

Legislative–Executive Relations and Nigeria’s 2025 Tax Reform Initiatives: Best Practices and Implications for Nation-building

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DOI: <https://doi.org/10.5281/zenodo.20259711>

Article History	Abstract
Original Research Article	<p><i>The problem addressed in this paper is the persistent tension between the legislature and the executive in Nigeria, which often undermines effective policy formulation and implementation, particularly in sensitive reforms such as taxation. Nigeria’s 2025 Tax Reform Initiatives have generated intense legislative–executive interactions that raise concerns about coordination, accountability, and policy coherence. The objective of this paper is to examine the nature of legislative–executive relations in the context of the 2025 Tax Reforms, identify ideal practices, and assess their implications for nation-building. The paper adopts a qualitative research design, relying on secondary sources including scholarly literature, government policy documents, legislative debates, budget statements, and reports from relevant institutions. Data are analyzed using content analysis to identify recurring themes, institutional patterns, and governance gaps in the reform process. The findings reveal that cooperative legislative–executive relations enhance policy legitimacy, fiscal transparency, and reform sustainability, while adversarial relations delay reforms, politicize taxation, and weaken public trust. The paper further finds that inadequate consultation, weak institutional autonomy, and partisan interests limit the effectiveness of tax reforms and their nation-building outcomes. The paper concludes that constructive legislative–executive collaboration is critical for successful tax reform, nation-building and sustainable national development in Nigeria. It recommends strengthened inter-branch dialogue, respect for constitutional roles, evidence-based lawmaking, and inclusive stakeholder engagement in tax policy processes. The contribution to knowledge lies in situating Nigeria’s 2025 tax reforms within the broader framework of legislative–executive relations, providing an analytical lens for understanding how governance dynamics shape fiscal reform outcomes in developing democracies.</i></p> <p>Keywords: Legislative–executive relations, Tax reform, Fiscal policy, Nation-Building, Governance, Nigeria.</p>
Received: 11-03-2026	
Accepted: 21-04-2026	
Published: 17-05-2026	
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<p>Citation: Muawiya Shuaibu, Abdulhamid Hamman Bazza, & Abdulrazak Aide. (2026). Legislative–executive relations and Nigeria’s 2025 tax reform initiatives: Best practices and implications for nation-building. UKR Journal of Economics, Business and Management (UKRJEBM), 2(5). 87-97.</p>	

1. Introduction

Legislative–executive relations remain a defining feature of democratic governance across the world, shaping how public policies are conceived, negotiated, and implemented. In advanced democracies such as the United States, the United Kingdom, and Germany, institutionalized mechanisms of checks and balances have historically fostered both cooperation and tension between branches of government, yet these interactions are often channelled through stable constitutional conventions and strong

institutions. For instance, the U.S. congressional–presidential relationship has, since the post–World War II era, oscillated between periods of divided government and bipartisan cooperation, particularly during major fiscal reforms such as the Tax Reform Act of 1986, which simplified tax structures and broadened the tax base through sustained negotiation between the Reagan administration and Congress (WHYY, 2011). Similarly, in the European context, tax and fiscal reforms within the

European Union often require coordination between national parliaments and executives under supranational fiscal rules, reflecting a multi-level governance system where collaboration is indispensable (Pierson, 1996). These global experiences demonstrate that the quality of legislative–executive relations significantly influences policy effectiveness, fiscal discipline, and institutional trust.

Across Africa, however, legislative–executive relations have often been marked by institutional fragility, executive dominance, and political contestation. In many post-colonial states, including Ghana, Kenya, and South Africa, efforts to deepen democratic consolidation have required strengthening parliamentary oversight and balancing executive authority. South Africa, for example, has developed relatively robust parliamentary committees that actively scrutinise fiscal policy and budget proposals, particularly since the end of apartheid in 1994, contributing to improved accountability in public finance management (De Vos & Freedman, 2014). In contrast, several other African countries continue to experience tensions between the executive and legislature, often exacerbated by weak institutional capacity, party dominance, and limited policy expertise. Within the West African subregion, Nigeria stands out as a federal presidential system where constitutional provisions formally guarantee separation of powers, yet practical relations between the executive and legislature have frequently been characterised by bargaining, conflict, and occasional deadlock, particularly during budget approvals and reform initiatives.

