



THE EVIL IMPACT OF CORRUPTION AS IT UNDERMINES NATIONAL DEVELOPMENT

NWANERI CONSTANCE L.O; AND DHIKYILNAN M. BEWUL

Department of Sociology (Criminology and Security- Studies), Faculty of Social Sciences, University of Jos, Jos, Plateau-State

Abstract:

This paper emphasizes the evil impact of corruption as it undermines the national development of the country. Corruption is a problem not only in the world's major financial markets and offshore centres, but also for emerging markets. And as emerging markets open their economies and financial sectors, they become increasingly viable targets for corruption activity. One of the greatest threats to economic and political development of any nation is corruption. Therefore, the challenges of corruption remain a major devastating issue facing Nigeria since the colonial period, although, this phenomenon has become a canker worm that has eaten deep into the fabrics of our system. Nevertheless, its solution rests in our hands and cannot be put off to another day. In Nigeria, corruption has been identified as the bane of urgently needed development in the country. Corruption remains the greatest threat to the attainment of millennium development goals (MDGs) and even to the continued existence of the Nigeria state. Corruption impairs the development of these important financial institutions for two reasons. First, corruption erodes financial institutions themselves. Within these institutions, there is often a correlation between corruption and fraudulent activities undertaken by employees. At higher volumes of corruption activities, entire financial institutions in developing countries are vulnerable to corruption by criminal elements seeking to gain further influence over their corruption channels. Federal government should make all the anti-corruption commissions more effective as a result of empowering them and funding the agencies and should be made to be independent so as to enforce laws without interference.

Keywords: National development, threat to economic and political development, millennium development goal (MDG's) anti-corruption commission.

Introduction

One of the greatest threats to economic and political development of any nation is corruption. Therefore, the challenges of corruption remain a major devastating issue facing Nigeria since the colonial period, although, this phenomenon has become a cankerworm that has eaten deep into the fabrics of our system. Nevertheless, its solution rests in our hands and cannot be put off to another day. That is why many countries have put in place different mechanisms for checkmating the spate of corruption. In Nigeria for example, the menace or corruption has been discussed at different levels. Yet this ugly incidence keeps surviving with us at all facets of our endeavours. (Agbu, 2003). Since the return of the country to civil rule on May 29, 1999, the Nigerian government has taken a number of measures to address the problems of corruption and bad governance in the country. These measures include public services reforms (Monetization to reduce waste and reduction of over-bloated personnel, reform of public procurement), establishment of anti-corruption enforcement agencies (such as the Economic and financial crime commission, independent corruption and other practices commission), and the on-going sanitization of the financial services sector by the central bank under Governor Sansui-which have revealed mind bulging levels of bare faced theft by the management of several banks in Nigeria (Alemika, 2012). Despite the successes attained by these measures, the situation remains unacceptable as corruption continues to permeate and pervade every facet of national life in Nigeria (CLEEN Foundation Monograph Series 2010). Against the backdrop, this project will attempt to expose some acts of corruption in the Fourth Republic and state its dare consequences on sustainable development in Nigeria. The central theme of the argument is that corruption has been responsible for our economic, social and political under-development in Nigeria. In Nigeria, corruption has been identified as the bane of urgently needed development in the country. Corruption remains the greatest threat to the attainment of Millennium Development Goals, (MDGs) and even to the continued existence of the Nigeria State. Corruption inhibits social-fiscal federalism and denies

equitable distribution of wealth and makes sure some sections of the country, which are considered “ethnically disadvantages” to remain worst off in the distributive arrangement of national resources. Corruption has proved ubiquitous mixing with individual blood and societal life, where officials not only personalize public offices but also personify, by them. The work ethics has been severely undermined by the “get-rich-quick syndrome from corruption”. “Andrig (2011) noted that not only the officials were corruption but corruption was official, and lootocracy” became a new diatribe for the governance on the continent.

According to Falooore (2010), corruption has the potentiality to produce cynicism, lack of faith and disregard for the rule of law. This can also contribute to broader political instability. One will recall that Nigeria armed forces ousted the democratic and military governments alike over charges of corruption, and it was largely because of the high level of corruption of the governments that the military takeover of governance each time was widely applauded. What corruption does to the country, more generally, is the high cost of government services, poor service delivery and inflated cost of government programmes. Corruption reduces economic growth and the benefits the society receive from government services Olugbenga (2012). In spite of these seemingly noble efforts of government to combat corruption, it is sad to note that most top government functionaries are deeply involved in corrupt practices. Corruption inhibits development because resources meant for public services are being diverted to individual purses. The qualities of services rendered are seriously affected in standard. Some developmental projects enunciated by the government functionaries that awarded the contract Ogundiya (2009).

Corruption impairs the development of these important financial institutions for two reasons. First, corruption erodes financial institutions themselves. Within these institutions, there is often a correlation between corruption and fraudulent activities undertaken by employees. At higher volumes of corruption activity, entire financial institutions in developing countries are vulnerable to corruption by criminal elements seeking to gain further influence over their corruption channels. Secondly, particularly in developing countries, customer trust is fundamental to the growth of sound financial institutions and the perceived risk to depositors and investors for institutional faced and corruption is an obstacle to such trust (Ademola, 2011).

Statement of the problem

Corruption is a problem not only in the world's major financial markets and offshore centers, but also for emerging markets. Indeed, any country integrated into the international financial system is at risk. As emerging markets open their economies and financial sectors, they become increasingly viable targets for corruption activity (Alemika, 2012). The consequence of corruption is so great on any society and in a case where dishonesty is not sanctioned, the trend would be attractive to potential criminals to cheat. The genuine challenge facing all societies is to create a system of governance that promotes, supports, and sustain human development. The absence of integrity in governance severely weakens the credibility of the democratic government in all respects. Its agencies and institutions, in a developing country like Nigeria, developing and implementing strategies for the prevention or absolute control of corruption is an integral part of ensuring accountability in public office. Therefore, corruption in the public or private sector results in the misuse of scarce resources which affects the entire economy. Corruption is a symptom of dysfunction in the management of the state. A number of studies and reports have associated corruption with the misuse of public office for private financial gain.

