

# **Managing the Challenges of Corruption in Nigeria**

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The history of corruption is as old as the world, because ancient civilizations have traces of widespread 'illegality and corruption.' Thus, Lipset and Lenz 2000 note that "corruption has been ubiquitous in complex societies from ancient Egypt, Israel, Rome, and Greece down to the present." Corruption is also believed to be endemic in modern governments and it is not peculiar to any continent, region, or ethnic group. This does not, however, mean that the incidence and magnitude of corrupt activities are the same in every society. Some countries are obviously more corrupt; yet others have better plans in managing corrupt activities. Obviously, Nigeria is not one of those countries with a better handle on corruption, despite its unending corruption commissions and all the noise made by every administration on the efforts to transform the nation into a corruption-free society.

Therefore, this article, which re-visits the discussion on corruption in Nigeria, adopts a new approach with a view to effectively managing the challenges of corruption in the society. More importantly, the discussion on the phenomenon is necessary now that the nation has sworn in the second and 'brand new' Chief Olusegun Obasanjo administration (and new a Congress) at Abuja, because the magnitude of corruption the society witnessed in his first civilian administration was alarming, to say the least. However, with the on-going political somersaulting in the society, it does not look that the new administration would be anything different than the previous one.

Nevertheless, the forms of corrupt activities prevalent in Nigeria include political corruption, bureaucratic corruption, electoral corruption, embezzlement and bribery. Political corruption, which takes place at the highest levels of political authority, is a 'corruption of greed.' It affects the manner in which decisions are made, manipulates and distorts political institutions and rules of procedure. Bureaucratic corruption, which occurs 'in the public administration' or 'the implementation end of politics,' is the 'low level' and 'street level' corruption. This is the type of corruption the citizens encounter daily at places like the hospitals, schools, local licensing offices, encounters with the police, taxing offices, etc. It is 'petty' - 'corruption of need' - that occurs when one obtains a business from the public sector through inappropriate procedure. However, electoral corruption includes purchase of votes, promises of office or special favors, coercion, intimidation and interference with freedom of election. And corruption in the offices involves sales of legislative votes, administrative, or judicial decision, or

governmental appointment. Other forms of corruption include embezzlement (theft of public resources by public officials) and bribery (persuade to act improperly by a gift of money, etc).

If one may ask, who is to blame for the prevalence of corrupt activities in the society? Is it the common person or those in power? No matter who the culprits are, convention dictates that to effectively tackle a problem one should first and foremost determine and understand the cause (s) –why it happens, before one could effectively manage the effect (s) -what happens as a result. Similarly, to effectively control corruption in Nigeria it is pertinent to understand the cause (s) before looking for ways to manage it.

From the foreground, it is ‘luminously evident’ that corruption is not peculiar to Nigeria, but it is a viable enterprise in the society. But the situation in the society is complicated because the system does not have the apparatus to trace and prosecute the ‘big politicians’ that engage in grand thefts. Thus, greed and the ‘brazen display of wealth by public officials,’ which they are unable to account for, points to the fact that those in power are to blame more for corruption than the common people who are often pushed into corrupt behavior in their struggle for survival. Until the society devises effective sanctions to deal appropriately with the ‘big’ corrupt politicians, all efforts toward tackling the menace are in vain.

The causes of corruption, which are myriad, include the culture and weird value systems of the society. According to one who has lived in Nigeria, becoming corrupt is almost unavoidable, because morality is relaxed in the society, and many people struggle for survival without assistance from the state.

The influence or pressure of ‘polygamous household’ and extended family system, and pressure to meet family obligations, which are more in Less Developed Countries, are some of the causes of corruption. Thus, Merton (1968) acknowledges the relationship between culture and corruption. And Banfield (1958) shows a relationship between corruption and strong family orientation. The study, which helped to explain high levels of corruption in southern Italy and Sicily, shows that "Corruption is linked to the strong family values involving intense feelings of obligation." Lack of effective control and taxing systems are other problems. Thus, Lotterman (April 25, 2002) who noted that bad rules breed corruption, acknowledged that ‘ineffective taxing system’ makes it difficult for societies to track down people’s financial activities.

Poor reward system is another serious factor, because Nigeria’s is probably the poorest in the world. It is no longer news that workers in the society are not paid regularly.

Therefore, to check bureaucratic corruption workers should be paid, and when due, because without getting paid they would devise ways to meet their family obligations even if it involves breaking the law. Thus, lack of economic opportunity is a serious problem in a society whose citizens are achievement oriented, but have relatively low access to economic opportunities. This alone could explain the reason for the upsurge of corrupt behavior in the society. Therefore, Lipset and Lenze (2000) note that the cultures of societies "that stress economic success as an important goal but nevertheless strongly restricts access to opportunities will have higher levels of corruption." And these are

detrimental to the sociopolitical and economic development of the nation because many studies, including Mauro 1995 and 1997 and Lipset and Lenz 2000, and Sen 2000 have documented the negative impacts of corruption on societies.