In Nigeria, the evolution of legislative–executive relations has been shaped by historical trajectories of military rule (1966–1999) and the subsequent return to civilian governance in 1999. Since the Fourth Republic began in 1999, the National Assembly and the executive arm have engaged in both cooperative and adversarial interactions, particularly in relation to fiscal policy, budget implementation, and institutional reforms. Notable instances include the repeated delays in budget passage during the administrations of President Olusegun Obasanjo (1999–2007), Goodluck Jonathan (2010–2015), and Muhammadu Buhari (2015–2023), often attributed to disagreements over budgetary allocations, oversight authority and revenue projections (Bakare & Muideen, 2024). These patterns illustrate the enduring complexities of inter-branch relations in Nigeria’s democratic experience, where political competition, institutional overlap, and differing priorities frequently shape governance outcomes.

Nigeria’s 2025 Tax Reform Initiatives arise within a wider institutional and political environment as a significant effort to modernise the country’s fiscal framework. While across

36 African countries the average tax-to-GDP ratio rose by 1.1 percentage points, from 14.9% in 2013 to 16.0% in 2022, Nigeria experienced a slight decline over the same period, falling by 0.4 percentage points from 8.3% to 7.9%. Historically, Nigeria’s tax-to-GDP ratio reached a peak of 9.7% in 2011 and declined to a low of 5.3% in 2016, reflecting enduring difficulties in effective revenue mobilisation (Organisation for Economic Co-operation and Development, 2024). The reform initiatives seek to address issues such as tax evasion, narrow tax base, administrative inefficiencies, and over-reliance on oil revenues, which have historically accounted for over 70% of government revenue at various points since the 1970s oil boom. However, the implementation of these reforms has been accompanied by extensive legislative scrutiny, public hearings, and policy debates within the National Assembly, reflecting both the constitutional role of the legislature and the political sensitivities surrounding taxation in a developing economy.

Despite the strategic importance of these reforms, tensions between the executive and legislature have occasionally surfaced in the form of disagreements over policy design, stakeholder consultations, and legislative amendments. Such interactions underscore the centrality of effective inter-branch coordination in achieving coherent and sustainable fiscal reforms. In contexts where consultation is limited or where partisan interests dominate, policy outcomes may be delayed or diluted, thereby affecting implementation and public confidence. Conversely, where structured dialogue, mutual respect, and evidence-based deliberation are present, tax reforms are more likely to gain legitimacy and achieve intended developmental objectives.

Against this backdrop, this paper examines legislative–executive relations within the context of Nigeria’s 2025 Tax Reform Initiatives, with the aim of identifying best practices that enhance cooperation, transparency, and policy effectiveness. The paper is motivated by the need to understand how institutional dynamics between the two arms of government influence fiscal reform outcomes in Nigeria’s evolving democracy. Specifically, it seeks to contribute to ongoing scholarly and policy debates on governance by situating tax reform within the broader framework of intergovernmental relations and democratic accountability. The significance of the paper lies in its potential to inform policymakers, legislators, and public administrators on how improved collaboration can strengthen fiscal governance, enhance revenue generation, and ultimately contribute to nation-building. By integrating historical perspectives with contemporary developments, the paper provides a comprehensive understanding of how legislative–executive relations shape the trajectory of

public policy in Nigeria and similar developing democracies.

2. Conceptual Clarification

Conceptual clarification is essential in scholarly inquiry as it provides precise meanings to key terms, reduces ambiguity, and establishes a common analytical framework for understanding complex governance phenomena. In the context of this paper, three central concepts, legislative–executive relations, tax reform, and nation-building, are critically examined through the lens of multiple scholarly definitions, comparative perspectives, and an integrated analytical synthesis.

2.1 Legislative–Executive Relations

Legislative–executive relations refer to the structured interaction between the law-making body and the executive authority in a political system, particularly in the formulation, approval, implementation, and oversight of public policy. This relationship is foundational to constitutional democracy, especially within presidential systems where separation of powers is constitutionally entrenched but functionally interdependent. From a classical perspective, Montesquieu (1989) conceptualises the relationship as part of the doctrine of separation of powers, arguing that liberty is preserved when legislative and executive powers are distinct yet balanced through mutual checks. Madison (1788) further elaborates in *The Federalist Papers* that “ambition must be made to counteract ambition,” implying that institutional rivalry can serve as a safeguard against tyranny. In a more modern institutional context, Lijphart (1999) views legislative–executive relations as a core feature of consensus and majoritarian democracies, where the degree of cooperation or conflict influences policy stability. Similarly, Shugart and Carey (1992) argue that presidential systems create dual democratic legitimacy, which often necessitates negotiation between independently elected branches. Peters (2010) adds that governance effectiveness depends on administrative coordination and institutional linkages rather than rigid separation. Lastly, Neustadt (1960) conceptualises presidential power as the “power to persuade,” highlighting the relational and bargaining nature of executive-legislative interaction.

