

# CORRUPTION AND ITS IMPLICATION ON DEVELOPMENT IN CONTEMPORARY NIGERIA

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#### Abstract

Corruption is undoubtedly the most pressing governance and development challenge that has confronted Nigeria in her contemporary history. Corruption has debilitating and corrosive effects on progress, stability and development of the nation. It impedes economic growth by discouraging foreign investment, creates distortion in resource allocation and competitive markets, increases the cost of business undertaking and reduces the net-value of public spending. It also reduces the quality of services and public infrastructure, and encourages the misappropriation and misallocation of scarce resources. In the political realm, it undermines the rule of law, respect of human rights, accountability and transparency and weakens government institutions. This in turn erodes public legitimacy in government and compromises good governance. The social costs of corruption are also deleterious as it deepens income inequality, poverty and adversely affects good moral values in the society. In general, corruption is a challenge to sustainable economic development, peace and good governance. This paper examines corruption in Nigeria under civilian administrations beginning from the administration of Shehu Shagari in October 1983 up to the administration of Goodluck Jonathan, which ended in May, 2015. The paper establishes the fact that corruption thrived under all the administrations and explains its implication on national development. It adopts a historical narrative method.

#### Introduction

Several depressing accounts of the massive looting of Nigeria's resources by the ruling elite in contemporary times tell a

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heartbreaking story of a country in an urgent need of economic, political and moral rebirth. The scenario brings the nation to a crossroad. This systemic corruption is the genesis of indebtedness, poverty and underdevelopment in the country. In 2013, the United Nations Office on Drugs and Crime put the estimated amount of looted funds from Nigeria treasury at 400 billion Dollars between independence in 1960 and 1999 while a former President of the World Bank, Paul Wolfowitz, also noted that due to endemic corruption, "about 75 per cent of Nigerians live on less than one dollar per day. Wolowitz also became saddened that, "Nigeria presents a classical example of how people in a resource rich country could wallow in abject poverty (The Punch, April, 20, 2016).

Corruption in Nigeria is caused by factors such as leadership ineptitude, failure to uphold traditional values, poor conditions of service, absence of strong institutions, long period of military rule, external business pressure, nepotism and citizens' ignorance of their civic right/apathy. Evidently, some Nigerian leaders see public office as an avenue to amass wealth and not a place for patriotic service to the nation. Many of them loot the public treasury and transfer the funds to foreign banks (Akpan, 2016).

This paper is divided into six sections. Section one is the introduction. Section two conceptualizes development, section three examines corruption during Shehu Shagari's administration, section four assesses corruption during Olusegun Obasanjo's administration between the 29th of May 1999 to the 29th of May 2007, section five examines corruption from 2007 under Umaru Y'Adua/Goodluck Jonathan's administration up to the 29th of May 2015, while section six is the conclusion.

## The Concept of Development

The word development has passed through different phases of interrogation and has adopted different meanings and implication in the process. Development is defined as the measure and extent of human stability and productivity at a given point of time (Martins, 2006). The concept of development was generally perceived as economic growth explained in increased production, technological innovation and high consumption. Thus, throughout the 1950s, economic development focused on growth and economists and economic historians measured growth in terms of Gross National Product (GNP) and per capita income. The United Nations (UN), which tagged the 1950-1960s as "Development Decade", used the twin indices as its yardstick to measure the development status of any country. Thus, a country was reported as developed if it attained "a 60 per cent annual growth rate" (Arokoyo, 2004).

According to Nwabughuogu (2008) by the end of the 1960s, this definition became unsatisfactory. It was found out that a country's GNP could grow and its capita increased while its citizens remained in abject poverty. This is because one powerful person could appropriate the income of many people in a process of primitive capital accumulation. Such a person would be living in affluence while majority of the people would live in poverty. Thus, development began to be seen in terms of economic matters in reduction or elimination of poverty, inequality and unemployment within the context of a growing economy and in changes in attitudes and cultures.

Dudley Seers captured this trend of thought when in 1969, he raised pertinent questions whose answers provide functional definition of development.

He noted thus:

The questions to ask about a country's development are therefore: what has been happening to poverty? What has been happening to unemployment? What has been happening to inequality? If all of these have declined from high levels, then beyond any doubt, this has been a period of development for the country concerned. If one or two of these central problems have been growing worse, especially if all three have, it would be strange to call the result "development", even if per capita income doubled (Seers, 1969: 3).