Cecilia Ibru was accused of using companies to launder funds (Cloudy Heights, Enifor, Prisky Gold, Bliss Bloss, Velvox and circular Global) which she used to acquire over 275 million shares in First Bank Nigeria Plc for ₦ 275,795,139. The court sentenced her to six months' imprisonment on each of the charges, totaling 18 months. In his judgement, justice Dan Abutu also ordered that the former bank chief forfeit 199 assets and funds worth over N 199 billion.

Also, Okey Nwosu, as former managing Director of FinBank Plc, was accused of failing to take all reasonable steps to ensure the correctness of FinBank's monthly bank return to the CBN between October 2008 and May 2009. He was also accused of failing to give a true and fair report of the state of the affairs of the bank to CBN by incorrectly importing ₦ 47.6 billion of commercial papers under the expanded discount window in FinBank's statement of assets and liabilities.

Research Questions

- i. What are the factors responsible for corruption in Nigeria?
- ii. What are the challenges facing anti-graft institutions in Nigeria?
- iii. Why has corruption persisted despite the establishment of I C P C

- iv. What are the consequences of corruption on Nigeria's development in Nigeria?

Research Objectives

The broad objective of the study is to investigate anti-graft war in Nigeria, case study of I C P C.

The specific objectives are as stated below.

To examine the factors responsible for corruption in Nigeria.

To evaluate the challenges facing anti-graft institutions in Nigeria.

To investigate why corruption has persisted despite the establishment of I C P C.

To analyse the consequences of corruption on Nigeria's development in Nigeria.

Theoretical Literature Review

The study aimed at investigating anti-graft war in Nigeria, case study of I C P C. the study aimed at focusing on review of related literature and theoretical framework.

Conceptual Framework

According to Olugbenga (2007), Odojin and Omojuwa (2007), the word corruption cannot easily be defined. Similarly, Ajibewa (2006) Falooore (2010) and Igbuzor (2008) cited in Egwemi (2012) maintains that corruption is not an easy task to define. Indeed, defining corruption is a daunting challenging venture. According to them, one of the major difficulties in conceptualizing corruption is that while it is difficult to disappear it has a capacity to take on new forms. At the opening remarks on conference proceedings titled corruption and governance challenges in Nigeria, organized by CLEEN Foundation Monograph Series (2010), the chair person, Ms. Farida Waziri, posits as follows: -

Etymologically, the word corruption comes from the Greek word "corropius - meaning an aberration or we may say a misnomer. The United Nations Global programme against corruption defines it as "abuse of power for private gain. The transparency international has chosen a clear and focused definition of the term as the abuse of entrusted power for private gain.

It can also be defined as a pervasion or change from the generally accepted rules or laws for selfish gain (Farida, 2010).

The World Bank however defines corruption as the abuse of office for private gains public office is abused for private gain when an official accepts, solicits or extorts a bribe. It is also abused when private agents actively offer bribes to circumvent public offices and processes for competitive advantages or profit.

In view of the above, Agbu (2003) observed that public office can be abused for personal benefit even if no bribery occurs, through patronage and nepotism, the theft of state assets, or the diversion of state resources. Given this development therefore, corruption connotes any behavior that deviates from an established norm with regards to public trust. It also means theft of public trust whether the person concerned is elected, selected, nominated, or appointed and it does not matter whether the person affected holds office or not since anybody can be corrupt.

Sustainable Development

Sustainable development means resources are used in such a way that both current and future human needs can be met.

The sustainable development guide online (2012) also describes the term as the development that meet the needs of the present, without compromising the ability of future generations to meet their own needs. According to Ukaga (2010) ask a sample of people about the term sustainability, and you are likely to get a variety of answers representing diverse perspectives, experiences and circumstances.

This confirms that a “one size fits all” approach to sustainable development is inappropriate, ineffective and unnecessary.

Adebayo (2010) also maintains that the concept of sustainable development is the efforts at improving the environment or natural resources for the purpose of improving the quality of human life in such a way that the needs of the future generation are not jeopardized. To this end, sustainable development is the ability to preserve the existing resources of the state for the collective use of the citizens while conscious efforts are made to conserve the resources for the use of future generations.

Perspectives of Corrupt Practices in Nigeria

Although, there here been corruption in Nigeria right from the onset, the phenomena became institutionalized under General Ibrahim Banbangida

military regime. In view of this, Ogundiya (2009) noted that during the IBB regime, corruption was raised to a level of state policy and allegation of corrupt practices were treated with utmost levity thereby destroying all the efforts of the previous administration.

Chief Olusegun Obasanjo laid the foundation of his civilian administration on the belief that corruption would be eliminated in Nigeria. He established the Independent Corrupt Practices Commission (ICPC) and Economic and Financial Crime Commission (EFCC). However, corruption has continued to grow unabated. Some western diplomats had the belief that Nigeria lost between \$ 4 billion and \$ 8 billion per year to corruption during the eight years of Obasanjo's administration. Also, the 2008 Corruption Perception Index (CPI) released by the transparency international revealed that the country was rated 121 out of 180 countries surveyed. On the scale of 10.0 Nigeria scored 1.6 in 1999, 1.2 in 2000, 1.0 in 2001, 1.6 in 2002, 1.4 in 2003, 1.6 in 2004, 1.9 in 2005, 2.2 in 2006, 2.2 in 2007, and 2.7 in 2008. This of course became a source of embarrassment to Nigerian officials travelling abroad and Nigerian nationals all over the world.