A critical review of these perspectives reveals two dominant schools of thought. Classical theorists emphasise institutional separation and checks and balances as safeguards of liberty, while contemporary scholars stress interdependence, negotiation, and political bargaining as practical realities of governance. While Montesquieu (1989) and Madison focus on structural safeguards, Neustadt and Peters (2010) emphasise behavioural and administrative cooperation. Lijphart and Shugart & Carey

(1992) bridge these views by recognising both institutional design and political dynamics. However, a limitation across many of these theories is their generalisation based on advanced democracies, with limited contextualisation for developing political systems such as Nigeria, where informal institutions, patronage politics, and party dominance significantly shape inter-branch relations. Legislative–executive relations can be understood as a dynamic system of institutional interaction characterised by both constitutional separation and practical interdependence, where effective governance depends not only on formal rules but also on political negotiation, institutional capacity, and mutual trust between the two arms of government.

2.2 Tax Reform

Tax reform refers to deliberate changes in a country’s taxation structure, policies, and administrative systems aimed at improving revenue generation, equity, efficiency, and compliance. It is a critical fiscal policy instrument used by governments to mobilise domestic resources and promote economic development. Musgrave (1959) defines tax reform within the broader framework of public finance as a mechanism for achieving allocation efficiency, redistribution, and macroeconomic stabilisation. Similarly, Bird (2015) conceptualises tax reform as a continuous process of improving tax systems to enhance revenue adequacy and administrative simplicity. Tanzi and Zee (2000) emphasise that tax reform involves broadening the tax base, lowering marginal tax rates, and strengthening tax administration to reduce distortions and evasion. Stiglitz (2000) views tax reform as a tool for correcting market failures and promoting equity through redistributive fiscal policies. In the Nigerian context, Ariyo (1997) highlights tax reform as a response to weak revenue performance and overdependence on oil, advocating diversification of the tax base. Furthermore, Gillis (1989) argues that tax reform in developing countries must balance efficiency with administrative feasibility, given institutional constraints.

A critical synthesis of these definitions reveals that while early scholars such as Musgrave and Gillis focus on normative fiscal functions, later scholars such as Tanzi and Zee (2000), Bird (2015), and Stiglitz (2000) adopt a more pragmatic and development-oriented perspective. There is consensus that tax reform should enhance efficiency, equity, and revenue mobilisation; however, divergences arise regarding implementation strategies, particularly in developing economies where administrative capacity and compliance levels are often low. Nigerian scholarship (Ariyo, 1997) further highlights structural constraints such as informality, corruption, and narrow tax bases, which complicate reform efforts. Contemporary perspectives also emphasise the role of political economy factors, including

legislative approval processes and stakeholder resistance, which are critical in shaping reform outcomes. Tax reform therefore, is a multifaceted fiscal governance strategy aimed at restructuring taxation systems to improve revenue generation, equity, and efficiency, but its success depends not only on technical design but also on administrative capacity, political will, and effective collaboration between key governmental institutions.

2.3 Nation-Building

Nation-building refers to the process of constructing a cohesive political community characterised by shared identity, stable institutions, economic development, and social integration under a functioning state system (Musa, 2023). It is a long-term developmental and political process that involves consolidating state authority and fostering national unity. Deutsch (1953) conceptualises nation-building as a process of social communication and integration that creates a sense of shared identity among diverse groups. Anderson (1983) describes the nation as an “imagined community,” emphasising the role of shared narratives, symbols, and institutions in fostering national consciousness. Gellner (1983) links nation-building to industrialisation and modernisation, arguing that nationalism emerges as societies transition from agrarian to industrial economies. Huntington (1968) focuses on political order, asserting that nation-building requires strong institutions capable of maintaining stability and governance. Fukuyama (2004) further expands the concept by emphasising state capacity, rule of law, and accountability as core elements of successful nation-building. In the African context, Ake (1996) argues that nation-building involves transforming colonial state structures into inclusive, development-oriented institutions that reflect indigenous realities.

A critical evaluation of these perspectives shows that early theorists such as Deutsch and Anderson emphasise sociocultural integration and identity formation, while Gellner and Huntington (1968) focus on structural and institutional dimensions. Fukuyama (2004) and Ake (1996) provide a more contemporary and pragmatic view, highlighting governance, institutional capacity, and state legitimacy. However, a common limitation is the tendency to generalise nation-building without adequately addressing the specific challenges faced by post-colonial states such as Nigeria, including ethnic diversity, weak institutions, and uneven economic development. In Nigeria, nation-building has been an ongoing process since independence in 1960, shaped by civil war (1967–1970), military rule, and democratic transitions, all of which have influenced the evolution of national cohesion and institutional development (Musa, 2023; Hassan & Musa, 2014). Thus, nation-building is a comprehensive and

continuous process of fostering national unity, institutional strength, and socio-economic development through effective governance, inclusive policies, and shared national identity, with fiscal systems such as taxation playing a pivotal role in resource mobilisation and equitable development.

