

CORRUPTION AND THE CHALLENGES OF SUSTAINABLE DEMOCRACY IN NIGERIA

BY

ENDURANCE G. UDO - Ph.D.¹

udoendurance715@gmail.com

ANIEKAN EDWIN SUNDAY²

anedsun@gmail.com

DEPARTMENT OF ECONOMICS

COLLEGE OF EDUCATION

AFAHA NSIT-AKWA IBOM STATE

Abstract

Corruption is a hydra-headed monster. It is the most single and difficult problem that has defied various solutions, and has tended to overwhelm Nigeria and Nigerians. Its effects are immeasurable. Corruption damages development. It is a cancer which inhibits progress in a number of ways. It weakens governments and lessens their ability to fight poverty. It reduces tax revenue and the resources available for public services. The paper viewed unitary economic system, superimposed on the Nigerian state, as one of the core reasons for corruption. It recommended among others, the restructuring of the public service, including the security forces, to reflect true federal character and the practice of true federalism; also that the Nigerian society could restore the traditional values of respecting people based on their good character and positive achievements instead of giving people recognitions based on questionable wealth. Moreso, Political leaders must be national examples of probity, integrity and have self-esteem in order to give decent moral tone to government at all levels.

Keywords: Corruption, true Federalism, Accountability, Bureaucracy, Sustainable democracy.

Introduction

One of the most threatening vices that bedevils the economic development of the Nigerian state is corruption. Corruption occurs when people try to get what they do not deserve through various means such as bribery, ethnic connection, religion, threats, harassment, and other unwholesome influences. It is the act of using Public or Private positions, institutions or offices to advance personal aims, goals and interests (Akan 2014).

Corruption is an ethical and moral problem which varies from place to place, time to time, culture to culture. As a global phenomenon, corruption affects both developed, underdeveloped and developing nations of the world. It occurs at all levels of governance and is the major cause of poverty globally. Corruption undermines all aspects of national development-political, economic, and social (Aluko 2008).

In Nigeria, corrupt practices are noticeable everywhere. It cuts across the military

era and civilian dispensations. It could be located in mismanagement and misappropriation of public funds, lack of transparency and accountability, arbitrary award and inflation of contracts to embezzlement, bribery and diversion of public funds to individuals' personal accounts within and outside the country (Adesote and Abimbola 2012).

The negative effects of corruption in Nigeria could be seen in low level of development in infrastructure, human capital, institutions of learning and so on and so forth.

The concern of this paper is to examine corruption and its effects on the Nigerian economy. To accomplish this task, the paper is divided into seven sections: section one (1) takes care of introduction. Section two (2) clarifies concepts used in the study. Section three (3) deals with causes of corruption. Section four (4) discusses manifestation of corruption in the democratic process. Section five (5) takes a look at the effects of corruption on the Nigerian economy. Section six (6) discusses the challenges of corruption to sustainable democracy in Nigeria. Section seven (7) takes a look at the way forward and suggests remedies to corruption in Nigeria. Finally, section eight (8) concludes the paper.

Conceptual Clarification

Over the years, the Nigerian economy has been experiencing fluctuations, leading to economic instability. This, to a large extent has been attributed to corruption which is a cankerworm that has eaten deep into the fabrics of the Nigerian state.

It was in recognition of the negative effects of corruption on the country's economy that made the former President of Nigeria, Muhammadu Buhari to echo that if we don't kill corruption, corruption will kill us.

In discussing an important subject of this nature, it is imperative that issues at stake be properly clarified for easy understanding.

The International Monetary Fund (IMF 2000) defines corruption as abuse of authority or trust for private benefits. According to World Bank (2000) corruption is concerned with the abuse of public office for private gains.

Ntoiden, Endurance and Justina (2008), see corruption as an act which deviates from the formal rules of conduct, governing the actions of someone in a position of public authority, because of private motives such as wealth, power or status. That corruption can be analyzed within the paradigm of political and economic arrangements, which govern the organization of the society.

Akpakpan (1999), states that corruption refers to 'all practices carried out by people in position of authority, that amounts to abuse of office'; for instance, asking and receiving bribes, embezzlement of public funds, inflation of contracts and dubious manipulation procedures in order to make personal gains.

Umo (1986) defines corruption as impairment of integrity, virtue or moral principles. It includes bribery, extortion, gratification, graft, smuggling, negligence, and embezzlement, among other vices.