Ogundiya (2012) observed that the experience of the Fourth Republic indicated that corruption has become a norm. therefore, it is no longer news that the back covers of our newspaper are always inundated with news about political and bureaucratic corruption. The popular saying by politicians of the fourth republic is "Thou shall not be caught". By this, they meant that only are corrupt. Therefore, they evolve different sophisticated methods of perpetrating this crime without being noticed.

All the three arms of government and other state institutions are immersed in corruption. For example, corruption creates serious setback in the nation's assembly in the fourth republic. Chief Evans Enwerem, Chuba Okadigbo and Adolphus Nwabara were all impeached on grounds of corruption (Ogundiya, 2012); senator Chuba Okadigbo found out among other things that he was involved in the inflation of the street light project to the tune of 173 million naira.

Okadigbo also authorized the payment of 372 million naira to furnish his residence with a sum estimated above 25 million naira and equally installed and commissioned a 100 KVA generating set of the senate president residence at an inflated amount of 15 million naira.

Adolphous Wabara, was also guilty of receiving bribe of 55 million naira from professor Osuji (the former Education minister) to inflate the budgetary allocation to the education ministry. Senator Chimaroke Nnamani also faced 124 count charges of fraud, conspiracy, concealment and money laundering amounting to about 5.4 billion naira (Vanguard Newspaper, Saturday 2008. In a related development.

Madam Patricia Olubunmi Etteh, the first female speaker of the House of Representatives was forced to resign following an allegation of misappropriation of public funds in multiple contracts of 628 million naira (US \$ 5 million) for the renovation of her official residence and purchase of 12 official cars. Likewise, the senate committee pronounced the former vice president under Obasanjo administration, Alhaji Atiku Abubakar, guilty of corruption enrichment, having said to have diverted the sum of US \$ 145 million petroleum technology development fund (Ogundiya 2012). As a result of want on corruption, the international community became so much concerned with the lack of good governance in the country. Consequently, the Obasanjo administration was placed under international pressure and threats of sanctions to implement measures against corruption and other forms of financial offences. The federal government of Nigeria was then promised some financial benefits if reforms were implemented. This included a possible debt cancellation, which eventually materialized when the Paris club wrote of \$ 18 billion, representing 60% of Nigeria's debt in 2005 (Ademola, 2011). Following this development, the former Delta State Governor, James Ibori, was arrested on 129 count charge by EFCC of laundering over ₦ 9.1 billion

Another notable case of alleged corrupt practices was by Orji Uzor Kalu, the former governor of Abia State. He was accused of using his loot of ₦ 3.1 billion to fund SLOK Airline and two banks in the Gambia and Sierra Leone. He also owned some houses in the U.K and U.S.A (Ademola 2011).

Another ex-governor, Saminu Turaki of Jigawa State was accused of spending ₦ 36 million of public funds to acquire oil blocks from the federal government. Ex-governor Revered Jolly Nyame of Taraba State was charged with stealing ₦ 1.6 million belonging to the state. Other former governors charged for various financial crimes are Edo State- Lucky Igbinedion. Ekiti's Ayo Fayose, Rivers Peter Odili and Chimaroke Nnamani of Enugu State. Ex-governor Nnamani and two of his former commissioners, Peter Mba and Spine Ejiofor were alleged of

stealing ₦ 5.6 billion while some companies were also linked to him (Ademola 2011).

Apart from the above, the former president's daughter, Iyabo Obasanjo Bello, a senator of the Federal Republic was involved in two separate scandals. In December, 2007, Iyabo Obasanjo Bellow was involved in a contract amounting to ₦ 3.5 billion involving her and an Australian firm. According to the EFCC, the senator used her mother's maiden name, Akinlawon to hide her identity in the contract (the punch, March 19, 2008). Senator Iyabo Obasanjo was again involved in another financial scandal of mismanagement of funds in the ministry of Health. It was this scandal that led to the resignation of Mrs. Adenike Grainge and her deputy, architect Gaibriel Aduku. Iyabo Obasanjo was later arranged in court over ₦ 300 million unspent budget scam (this day, August 6, 2008).

In another development, the resignation of Dr. Ngozi Okomjo Iweala barely 24 hours after she was sworn in as the finance, Minister was an indictment on the governments, efforts at eradicating corruption. It was reported that she had a disagreement with the leadership style of the president, chief Olusegun Obasanjo (the Sunday Sun, July 20, 2003). Other than the removal of the budgeting function to the presidency, she was not comfortable with the clearing regime at the Nigerian ports. About the same year, the revenue mobilization, allocation and fiscal commission (RMAFC) called for explanation from the presidency about what happened to ₦ 35 billion meant for local govt. monthly in addition to repeated allegation that several billion naira of oil revenue were missing from federation account (Ademola, 2011).

In view of the details of this role and mismanagement that had characterized Nigeria and which has plunged the country into economy misery, Mallam Nuhu Ribadu, the former EFCC chairman maintains that the over \$ 400 billion that had been looted from the common wealth by the leaders is "six times the total value of resources committed to rebuilding western Europe after the Second World War (Ademola 2011). The New York Times (2008) and the EFCC Magazine (2008) as well as the I C P C Monitor (2008) exposed some corruption indications in the first eight years of Chief Obasanjo administration. These are as follows: - In June 1999, in a special closed session, the National Assembly debates whether to increase their housing allowances to ₦ 18 million (US \$ 140, 000) per year. The debate comes shortly after a divisive complain by teachers and civil servants to institute a ₦ 4, 000 (US \$ 30) per month minimum wage.

In July 1999, Ibrahim Salisu Buhari, the first speaker of the House under Obasanjo resigns when it is discovered that he lied about his academic background and age. Buhari pleads guilty to forgery and perjury and is fined ₦ 2, 500 (US \$ 20) but is pardoned the following year. In June 2000, the National Assembly passes legislation to create the independent corrupt practices and other related offences commission (ICPC), which is inaugurated in September. In July 2000, A government investigation finds evidence of inflated procurement contracts in the National Assembly, some awarded to companies in which legislators had a financial interest. High = level officials are implicated, including senate president Chuba Okadigbo and Senate Deputy president Alhaji Haruna Abubakar.

