



CORRUPTION: NIGERIA'S HOME GROWN AND WORST ENEMY

This write-up draws on various contributions on corruption to highlight the challenge it poses to the Nigerian state, the economy and the people. It is in our hands to wage a serious war against this faceless enemy that inhabits our daily lives and rubs current and future generations the much deserved justice, accountability and transparency in government, economic growth and prosperity for all.

“There are many unresolved problems in Nigeria, but the issue of the upsurge of corruption is troubling. And the damages it has done to the polity are astronomical. The menace of corruption leads to:

- Slow movement of files in offices,
- Police extortion tollgates and slow traffics on the highways,
- Port congestion,
- Queues at passport offices and gas stations,
- Ghost workers syndrome,
- Election irregularities, among others.

Even the mad people on the street recognize the havoc caused by corruption - the funds allocated for their welfare disappear into the thin air” (Dike, Africaeconomics.org). There is international acceptance that corruption, political or bureaucratic, impedes economic development, undermines stability and erodes trust in public institutions (UNPAN, 2009).

Corruption is defined as:

“the abuse of public power for private benefit, as a key constraint to efficient allocation of economically valuable resources, effective provision of public goods and services, and people’s confidence in the state and the legal system”
(Deininger and Mpuga, 2005:p171).

In other words, corruption is “efforts to secure wealth or power through illegal means ; private gain at public expense; or a misuse of public power for private benefit (Lipset & Lenz, 2000, p.112-114).

“In addition, corruption is a behavior which deviates from the formal duties of a public role, because of private [gains] - regarding (personal, close family, private clique, pecuniary or status gains. It is a behaviour which violates rules against the exercise of certain types of [duties] for private [gains] - regarding influence (Nye, 1967). This definition includes such behaviour as:



- **Bribery** (use of a reward to pervert the judgment of a person in a position of trust);
- **Nepotism** (bestowal of patronage by reason of *ascriptive* relationship rather than merit); and
- **Misappropriation** (illegal appropriation of public resources for private uses (Banfield 1961)).

To the already crowded landscape (Osoba 1996), adds that corruption is an anti-social behaviour conferring improper benefits contrary to legal and moral norms, and which undermine the authorities to improve the living conditions of the people” (Dike, Africaeconomics.org). Transparency International, an independent globally authority on corruption, ranks Nigeria among the five most corrupt nations in the world.

To a developing or under developed country like Nigeria, accountability is highly critical for development in at least two ways: Private investment is crucial for driving growth level in developing countries for poverty reduction. Rent seeking by corrupt public officials can increase the cost of entrepreneurial investment and force foreign investors to head elsewhere (Smarzynska and Wei, 2001). A significant infrastructural investment in public goods such as, education, roads, electricity, telecommunication and health is important in developing countries as a basis for private investment, broad-based, and sustainable economic development. However, high levels of corruption have the potential to bias public spending in new projects rather than operation and maintenance of old ones. In addition to reduction in economic growth, the quality of public service delivery, and foreign investment, this can, in the extreme, lead to a significant reduction in the legitimacy of the state (Tanzi, 1998).

Causes of corruption

The causes of corruption in Nigeria are multi-dimensional and may not deviate considerably from the following:

- Great inequality in distribution of wealth;
- Political office as the primary means of gaining access to wealth;
- Conflict between changing moral codes;



- The weakness of social and governmental enforcement mechanisms; and
- The absence of a strong sense of national community (Bryce, 1921).
- Obsession with materialism,
- Compulsion for a shortcut to affluence,
- Glorification and approbation of ill-gotten wealth by the general public, (Ndiulor, 1999).
- Failure to pay wages and salaries to public servants when due and yet expect them to pay their transportation cost to work, pay their kid's tuition fees, etc.

Since independence in the 1960, Nigeria has battled integrity, transparency and accountability problems within its public service. For example the announced motive behind the 1966 coup led by Major Chuckwuma Nzogwu was a desire to “rid the country of irresponsible politicians, incompetent and corrupt bureaucrats, restore respectability and accountability to the Nigerian public service” (Mbaku, 1998:p48). Years later and by 1983 a third coup masterminded by Brigadier Sani Abacha and his colleagues claimed they were “compelled to seize power from the President Shagari government to save Nigeria from rampant corruption, ineptitude and profligacy that had characterised both the federal and state governments of the country” (Agbese, 1998). By 2009 and over a period of thirty years, the conservative estimate of the cost of integrity, transparency and accountability quagmire in Nigeria was \$380 billion and climbing. The state of the Nigerian Public Sector has not helped either.