Since 1970, development has come to be seen from Seer's point of view and a proper definition of development has since incorporated the concept of distribution of the results of growth.

The narrow concept of development as entirely an economic phenomenon has been de-emphasized and explained to include non-economic aspects of people's lives. Thus, Michael Todaro aptly defines development as a "multi-dimensional process involving changes in structure, attitudes and institutions as well as an acceleration of economic growth, the reduction of inequality and eradication of absolute poverty".

Todaro further shares an opinion of another scholar, Denis Goulet "that the core values of development are life sustenance, that is: food, shelter, health and protection; self esteem, that is a sense of worth and self-respect described variously as identity, dignity, respect, honour or recognition; and freedom from servitude; that is to be able to choose and freedom from the forces of ignorance and human misery" (Goulet, 2006).

In 1990, a new dimension was added to the concept of development by the United Nations Development Programme (UNDP). Known as Sustainable Human Development, it is:

> Development that not only generates economic growth but distributes its benefits equitably, that regenerates the environment rather than destroying it, that empowers people rather than marginalizing them. It gives priority to the poor, enlarging their choices and opportunities; and provides for their participation in decisions affecting them. It is development that is pro-poor, pro-nature, pro-jobs, prowomen and pro-children (Seers, 1969: 4).

In 2006, the United Nations World Commission on Environment zeroed it down to a more generic term - sustainable development which is development "that meets the needs of the present without compromising the ability of future generations to meet their own needs" (Cited in World Bank, 2005).

From the above, it is obvious that when development is viewed from the perspective of a particular nation, corruption which is defined as the "abuse of public power for private benefit" or "the abuse of entrusted power for private gain which eventually hurts one who depends on integrity of people in position of authority" (World Bank, 1997) undermines the core values of the nation as the rest of the paper would reveal.

## Corruption under Alhaji Shehu Shagari's Regime: 1st October, 1979 - 31st December, 1983

Shehu Shagari came to office as Nigeria's President in the Second Republic after thirteen years of unbroken military rule. Before his emergence, corruption had been entrenched in the country by both the military and their civilian collaborators (Akpan, 2016). However, it was expected that the civilian government would live above board in this respect. According to Agedah (1993), in spite of Shagari's establishment of a Code of Conduct Bureau and a Code of Conduct Tribunal, as well as a firm promise to the nation to ensure probity and accountability in public life, his administration represented one of the most corrupt, most graft stricken period when public office holders tremendously succeeded in elevating profligacy and public treasury looting to an art form. A combination of ineptitude of the central government coupled with the unprecedented financial recklessness of the legislators contributed to the fall of the nation's second attempt of civilian rule.

The period witnessed the buildup of the nation's foreign debt from a lowly 3 billion Naira in 1979 to a substantial and staggering 21 billion Naira by the fall of 1983, even though it was during the civilian regime that the country earned its highest revenue ever from the sales of crude oil. A barrel of crude oil which used to sell for between 14 and 20 Dollars before and during 1979, jumped dramatically to an all time 42 Dollars per barrel in 1980. Nigeria was estimated to have grossed an awe-inspiring 48 billion Dollars within a space of four years (1979-1983), making the combined 27 billion Dollars revenue earned on crude oil sales from 1958 to 1979 to pale significantly in comparism. The manner employed in the lifting of crude oil from the Nigeria during the Shagari's years was suspicious and opened flanks for dubious individuals. There was no serious monitoring of those that lifted the nation's crude oil. (Agedah, 1993).

Agedah (1993) recalls the scandalous London based John Mahttey in which:

The management of the bank colluded with certain dubious foreigners namely: "the Pahoomal Brothers" and some unpatriotic Nigerians to inflate voucher figures and raise false letters of credit which were used to draw money from Nigerian account. Nigeria is believed to have lost about 6 billion Naira through this process (Agedah, 1993:19).

The period also gave rise to the despicable emergency contractors who not only inflated cost of contracts unabashedly but also went ahead to collect mobilization fee, which ran into millions of Naira without actually executing the project. Also during the period, rice, which had gradually become a prominent diet in most Nigerian homes, soared from an affordable 25 Naira to an unbelievable 200 Naira per bag. This was in spite of the Presidential Tax Force on Rice headed by Umaru Dikko. Instead of bringing down the price of rice, the Tax Force achieved the opposite; this soon became an unprecedented money spinner for its chairman and others in the corridors of power. Indeed, corruption became pervasive and no sector of the government was spared. The entire society was permeated by corruption, and the central government appeared helpless to take control of the situation. The best the Shagari led government did was a feeble attempt at declaring a half-hearted "Ethical Revolution" which expectedly, had no tangible effect in controlling the widespread, hydra-headed graft mania (Agedah, 1993).