According to Transparency International (2003), corruption is the abuse of entrusted powers for private gains. Exposing corruption and holding the corrupt individual to account can only happen if we understand the way corruption works and the system that enables it.

Causes of Corruption in Nigeria

In this paper, the following has been identified as causes of corruption in Nigeria:

1. Corruption thrives in Nigeria because of the Privatization of the public sphere. In Nigeria, as in most African countries, there is very little that we can call a public realm or public policy. Private policies are disguised as public policies. Privatization of the public realm in Nigeria has been legitimized by zoning certain public offices and institutions to particular interest groups who turn them into their private property to enrich themselves. This is the cause of corruption at the highest level.
 2. Another cause of corruption in Nigeria is the centralization of economic resources which puts the states and local governments at the receiving end. This unitary economic arrangement in a federal state is questionable as it makes it easy and possible for majority ethnic groups in the country who always have access to political power at the centre to hold on to it, dominate the strategic positions and use it to corruptly enrich themselves.
 3. Weak government institutions contribute significantly to high level of corruption witnessed in Nigeria. Institutions saddled with the responsibility of handling corruption cases have become toothless bull-dogs, who bark but don't bite. This has spelled doom for the country.
 4. Uncontrolled quest for material wealth contributes enormously to corruption in Nigeria. Materialism has become a way of life of Nigerians as almost everybody is trading the path of get-rich-quick.
 5. Poverty is another major cause of corruption in Nigeria. When workers are poorly paid, and so cannot provide food for their families, acquire personal accommodation and without any hope of pension and gratuity during retirement, corruption is bound to occur, in an attempt to fill the gap. Vote selling by electorates during elections in Nigeria occur as a result of poverty and lack of trust in the government. (Akpan 2019).
- i) Corruption also becomes very serious in Nigeria because of the inability of government to meet the basic infrastructural needs and aspirations of the citizenry. The failure on the part of government to provide the basic infrastructural facilities like good portable-water, constant electricity, adequate mass transportation, qualitative education, has forced people to resort to alternative and unwholesome practices of providing these facilities for themselves, hence leading to corruption.
- Agabi (2001) opines that corruption in our country can be traced to a number of causes which include the following:
- ii) With the advent of colonialism, the laws of which our people had and used in regulating their affairs were set aside. New laws were introduced which were not consistent with the experiences of the people.
 - iii) The undue emphasis on theoretical education, which is not aimed at production, and the emphasis shifted away from the dignity of labour makes education to become a status symbol. Everybody seem to have abandoned their traditional

occupation and subjected themselves to a system of education, which does not guarantee their daily bread.

- iv) The strongest, best organized and most vicious crime syndicates are found outside less Developed Countries (LDCs). They constitute part of the vested interest internationally, which renders the problem of corruption so intractable.

In line with 2017 survey by Transparency International, the following has been attributed as causes of corruption:

- a) Greed and desire for money;
- b) High level of market and political monopolization;
- c) Low level of democracy, weak civil participation and low political transparency;
- d) High level of bureaucracy and inefficient administrative structures;
- e) Low press freedom, low economic freedom, large ethnic divisions and high level of group favouritism, gender inequality, poverty, political instability, weak property right, contagion from corrupt neighbouring countries, low level of education, lack of commitment to society, extravagant family, unemployment, lack of proper policies against corruption.

The more developed an economy is, the less the incidence of corruption and vice versa.

Tanzi, Vito and Hamid Davoodi (1998) identify indirect factors that promote corruption to include: the quality of bureaucracy – lack of an ideal bureaucracy; some bureaucracies are much efficient and less vulnerable to corruption.

Rauch and Evans (1997), after gathering information on the degree to which civil servants' recruitments and promotions were conducted, for thirty-five (35) developing countries, concluded that, less are recruitments and promotions based on merit. The greater number of recruitments and promotions were done through the means of corruption. He mentioned other factors to include the level of public sector wages, penalty system, institutional control and transparency of rules, laws and processes to mention just a few.

