

# **CORRUPTION IN THE MATRIX OF DEVELOPMENT IN NIGERIA**

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## **Abstract**

In recent times the spate of uncontrolled incidences of corrupt practices in the Nigeria nation-state has assumed threatening dimension that if the malaise is left unchecked, it may be the beginning of the end of a nation-state that its founders toiled assiduously to build. This paper examines the concept of corruption, its forms, propellants and its management. Among other things, the paper also discusses how corruption has affected and negated the developmental strides Nigeria's "young" democracy and emphasize that some measures should be taken to address the problem.

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**Keywords:** Corruption, Nigeria, Development, Matrix

## **Introduction**

Nation building as a process is historically contingent. The importance of this lies in the fact that development or growth of nations is tied to factors that influence the process (Oghi and Ajayi, 2011:196). One area in which attempts at nation-building in Nigeria has become problematic is in the area of corruption. It is so much the worry among concerned citizens – academic and non-academic that workshops seminars and conferences have been organized at different fora to chart a way out of the quagmire. Yet, the problem subsist as was shown in the recent case of an Assistant Director in the Federal Civil Service, embezzling pension funds that ran into billions of Naira.

All over the world, corruption is a practice that is antithetical to the growth of economies and as such it is discouraged in all ramifications. The Nigeria nation-state has queued into this global practice as was shown in the case of Bode George and five others who were members of the Nigeria Ports Authority management staff. The Economic and Financial Crimes Commission, EFCC, under the extant government has been doing its level best to

bring culprits to “book”, but in most cases criticisms have trailed its activities because some believe it is a body put in place to witch-hunt perceived opponents. Whether or not these accusations are true, one thing is inimitable – and that is, that efforts must be made to nip this malaise from truncating the country’s developmental strides.

The problem of economic and social progress has been a fundamental one throughout the history of mankind (Onokerhoraye, 2005:1). Development, therefore has its components-political, economic, urban, rural, environmental and even social. For these to be enjoyed by citizens, any impediment to their realization must be stamped out. Consequently, Nigeria like most other evolving democracies of the world must address the issue of corruption if democratic government is to bring the desired succour the populace desire.

In the light of the above, this paper examines the concept of corruption, its forms, propellants and management in the Nigeria nation-state since 1999. The paper also recommends ways by which corruption could be checked in order to better the lot of the Nigerian people and fast-track development in the country.

### **The Concept of Corruption**

Cases of corruption in the Nigerian nation-state has in the past three decades assumed frightening proportion. In spite of the attempts by successive governments of checking it, the incidence has not abated. In fact, the concept with its definitional problem is not uniquely defined. While it has been viewed as the sacrifices of public for personal benefits (Ovwasa, 1995), it has also been christened “as influence to prevent the judgment of a person in a position of trust, nepotism and misappropriation (Nye, 1967). Others would simply want to see the concept as a general term covering misuse of authority as a result of considerations of personal gains which need not be monetary (Bayley, 1986). Whichever way the concept is defined, the bottom-line is that in the Nigeria nation-state, it has come to connote fraud and forgeries, which have become cankerworm in all spheres of our national life (Taiwo, 1994).

Nigeria’s history since the return to democratic governance in 1999 is replete with myriads of incidence of corruption. This appears to have almost enveloped all sectors of the Nigerian society-ministries and agencies of government. Most disheartening was the legislative probe of the Aviation sector in which \$6.5 billion scams was unveiled. There is also, the probe of the Nigeria. National Petroleum Corporation, NNPC that has revealed heart-throbbing facts from the Senate probe. How could it for instance, be imagined that an oil block worth billions of dollars were knowingly sold to a Chinese Petroleum Company for \$6million by officials of the Department of Petroleum Resources? Worse still, is the recent case of an Assistant Director in the Federal Civil Service misappropriating pension fund that

ran to the tune of billions of Naira (*The vanguard*, 2012). This, indeed is a gory picture of a nation striving for development and improvement of the lives of its citizens.