The Nigerian public service has undergone changes and transformation over the years. However, successive reforms aimed at achieving efficiency and effectiveness have failed to make significant impact in terms of reengineering the public sector. For example the “Udoji Commission’s” recommendation of a “unified and integrated administrative structure, the elimination of waste and removal of deadwoods/ inefficient departments and the introduction of a results-oriented public sector that functioned on the basis of management by objective” failed to achieve its goal (Suleiman, 2009:p1). Central to the failure of reform and the root of consistent inefficiency within the Nigerian public service are:

- Colonial, outdated administrative machinery;
- Poor capacity of the majority of civil servants, sometimes to the point of Illiteracy;
- Certificate forgery to gain entry and get promotions;



- Age falsification to remain in service beyond the stipulated period/ age;
- Corruption;
- Policy reversals; and
- Primordial considerations like ethnicity at the expense of merit" (*ibid*).

Various attempts have been made to bring about social reconstruction in the Nigerian public sector. They include the reform of the Nigerian public service, signing to the principles laid out in the New Partnership for Africa's Development (NEPAD) in 2001 (Armstrong, 2005) and the Peer Review Mechanism set up in 2003. An independent watchdog, Economic and Financial Crimes Commission (EFCC), has also operated with limited success though faced with accusations of corruption within.

In existence too are the civil service handbook which outlines the code of ethics in government business; the guidelines for appointment, promotion and discipline issued by the civil service commission; the Code of Conduct Bureau with a mandate to oversee the conduct of political and public servants; the 5th schedule of the 1999 Federal Constitution dealing with codes of behaviour for public office; the Code of Conduct Tribunal with the responsibility for trial or prosecution of all infringement of government business ethics (Tunde and Omobolaji, 2009).

These measures have failed to sustain both political and bureaucratic ethics in the Nigerian public service and acts of unbridled corruption have become the norm. Other well-established mechanisms for establishing and sustaining transparency and accountability in public service include checks and balances among branches of government, law enforcement, voting in elections, independence and free media and disclosure by politicians (Reinikka and Svensson, 2006; Djankov et al., 2008; Besley and Prat, 2009). These have been experimented with but thwarted by lack of effective leadership and political will.

The endemic levels of economic mismanagement, bribery and corruption, capital flight, political vendetta, entronement of regional loyalties, institutionalised disrespect for economic and financial solvency of the state and the nation at large, doctrine of ten-percent, election rigging and other tribulations associated with the Nigerian state, have crippled the economy and state's ability to maintain social infrastructure and serve the needs of the common man (Akindele et al, 2002; Akindele et al, 2005).

Controlling corruption

Mr Robert S. McNamara, former president of the *World Bank* advanced the following suggestions on how to control corruption in sub-Saharan Africa:

- Require direct, clear and forceful support of the highest political authority: the president or prime minister;
- Introduce transparency and accountability in government functions, particularly in all financial transactions;
- Encourage a free press and electronic media to forcefully report to the public on corrupt practices in the society;
- Organize civil society to address the problems of corruption brought to light by the process of transparency and the activity of the media;
- Introduce into government watch-dog agencies - anti-corruption bureaus; inspectors general; auditors general and *ombudsmen* [government official appointed to receive and investigate complaints made by individuals against abuses or capricious acts of public officials, etc] - which will identify corruption practices and bring them to public attention;
- Minimize and simplify government regulations, particularly those involving the issuance of licenses, permits and preferential positions, thereby restricting opportunities for rent seeking by corrupt means.
- Insert anti-bribery clauses into all major procurement contracts and with the assistance of both international financial institutions and bilateral aid agencies insist that international corporations, bidding on African procurement contracts, accept such clauses and the penalties associated with their violation.
- Introduce similar anti-bribery clauses into contracts relating to privatization of government enterprises, and the development of natural resources.
- Ensure that enforcement is predictable and forceful; and
- To criminalize the acts of bribery; prohibit the deduction of bribes for tax purposes; and erect barriers to transfer to western financial institutions of financial gains derived from corrupt practices (*United States Information Agency*, Nov 17, 1997).

Other steps authorities could take to control corruption include:

- *Declaration of Assets*: The state should require that all high-level Nigerian officials (Presidents, Ministers, Legislative officers, Central bank governors, Police and Customs Chiefs, Military Generals), sign a statement granting permission to banks (both local and foreign), real estate or investment house to disclose any personal assets they may hold. Breaking this veil of secrecy, it has been argued, is crucial if assets declarations are to be verified and accountability enforced (Diamond, 1992);
- *Withholding of Aid*: International donors (the *IMF* and *World Bank*) can be helpful by cutting off completely distribution of assistance to any country marked for high-level corruption;



- *Scrutiny for sources of income:* As was pointed out above, scrutinizing individual depositors of huge sum of money, by financial institutions for sources, would go along way to curbing looting of national treasury by civil servants.

Source: Victor E. Dike, <http://www.africaeconomicanalysis.org>

Our mandate, as Openmind Foundation, is to embark on a programme of re-education of our nation and the people on the causes of our stagnation as a country and the way forward. We hope to bring about, a balance picture throughout our land.

It's possible. Just believe!