3. Theoretical Frameworks

This paper is anchored on four complementary theoretical perspectives, separation of powers theory, systems theory, public choice theory, and institutional theory, which collectively provide a multidimensional explanation of legislative–executive relations in the context of Nigeria’s 2025 tax reform initiatives. Each theory is examined in terms of its key proponents, assumptions, strengths, limitations, and relevance to contemporary governance realities, particularly within developing democracies such as Nigeria.

3.1 Separation of Powers Theory

The separation of powers theory is most prominently associated with Montesquieu (1748, 1989), who argued that political liberty is best preserved when governmental powers are divided among distinct branches to prevent tyranny and abuse of authority. This idea was further developed in the works of Madison (1788), who, in *The Federalist No. 51*, emphasised that the institutional design of government should ensure that “ambition counteracts ambition,” thereby creating a system of checks and balances. Contemporary constitutional scholars such as Lijphart (1999), Shugart and Carey (1992), and Ackerman (2000) have expanded on this framework by analysing how presidential systems institutionalise dual legitimacy through separately elected branches, thereby reinforcing both independence and interdependence.

The core assumption of this theory is that the concentration of power in a single institution increases the risk of authoritarianism, while the dispersion of authority enhances accountability and protects democratic governance. It presumes that each branch of government operates within constitutionally defined boundaries while exercising oversight over the others. In practice, this translates into mechanisms such as legislative approval of executive proposals, executive assent to legislation, judicial review, and legislative oversight of executive actions.

A major strength of the separation of powers theory lies in its ability to safeguard democratic governance by institutionalising accountability and preventing abuse of power. Historical and contemporary examples demonstrate its effectiveness; for instance, in the United States, the legislative branch has periodically checked executive authority through budgetary controls and investigative hearings, such as during the Watergate scandal (1972–

1974), which led to executive accountability. Similarly, in Nigeria's Fourth Republic (since 1999), the National Assembly has exercised oversight functions over executive budget implementation, although the effectiveness of such oversight has varied depending on political dynamics. However, the theory is not without limitations. Critics argue that strict separation may lead to institutional gridlock, delays in policy implementation, and inefficiencies in governance (Neustadt, 1960). In developing democracies like Nigeria, where political institutions are still maturing, the separation of powers is often undermined by executive dominance, weak legislative capacity, and partisan alignments. These challenges can reduce the effectiveness of checks and balances, resulting in either excessive confrontation or undue executive influence over the legislature.

In terms of relevance, the separation of powers theory provides a foundational explanation for the interactions between Nigeria's legislature and executive in tax reform processes. The debates, amendments, and approvals surrounding fiscal legislation reflect the practical operation of this doctrine, where institutional independence necessitates negotiation, compromise, and mutual oversight. In the context of Nigeria's 2025 tax reforms, the theory explains why disagreements may arise over policy content, timelines, and implementation strategies, while also underscoring the importance of constitutional cooperation for effective governance.

3.2 Systems Theory

Systems theory, originally developed by Ludwig von Bertalanffy (1968) and later adapted to political science by David Easton (1965), conceptualises government as an open system composed of interrelated components that interact with their environment. According to Easton, political systems receive inputs in the form of demands and supports from the public, which are processed through institutional mechanisms to produce outputs in the form of policies and decisions. These outputs are then subjected to feedback, which influences subsequent policy adjustments. The key assumption of systems theory is that political institutions function as interconnected subsystems that must work collaboratively to ensure stability and effectiveness. Within this framework, the legislature and executive are not isolated entities but rather components of a broader governance system that relies on continuous communication, coordination, and feedback loops. Effective policy outcomes depend on the smooth transmission of information and the alignment of institutional functions.

One of the strengths of systems theory is its holistic approach to understanding governance processes. It moves beyond institutional isolation and instead emphasises the

dynamic interaction between different branches of government and their environment. For example, in Nigeria, public reactions to tax policies, such as protests, civil society advocacy, and media discourse, serve as feedback mechanisms that influence legislative deliberations and executive adjustments. The public outcry over proposed increases in Value Added Tax (VAT) in previous fiscal reform discussions illustrates how societal input can shape policy outcomes. However, the theory has limitations, particularly its tendency to oversimplify complex political realities by treating political systems as mechanistic and overly structured entities.