However, it must be quickly pointed out that the issue of corruption is not a twenty-first century child of the Nigeria Nation-State. Its manifestations started shortly after the attainment of political independence from Britain in October 1960. Part of the problems that caused tension in the Western Region of Nigeria in 1962 was the issue of corruption. The declaration of a state of emergency as it were, in that region was followed by the suspension of the AG party, and in its place an interim government was appointed, headed by Chief M.A. Majekodunmi-Subsequently a commission of inquiry (the Coker Commission) found Chief Awolowo guilty of misuse of Western regional funds – specifically, that he diverted funds from the regional government-owned National Investment and Properties Corporation, totaling N4.4 million in cash and N1.3million in overdraft, from the National Bank (also owned by the Western region) to finance the AG and publish newspapers supporting the party – and indicted him for trying to build a financial empire through abuse of his official position (Osaghae, 2011:40).

Even in December 1983 when the Military once again took over the government (having done the same in 1966 and 1975), part of the reasons for their intervention was economic mismanagement. This mismanagement was attributed to the corrupt practices of politicians which the government promised to reverse as part of the presumed superior moral order of the military: “This government will not tolerate kickbacks, inflation of contracts and over invoicing of imports ..... nor will it condone forgery, fraud, embezzlement, misuse and abuse of office, and illegal dealings...” (Excerpts from radio broadcast announcing the coup by Brigadier Sani Abacha, 31 December 1983). Since then has this “malady” abated? Certainly not, rather, incidents of corruption have continued uncontrolled.

The worrisome aspect of corruption in the Nigerian state has become so threatening that a scholar classified the forms to include:

- (a) Money Transfer fraud;
- (b) Advanced Fee Fraud (419),
- (c) Falsification of Records,
- (d) Impropriety,
- (e) Foreign Exchange Malpractices and
- (f) Fictitious Purchase. (Osemeke, 2011: 186 – 188).

What then, are the propellants to corruption? Seven major factors have been ascribed to it. First, is the absence or lack of implementation of the detailed operational manual. This

has led to unregulated limits of the powers of the operators; Second, is poor internal control or inefficient application of internal control measures, third, is bad leadership. This has encouraged single staff initiating and completing all stages of a transaction from start to finish. Fourth, is poor personnel policies that have led to de-motivation, lack of job satisfaction, low job enrichment that promote fertile grounds for fraud; fifth, is poor accounting records. Inability to maintain proper books of accounts and failure to reconcile the various accounts on daily, weekly, monthly basis as appropriate. Sixth, is the low level of probity prevailing in the society and the accepted value system whereby wealth is glorified irrespective of its source encourages frauds. Added to this, is the impact of extended family commitment. Above all, is the laxity of the law Enforcement Agents to prosecute offenders. (Ibironke, 2005). Paradoxically, even the judiciary which is supposed to be impartial in bringing to “book” perpetrators of corrupt practices appear not to have woken up to this responsibility. Otherwise, how could we explain a situation where one Yakubu Yesufu, who was convicted of stealing N23.3 billion of Police Pension fund be given a ridiculous option of N750,000 fine? The law as an instrument of social engineering ought to be applied to achieve its purpose of deterrence and retribution predicated on the principle of fairness (*The Guardian*, 2013).

### **Implications of Corruption for the Nigeria State**

Corruption has many negative effects. It has been observed that the effects of corruption on development include, irrational decisions which are myopic and motivated by greed, squandering of resources on unsuitable projects, loss of confidence of the people in government and the development of cynical attitude towards leadership (Chinye, 2015:138). For the Nation, the effects of corruption can be summarized to include: (Igbinovia and Aigbive, 2009) wastage of resources resulting in:

- (i) Near total collapse of infrastructure,
- (ii) Poor delivery of Service,
- (iii) Ill-equipped and ill-trained bureaucracy,
- (iv) Politicization of the Civil Service resulting in manipulation of the electoral and judicial process,
- (v) Loss of billions of Naira into private pockets through looting by public officials resulting to low GDP, GNP, etc.
- (vi) Undeveloped economy resulting from sharp practices and poor corporate government due to inefficient and ineffective regulation and supervision by regulatory bodies.

It is disheartening to note that most funds that would have been utilized for development are being defrauded and privatized (Osemeke, 2011:191). The consequence has been that deprivation has become exacerbated and poverty increased in the land. While it may be open to disputation whether poverty could lead to frauds, it is definite that frauds lead to poverty. (Ogunleye, 2001). The rot has become so worrisome that recently the House of Senate in Nigeria expressed its disgust over alleged misuse of N873 billion solid minerals fund. (*The Guardian*, 2013).