Manifestation of Corruption in the Democratic Process

Under the various transition programmes organized by successive regimes, vote gradually becomes a commodity that could be bought and sold. Under the Babangida transition programme, the Chairman of Electoral Commission, once complained that Nigerian voters were corrupt because they would take money from one candidate and vote for another; this of course was the order of the day in the just concluded 2023 Nigerian general elections. The party system and the nomination of candidates were such that wealthy people were recruited to bankroll the procurement of Party officers and equipment nationwide. Not surprisingly, the Fourth Republic has been with allegation of corruption and abuse of power at all levels. There are numerous reports in the press about people losing party nominations, only to use the electoral commission to have their names substituted for those of the winners. Some of the political office holders forged their certificates and declared their ages. There have been indicators that bribes have been offered by the executive branch of government to the legislative house, to “oil” the

passage of bills sent by the executive arm of government. In June 1999, President Obasanjo introduced a bill on combating corruption to the National Assembly. The bill sought to establish Anti Corruption Commission with sweeping powers of search and seizure, that would effectively fight corruption in Nigeria. The bill had been passed into law together with the Economic and Financial Crimes Commission (EFCC); and the Independence Corrupt Practices Commission (ICPC) bills. It was the hope of Nigeria that incidences of corruption would be greatly checked; but surprisingly even with these Commissions in place, corruption still persists in Nigeria.

It is sad to say that in Nigeria, cases of corruption, reported to Agencies charged with the responsibility of recovering stolen monies, (EFCC and ICPC), at times fail to achieve any success. For instance, Eight Billion naira from the Police equipment fund was misappropriated in 2009, and the Anti-corruption Agencies failed in their responsibility to recover the stolen funds.

Wole Soyinka (2019) observes that "Nigeria is the only country where Professors rig elections for politicians but expel students for Examination Malpractice. This is sad and indeed a national embarrassment.

Effects of Corruption on the Nigerian Economy

Corruption is so deep-rooted in Nigeria to the extent that it has hampered the normal functioning of the state economy. Transparency International (2003), says that corruption erodes trust, weakens democracy, hampers economic development and further exacerbates inequality, poverty, social division and environmental crises.

In a survey carried out by Corruption Perception Index (CPI), between 1995-1999, Nigeria was ranked as 98th less corrupt country in the world; and between 2000-2009, the incidence of corruption in Nigeria increased and it was ranked as 130th, while between 2010 to 2019 Nigeria was 146th, and between 2020 to 2023, the incidence of corruption took Nigeria to 150th less corrupt country in the world. This shows that incidence of corruption has a steady increase in Nigeria, including the last three years, instead of reducing (Wikipedia).

A lot of normal functions can no longer be performed in Nigeria as a result of corruption. For example, the distribution of fuel has been consistently disrupted. Many basic facilities such as water, electricity, health and education has been seriously short-chained, as high-level of corruption has robbed the country of the joy of having these facilities in sufficient quantities. The Nigerian state has been transformed into a situation where those who are in control of state power and strategic bureaucratic offices use their positions for private appropriation (Geofrey 2021).

Ntoiden et al (2008), observes that our politicians do not like democratic means of resolving conflicts. It is true that political and economic entrepreneurs turn from rent seeking to productive accumulation of wealth and from political thuggery to democratic modes of political action when the cost of those forms of activities become too high. As long as corrupt state-officials are not made to pay a high price for corrupt deals, they are likely to continue. The thought that subsequent regimes might hold corrupt persons responsible and punish them for past action, entrenched in our political life, has caused

some public office holders to find successors while still in office so as to cover their corrupt practices while they were in office.

Obasanjo (2001), declared corruption, as the greatest single bane of the Nigerian society and said that no society can achieve anything near its full potential, if it allows corruption to become a full blown cancer as is the case in Nigeria. He went on to say that it's a twin-evil of organized crime and include the following:

- An unquantifiable damage to all facets of our country and corporate life;
- Enormous loss of government revenue;
- Loss of Undetermined national development effort, economic potential and political stability;
- Erosion of efficiency, effectiveness and productivity in the public services; and
- Tainting our national image globally, resulting in the loss of investor's confidence, development and progress.

The United Nation's view of corruption is that, corruption in government increases poverty in many ways most directly, it diverts resources to the rich people, who, can afford to pay bribes and deprive the poor who cannot.

