

## **CAUSES AND EFFECTS OF CORRUPTION 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 phenomenon of corruption in Nigeria, its various causes as well as some of the negative effects it has on the various spheres (especially economic) of the Nigerian society. The study utilizes secondary sources of data throughout and it is recommended, among other things, that the leaders in Nigeria should do everything possible shun every corrupt tendencies, as this will provide a template for others to follow. For the leaders are vital instruments that set the motion either positive or negative tendencies in the society, therefore, should always provide their followers with the opportunity modeled a positive behavior.*

*Keywords: Corruption, Causes, Effects, Nigeria, Effect on Economy*

### **INTRODUCTION**

Corruption is one of the most dangerous social ills of any society. This is because corruption, like a deadly virus, attacks the vital structures that make for society's progressive functioning, thus putting its very existence into serious peril (Gire, 1999). This is particularly true for developing countries in that limited but valuable funds and resources that are initially earmarked for industries, hospitals, schools and other infrastructures are either outrightly embezzled, misappropriated, or otherwise severely depleted through kickbacks and over-invoicing by agents of government.

Nigeria is being considered as one of the most corrupt nations in the world. In Nigeria, corruption, though a universal phenomenon, seems to have become so endemic in our body politic that most discourse about Nigeria, at home and in international for a, centres on the high ascendancy of corruption in our public life. According to Alyetan (2011) corruption permeates all levels of government in Nigeria-from the legislative and judicial branches to the police and civil service. It has been described as the Nigeria's perennial struggle. This is very well so since corruption has become a culture of public life in spite of the repeated and diverse efforts to rout

the menace. It appears as if campaigns to deal with the problem only serve to diversify the many ways corruption is expressed and weaken the resolve to reduce it in public life (Mohammed, 2009).

The incidence of corruption is not peculiar or limited to public sector. Of late, the lack of facilities at government hospitals couple with the high cost of health care at private hospitals and dwindling financial resources have led to the emergence of private clinics run by all categories of people ranging from under-qualified medical personnel such as nurses and midwives, to quacks that have no evidence of training of any kind in modern medicine. This notwithstanding, these people not only issue medication, but have in some cases carried out surgical procedures on their unsuspecting victims, often with tragic consequences. For example, a task force formed by the Lagos state government to crack down on these illegal clinics resulted in the closure of 70 of these clinics in the Lagos metropolitan area alone. Further investigations revealed that the certificates of some legitimate doctors were used to open the clinics (Olukoya, 1996).

Therefore, it is in the light of the above that intends to analyze the problem of corruption in Nigeria with the sole aim of understanding the causes and effects of the problem and as well recommending some viable solutions curbing in the country.

## **THEORETICAL FRAMEWORK**

This study is domicile within the social learning theory, credited to Albert Bandura and Ronald Aker. The theory holds that people learn how to act by watching others or watching television (Siegel, 2005). According to Bandura (1986) much of what we learn is obtained by observing others, and that this is much more efficient than learning through direct experience because it spares us countless responses that might be followed by punishment or no reinforcement of any kind. The people whose behaviors are observed are referred to as *models*.

The modeling of a behavior is determined by the characteristics of the model, the characteristics of the observer and the consequences of the observed behavior on the model (Gire, 1999). But even of more crucial importance for the paper is the impact on learning when a model is either punished for a given behavior or not. Observers learn to refrain from modeling a behavior that produces severe punishment to the model. For example, a person who sees another being punished for corruption might not wait to receive the same punishment before deciding to refrain from this activity.

Situating this argument within the Nigeria context with particular reference to the problem of corruption, it is obvious that Nigerians see cases of corruption everywhere. Many of the kickbacks received by the top officials go through intermediaries, some of who are subordinates of these officials. People who are hitherto living from hand to mouth often begin to

build houses and are commonly seen driving around in flashy cars shortly after being appointed to lucrative positions that grant them access to money or influence.

Of more relevance to this paper is the consequence of the observed behavior on the model. In this regard the question one may ask is: “what typically happens to people who engage in corruption in Nigeria?” The answer is, hardly anything at all. It is in Nigeria that people clearly see individuals whose only source of income is supposedly the salary, living up to several times above their means. Yet, few, if any of these people are ever questioned, let alone tried for these apparent corrupt practices. Once in a while when a top official is retired, rumors go on for some time that the retirement was due to embezzlement, but it remains at the level of rumors. The official announcements usually indicate something like “retired in the public interest,” but these people are often allowed to keep their questionably acquired wealth. In fact, some time due to the ethno-religious and sectional sentiment, a convicted corrupt official is pathetically not only pardoned but even given national merit award in Nigeria. This in effect will go a long way in motivating others to engage in the same act tomorrow since even if they are caught and convicted, they may be pardoned and receive merit later. But if the individual caught (the models) are appropriately punish for their act, it will discourage others from imitating the said model behavior.