Also import licence, an all important document to the Nigerian manufacturer, was politicized and in its own way, became a money spinner as well. It got to a point where individuals who had nothing to do with manufacturing or merchandising came in possession of the license through their connections. These individuals would in turn sell the licence through their connections to genuine manufacturers, usually, at a tidy profit. The manufacturers would in turn add this to the cost of production, and the consumer was made to bear the brunt. Almost everything from heavy machinery to simplest tool was imported. Assorted and exotic foods were freely imported from the Western world, usually at exorbitant costs. The country, like a rudderless ship, went assailing into cloudy oblivion, and greedy

politicians and their hangers-on, like ants, were all over the place pilfering, slicing and nibbling away at the so-called "national cake", gradually but surely milking the country dry. During the period, "dash", "ten per centers" and "kickbacks" became important words in the nation's lexicon (Agedah, 1993).

This was a summary of the state of the nation, when the military decided to make its third incursion into the nation's political landscape and General Muhammadu Buhari became the Head of State in January, 1984.

#### Chief Olusegun Obasanjo's Regime, 29th May, 1999-29th May, 2007

After fifteen years of military rule, Olusegun Obasanjo became the President of Nigeria on the 29th May, 1999. In his inaugural address to the nation, he denounced corruption as the greatest bane of the Nigerian society and made a commitment to tackle the cankerworm head-on and at all cost. This cardinal objective was again emphasized by the President at the first meeting of the Council of States, when he declared that "government policy will focus on establishing firmly, the ethics of accountability, transparency and a return to established procedures in the running of public services" (Aluko, 2006). One of the achievements of Obasanjo's administration was the establishment of Economic and Financial Crimes Commission (EFCC) headed by Nuhu Ribadu. The organization engaged in relentless war against corruption. Obasanjo also set up the Independent Corrupt Practices and Other Related Offences Commission (ICPC) in an attempt to rid the nation of the scourge of corruption.

In the course of Obasanjo's eight-year tenure, Nigeria earned 233 billion Dollars, two and half times the amount earned over the previous eight years (Okoi-Uyouyo, 2008). Between June 1999 and May 2007, which spans the eight-years of Obasanjo's presidency, the three tiers of government shared a total of 16,447 trillion Naira without much to show in terms "democratic dividend". Out of this amount, the federal government received the lion's share of more than 7.4 trillion Naira. The 36 states and

Abuja received a total of 5.7 trillion Naira, while the 774 Local Government Councils in the country received about 3.3 trillion Naira (Ovovbaire, 2009).

There were also spiraling revenues from taxes which such as; Petroleum Profit Tax (PTF), Companies Income Tax (CIT), Valued Added Tax (VAT) and Consolidated and Education Taxes. The Federal Inland Revenue Services (FIRS) in the three years, 2004-2006, realised close to 5 trillion Naira coming second only to revenue generated from oil resources. In 2004, the target of 800 billion Naira was exceeded when the agency turned in 1.193 trillion Naira into the Federation Account. In 2005, the collection of 1.304 trillion Naira was targeted but 1.742 trillion Naira was collected. Also in 2006, 1.863 trillion Naira was earned in place of a target of 1,465 trillion Naira (Oyovabire, 2009).

The Obasanjo's period can be considered a "golden era" in the garnering of public revenue. Oil prices witnessed an increase because of the demand for it by China and India propelled by their massive industrial development plans, the crisis thrown up by the Iraqi War and its aftermath and the general tension in the Middle East. Receipts from non-oil resources and custom charges equally had good returns. In spite of this huge revenue profile which is not inclusive of the billions from internally generated revenue, and the so-called recovery of "Abacha loot" which had not been properly accounted for, the quality of lives of the citizenry plummeted with more than 70 per cent of the population living below one dollar a day while average life expectancy in Nigeria slipped to 43 years, according to the UN Human Development Report (Ukoi-Uyouyo, 2008).