Critics argue that it underestimates the role of power struggles, elite interests, and informal institutions in shaping policy processes. Additionally, it may not fully account for corruption, patronage, and bureaucratic inefficiencies, which are prevalent in many developing countries, including Nigeria. Despite these limitations, systems theory remains highly relevant to the paper of legislative-executive relations in Nigeria's tax reform process. It provides a useful framework for understanding how inputs such as economic pressures (e.g., declining oil revenues), political demands, and stakeholder interests are processed through institutional interactions to produce fiscal policies. The success of Nigeria's 2025 tax reforms can thus be partly explained by the effectiveness of communication and coordination between the legislature and executive, as well as the responsiveness of the system to public feedback.

3.3 Public Choice Theory

Public choice theory, associated with scholars such as Buchanan and Tullock (1962) and further developed by Downs (1957), applies economic principles to political decision-making. It assumes that political actors, including legislators and executives, are rational individuals who pursue self-interest, which may include political survival, power maximisation, and constituency benefits rather than purely public interest. The central assumption of public choice theory is that political behaviour is driven by incentives and constraints similar to those in economic markets. Legislators may support or oppose tax reforms based on how such policies affect their electoral prospects, while executives may design policies that enhance political legitimacy or administrative control. This perspective suggests that policy outcomes are often the result of bargaining, negotiation, and strategic interaction among self-interested actors.

A key strength of public choice theory is its ability to explain political behaviour in realistic terms by acknowledging the role of incentives, lobbying, and rent-seeking. It has been used to analyse fiscal policy decisions in various contexts, including tax reforms in both developed

and developing countries. For instance, resistance to tax reforms in many countries is often linked to the political costs associated with imposing taxes on influential groups or expanding the tax base to previously untaxed sectors. However, the theory has been criticised for its overly reductionist view of human behaviour, as it tends to assume that all political actors are primarily self-interested. Critics argue that it underestimates the role of public service motivation, institutional norms, and ethical considerations in governance. Additionally, it may not fully capture the complexity of collective decision-making processes, particularly in contexts where ideology, national interest, and developmental goals influence policy choices. In Nigeria, public choice theory is particularly relevant in explaining legislative–executive interactions during tax reform processes. Political negotiations surrounding the 2025 tax reforms may reflect competing interests, including revenue generation goals of the executive and representational concerns of legislators. For example, resistance to certain tax proposals may stem from fears of public backlash or electoral consequences, illustrating how political incentives shape policy decisions. Thus, the theory provides insight into the political economy of tax reform and the strategic behaviour of institutional actors.

3.4 Institutional Theory

Institutional theory, as articulated by scholars such as North (1990), March and Olsen (1984), and Scott (2014), emphasises the role of formal rules, organisational structures, norms, and routines in shaping political behaviour and outcomes. Institutions are viewed as enduring systems of established and embedded rules that guide the behaviour of actors within a political system. The key assumption of institutional theory is that political behaviour is not solely driven by individual preferences but is significantly shaped by institutional constraints and incentives. Formal institutions such as constitutions, laws, and parliamentary procedures define the boundaries within which legislative–executive relations operate, while informal institutions such as political culture, norms, and traditions influence how actors interpret and apply these rules.

One of the strengths of institutional theory is its ability to explain stability and continuity in governance systems. It highlights how established procedures and norms structure interactions between the legislature and executive, thereby reducing uncertainty and promoting predictability. For example, Nigeria’s constitutional provisions regarding budget approval, presidential assent, and legislative oversight create a structured framework for inter-branch relations. Despite political disagreements, these institutional arrangements ensure that policy processes follow recognised procedures. However, institutional

theory has limitations, particularly its relative neglect of individual agency and power dynamics. Critics argue that it may overemphasise structural constraints while underestimating the role of political actors in shaping or circumventing institutions. In contexts where informal practices such as patronage, clientelism, and elite bargaining are prevalent, formal institutions may not fully determine outcomes.

In Nigeria, institutional theory is highly applicable in understanding legislative–executive relations in tax reform processes. The effectiveness of the 2025 tax reforms depends not only on the formal constitutional roles of the legislature and executive but also on the strength of institutional capacity, adherence to procedural rules, and the presence of norms that encourage cooperation. Path dependency also plays a role, as historical patterns of interaction between the two branches continue to influence contemporary governance practices. For instance, past experiences of budget delays and policy conflicts may shape current strategies of negotiation and compromise.

4. Methodology

This paper adopts a qualitative research design to examine legislative–executive relations within the context of Nigeria’s 2025 tax reform initiatives. A qualitative approach is considered appropriate because it enables an in-depth exploration of complex institutional interactions, political dynamics, and governance processes that cannot be adequately captured through purely quantitative measures. As Creswell and Creswell (2018) note, qualitative research is particularly suitable for studies that seek to understand social and institutional phenomena in their natural settings, drawing on rich textual and documentary evidence.