The implications of corruption of democratic governance and socioeconomic development are grave. First, it has been opined that corruption encourages government to be progressively less democratic and increasingly willing to abuse human rights while deriding openness, transparency and accountability which are the pillars of genuine democratic governance. (Chinye, 2005). Basically, eradication of corruption has implications for the sustenance of democracy in Nigeria.

Second, the effects corruption has on moral values is laughable. Moral values of the Nigerian state has degenerated. At independence in the 1960s public servants operated in a society where moral values were very high. Unexplained wealth was looked upon with suspicion. In fact, stories were told of how highly placed Civil Servants hid Mercedes Benz cars they acquired a few months to retirement to avoid being questioned officially and by the public about the source of acquisition (Chinye, 2005 and Elizu, 1989). Today, either as a result of poverty or other reasons, wealth from any source is celebrated.

The collapse of public facilities in Nigeria has occasioned serious hardship on the people. This could also be traced to the negative effects of corruption. Money meant for repairs of the country's refineries, electric power generation installation, hospitals, roads, schools etc have been diverted to private ends by public officials through direct misappropriation and the award of phony contracts to cronies.

More important is the factor of security. One of the recent worry of government has been the issue of security, especially the "book haram" headache. It need to be stressed that where the social gap between wealthy and corrupt public officials on the one hand, and the common people on the other hand, there is bound to be insecurity in the society. Elimination of corruption could make public officials responsive to the needs and interests of the people thereby enhancing socioeconomic development of the society. It could also help to boost the interest of potential foreign investors, guarantee efficient delivery of public services, and promote a truly independent and prosperous country.

### **Curtailing Corruption in Nigeria: Current Efforts**

Countries all over the world have introduced laws to curb corrupt practices. The United States of America and Botswana are cases in point. Whereas Botswana in 1994 adopted the Corruption and Economic Crimes Act, the United States of America in 1977 adopted the Foreign Corrupt Practices Act. Nigeria too, also has its Anti-corruption Act (the Corrupt Practices and Related Offences Act). The problem however, is whether the Act has been meaningfully implemented in Nigeria. To be modest, the implementation of the Act, require some measure of force, at least to serve as a deterrent.

The international non-governmental organization, Transparency International, in its 2004 Corruption Perception Index (CPI) that covered ninety countries world-wide rated Nigeria as the second most corrupt country in the world (Chinye, 2005:128). From this index, out of twenty-two African countries assessed, Botswana was adjudged cleanest. That Botswana enjoyed this rating may not be unconnected with the effective application of that country's Corruption and Economic Crimes Act. While doubt has been expressed over the correctness of this assessment, one thing undoubtable in the Nigerian state is that everyday happenings around its people appear to endorse the assessment. It is no longer news that policemen while armed, shamelessly and openly extort money from motorist, public officials (including federal, state and local government officials) become wealthy few months after assuming office. Budgetary allocations to ministries are executed through "phoney projects" after sizeable chunk has been given as "welfare" to the National Assembly as "thank you" for inflating ministry's budget (Chinye, 2005:128). Even though Nigeria is called "the Giant of Africa", a sobriquet that presupposes greatness in all facets of life, not a few Nigerians still wonder where the impact of her greatness lies. This self-imposed greatness has drastically waned and consigned to the fiefdom of a few who seemed to have enthroned selfish interest (Bulus, 2012).

As earlier mentioned, the Anti-Corruption Act contains provisions which apply to both large-scale and petty corruption and other related offenses. The Act established the Independent Corrupt Practices and other Related Offenses Commission vested with the duty to investigate cases and prosecute offenders. The Economic and Financial Crimes Commission, EFCC, no doubt was established to actualize the lofty dreams of the Act. However, the reality of the situation is that doubts has even trailed the operations of this agency. For instance, the probe of the Federal Capital Territory administration under Malam Nasir El-Rufai showed how civil servants used their positions to give undue advantage and benefits to themselves. While many Nigerians could not boast of an inch of land in Abuja, the

former President and the Minister, despite their anti-Corruption stance, allocated choice plots of land to themselves. Essentially, this act was possible because the “actors” who are political appointees, collaborated with the career civil servants (Iyoha et al 2009).