Even the budget proposals during the Obasanjo's regime were observed more in the breach than in their execution or implementation, making it difficult for the National Assembly to exercise its oversight function. Much of the money, it was feared, ended up in private pockets or to oil the political schemes of Obasanjo's regime and his hirelings. Fiscal discipline was almost non-existent. The budgets in the eight years period were hardly implemented. The best of them elicited only 35 per cent implementation. The apparent institutionalization of corruption

in the polity led to the blatant failure of most sensitive sectors of the economy to perform optimally. Critical areas where wide spread cases of corruption were recorded during the Obasanjo's administration included: the oil, power and transport sectors; the privatization programme, Petroleum Trust Development Fund (PTDF) and the Police Equipment Fund (Ukoi-Uyouyo, 2008).

To have an insight of the level of corruption in Nigeria during the eight years period of Obasanjo's administration, it is necessary to examine some of the key sectors that were allegedly affected.

#### **Petroleum Sector**

Throughout the eight years that Obasanjo served as the President, he was also the Minister of Petroleum. He only appointed Edmund Daukoru as Minister of State in charge of Petroleum sometime during his second term, because of this reason; he cannot be exonerated from the scandals and allegations of corruption from the sector.

Hamman Tukur, then Chairman of Revenue Mobilization Allocation and Fiscal Commission (RMAFC) in August 2007, exposed how things in the oil sector were badly done. Tukur stated that the Nigerian National Petroleum Corporation (NNPC) withheld a total sum of 560 billion Naira from the Federation Account between December 2004 and April 2007. According to him, there was a gross mismanagement and lack of transparency in the handling of the oil revenue accruing to the federation especially in administering the fuel subsidies.

He added that:

NNPC lifts 445,000 barrels of crude oil every day for domestic refining but sells most of these to refineries outside the country, especially because our refineries are not operating at full capacity. The NNPC pays for refining and collects all refined products but Nigerians only see kerosene, PMS and diesel. Revenue from the sales of the other LFPO should be enough to recover the costs and save Nigerians from price increases. However, the NNPC does not account for the other products but it also withholds about 20 billion Naira every month from the Federation Account as subsidy (Daily Trust, April 26 2008: 6).

Ukoi-Uyouyo (2008) questions the rationale of the NNPC being supplied 450,000 barrels of crude oil a day when refineries were functioning at full capacity can only refine 300,000 barrels a day. The refining capacity of the refineries during the period under review has further plunged to 150,000 barrels per day from 250,000 barrels per day in 1999, yet 450,000 barrels were daily supplied to it. In 2001, when the local allocation was increased, crude oil was selling at 35 Dollars per barrel in the international market. The price NNPC was paying was 18 Dollars per barrel for an excess 300,000 barrels it could not refine. A profit of 5,100,000 Dollars was earned daily from this transaction. The crude oil was paid for in Naira by NNPC. The organization paid the Central Bank of Nigeria at 110 Naira to a Dollar, when the existing rate of the Dollar in the foreign exchange market was 135 Naira to a Dollar.

Revelation by Nigerian Extractive Industries Transparency Initiatives (NEITI) on an audit carried on its behalf by the United Kingdom-based audit firm, Hart Group showed that about 65 million barrels of crude oil sold between 1999 and 2004 could not be accounted for. The NNPC was equally engaged in crude oil production outside its function of supervision of production and sales on behalf of the federal government. In 2000, NNPC confirmed that it sold 54 million barrels of crude oil worth 1.473 billion Dollars to Carlson (Bermuda) Limited. Carlson in its account confirmed that its purchase of crude oil and petroleum products amounted to only 225 million Dollars. In 2001, NNPC's records showed sales of 37.5 million barrels of crude oil worth 878.6 million Dollars to Carlson. The company claimed its total purchase of crude oil and petroleum products was worth only 227 million Dollars. Considering the fact that between 2000 and 2001 the value of petroleum products supplied by Carlson to NNPC was worth 250 million Dollars and 205 million Dollars respectively, it is therefore clear that NNPC may have diverted crude oil worth 2.0 billion Dollars between 2000 and 2001 alone (Okoi-Uyouyo, 2008).

Oil blocs were more or less "settlement" tools during Obasanjo's administration. Some of the companies that bided

for, and won oil blocs had no experience in the oil industry, while some were registered for the sole purpose of the bids, having come into existence only a few days to such bids. Eight days to the end of the Obasanjo's administration, he awarded contracts estimated at 752 billion Naira. Due to the seeming fraudulent nature of these awards, the NNPC Board appointed by him refused to ratify them. In a move, which demonstrated his personal interest in the contracts, Obasanjo sacked the Board. He also ordered the NNPC's Group Managing-Director, Funsho Kupolokun to constitute an ad-hoc committee to process and award the contracts in a brazen violation of all rules governing such contracts. The contracts were: A-6793 for 753,287,449 dollars to Cameron; A-6795 for 1,790,901,102 dollars to Technip; A-6794 for 1,753,787,687 dollars to Saipem; A-6797 for 969, 267,000 dollars to Seadrill; and A-6817 for 537,000,000 dollars to Skill base (Umar, 2008).