The lukewarm attitude of the officers charged with enforcing the laws (judges, police and other public officials) lead to corrupt behavior. They often let the culprits off hook when they are 'settled.' What is currently happening in the trial of Chief Omisore and others implicated in the murder of Chief Bola Ige (the Ige's family has been frustrated out of the case) and the recent Senator Wabara episode are cases in point. Because money exchanged hand witnesses were allowed to modify their initial testimonies, and Mr. Imo (in the case of Wabara) has been bought over. However, If these cases are not resolved (killers of Bola Ige to be found and prosecuted) it may lead to another criminal behavior, because one criminal behavior leads to another. Corruption has taught the society a wrong lesson, that it does not pay to be honest, hardworking and law-abiding. Through corrupt means many political office holders have acquired wealth and properties in and outside Nigeria; and they often display the ill-gotten wealth without the society blinking.

Having briefly reviewed some of the causes of corruption in societies (because of limited space we cannot catalog all the causes) let's browse through its effects. Some scholars (including Pye, March 1965) have argued that corruption could be beneficial to a nation's political development. In particular, Gluckman (1955) noted that scandals associated with corruption sometimes have the effect of strengthening a value system of a society. In spite of the apparent benefits of corruption, any person who has witnessed the devastating effects of ubiquitous corruption in Nigeria would find it difficult to accept its apparent benefits.

Therefore, Mauro 1997 and 1995 note that corruption negatively impacts economic growth and reduces public spending on education. The effect of corruption on education is well stated in a statement made by Costello (Nov/Dec 2001) at a European Commission (EC) meeting in support of Nigeria's anti-poverty efforts. He said, "Nigeria has enough money to tackle its poverty challenges. If the government can win this [its] battle against corruption and mismanagement, the money will start to turn into functioning schools, health services and water supply, thus laying the foundation to eradicate poverty" (Dike, May 27, 2003). Also some studies, such as Lipset & Lenz 2000 and Cooksey 1999, have tied poverty and income inequalities to corruption. Cooksey (1999) in particular notes that corruption 'reduces the size' of a nation's 'economic cake' thereby exposing some 'segments of the population to poverty.' Because of corruption and despite its abundance material and human resources, Nigeria is the 26th poorest nation in the entire globe.

Corruption wastes skills, as precious time is wasted to set committees to fight corruption, and monitor public projects that are often abandoned by unscrupulous politicians and contractors. The unending chains of corruption-fighting commissions in the society includes, the Code of Conduct Bureau and the Independent Corrupt Practices and Other Related Offences Commission (ICPC), the Police, Central Bank and the Court of Justice, etc. But none of them has the will to fight corruption, because some of the officers are themselves corrupt. Corruption leads to 'aid abuse' or aid foregone (Hope, et. al., 2000).

However, the International Monetary Fund (IMF) and the World Bank are introducing tougher anti-corruption standards into their lending policies' to tackle corruption. Similarly, the Europe Union and the Organization of American States are reportedly taking some tough measures against international corruption.

Corruption is politically destabilizing. It leads to social revolution and military takeovers, as some of these in Less Developed Countries point to corruption. Bribery and corruption create the culture of late payment, and delays and refusal to pay for services already executed in Nigeria. As was reported in Sen 1999 and as Hall (Reuters June 27, 2002) noted on the WorldCom scandal, corruption leads to 'information distortion' as it 'cooks the books;' and 'a high level of corruption can make public policies ineffective.'

Corruption tarnishes the image of a nation; perhaps, Nigeria suffers more than most societies from an appalling international image created by its inability to deal with bribery and corruption. For instance, the 1996 Study of Corruption by the Transparency International and Goettingen University ranked Nigeria as the most corrupt nation among the 54 nations on the study, with Pakistan as the second highest (Moore 1997). In the 1998 Transparency International Corruption Perception Index (CPI) survey of 85 countries, Nigeria was ranked 81 (Lipset and Lenz 2000). Worse still, in the 2001 Corruption Perception Index (CPI) survey of 85 countries, the image of Nigeria slipped further south, as The Transparency International Corruption Index, 2001 ranked Nigeria 90 out of the 91 countries studied (second most corrupt nation in the world) with Bangladesh coming first.

However, corruption leads to slow traffic, potholed and trash-filled roads and streets, and political killings (and other election irregularities) that was rampant during the 2003 elections (Shekarau, March 6, 2003). Corruption could upset ethnic balance and exacerbates problems of national integration. The social brawl following the Chief Moshood Abiola's June 12, 1993 elections rebuff is one of the many cases dotting Nigeria's political landscape; and the heat created by this continues to raise the temperature of the polity. Corruption is destructive of governmental structures and capacity, destroys the legitimacy of a government, and makes governance ineffective. It may alienate modern-oriented civil servants and cause them reduce (or withdraw) their service and to leave a country (the 'brain-drain' episode is tied to corruption).