It must be quickly stated that efforts have been made over the years to fight corruption, but not with the expected results. Laws have been made along this line. Such efforts include: Criminal Code Section 419, Money Laundering Act No. 3 of 1995 as amended, Independent Corrupt Practices and Other Related Offenses Commission Act of 2000 and the EFCC Act of 2002. The latter two led to the establishment of the ICPC and the EFCC. In addition to these, the World Bank (2000) also identified a quintuple strategy for addressing the problem, viz: Institutional restraints, political accountability, civil society participation competitive private sector approach and public sector management. Yet, the “malaise” continues to dwarf the development efforts of the Nigeria nation-state.

### **The Way Forward**

It must be quickly stated in this paper that the problem of corruption is not peculiar to the Nigerian nation-state. It must be tackled headlong as a matter of urgent public importance (Nwaokocha and Oghi, 2011:103). Emphasis should not be on just what the law states, but what the history of the country speak of the peoples antecedents. Citizens must be made to know the destructive consequences of corruption. A law which is unknown or not understood cannot effectively achieve any social aim. Corruption is a social problem. Consequently, if the various anti-corruption laws are to solve or at least, contribute meaningfully to the solution of the problem of corruption, the people must know their roles and the consequences of failure to play those roles. Accountability is most effective when it is comprehensive. Overlapping authority ensures that if, one institutional actor fails to perform its duty to expose, question, and punish and ultimately deter-corrupt behavior, another institution may initiate the accountability process (Diamond and Morlino, 2005: xxiii). A lot could still be done to reduce the incidence of corruption in the Nigeria nation-state in order to arrest the morass of underdevelopment.

First, there should be honest political leadership. The existence of honest political leadership would set a moral tone for the populace in general and the public service in particular: A well motivated public servant could resist the temptations of stealing public fund just because of the fear that after all, his pension fund may not reach him/her before death. The feeling that if a civil servant does not resort to “self help” by stealing public fund, he would suffer at retirement must be discouraged.

Second, if honest political leadership must be attained, then there is the compelling need to inculcate moral values. The Nigeria nation-state need to grow a new generation of leaders within the framework of a new Nigeria where corruption and ill-gotten wealth will be stigmatized. The Nigerian political, socioeconomic system need to be revolutionized in such a way that holding public offices will no longer be a lucrative business. In order to achieve this, religious organizations that cut across the ethnic groups should help to instruct their members appropriately. Every good religion teaches good values. Such values should be made part of daily life by both leaders and members, rather than spend too much time preaching gospel of prosperity without resort to how it could be lawfully achieved.

However, to achieve the aforesaid, a lot depends on the inputs from territories comprised in the political entity. Before independence, the area now referred to as Nigeria was largely autonomous communities held together by political and socio-cultural institutions that had leadership structures that were built around strong value systems. All these appear to have been subsumed by the ravaging scourge of corruption. Consequently, it seems sycophancy has afflicted most title holders because of patronage from fraudulent money launderers. This is unfortunate for a developing country like Nigeria. The traditional rulers of all grades must lead the campaign to make corruption unfashionable. They must abandon the seeming tradition of hobnobbing with corrupt members of their communities.

Above all, where the causes of an ailment are avoided, prophylactic measures for such ailment works effectively. Therefore, to reduce corruption there should be internal solutions. Apart from emphasizing moral values as earlier stated, government establishments must maintain efficient internal control system which should be activity directed and pre-operational rather than post activity. Ministries need to be properly monitored. Employment policies should be reviewed to avoid the possibility of placing people of questionable character from occupying sensitive positions. And given that most acts of corruption emanates from initial activity (origination point) and final destination, these transit values should be properly manned by people of integrity.

### **Conclusion**

The problem of corruption is peculiar to most countries of the world especially developing countries. The situation in Nigeria is an indication that corruption is a potent factor which has and still affects the development of the country. The way out of the corruption problem is to reduce it to the barest minimum in order to realize our set goals as a nation. To pretend as if nothing is happening would further submerge the country into the abyss of underdevelopment.



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