August 2000, Okadigbo was impeached for corruption and misappropriation of funds. After his impeachment, Okadigbo is indicted for spending public money on cars and car furnishings and resigns in October. The indictment is eventually dropped.

In October 2000, president Obasanjo is accused by eight House members of bribing them to help oust speaker of the House Ghali Na' , Abba, who Obasanjo attacked for corruption. The legislators dramatically unload the alleged bribes on the House floor. In same October 2000, construction begins on one of Obasanjo's pet projects a modern sports stadium in Abuja. The estimated cost of ₦ 49 billion (US \$ 380 million) eventually goes hundreds of millions over budget.

In February 2002, A government Anti-corruption commission issues its first indictment of a high-level official, accusing justice Garba Abdullahi of demanding ₦ 1.2 million (US \$ 9.000) bribe from a businessman to reverse an adverse ruling. In April 2002, the House unanimously strikes down a measure signed into law that would outlaw the information of new political parties ahead of the 2003 presidential election, claiming Obasanjo had inserted new language into the bill after it was submitted to him.

In August 2002, the National Assembly accused Obasanjo of 17 separate indicatable offences including incompetence, disregard for the rule of law and corruption.

In September 2002, the ICPC obtains its first conviction, sentencing local government chairman Emmanuel Egwuba to three years in prison for awarding a contract without budgetary approval.

In January 2003, Auditor General Vincent Azie's report covering the 2001 financial year chronicles corruption, including a number of suspicious payments and honoraria to politicians and criticizes all branches of government. Obasanjo fires Azie in February.

In February 2003, the National Assembly passes a bill to replace the ICPC with a less powerful anti-corruption entity, which Obasanjo subsequently vetoes. The Assembly's attempt to override the veto in May is ruled illegal by the Federal High Court.

In April, 2003, Obasanjo wins re-election in the first civilian-run presidential elections since the end of military rule. International observers note serious irregularities during balloting. In November 2003, a government report details the systematic looting of the once prosperous Nigerian Airline and implicates 10 people in its downfall. The report recommends prosecution of several individuals and pursuing the ₦ 51 billion naira (US \$ 400 million) looted by companies and government officials including also the trial.

In December 2005, environmental minister Iyorchia Ayo resigns after lawmakers raise concerns about various procurement deals he handled. In December 2005, Diepreye Alamieyeseigha, Governor of the oil-rich Bayelsa State is arrested on 40 counts of corruption and money laundering. In July, 2006, the British authorities return about ₦ 1 million (US \$ 1.9 million) of the alleged illicit gains that he stashed in British banks. Six months later, the EFCC proclaims that at least 24 state governors will face corruption charges at the end of their tenures in May 2007 when their constitutional immunity from prosecution expires.

In April 2006, record high oil prices enabled Nigeria to be the first African country to pay off its debts to the Paris Club, an informal group of financial officials from the world's richest countries.

In May 2006, the senate rejects a proposed constitutional amendment that would have allowed president Obasanjo to run for a third term in 2007. In August 2006, Switzerland's ambassador to Nigeria announces the ₦ 90 billion (US \$ 700 million) looted by former President Sani Abacha and deposited in Swiss banks has almost completely been repatriated to Nigeria. A remaining ₦ 900 million (US \$ 7 million) is still being held in the account of an unnamed Nigerian who seeks to prove that the money was honestly earned by Abacha.

One other case that requires attention, but yet to be resolved is the Halliburton bribe case. Though Halliburton and its former subsidiary Kellogg Brown and

Root (KBR) agreed to the largest corruption settlement ever paid by a US company under the US Foreign Corrupt Practices Act (FCPA) \$ 579 million – their historic guilty plea was only the latest in a string of high level bribery cases to secure contracts in Nigeria (this Day, March 19, 2007, the punch, March 19 2009).

Other cases like the Siemens \$ 1.6 billion settlement scandal, Jill bros Inc's \$ 32 million, panalpina's case in the Nigeria's national Identity Card Scheme with Segein going to about \$ 200 million and bribe to senior government officials cannot but be mentioned. These cases equally draw concern about the unremitting level of official corruption in Nigeria, despite the claims of successive governments that they show "zero-tolerance" for corruption (the New York Time- Dec. 15 2008, see also EFCC Magazine 2008 and ICPC Monitor 2008).

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Corruption in Nigeria

Corruption in Nigeria is often believed to arise from the clash or conflict between traditional values and the imported norms that accompany modernization and socio-political development. (Barley 1966, 720) argues thus corruption, while being tied particularly to the act of bribery, is a general term covering the misuse of authority as a result of considerations of personal gains, which need not be monetary.

In Nigeria, many people see corruption as a practical problem involving the outright theft, embezzlement of funds or other appropriation of state property, nepotism and the granting of favours, to personal acquaintance (Harsch 1993). Corruption has broadly been defined as a perversion or a change from good to bad. Specifically, corruption or corrupt behavior involves the violation of established rules for personal gain and profit (Dike 2008) corruption is efforts to secure wealth or power through alleged means for private gain at public expenses, or a misuse of public power for private benefit.

Kwame (2000) has argued that corruption is prevalent in societies where integration is low and socialization, poor such that recognition of the common national interest is not pervasive enough. Generally, corruption is a form of social; behavior that is particularly characteristic of societies, which are based on production for private accumulation.

The Nigeria civil service derived its extractive orientation from colonial bureaucracy British administration was established to serve the parochial interest of the colonial masters. Expectedly, after independence, the Nigeria's public bureaucracy saw the extraction as a legacy and continued with it. The civil politicians who were not superior to the inherited public bureaucracy decided to use the already "pathologised" bureaucracy as a tool of self-enrichment.