Nevertheless, given all this baggage, is it possible for Nigeria to ameliorate the effects of corruption? Currently, the remedies for corruption in the society are not working, and the inability of the leaders to report on the effectiveness, or otherwise, of the nation's anti-corruption strategies make apparent the war on corruption a joke. However, any society faced with the challenges of corruption would continue to find ways and means to solve the problem. This author has argued elsewhere that Nigeria cannot effectively control corruption by merely instituting probe panels (Dike, Oct 6, 1999). The Oputa Panel and Akanbi Commission could not (and would not) solve the corruption puzzle in the society. Therefore, the society is still searching for effective ways to control the menace beyond the mere rhetoric.

In its apparent effort to tackle corruption in the society, the nation has, in addition to the above panels, tried the Judicial Commissions, the Code of Conduct Bureau, and Public Complaints Commission without success. And the current civilian administration of Chief Olusegun Obasanjo has constituted the Economic and Financial Crime Commission (EFCC) to fight money laundering, the INEC for elections-related corruption, and the Independent Corrupt Practices Commission (ICPC), which seems to have power only over the corrupt poor. To win the war on corruption, Obasanjo's slogan of 'no sacred cows' should be put into practice by prosecuting all the known corrupt political 'heavy weights' in the society, because they contribute to making the nation's laws inoperable. Thus, corruption, which is currently a high-profile issue, has created a dangerous mixture of celebrity and corruption in the society. Thus, Nigeria's corruption laws are like a cob web that it is too weak for the 'big' politicians committing grand thefts, but strong enough to catch the poor and powerless involved in petty thefts.

One would re-call that Chief Obasanjo made a 'financial deal' with the family of Late General Sani Abacha who looted the nation. But he fired Mr. Vincent Azie (the acting Auditor-General) whose audit report indicted the executive, legislative and judiciary branch (among other agencies) for 'improper accounting practices.' See the Daily Independent of Jan 13, 2003 and Feb 26, 2003 and Ugwuanyi, in Vanguard of Feb 21, 2003. The Abacha deal and the Azie's case show that Chief Obasanjo does not have the will to fight corruption in Nigeria.

To ameliorate the scourge of corruption, Nigeria must hold politician accountable for their actions, and have effective judiciary and law enforcement to monitor the financial statements of foreign and local corporations. Recently, Vanguard, May 27, 2003 reported that Halliburton, a US Oilfield Service firm admitted that it gave a bribe of \$2.4 million to Nigerian tax officials through a Nigerian company (KBP Engineering Construction Company) to avoid paying taxes of \$5 million. Therefore, the society must restructure and fortify the institutional 'checks and balances among the country's major social forces and the separation of powers within the government.'

This writer recommends that Nigeria should borrow ideas from the US and other advanced countries that are waging effective war against corruption. Although the US is equally corrupt, but it does not let its corrupt 'big wings' off hook whenever they are caught violating the laws of the land. The Associated Press (and other news organizations) reported recently that the ImClone Systems founder, Sam Waksal (a drug-company entrepreneur), who was found guilty of insider trading, was sentenced to seven years and three months in prison and ordered to pay \$4.3 million in fines and back taxes. In addition, Martha Steward who was implicated in the ImClone scandal has been indicted on conspiracy charges. If this were in Nigeria the officials in charge of the case could become millionaires' overnight, as money would change hands.

Therefore, to effectively control corruption in Nigeria, adherence to 'ethical standards' in decision-making must be the foundation of the nation's policy on corruption (Bowman 1991). The nation's public officials are not worried about the ethical implications of their corrupt behaviors. However, armed with ethics and virtue, the nation should reduce personal gains from corrupt behavior by instituting "effective sanctions" for corrupt behavior (de Sardan 1999). The World Values Surveys of 1990-1993, which has good information on attitudes and values, shows a relationship between values and corruption (World Values Study Group, 1994). Therefore, preaching the gospel of virtue alone (as is often the case with the leaders of Nigeria) is not enough to fight corruption. And Nigeria may not win the war on corruption without increasing its "economic pie" through good economic policies and increase in productivity. And the press (including electronic media) has an important role to play by exposing those involved in corruption.

To control administrative corruption, the society should not grant too much powers to officers, such as customs and immigration and the poorly paid police officers that issue business licenses, goods clearance documents and international passports. As well-stated in 1887 by Lord Acton, "Power tends to corrupt; absolute power corrupts absolutely." Nevertheless, lack of adequate rewards for good skills and honest efforts are among the reasons for the upsurge of corruption in the society. For that, adequately rewarding workers for their services could go along way to controlling corruption in the society. Nigeria needs all necessary weapons to combat corruption; the society should demand that politics, which is now less a matter of issues, should be issues-based.

However, to tackle corruption in ancient China, Alatas 1980, Klitgaard 1988 and Sen 2000 noted that some bureaucrats were paid "corruption-preventing allowance" (yang lien) as "incentive to remain clean and law-abiding." But can this method work in Nigerian situation? Government activities must be transparent. And it should introduce into its agencies watchdog outfits (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, that would identify corruption practices and bring them to public attention.

Finally, the keys to effectively managing corruption in any society are honesty and integrity, effective leadership and governance, transparency and accountability, because corrupt leaders cannot wage effective war against corruption.

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