The paper relies exclusively on secondary data sources. These include peer-reviewed academic journal articles, government policy documents, legislative records from the National Assembly, official reports from relevant institutions such as the Federal Inland Revenue Service (FIRS), budget statements, white papers, and publications from international organisations such as the World Bank and the Organisation for Economic Co-operation and Development (OECD). These sources provide comprehensive and credible information on Nigeria’s fiscal policy environment and the evolving dynamics of tax reform. The use of secondary data is justified by the nature of the paper, which focuses on analysing institutional behaviour and policy processes rather than generating primary survey-based data.

Data collected from these sources were analysed using content analysis, a systematic technique for interpreting textual information by identifying patterns, themes, and

meanings within the data. Content analysis involves coding and categorising qualitative data into meaningful units that reflect recurring ideas and institutional dynamics (Krippendorff, 2018). In this paper, the analysis focused on identifying key themes such as cooperation, conflict, negotiation, policy delays, institutional constraints, and governance outcomes in legislative–executive relations. The analytical process involved several steps. First, relevant documents were reviewed and organised according to their relevance to Nigeria’s tax reform initiatives and inter-branch relations. Second, recurring themes were identified across the documents, particularly those relating to patterns of interaction between the legislature and the executive. Third, these themes were categorised to reflect different dimensions of governance behaviour, including cooperation, adversarial engagement, and institutional coordination. Finally, the paper interpreted these patterns in relation to theoretical frameworks such as separation of powers, systems theory, public choice theory, and institutional theory, in order to evaluate their implications for policy effectiveness and nation-building.

The qualitative approach adopted in this paper allows for a nuanced understanding of the institutional and political complexities that characterise tax reform processes in Nigeria. It also enables the integration of historical and contemporary perspectives, thereby providing a comprehensive analysis of how legislative–executive relations influence fiscal governance outcomes. By focusing on documentary evidence and thematic interpretation, the methodology ensures that the findings are grounded in verifiable sources while capturing the depth and context of governance interactions.

5. Discussion of Findings

The findings of this paper are discussed in relation to the dynamics of legislative–executive relations in Nigeria and their implications for the 2025 tax reform initiatives. Drawing on historical and contemporary governance experiences, empirical data, and comparative insights, the discussion highlights how patterns of cooperation and conflict between the two arms of government shape fiscal policy outcomes and broader developmental objectives.

5.1 Cooperative Relations and Policy Success

The paper finds that cooperative relations between the legislature and the executive significantly enhance the success of tax reform initiatives by promoting policy legitimacy, transparency, timely legislative approval, and public trust. When both arms of government engage in constructive dialogue, consultative processes, and negotiated compromise, policy outcomes tend to reflect broader stakeholder interests and enjoy greater acceptance. Empirical evidence from both developed and developing

democracies supports this observation. For instance, the Tax Reform Act of 1986 in the United States was achieved through sustained bipartisan cooperation between the executive (under President Ronald Reagan) and Congress, resulting in a comprehensive reform that broadened the tax base while lowering marginal rates (WHYY, 2011). Similarly, in South Africa, post-apartheid fiscal reforms since 1994 have benefited from relatively strong coordination between the executive and parliamentary committees, contributing to improved revenue mobilisation and fiscal discipline (De Vos & Freedman, 2014).

In Nigeria, instances of cooperative legislative–executive relations have occasionally emerged, particularly during budget approvals and financial reform processes where joint committees and public hearings are effectively deployed. The passage of annual appropriation bills, for example, typically involves negotiation between the executive and the National Assembly, leading to outcomes that balance executive policy priorities with legislative scrutiny. Such collaboration promotes transparency in fiscal decision-making, reduces policy ambiguity, and strengthens public trust in governance institutions. As noted by Gbadago (2025), countries characterised by strong institutional collaboration in fiscal governance tend to record higher tax-to-GDP ratios and greater revenue efficiency. This is largely because inclusive and technically competent governance structures such as independent and professionally diverse tax boards, help curb corruption, limit tax evasion, and enhance compliance.

By contrast, Nigeria continues to grapple with one of the lowest revenue-to-GDP ratios globally, leaving its fiscal position highly vulnerable to economic shocks. In 2021, general government revenue stood at just 7.3% of GDP, less than half the average for countries within the Economic Community of West African States (ECOWAS) and nearly one-third of the Sub-Saharan African (SSA) average, ranking 191st out of 193 countries worldwide (International Monetary Fund, 2023). Overall, sustained cooperation between the legislative and executive arms fosters policy stability, reduces uncertainty, and promotes inclusive governance, all of which are critical to the effective implementation of tax reforms.