- It skews decisions in favour of capital intensive enterprise-fund away from labour-intensive activities which are more likely to benefit the poor.
- It weakens governments and lessens their ability to fight poverty.
- It reduces tax revenue and the resources available for public services, (Human Development Report, (1997) in Odekunle and Lare (2001).
- Corruption damages development. It is a cancer which inhibits development in a number of ways:
 - a) The corrupt use of national budgets diverts scarce resources from development areas by allocating resources to areas or sectors of personal interest.
 - b) It diverts investment as it increases the risk for domestic and international investors and business-men trying to work in corrupt societies; wasting their time as well as money, in dealing with corrupt officials.
 - c) Corruption hurts poor people generally; it frustrates their efforts, makes them angry as it inhibits their access to basic services.
 - d) Corrupt economic practices tend to increase the cost of doing business in any economy. Bribes sometimes has to be paid to public officials to move files within a choked bureaucratic set up and percentage mark-up which corrupt officials take when awarding contracts.
 - e) Corruption can lead to a reduction in the country's GDP thereby depriving the citizens of the much needed facilities. GDP is reduced if the proceeds of corruption are transferred and invested outside the country for fear of being caught and prosecuted.
 - f) It can generate ineffective economic policy in terms of making self-serving laws, creating spurious data and information, and creating much loop-holes to be exploited more, by corrupt officials. For example, the issue of change of currency by CBN, has generated a lot of problems because of the non-acceptability of the policy by corrupt office holders.
 - g) Corruption tends to generate and perpetuate distributional inequality in both economic and political powers in a society. This is so because a corrupt political leader will not

enrich its members, but can manipulate the political machinery to ensure that they control power, thereby averting accountability.

Tanzi (1998) observes that corruption distorts markets and the allocation of resources because it:

1. reduces the ability of the government to impose necessary regulatory controls and inspections to correct market failures.
2. distorts incentives, individuals will allocate their energies to rent seeking and corrupt practices and not to productive activities, which will result in a negative added value.
3. acts as an arbitrary tax: this happens especially when corruption is not checked and creates excess burdens to the cost of negotiating; and paying a bribe must be added to the actual cost of searching for persons to whom the bribe must be paid.
4. reduces the fundamental role of government on enforcement of contracts, protection of property right.
5. reduces the legitimacy of market economy and perhaps of democracy; and
6. is likely to increase poverty because it reduces the income earning potential of the poor.

Corruption and the Challenges of Sustainable Democracy

Corruption has become one of the main reasons for persistent poverty and under-development in Nigeria. Without a successful fight against corruption, the future of the country will be compromised. No governing class has a natural disposition towards the public and promotion of democracy. It is a circumstance in which leaders find themselves forced to take certain directions – authoritarian or democratic. If we must succeed, we must prohibit corruption by curbing the culture of impunity. Sustainable democracy is democracy that caters for the present generation, but at the same time provides an opportunity for future generations to benefit from it through active participation in politics in the interest of the common good. Democracy whether in Nigeria or elsewhere, is not a static situation but a dynamic process in which there is movement between the expansion and repressive ends of the continuum. It offers social groups an opportunity to defend social gains by having a say in how broad decisions are made by providing a framework for rules and institutions to be periodically tested and upgraded without resorting to violence.

Recommendations

Corruption has affected almost every sector of the Nigerian economy and it is observed almost in every country of the world. The paper thus presents the following recommendations as a way of putting a stop to, or at least reducing corruption in the country.

1. The solution to the problems of corruption in the Nigerian Public life is the restructuring of the public service including the security forces to reflect true federal character and the practice of true federalism, which gives room for ethnic nationalities or states to control and manage their resources and make contributions