In the gas sector, the construction of the Escravos Gas to Liquid (EGTL) project by NNPC cost the Nigeria government billions of Dollars. United States Department of Justice fined the Wilbros Group about 22 million Dollars for violating the Foreign Corrupt Practices Act. The company employees agreed to have made corrupt payment totaling more than 6.3 million Dollars to some Nigeriann government officials for work on the Eastern Gas System (a gas pipeline project) (Guardian, 26 June 2008). Also the Halliburton scandal involved the exchange of 180 million Dollars bribe between officials of a United States firm, Halliburton and top government functionaries in Nigeria. This bribe was paid to Nigerian officials by Kellog Brown, a subsidiary of Halliburton, to facilitate four Liquefied Natural Gas (LNG) contracts worth 6 billion Dollars at Bonny Island between 1994 and 2004 in violation of Foreign Corrupt Practices Act (Okoi-Uyouyo, 2008).

## Power/Steel Sector

At the beginning of Obasanjo's administration in 1999, he promised to ensure adequate and affordable power supply, in recognition of the crucial role the sector plays in the development

of any society. He promised to ensure the eradication of powoutages within six months. Consequently, he appointed a ne National Electric Power Authority (NEPA) management head by Bello Sulaiman.. The new team proposed to connect a total 2, 695 mega watts of spare capacity to the national grid. It ald planned a system upgrade to achieve an 8,338 mega watts tot generation capacity; and an upgrading of the transmission an distribution facilities to carry the new generated power. Th estimate for both plans was expected to cost the nation 3.37 billion Dollars, with a completion period of 24 months (Okc Uyouyo, 2008).

The team was later sacked by President Obasanjo and NEPA was unbundled and renamed Power Holding Company of Nigeria PHCN). Obasanjo appointed his cronies as NEPA revenue collectors. During the period, 16 billion Dollars was set aside for reforms in the power sector with nothing to show at the end of the administration. Indeed, the power sector itself is one of the many bottomless cesspits into which public funds were been diverted at the expense of public good. Although the monumental corruption was duly investigated by a Joint Committee of the National Assembly, the report never saw the light of day. In fact, some members of the committee, including the chairman, became victims as powerful vested interests quickly scuttled the entire probe report by accusing them of corruption.

During Obasanjo's regime, the Ajaokuta Steel Rolling Company was sold to Global Infrastructure Ltd for 300 million Dollars. The former Speaker of the House of Representatives reacted to the sale and noted that the company was bided by another company for the sum of 4 billion Dollars (Daily Trust June 26 2008).

## Transport/Aviation Sectors

Instead of being an engine of growth for a dynamic and allencompassing economy, the transport sector has been a conduit for siphoning wealth from the country. According to the figures submitted by the then Accountant-General of the Federation,

Ibrahim Dankwambo, and released by the Senate Committee investigating the Transport Sector, the Obasanjo's regime reportedly spent about 900,734 billion Naira on roads within the period of his administration. The report also added that the Federal Government under Obasanjo was indebted to contractors to the tune of 950 billion Naira (Thisday, July 1, 2008).

Thisday newspaper's editorial reacted to the supposed 950 billion Naira owed road contracts thus:

> Where could this debt have come from, given the parlous state of roads, which contractors were owed this sum? And which roads did they construct? Are the contracts ghost contracts or real contracts? What is the amount of work (if any) done by each of the contractors? Is the debt claim commensurate with the amount of work done? Was due process followed in the award of the contracts? When were the contracts awarded? Were the works on such roads budgeted for? If yes, why were the funds for them not released? Who are the faces behind the contracts? Were the debt incurred mainly out of mere commitment by government or were the works being done by contractors? And more pointedly, why were contractors not paid by the previous government? It is antithetical to be so hugely indebted to road contractors with almost all the roads in the country virtually impassable (Thisday, July 1, 2008; 8).