5.2 Adversarial Relations and Policy Delays

The findings further reveal that adversarial relations between the legislature and executive often lead to delays in policy approval, inconsistencies in reform implementation, politicisation of fiscal policies, and reduced investor confidence. When inter-branch relations are characterised by mistrust or political rivalry, legislative processes tend to become protracted, and policy proposals may be subjected to extensive revisions or outright rejection. In Nigeria, historical instances illustrate how

executive–legislative tensions have affected fiscal governance. During the Fourth Republic, particularly between 2007 and 2015, budget delays were frequently reported due to disagreements over appropriation bills, oversight authority, and project allocations (Bakare & Muideen, 2024). These delays sometimes extended budget passage timelines beyond the beginning of fiscal years, thereby affecting implementation efficiency. Contemporary tax reform debates in Nigeria have similarly experienced contestation, with legislative committees scrutinising executive proposals through public hearings and amendments. While such scrutiny is a constitutional requirement, excessive politicisation may slow down the reform process. Comparative studies suggest that prolonged legislative-executive conflicts can reduce investor confidence, as policy uncertainty increases perceived economic risk (The Africa Report, 2025). For example, in some emerging economies, delays in tax policy implementation have been associated with reduced foreign direct investment (FDI) inflows, as investors prefer predictable regulatory environments. Nigeria’s fluctuating policy environment, partly influenced by inter-branch disagreements, has been identified as one of the constraints to improving its investment climate (International Monetary Fund, 2023). Thus, adversarial relations, while sometimes necessary for accountability, can undermine policy coherence and delay critical reforms if not managed within a framework of institutional cooperation and mutual respect.

5.3 Institutional and Political Constraints

The paper identifies several institutional and political constraints that limit effective collaboration between the legislature and executive in Nigeria’s tax reform process. These include weak institutional capacity within legislative committees, limited technical expertise in tax policy analysis, partisan political interests, inadequate stakeholder engagement, and poor communication channels between the two branches. Institutional capacity challenges are particularly evident in the technical complexity of tax policy formulation. Tax reforms require specialised knowledge in economics, public finance, and law, yet legislative bodies in many developing countries, including Nigeria, often lack sufficient access to expert advisory services. Although institutions such as the National Assembly Budget and Research Office exist, their capacity remains underutilised in some cases. Political rivalry and partisan interests further complicate cooperation. Legislators may oppose executive proposals not solely on technical grounds but due to party affiliations or constituency pressures. This aligns with public choice theory, which suggests that political actors often pursue self-interest, sometimes at the expense of collective policy

goals (Buchanan & Tullock, 1962). In Nigeria, such dynamics have been observed in debates over fiscal policies where legislative amendments reflect regional, political, or electoral considerations. Inadequate stakeholder engagement also constrains effective reform. Tax policy reforms require consultation with civil society organisations, private sector actors, and professional bodies such as tax consultants and economists. Where such engagement is limited, misunderstandings and resistance may arise, further complicating legislative approval processes. Communication gaps between the executive and legislature can also hinder coordination. Effective governance requires continuous dialogue, information sharing, and alignment of priorities. Where communication is fragmented or politicised, policy delays and inconsistencies become more likely. Institutional theory suggests that the absence of strong procedural norms and collaborative frameworks can weaken inter-branch relations and reduce governance effectiveness (North, 1990).

5.4 Implications for Nation-Building

The nature of legislative–executive relations has significant implications for nation-building in Nigeria, particularly in terms of fiscal stability, institutional credibility, and national cohesion. Effective cooperation between the two arms of government enhances the capacity of the state to mobilise revenue, implement development programmes, and maintain macroeconomic stability. Fiscal reforms such as taxation are central to nation-building because they provide the financial resources necessary for public goods provision, infrastructure development, and social services. According to Organisation for Economic Co-operation and Development (n.d.), efficient tax systems are vital for development, enabling countries to mobilize domestic resources to fund crucial infrastructure, education, and healthcare. By replacing inefficient revenue collection with robust administration, governments can reduce reliance on foreign aid, foster economic growth, and ensure sustainable development goals. In Nigeria, where oil revenues have historically dominated government income since the 1970s, diversification through improved tax systems is essential for sustainable development.

Transparent and cooperative governance also fosters public trust in state institutions. When citizens perceive that fiscal policies are developed through inclusive and accountable processes, compliance with tax obligations is more likely to improve. Conversely, persistent conflict between the legislature and executive can weaken institutional credibility, reduce public confidence, and exacerbate perceptions of governance inefficiency. Historical experiences further demonstrate that institutional instability can hinder nation-building. Nigeria’s periods of military

rule (1966–1999) were characterised by centralised executive authority and limited legislative participation, which affected institutional development and democratic consolidation. Since the return to civilian rule in 1999, efforts to strengthen democratic institutions have underscored the importance of balancing power between the legislature and executive. Ultimately, effective legislative–executive cooperation contributes to national integration by ensuring that fiscal policies are inclusive, transparent, and responsive to public needs. In contrast, persistent conflict may undermine governance effectiveness and slow down the pace of socio-economic development.