This was aggravated during the military regimes as the Nigerian civil service become inept, corrupt and highly indisciplined. It became a prominent partner in kleptomania that characterized military administration. Through the bureaucracy, the political leadership under the military used the public service as machinery for acquiring and appropriating wealth and privilege (Adetoye 2000). With this, in efficiency and other corrupt practices saw public services as their home of abode.

An "Short comings of the Nigerian Anti-graft commission"

The short comings in the efforts at curbing corruption had been prevalent. The record of success at various levels of government including states and local government had been short of expectations, considering the proportions of funds the country lost to swindlers, contract scams and money laundering (Ademola, 2011).

The Acts establishing the Anti-corruption agencies (ACAS) had been weak and ineffective. The Agencies had been poorly funded and there were evidences of lack of political will by the crusaders to actualize an objective anti-corruption campaigns apart from this, the fight has been of sided, vindictive, selective, biased, one-sided, and meretricious/falsely attractive (Ademola 2011). The effect has not yielded the desired results. Rather than abating it, it is festering uncontrollable. The campaign has been the instrument of the presidency and his cohorts deal", with opposition in order to serve as a deterrent to others who many want to go against the will of the state (the men in power) the point here

is that his double standard, these warped treatments are in themselves acts of corruption (Ademola 2011).

The EFCC has not done anything about N 84 billion naira that was missing at the Nigerian Ports Authority (NPA). Also, nothing has been done about the N 311 billion naira that was missing at NNPC. In addition, about N 50 million bribe was given to pro-third term legislators during the tenure elongation debate in the National Assembly, yet the Anti-Graft agencies did not do anything to bring offenders to justice. It was also noted that senator Ibrahim Mantu mismanaged the sum of N 400 million in the failed Hajj operations in 2005. Nothing was done to bring him to book by the anti-graft agencies (Ademola 2011). All the aforementioned were aided by the fact that the agencies are not independent of the government who funds and appoints its leaders. With the power to hire and fire, the commissions could hardly perform their duties without fear or favour. The Yar' adua/Jonathan administration did not only inherit corruption from the previous administration, they also inherited the weak and ineffective campaign against graft.

The Anti-Corruption Agencies (ACAS) were unable to perform their noble duties. Even when the National Assembly held public hearings into allegations of corruption that they fail to pass progressive legislations that could help track offenders including freedom of information bill (Ademola 2011). In December, 2007, for instance, Nuhu Ribadu, then chairman of the EFCC took the bold step of indicting the former Delta State Governor, James Ibori. Two weeks later the Nigerian police chief, ordered Mr. Ribadu to resign and proceed to attend a yearlong training course, because there were many things to cover for loyal party faithful and financiers (Ademola 2011). In recent times also, the financial scam involving the former speaker of the House of Representatives, Honourable Dimeji Bankole was treated under dubious condition and swept under the carpet. Likewise, the financial scam involving Honourable Farouk Bawan over the petroleum subsidy funds did not receive any good treatment.

The Challenges of Corruption to Sustainable Development in Nigeria

Fredrick cited in Alemika (2012) links corruption to “damage of public interests”, which includes security. Likewise, Osoba (1996) cited in Alemika (2012) suggests that corruption may undermine society’s capacity to provide opportunities for citizens to meet the basic necessities of life. Other writers on corruption argue that corruption has beneficial effects (Alemika 2012). Such

benefits according to him, includes circumscribing bureaucratic red-tapism, redistribution of income, promotion of capital information etc.

However, the balance of the consequences of corruption is largely on the negative side. Corruption widens inequality, aggravates mass poverty, militates against efficient resources, planning and allocation, undermines economic growth by discouraging investment, compromises economic efficiency, results in high governmental expenditures as a result of inflation of contracts and cost supplies. There is no doubt that corruption is poisonous to long term development and democracy (Alemika 2012). The Nigeria's 2011 corruption index by the EFCC maintains that Nigeria is certainly not immune to corruption. The damage of the scourge to the economy and the fabric of the society is seen in the schools that are not built, the hospitals without medicines, the roads that are not passable and the failure of our citizens to be inspired. In Nigeria today, the greatest threat to corruption is impunity. Because of its sheer scale and level, corruption is no longer secret, it is celebrated. According to Alemika (2012), corruption in Nigeria has endangered social, economic and political problems among others.

The following are some of the ways corruption has threatened sustainable development in the fourth republic

- i. Non-institutionalization of democracy, the rule of law, human rights and economic development.
- ii. High incidence of prevalence of conflict, violence, crime, insecurity and instability due to antagonistic competition, inequality poverty and lack of access to productive opportunities and diverting energies of youth to crime, deviance, violence and sundry forms of anti-social behavior.
- iii. Erosion of values of hard work and integrity.
- iv. Lack of access to productive opportunities and diverting energies of youth to crime, deviance, violence, and sundry forms of anti-social behavior.
- v. Low foreign investment because of corruption induced bureaucratic and other obstacles.
- vi. Lack of investment in the real sector by both foreign and domestic investors because of high profitability of contracts in service and supplies motivated by corruption.
- vii. Dependence on foreign sources for goods and services resulting in under development of indigenous technological and productive capabilities.

- viii. Leakages of national assets to foreign countries through money laundering and conspicuous consumption.
- ix. Misallocation of resources towards programmes and projects amenable to corrupt practices.
- x. Perpetuation of patron-client relationships that undermines democracy, efficiency in public and private sector.
- xi. High cost of doing business and low investment in productive sectors resulting to widespread poverty and unemployment, high prices of goods, low purchasing power resulting in low capacity utilization by producers and manufacturers which in term result to retrenchment of workers.
- xii. Political ethno-religious and communal conflicts and violence as different groups in the society struggle to control state power as avenue for corruption enrichment and ability to disperse patronages to their cronies, relatives and associates.
- xiii. Loss of public trust and legitimacy by the government.