## CONCEPT OF CORRUPTION

According to Olugbenga (2007), Odofoin and Omojuwa (2007) the word corruption cannot easily be define. Similarly, Egwemi (2012) maintains that corruption is not an easy task to define. Indeed, defining corruption is a daunting challenging venture. However, Andrig and Fjelstad (2011:4) view corruption as a “complex and multifaceted phenomenon with multiple causes and effects, as it takes on various forms and contexts”. 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 (Andrig and Fjelstad, 2011). In a similar fashion, Tanzi (1998) maintains that while it is difficult to define corruption, the crisis associated with corruption is not difficult to recognize.

At the opening remarks on conference proceedings titled “Corruption and Governance Challenges in Nigeria” organized by CLEEN Foundation Monograph Series (2010), the chairperson, 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 (GPAC) 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 general 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 (2003:3) 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.

## **VARIOUS FORMS OF CORRUPTION IN NIGERIA**

However, the basing of the corruption perception index and ranking of nations, by Transparency International, on the perceived level of corruption in countries' public sectors, tends to focus attention more on three categories of corruption, namely:

- (a) Bureaucratic Corruption
- (b) Electoral Corruption
- (c) Political Corruption

However, some unwholesome involvements have received special attention outside the categorization due to their venomous effects on the economy. Some of such involvements are:

- (i) Nepotism
- (ii) Favouritism
- (iii) Extortion
- (iv) Embezzlement
- (v) Bribery and
- (vi) Fraud.

**Bureaucratic Corruption:** This can also be referred to as administrative corruption. It “exhibits many of the pricing characteristics of the economic free market”, in which the forces of demand and supply interact freely to determine price (Tilman, 1978). The bureaucrat (the seller) and the client (buyer) usually involve in pricing different from the official (government) price (cost). Some services may be highly inelastic, while some, less essential, may have greater elasticity. Both the buyer and the seller are seeking private interest. Administrative corruption is daily

encountered by people at places such as police stations, taxing and licensing offices, hospitals, schools, immigration offices, customs offices.

**Electoral Corruption:** This involves the selling and buying of votes with money, or with promises of political offices or special favours by politicians (Dike, 2004). It involves, intimidation, killing, maiming, jailing and kidnapping of an opposition or his or her relatives. It is the twisting of the constitutionally-accepted political process, where votes are cast in private houses instead of legally-approved polls, where votes are returned in thousands from where no votes were cast; where electoral officials are bribed, or are forced at gun point, to alter election results, leading to losers being announced as, and becoming winners.

**Political Corruption:** This involves the formulation and implementation of laws, by the politician and political decision - makers, to favour the already corrupt politicians. It involves the directing of the affairs of political institutions to favour the politicians at the detriment of the masses (Dike, 2004).

**Nepotism:** This is the giving of special (unfair) advantages by one in a position of power to one's kinfolk and family members. It can also be seen as exempting of one's kinfolk or family members from due punishment (Girling, 1997).

**Favouritism:** This is an act of unfairly treating one person better than others in the same category.

**Extortion:** This is the extraction of money or other resources from people by the use of force and violence. It involves the use of power and office to extract money and other resources from people for whom the power and office suppose to protect. This is very common in the Nigerian Police, Road Safety, etc.

**Embezzlement:** This is the stealing of monies under one's control, but does not belong to one. It involves the conversion of public funds to private or personal use, with subsequent neglect or abandonment of the responsibilities for which the funds were intended.

**Bribery:** In this article, we regard bribery as an act of giving and taking anything tangible or intangible (service), sometimes, as agreed by parties involved, the giver and the acceptor, or as imposed on the giver by the acceptor, with the intention to pervert justice or twist the due process, either in the present or in future.

## CAUSES OF CORRUPTION IN NIGERIA

The causes of corruption are myriad, and they have political cultural variables. Some evidence points to the link corruption and social diversity, ethno-linguistic fractionalization, and the proportions of country's population adhering to different religious traditions (Lipset and Lenz, 2000). Thus the political system and the culture of a society could make the citizen more prone to corrupt activities. However, some of the fundamental factors that engender corrupt practices in less developed nations, including Nigeria are:

1. Great inequality in distribution of wealth;
2. Political office as the primary means of gaining access to wealth;
3. Conflict between changing moral code;
4. The weakness of social and governmental enforcement mechanisms; and
5. The absence of a strong sense of national community (Dike, 2004).