- to the federal government.
2. The Nigerian society must restore the traditional values of respecting people based on their good character and positive achievements instead of giving people recognitions based on questionable wealth.
3. Government should provide social services for the people in order to discourage them from using corrupt means to secure such services. These include good education, health care, gratuity, long service benefits, pension, good housing scheme, security etc., to put in their best while in service or even in the sad case of death, they will be sure that their families will not suffer. This will help public servants to be very patriotic, less corrupt and accountable to the people even after retirement or death.
4. Government should constantly improve the wages and welfare of its workforce as at when due. It is observed that Civil Servants easily succumb to corruption as a means of augmenting their poor salaries. To stem the tide, government should regularly review worker's salaries in response to changing economic realities, to help workers resist the temptation of becoming corrupt.
5. The police, military, paramilitary, and other security agencies, have always complain of inadequate fund for equipment, salaries, allowances and upkeeps like uniforms and standard barracks. Specifically, essential agencies like the Army, the EFCC, should be adequately equipped and strengthened to do their work effectively.
6. Political leaders must be national examples of probity, integrity and self-esteem, in order to give a decent moral tone to government at all levels.
7. In addition to the criminal code, there should be specific anti-corruption legislation, which should be enforced. If there is a law, there should be political will to implement it.
8. Criminal and destabilizing activities such as money laundering, banking /investing of looted funds and volatile international movement of speculative capital should be regulated, sanctioned and reported.
9. Tougher Sanctions against Corrupt Practices: It is not enough to sack or retire corrupt officials with their loot. Corruption should be made unprofitable - You lose your loot and also go to jail.
10. Wealth Surveillance and Open Asset Declaration: The security agencies should monitor and report big wealth regularly to the authorities and asset declaration should be done openly.
11. Citizens and Media coverage against Corruption: The duties of citizen and the media should be extended to cover reporting corrupt practices and government must act accordingly. We must collectively fight to restore our lost international image.
12. Moral Regeneration: There should be campaigns in religious houses, schools, youth meetings and clubs against corruption to enhance moral regeneration, since corruption is partly due to moral decay.

Conclusion

Corruption is a widespread phenomenon and its effects are immeasurable. It leaves our economy and the less privileged with an untold hardship. The effects of corruption are felt in the economic, political, and social spheres, either directly or indirectly. Therefore, achieving the objective of corruption eradication, calls for a re-examination of our core values, change of attitudes, crave for growth and development of our country – Nigeria to keep abreast with other economies of the world where corruption is almost in extinction.

References

- Agabi, K.** (2001) “*Special Address*” in Odekunle S. and Lame, I. (2001), *fighting Corruption and Organized Crime in Nigeria: Challenges for the New Millennium*; Ibadan: Spectrum Books Ltd.
- Adesote, S. A. & Abimbola, J. O.** (2012) Corruption and National Development in Nigeria's fourth Republic: A Historical Discourse. *Journal of Sustainable Development in Africa*. 14 (7) 81-98.
- Akpan, I. E.** (2019) Political corruption in Nigeria: causes and prevention: Lecture Delivered at a conference organized by the South –South Executive Council of the National Association of Political Science Students (NAPSS), Barth Ebong Auditorium, University of Uyo, October 10.
- Akpan, I. E.** (2014) Leadership Pathology and Nigeria's Socio- Political Malaise and National Development. *Journal of Interdisciplinary Discourse* 1 (1) 85-96.
- Akpakpan, E. B.** (1999) *The Economy: Towards a New Type of Economics*, Port Harcourt: Belpot Publishers.
- Aluko, S. A.** (2008) Corruption and National Development: A Lecture delivered at the Centre for Democratic Development Research and Training. Zaria as part of the activities of professor Bala Usman Annual Memorial Lecture on Saturday May 31st.
- Geoffrey M. Hodgson** (2021) *The Economics of Corruption and the Corruption of economics*.
- IM.F.** (2000) *International Financial Statistics* Washington D. C. IMF.
- Ntoiden, E. E., Endurance G. Udo and Justina A. Bassey** (2008). Corruption in Nigeria: Variants Effects and Solutions. *African Journal of Arts and Cultural Studies*. 1 (1).
- Obasanjo, O.** (2001): “Opening Address”, Odekunle and Lame (eds) op. cit.
- Odekunle, F. and Lame, I.** (2001) “*Fighting Corruption and Organized Crime in Nigeria: Challenges for the New Millennium*”, Ibadan: Spectrum Books Ltd.
- Rauch and Evans** (1997) *Bureaucratic Structure Bureaucratic Performance in Less Developed Countries* (mimeo).
- Tanzi, Vito and Hamid Davoodi** (1998). *Corruption, Public Investment and Growth*. IMF Working Paper 97/139 (Washington) International Monetary Fund

Transparency International (2020), Corruption Perception Index: The Political Economy of Corruption in Nigeria. *Transparency Watch Magazine*, 1 (1).

Transparency. Org. /en/News/ CPI-2022 Highlights and Insights.

Umo, Joe U. (1986) *Practical Microeconomic Analysis in Africa Context*, Ibadan: Netlink Research Consult Ltd.

Wikipedia (2003).

Wole Soyinka (2019) Nigeria News on Facebook.

World Bank (2000) Can Africa Claim the 21st Century? Washington D. C. World Bank.