In view of the above data as outline in the table it is evident that many Nigerians, both in urban and rural areas are living below poverty line as a result of high corrupt practices. Therefore, a radical approach at sanitizing this ugly trend is desired

The Nature, Causes and Characteristics of Corruption

Much research has been done to determine the nature and characteristics of corrupt. In this academic enquiry, corruption is divided into political corruption and bureaucratic corruption.

Political Corruption: This takes place at the highest levels of political authority. It occurs when the politicians and political decision-makers, who are entitled to formulate, establish and implement the laws, are themselves corrupt. It also takes place when policy formulation and legislation is tailored to benefit political leadership. It can also include purchase of votes with money, promises of office or special favours, coercion, intimidation and interference with freedom of election. This practice has almost become a norm in Nigeria's political processes. Votes are either bought with money or secured through thuggery, intimidation of voters and violence. Electoral victory is no longer determined by one man one vote rule, but is largely determined through the level of intimidation and federal connection.

Bureaucratic Corruption

This occurs in the public administration or the implementation end of politics. This kind of corruption has been branded low level and street level. It is the kind of corruption the citizens encounter daily at places like the hospitals, schools, police stations, immigration offices and other public offices. Other forms of corruption includes – bribery, fraud, embezzlement, extortion, favouritism, nepotism etc.

The question that readily comes to one's mind is why is corruption prevalent in Nigeria? The cause of corruption are myriad, and they have political and cultural variables. Some evidence points to a link between corruption and social diversity, ethno-linguistic fractionalization and the proportions of country's population adhering to different belief systems.

Studies also note that corruption is widespread in most non-democratic countries, and particularly in countries that have been branded, neo-patrimonial, kleptocratic and prebendal (Dike 2008), thus, the political system and the culture of a society could make the citizens more prone to corrupt practices in Nigeria. However, we shall focus on the fundamental factors that engender corrupt practices in Nigeria – some of the factors includes:

1. Great inequality in distribution of wealth.
2. Political office as the primary means of gaining access to wealth.
3. Weak and ineffective rules system.
4. The weakness of social and governmental enforcement mechanisms;
5. The absence of a strong sense of nationalism.
6. Excessive love for material things.

Review of Empirical Literature

According to empirical evidence, the economic consequences of corruption are heavy, on investment (domestic and foreign), Onimode (2001) and (Arowolo, 2004) found clear evidence that corruption discourages investment and economic growth. (Andrig, 2011) found that corruption tends to decrease the size of public investment and skews the composition of public expenditure away from needed operation and maintenance towards expenditure on new equipment. It also reduces the productivity of public investment and of a country's infrastructure as well as reduces tax revenue. This is evident in the quality of roads and increased incidence of power outages, telecommunication faults and water losses. On urban bias, poverty and other consequences

(Alemika, 2012) listed several channels through which poor people are hurt by corruption: lower level of social services, biased infrastructure investment against projects that aid the poor, higher tax or fewer services, disadvantages in selling their agricultural produce and their ability to escape poverty using indigenous, small scale enterprise.

Alemika argues that corruption slows down administrative processes thereby making the implementation of government reforms policies ineffective. It is important to note that corruption is a major obstacle in the path of development and it is a vicious circle that must be broken if the MDG's are to be achieved. According to Eigen (2001) cited in Ogindiya (2009), corruption is seen as a daunting obstacle to sustainable development, a constraint on education, health care and poverty alleviation, and a great impediment to the Millennium Development Goal of reducing by half the number of people living in extreme poverty-by 2015. The incidence of poverty in some selected states of Nigeria 2006 according to Alemika (2012) indicates that the highest incidence of poverty is found in the North while states with the lowest incidence of poverty are in the south. Jigawa has the highest incidence of poverty of about 95%, while Bayelsa has the lowest incidence of poverty of about 20%.

Review of Relevant Theory:

The theory of history and culture: various theorists as well as many popular accounts attributes countries with different rates of corruption using historical and cultural traditions. According to Grey Wint cited in Treisman (1998), in nearly all Asian countries there has always been a tradition of corruption. Public office means pre-requisites (Myrdal, 1970). Also, Kohli (1975) observed that corruption in India has with the passage of time become a convention, a psychological need and necessity to say. According to Prince Bakunin cited in Sajo (1994), there is stealing and corruption. But in Russia, think there is more stealing and corruption than in any other state. Within Western Europe, Southern Haly is the home of amoral familism – including the propensity to offer and accept. Dribes-and Spain is home to amuguismo, the use of contacts and intermediaries in dealing with the bureaucracy, and influence trafficking in political life. Further West, the Argentine playwright, Mario Diamant cited in Little and Posada – Carbo (1996) asserts that corruption in Latin America is not merely a social deviation, it is a way of life.

Other scholars argue, more broadly that a culture of distrust and private-spiritedness foster high rates of venality than occurs in communities where generalized trust and civic engagement are strong. Distrust and suspicion boosts the demand for corrupt services on the part of private agents. Therefore, there is perceived uncertainty of entering into partnerships with strangers, which may impede legitimate private business activity. The suspicion that competitors are getting is ahead through corrupt acts and that regulatory officials with imposed predatory sanctions if not paid off may make a business strategy of keeping one's hands clean seem counterproductive (Treisman, 1998). At the same time, the lack of trust and civic engagement may increase the supply of corruption services by reducing the danger to officials of being exposed and punished. At the same time, the supply of concept services may be increased by the social leverage that ethnic leaders have over officials of their ethnicity, fear of social ostracism in may make them reluctant to refuse their co-ethnic demands.