6. Conclusion

This paper has critically examined legislative–executive relations within the context of Nigeria’s 2025 Tax Reform Initiatives, situating the analysis within broader debates on governance, fiscal policy, and nation-building. Drawing on both theoretical perspectives and empirical insights, the paper demonstrates that the nature and quality of interaction between the legislature and the executive significantly influence the trajectory and outcomes of public policy reforms. Where cooperation is present, characterised by consultation, negotiation, and institutional respect, tax reforms are more likely to achieve legitimacy, efficiency, and sustainability. Such cooperative dynamics enhance transparency in fiscal decision-making, improve the timeliness of legislative approvals, and strengthen public trust in governance institutions.

Conversely, adversarial relations between the two branches tend to generate policy delays, inconsistencies, and political contestation that may undermine reform objectives. In the Nigerian context, where democratic institutions have evolved since the return to civilian rule in 1999, inter-branch tensions have occasionally manifested in budget disputes, legislative amendments, and prolonged deliberations on fiscal policies. These challenges highlight the fragility of institutional coordination in environments where political competition, limited technical capacity, and competing interests intersect. Consequently, the paper underscores that effective tax reform cannot be achieved in isolation from the broader political and institutional environment in which it is implemented. From a nation-building perspective, the findings reinforce the argument that stable and cooperative legislative–executive relations are essential for fostering fiscal sustainability, institutional credibility, and socio-economic development. Taxation, as a primary instrument of revenue generation, plays a pivotal role in financing public goods and services, and its effectiveness is contingent upon the ability of key institutions to work collaboratively. Therefore, strengthening inter-branch relations is not merely a

procedural necessity but a strategic imperative for advancing governance effectiveness and national development in Nigeria.

7. Recommendations

In light of the findings, several policy-oriented recommendations are proposed to enhance legislative–executive relations and improve the effectiveness of Nigeria’s tax reform initiatives.

- i. First, strengthened inter-branch dialogue should be institutionalised through regular consultation mechanisms, joint committees, and structured policy forums. Such platforms will facilitate continuous communication, reduce misunderstandings, and promote mutual trust between the executive and the legislature. Institutionalising dialogue aligns with best practices observed in stable democracies where regular engagement contributes to smoother policy formulation and implementation processes (Lijphart, 1999).
- ii. Second, both arms of government should adhere strictly to their constitutionally defined roles. Respect for the doctrine of separation of powers will help minimise unnecessary conflicts while maintaining the necessary system of checks and balances. Clear delineation of responsibilities ensures that each branch operates within its mandate while still contributing to collective governance objectives.
- iii. Third, capacity building for legislators and policy advisors should be prioritised, particularly in areas related to fiscal policy, taxation, and public financial management. Given the technical complexity of tax reforms, enhanced expertise within legislative committees will improve the quality of deliberations and reduce over-reliance on external inputs. Strengthening institutional capacity is essential for informed decision-making and effective oversight.
- iv. Fourth, evidence-based policymaking should be adopted as a guiding principle in the design and implementation of tax reforms. Policy decisions should be grounded in empirical data, economic analysis, and credible projections rather than political considerations alone. The use of data-driven approaches has been shown globally to improve policy outcomes and enhance fiscal efficiency, particularly in countries with robust statistical and research institutions (OECD, n.d).

- v. Fifth, inclusive stakeholder engagement should be deepened to ensure that tax reforms reflect the interests and concerns of diverse groups, including civil society organisations, private sector actors, professional associations, and the general public. Broad-based consultation enhances transparency, improves policy acceptability, and reduces resistance during implementation. In many democratic systems, stakeholder participation has proven effective in building consensus around complex fiscal reforms.
- vi. Finally, efforts should be made to depoliticise tax reforms by reducing partisan interference in fiscal policy decisions. While political debate is a natural component of democratic governance, excessive politicisation may hinder objective analysis and delay critical reforms. Promoting a non-partisan approach to taxation, particularly in matters of national economic interest, will help ensure continuity, stability, and long-term policy effectiveness.

Overall, the successful implementation of Nigeria's 2025 Tax Reform Initiatives depends not only on sound policy design but also on the ability of key political institutions to collaborate effectively. Strengthening legislative–executive relations, therefore, remains central to achieving sustainable fiscal reforms and advancing the broader goals of nation-building.

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