97*, S25-S62.
Khan, A., Ahmed, M., & Bibi, S. (2018). Financial development and economic growth nexus for Pakistan: a revisit using maximum entropy bootstrap approach. *Empirical Economics*, 1-13.
Madsen, J. B., Islam, M. R., & Doucouliagos, H. (2018). Inequality, financial development and economic growth in the OECD, 1870–2011. *European Economic Review*, *101*, 605-624.
Mahmoudzadeh, M., Sadeghi, S., & Sadeghi, S. (2017). Fiscal spending and crowding out effect: a comparison between developed and developing countries. *Institutions and Economies*, 31-40.
Méndez-Marcano, R., & Pineda, J. (2014). *Fiscal Sustainability and Economic Growth in Bolivia* (No. 1406).
Nelson, C. R., & Plosser, C. R. (1982). Trends and random walks in macroeconmic time series: some evidence and implications. *Journal of monetary economics*, *10*(2), 139-162.
Noorbakhsh, F., Paloni, A., & Youssef, A. (2001). Human capital and FDI inflows to developing countries: New empirical evidence. *World development*, *29*(9), 1593-1610. Cite