Theoretical Framework

The differential association theory best explains the underlying study; therefore, it is adopted as the theoretical framework for this study. Differential Association theory is a criminology theory that looks at the acts of the criminal as learned behaviours. Edwin H. Sutherland is credited with the development of the differential association theory in (1939), Sutherland, a sociologist and professor most of his life, developed differential association theory to explain how it was that criminals came to commit acts, of deviant behavior. With his fourth edition of his book, principles of criminology, in 1947, Sutherland finalizes his theory that deviant behavior is socialized through lack of opposition to such behavior. In his theory, Sutherland assess “that criminal behavior is not to be explained away by deeming the criminal simple. As do most social learning theories, differential association theory, believes that the behaviours of an individual are influenced and shaped by other individuals they associate with. The primary reference group is that of the nuclear family, which the individual lives and grows up with. It is believed that these interactions formulate the individuals understanding of societal norms and values. It is then assumed that if the individual is capable of learning what is acceptable in society, they are also not capable of learning what is considered unacceptable.

Methodology

In carrying out this work, certain methods were used. This chapter explains in depth, the procedures followed in arriving at the inference of this research work. Research decision is the framework for investigating a research problem or in other words refers to the methods used in collecting data, which are to be used in investigating and analyzing a research problem.

Study Area

Abuja is the capital city of Nigeria. It is located in the centre of Nigeria, within the Federal Capital Territory (FCT) Abuja is a planned city, and was built mainly in the 1980s. it officially became Nigeria's capital on 12 Dec. 1991, replacing Lagos. At the 2006 census, the city of Abuja had a population of 776,298. The Federal Capital Territory is the home of Abuja, the capital of Nigeria. The Territory was formed in 1976 from parts of former Nasarawa, Niger and Kogi States and it is in the central region of Nigeria, bordered to the North by Kaduna State, to the east by Nasarawa State to the south-west by Kogi State and to the west by Niger State. The Federal Capital Territory lies between latitudes 8° 25'N and 9° 20'N and longitude 6° 39' E. Phase 1 of the city is divided into (5) districts central-Garki, Wuse, Maitama, and Asokoro, phase 2 is divided into five (5) districts – Kado, Durumi, Gudu, Utako and Jabi. Phase 3 districts are divided into (4) districts Mabuchi, Katampe, Wuse and Gwarimpa.

Research Design

Research design is the plan on how the researcher intends to carry out his research work. It is a systematic plan of what is to be done, how it will be done and how the data will be analysed. Research design basically shows what the major topics in the research are and their details. It provides an outline of how the research will be carried out and the methods that will be used. It includes an abstract of the research study, descriptions of the research design, dependent and independent variables, the assumptions and limitations of the research, research question hierarchy, sampling design and a format for the dummy data showing how data will be presented. The survey research design which is used in this study aims at evaluating/investigating anti-graft war in Nigeria, case study of ICPC. It is a survey research study using questionnaire and personal interview as the instrument of drawing information from respondents.

Research Population and Sampling Size

The population of this study comprised of the staff of ICPC. The population size of the study comprised of four hundred (400) staff of ICPC. And the sampling size (200) was taken from the (400) staff of ICPC. The sampling size was calculated using 50% of the population

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

Where

N = population

n = sample size

e = (0.05)²

$$n = \frac{400}{1 + 400(0.0025)}$$

sample size = 200

Sample Technique/Procedure

Sampling technique is a process used in statistical analysis in which a predetermined number of observations will be taken from a larger population. The methodology used to sample from a larger population will depend on the type of analysis being performed; but will include simple random sampling, systematic sampling and observational sampling. The simple random sample was used in this study. A sample of 200 out of 400 staff working in ICPC was selected for the investigation.

Method of Data Collection

The gathering of relevant data, using appropriate instrument is the bedrock of any research in this study, the questionnaire tool was employed in gathering the requisite data. The questionnaires serve as a major tool for the collection of data for the study. It is divided into two sections. Section “A” which provided bio-data about the respondents and section “B” provided information which was used in the analysis. The questionnaires of the study would be distributed to staff of ICPC and later collected for analysis. Out of the 200 staff, (30) were management staff (130) were taken from the middle cadre and (50) were taken from the junior staff.

Instrument of Data Collection

The study employed both primary and secondary data to achieve its objectives. The secondary data is derived from library documents, publications internet, and relevant materials to the research. The primary data will be obtained through questionnaires. The study incorporates both sources of data to enhance a balance between the research observation and available literature on the matter under consideration. This is always believed to promote objectivity. The plan, structure and strategy of investigation are conceived so as to obtain answers to research problems. It ensure that the required data are collected and they are accurate. However, the primary data used in this study is obtained from ICPC.

Method of Data Analysis

The data collected in this study was analysed by the use of frequency table and percentage.

Data Presentation and Analysis of Findings

This chapter is concerned with the presentation and analysis of data collected for this research. In addition, the hypothesis formulated for this study was analysed and tested. Also data collected from questions were presented and analysed. The results were presented and analysed. The questions were calculated and their percentage defined. Therefore, the method of data analysis of this research was a qualitative method. In questionnaire analysis, attempt is usually made in discovering and establishing of the existing relationship between the different variables involved in the analysis. To this extent, this chapter evaluates Anti-graft war in Nigeria, study of ICPC. This was done through the use of chi-square analysis. The computation device is the statistical package for the social science software programme.

Data Presentation

This section presents the analysis of responses collected from two hundred respondents

Table 4.2.1: Organization of the respondents

Options	Frequency	Percentage
Independent corruption practices and other related offences commission (ICPC)	20	100

Source: Field Survey 2016

The above analysis shows that 100 percent of the respondents are form independent corruption practices and other related offences commission (ICPC).

Table 4.2.2: Sex of the respondents

Options	Frequency	Percentage
Male	132	66
Female	68	34
Total	200	100

Source: Field survey, 2016

The above table shows the sex distribution of the respondents, 66 percent of the respondents are male while 34 percent are female.