According to a report, Chief Tony Anenih, Minister of Works during Obasanjo's administration was indicted by a committee constituted by the National Assembly in October 2009 to investigate how the sum of 300 billion Naira got missing in his Ministry. The missing money was widely believed to have been used to pay off the 2003 election expenses. The committee recommended the prosecution of 13 former Ministers, including Anenih, because they allegedly awarded contracts without budgetary provision (Punch 29 May 2016)

Another parastatal of the Ministry of Transport where widescale corruption was discovered was the Nigerian Ports Authority (NPA). The Special Committee inaugurated by Obasanjo and headed by Nuhu Ribadu to investigate the board and management of NPA from 2001 to 2003 described the

organization as "one of the parastatals where irregularities and malpractices have become deeply entrenched". It was discovered that the NPA Board under the Chairmanship of Olabode George, a chieftain of the People's Democratic Party in the South West region, approved various contracts without due process, in clear violation of extant government rules and regulations. The contracts which were over 24,252 were valued at more than 100 billion Naira. These contracts were generally inflated, not budgeted for, and resulted in the NPA accumulating a huge contract debt running into billions of Naira without corresponding value to the authority. Olabode George was investigated by the EFCC and sentenced to some years of imprisonment on account of corruption and abuse of office by a Lagos High Court. (Okoi-Uyouyo).

In addition several cases of corruption were recorded in the Aviation sector during the Obasanjo's administration. According to Okoi-Uyouyo (2008), they included: 6.5 billion Naira Safe Tower project contract which was inflated by 4.5 billion Naira, the missing 300 million Naira earmarked as severance pay for sacked workers of the Federal Aviation-Authority of Nigeria (FAAN), 1.7 billion Naira paid to "ghost" contractors of FAAN and so on.

There was an alleged mismanagement of 33 billion Naira initial payment in the rail system contract which was awarded to a Chinese Company, China Civil Engineering Construction Company, but could not take off throughout the period of Obasanjo's administration. The project, which was expected to start in 2006 under a 25-year programme, was awarded by the government, while it had already paid for the first phase of the standard gauge line spanning over 1,315 km from Lagos to Kano (Punch 29 may 2016).

## **Privatization Programme**

One of the features of the "economic reforms" under Obasanjo's administration was privatization of public utilities. This resulted in the birth of the Bureau of Public Enterprises (BPE). The programme was implemented in a manner that some public

assets were handed over to private owners at ridiculously low prices. Okoi-Uyouvo (2008) believes that most of the private "investors" were business associates of some members of Obasanjo's family. He cites the Nigerian Telecommunication Commission (NITEL) and Ajaokuta Steel Complex as examples.

The House of Representatives Committee on Communications which probed the privatization of NITEL to a Dutch firm, Pentascope, discovered that the firm was "unsuitable for full-scale management of large communication companies like NITEL. It was discovered that the Dutch firm was only three months old when BPE advertised for expressions of interest to manage NITEL, it was a small consulting company rather than an active telecoms operator. It was also discovered that the company was registered outside Nigeria on the 1st of January 2002, which was a public holiday worldwide, and had a workforce of only eight persons, including its janitor. It was not even registered in Nigeria to do business as required by the Companies and Allied Matters Act (Okoi-Uyouvo, 2008).

Former President Obasanjo was also alleged to have spent 56 billion Naira on the 8th African Games (COJA). In a petition written against him, an anti-corruption group, Coalition Against Corrupt Leaders (CACOL), alleged that "when the games was held in Abuja in 2003, most of the disbursements made did not follow due process. COJA did not have any ready book of accounts that could be reviewed. Throughout the games, COJA had no way of tracking its costs and encumbrances. Most of the contracts were found to be inflated, at an average of 500 per cent. At the end of the day, more than 56 billion Naira could not be accounted for by Obasanjo, his son, Gbenga, Amos Adamu, the Executive Director of COJA" (The Punch, 29 May, 2016)

Other arteries of corruption included the Petroleum Technology Development Fund (PTDF) and the Police Equipment Foundation among others. In addition many politicians and other public officers linked with corruption were investigated by the EFCC. They included the Vice-President, Atiku Abubakar, Governor of Abia State Orji Uzor Kalu, Governor of Bavelsa State, Diepreve Alamieseigha, Governor of

Plateau State Joshua Dariye, Governor of Ekiti State, Avo Fayose, Governor of Jigawa State Saminu Turaki, Governor of Taraba State, Rev. Jolly Nyame, Governoor of Zamfara State, Sanni Yerima, Governor of Kogi State Audu Abubakar, Governor of Borno State Modu Sheriff, Governor of Edo State Lucky Igbinedion, Governor James Ibori of Delta State (still serving a jail term in London), former Inspector-General of Police, Tafa Balogun were later jailed while Senate President Adolphous Wabara and Minister of Education Prof. Fabian Osuji were relieved of their responsibilities. (Okoi-Uyouvo, 2008, Adebawani, 2013).