Therefore, the causes of corruption cannot deviate significantly, if at all, from the above factors. However, obsession with materialism, compulsion for a shortcut to affluence, glorification and approbation (of ill-gotten wealth) by general public, are among the reasons for the persistence of corruption in Nigeria (Ndiulor, 1999). It has been noted that one of the popular, but unfortunate indices of good life in Nigeria is flamboyant affluence and conspicuous consumption. Because of this, some people get into dubious activities, including committing ritual murder for money-making.

Another contributing factor to corruption in Nigeria is the poor reward system. Nigeria reward system is perhaps, the poorest in the world. Nigeria is a society where national priorities are turned upside down; hard work is not rewarded, but rogues are often glorified in Nigeria. And peer community and extended family pressure, and polygamous household are other reasons (Onalaja & Onalaja, 1997). The influence of extended family system and pressure to meet family obligations are more in less developed societies. Harrison (1985) acknowledged that the extended family system is an effective institution for survival, but notes that it poses a big obstacle for development.

According to Lotterman (2002), bad rules and ineffective taxing system, which makes it difficult to track down people's financial activities, breed corruption. Ineffective tax system is a serious problem for Nigeria. The society should institute appropriate and effective taxing system where everyone is made to explain his or her sources of income through *end-of-the year* income tax filing.

There is also the lukewarm attitude of those who are suppose to enforce the laws of the land such as judges, police officers and public officials. For these could lead to people engaging in corrupt behavior, knowingly well that they would get away with it. Some cultural and institutional factors lead to corruption. For instance, nepotism and the strength of family values

are linked to the feeling of obligation. The work of Robert K. Merton (1968) has demonstrated the relationship between culture and corruption. His means-ends schema implies that corruption is at times a motivated behavior responding to social pressure to violate the norms, so as to meet the said goals and objectives of a social system.

## **EFFECTS OF CORRUPTION IN NIGERIA**

Corruption has many negative effects. It has been observed that the effects of corruption 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, 2005:138). According to Igbinovia and Aigbive (2009), for the Nation, the effects of corruption can be summarized to include: 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).

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.

Subsequently, the effect corruption has on moral values is laughable. Moral values of the Nigerian state have 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). 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 (Oghi, 2013). It needed 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.

The effects of corruption also manifest in the economic sphere of the Nigerian society. Corruption undermines economic development by generating considerable distortions and inefficiency. The economic effects of corruption can be categorized as minor and major. However, both in one way or the other have serious impact on the individual community and country. First and foremost, corruption leads to the depletion of national wealth. It is often responsible for increased costs of goods and services, the funnelling of scarce public resources to uneconomic high profile projects at the expense of the much needed projects such as schools, hospitals and roads, or the supply of potable water, diversion and misallocation of resources, conversion of public wealth to private and personal property, inflation, imbalanced economic development, weakling work ethics and professionalism, hindrance of the development of fair in market structures and unhealthy competition there by deterring competition. Large scale corruption hurts the economy and impoverishes entire population.

## **CONCLUSION AND RECOMMENDATIONS**

Without good governance, there can be no accountability. Good governance plays a critical role in ensuring collaborative, peaceful, coexistence and progressive process of democratic culture and socialization. It also attracts investment to a country, improving productivity and competitiveness, promoting political stability and enhances rapid socio-economic development. There is therefore, a critical link between corruption and leadership. The experience in Nigeria in the present times is a top – down approach. In every direction and segment of government, the



scale, manner and impunity of “junior – officer” corruption is directly connected to the scale, manner and impunity of the boss or “senior officers” corruption.

Therefore, the leaders have a lot of role to play by shunning corruption so that the junior officers too can avoid this. The on-going reform in the public and private sectors should be handled with seriousness and that the anti-graft agencies should not be used as an instrument by the ruling People’s Democratic Party against opposition or perceived enemies. Rather, the Commission should be empowered to carry out its constitutional duties without any interference from the government. The focus and the best way to tackle corruption is to prevent it from happening. We also recommend that all the public loots should be thoroughly investigated and the offenders, once found guilty should be prosecuted and the loots taken back on the face value of what has been stolen.

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