Table 4.2.3: Age of the respondents

Options	Frequency	Percentage
18 – 27	80	40
28 – 37	60	30
38 – 47	48	24
48 and above	12	6
Total	200	100

Source: Field survey, 2016.

The above table shows that 40 percent of the respondents are in the age bracket 18 – 27, 30% are in the age range 28 – 37, 24 percent of the respondents are in age bracket 38 – 47 while 6 and above are in the age bracket 48 and above.

Table 4.2.4: Marital status of the respondents

Options	Frequency	Percentage
Single	84	42
Married	116	58
Total	200	100

Source: Field survey, 2016

From the above table, 42 percent of the respondents are single, while 58 percent are married

Data Analysis and Interpretation of Results

4.3.1 How is the performance of Anti-Corruption agencies in Nigeria

Options	Frequency	Percentage
Good	44	22
Satisfactory	128	64
Fair	20	10
Poor	8	4
Total	200	100

Source: Field survey, 2016

From the above table, 22 percent of the respondents said the performance of anti-corruption agencies in Nigeria is good, 64 percent of the respondents said the performance of anti-corruption agencies in Nigeria is satisfactory, 10 percent of the respondents said the performance of anti-corruption agencies in Nigeria is fair while 4 percent of the respondents said the performance of anti-corruption agencies is poor.

Table 4.3.2: Is the anti-Corruption Agencies in Nigeria effective in preventing corruption in Nigeria?

Options	Frequency	Percentage
Yes	152	76
No	48	24
Total	200	100

Source: Field survey, 2016.

From the above table, 78 percent of the respondents said the anti-corruption agencies in Nigeria is effective in preventing corruption in Nigeria while 24 percent of the respondents said the anti-corruption agencies in Nigeria is ineffective in preventing corruption in Nigeria.

Table 4.3.3: Can the public office holders ever operate without an incidence of corruption

Options	Frequency	Percentage
Yes	108	54
No	92	46

Total	200	100
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Source: Field survey, 2016.

The above analysis shows that 54 percent of the respondents said the public office holders can operate without an incidence of corruption, while 23 percent of the respondents said the public office holders can never operate without an incidence of corruption.

Table 4.3.4: What are the factors responsible for corruption in Nigeria

Options	Frequency	Percentage
Corruption management of public funds	68	34
Lack of transparency and accountability in an organization	52	26
Acquisitiveness	40	20
Total	200	100

Source: Field survey, 2016.

From the above analysis, 34 percent of the respondents said one of the factors responsible for corruption in Nigeria is corruption. 26 percent of the respondents said one of the factors responsible for corruption in Nigeria is mismanagement of public funds, 20 percent of the respondents said one of the factors responsible for corruption in Nigeria is lack of transparency and accountability in an organization while 20 percent of the respondents said one of the factors responsible for corruption in Nigeria is acquisitiveness.

Table 4.3.5: What are the challenges facing anti-corruption agencies in Nigeria?

Options	Frequency	Percentage
Political instability	52	26
Ineffective policy formulation	56	28
Immunity clause	52	26
Corruption	40	20
Total	200	100

Source: Field survey, 2016.

From the above analysis, 26 percent of the respondents said one of the challenges facing anti-corruption agencies in Nigeria is political instability, 28 percent of the respondents said one of the challenges facing anti-corruption agencies in Nigeria is ineffective policy formulation, 26 percent of the respondents said one of the challenges facing anti0corruption agencies is immunity clause, while 20 said is corruption.

Table 4.3.6: There is a reduction in corruption in Nigeria as a result of efficient regulation by EFCC

Options	Frequency	Percentage
Yes	172	86
No	28	14
Total	200	100

Source: Field survey, 2016.

The table above shows that 86 percent of the respondents said there is a reduction in corruption in Nigeria as a result of efficient regulation by economic and financial crimes commission (EFCC) while 14 percent of the respondents said there is no reduction in corruption in Nigeria as a result of efficient regulation by EFCC.

Conclusion

Corruption is a process by which criminals attempt to hide and disguise the true origin and ownership of the proceeds of their criminal activities thereby avoiding prosecution, conviction and confiscation of criminal funds. As a derivative, it flows from the following crimes amongst others; illegal arms, sales, smuggling, activities of organized crimes, including for example drug trafficking and prostitution rings, embezzlement, bribery and computer fraud schemes. Funds acquired from these sources that cannot be pushed through banks and other financial institutions by eluding financial regulators and law enforcement agencies around the world are laundered through trade malpractices such as massive importation of all kinds of goods like spare parts, pharmaceutical products chemicals, automobiles.

Aside from corruption's negative effect on economic growth through its erosion of developing countries, financial sectors, corruption has a more direct negative effect on economic growth in the real sector by diverting resources to less-productive activity and crime, which in time depress economic growth.

Corruption also facilitates crime within developing economies, which is anti-ethical to sustainable economic growth. Just as an efficient financial sector is a key "input" to other productive processes in a developing economy such as manufacturing – an efficient corruption channel is a key "input" to crime, because the financial proceeds from crime are less valuable to the criminal than are laundered funds.

Recommendations

Based on the findings of the study, the following recommendations are made:

1. Federal government should implement the promulgated laws like advance fee fraud (otherwise known as 419) and related offences Act of 1995, failed bank (recovery of debts) and Financial Malpractices in Bank Act of 1996, Banks and other Financial Institutions Act of 1991, miscellaneous offences, Act 1985 and foreign exchange Act of 1995 on combat corruption in Nigeria.
2. Federal government should make all the anti-corruption commission more effective as a result of empowering them and funding the agencies.
3. Federal government should make all the anti-corruption agencies to be independent so as to enforce laws without interference.
4. The internal auditor should on discovery of irregularities, recommend a good control system to the management. This is so that they can put up the necessary controls against fraud and irregularities in place.

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