## Umaru Yar'Adua/Goodluck Jonathan's Administrations, 29th of May 2007-29th of May 2015

It should be noted that no serious case of corruption has been linked with the short tenure of Umaru President Yar' Adua, for the purposes of this discourse the era of Goodluck Jonathan is seen as a continuation of Yar' Adua's administration.

The Punch of the 29th of May, 2016 reported that:

Nigeria has lost more than 38 trillion Naira through mismanagement, embezzlement and money laundering under successive administrations since democracy returned in 1999. According to the paper, the figures were drawn from findings by anti-graft agencies and investigative panel reports on major economic scandals and financial crimes in the country in the last seventeen years. The investigations, which covered the Olusegun Obasanjo, Umaru Yar' Adua and Goodluck Jonathan - led administrations, showed that most of the stolen funds have not been accounted for (The Punch, 29 May 2016: 2).

The paper noted that the former Governor of the Central Bank of Nigeria (now the Emir of Kano) Alhaji Sanusi Lamido had written former President Goodluck Jonathan, accusing the Nigerian National Petroleum Corporation (NNPC) of failing to account for 49 billion Dollars which should have been remitted to the Federation Account. According to the paper in 2016, Alhaji Lamido said that the Corporation could only account for 29 billion

Dollars of the "missing" fund while 20 billion Dollars (about 3 trillion Naira) has not vet been paid into the Federation Account (The Punch, 29 May 2016).

In the course of investigating the alleged 21 billion Dollars arms cash placed under the Office of the National Security Adviser then headed by the immediate-past National Security Adviser, Col. Sambo Dasuki (rtd.), the EFCC discovered that the amount of money diverted by various personalities and agencies was more than 15 billion dollars about 2.3 trillion Naira. Col. Dasuki and several ex-military chiefs, including former Chief of Defence Staff, Air Marshal Alex Badeh (rtd.), and a former Chief of Air Staff, Air Marshal Adesola Amosu (rtd.) had been quizzed and are currently standing trial on charges relating to the alleged fraud.

Before the 2015 general elections, a former Governor of the Central bank of Nigeria, Prof. Chukwuma Solodu had challenged the then Minister of Finance, Ngozi Okonjo-Iwela, to account for the 30 trillion Naira allegedly stolen under her watch. Prof. Solodu alleged that the nation was in for a chaotic time as the economy had been grossly mismanaged by the Minister. He added that if the price of crude oil in the international market failed to rebound, Nigeria would face an unprecedented level of economic crisis, with horrible attendant hardships for the citizenry (The Punch, 25 May 2015).

According to The Punch report cited above, the EFCC is investigating the current Chief of Logistics, Defence Headquarters, Maj.-Gen. Emmanuel Atewe, for his alleged role in an 8.5 billion Naira scam involving the Nigerian Maritime Administration and Safety Agency. Atewe was until 2015, the Commander of the Joint Task Force, Operation Pulo Shield in Yenagoa, Bayelsa State. The anti-craft agency has also arraigned a former Director-General of NIMASA, Patrick Akpobolokemi, Kime Engozu and Josephine Otuga, alleged to be Atewe's coconspirators.

The EFCC is investigating some bank chiefs for allegedly helping a former Minister of Petroleum Resources, Mrs. Diezani Alison-Madueke to launder about 17.3 billion Naira and another

23 billion Naira during the build-up for the presidential election. Also, the ICPC has begun a probe into the activities of some directors and senior officials of the Subsidy Reinvestment and Empowerment Programme (SURE-P). The probe is in connection with 3 billion Naira fraud allegedly involving the Federal Ministry of Finance and the SURE-P Graduate Internship Scheme funds domiciled in the Federal Ministry of Finance. According report, the money was meant to pay allowances of 17,500, participants for eight months.

## Impact of Corruption on National Development

The implications of corruption on national development are diverse. Economically, fraudulent accumulation process has resulted over time in the progressive and phenomenal enrichment of Nigerian rulers, the emptying of the national treasury and the indebtedness of the country almost to the point of bankruptcy, hence the critical lack of resources for investment on the social, economic and overall cultural development of the masses. Also, corrupt practices have led to the implementation of badly designed projects with no economic viability. Cost escalation has resulted in pricing policies which have kept the services beyond the reach of the ordinary masses who were supposed to be beneficiaries. In most cases key projects have been abandoned. Moreover, corruption initiates a pattern of capital flight to "Northern" financial markets and led to poor running and maintenance of public institutions like schools, hospitals, the judiciary, the Police Force and so on. In this way, the capacity and efficient performance of these institutions is subverted. In fact, the poor state of these institutions in Nigeria has led to multifarious problems such as dearth of infrastructure, unemployment, brain drain, drug trafficking and so on (Ihejiamaizu and Egbe, 2001).

Morally, corruption has created for Nigerians a bad image internationally; the country is regarded as one of the most corrupt nations in the world. This image has left a lot of fear in the minds of international investors and has by extension undermined economic development. Some aspects of valuable African culture,

such as hospy ospitality and gratification, have been perverted as it has become mme impossible to differentiate between these and bribery. DisHiOishonesty, stealing, lying, deceit, lack of commitment except wher where private interest is involved, among other vices, are enshrine mined in the society. In fact, Nigeria, one may say, has become a case of exceptional moral depravity.

Accordinabling to Ihejiamaizu and Egbe (2001) in Nigeria, corruption han has become a way of life and does not seem to some people that iik at it as an anathema. A public officer who embezzles money and blind build schools, for example, in his village, is a hero or . heroine, the Halhe honest officer is treated with contempt. By and large, corruption Inon has instituted a negative consciousness in the Nigerian psy psychology, enshrined a culture of illegality, and irresponsibilisibility. Lackluster, laziness, forgery, conspiracy, unpatriotism tism, greed and overall vicious circle of underdevelopmentment are its stock in trade. By this, Nigerian society and the Nigerian Fian people especially the youths, the innocent and the "un-born", ain,"", are in dilemma. By this, our future is at stake, rooted entirely in arum an aura of abysmal incertitude.

However, wver, some argue that corruption is beneficial to the society. They reason that corruption, like clientalistic politics in general, provides immediate, specific and concrete benefits to groups which which might otherwise be thoroughly alienated from society. Accomaccording to this school of thought, corruption may thus be functional bonal to the maintenance of a political system in the same way that refs: reforms it. Some argue that corruption speeds up administrativirrative procedures and cut on red-tape. Margaret Peil believes that what corruption may help capital formation, supply an incentive for it is for local entrepreneurs, help to integrate the elite, provide resources for the development of political parties and so on. In factal fact, some authors including Olaopa and Huntington share the view view of the beneficial impact of corruption (Ihejiamaizu and Egbe, 2000, 2001)

However, were, this author does not subscribe to this thesis. Despite the apparent librent beneficial appearance of corruption, the act is never a solution, the don, the costs are too high and it is essentially evil. Nowhere has it resolvesholved the fundamental problems of poverty, disunity,

fuel crisis, unemployment, underdevelopment and so on. In Nigeria, it is obvious that these problems have grown proportionately with the degree of corruption in the country. The supposed benefit of an illegal act is the intensification of illegality and to support corruption is to support illegality. A corrupt society is one in a "state of emergency", one in need of urgent reformation.

#### Conclusion

One point that cannot be denied is that corruption spells dishonesty, decay or even impurity whether viewed from the theoretical or practical perspective. It is therefore a crime, an' enemy of progress. It also debases people, their values and their culture and stagnates development. In Nigeria, corruption has played an active part in stunting the growth of the nation. This is probably what made the famous novelist, China Achebe, to write in his thought provoking book, The Trouble with Nigeria that: "corruption in Nigeria has passed the alarming and entered the fatal stage and Nigeria will die if we keep pretending that she is only slightly indisposed"

Nigeria has had its fair share of corruption, a factor that has robbed the potentially great country of its rightful place among the comity of serious, advanced nations. More than half a century of broken promises, broken system and shattered dreams have left this "once beacon of hope of African continent" in shambles (Adebanwi, 2013).

On the occasion of the launching of the EFCC's "Fix Nigeria Initiative" in Abuja, Nuhu Ribadu told a bewildered audience thus:

What else could have brazenly subjugated and enslaved Nigeria and its people? The Atlantic slave trade did not bring ruin to the entire Africa in such magnitude. The Nigerian Civil War did not cost the country such whopping material fortune. Nothing indeed has inflicted such injury that has bled this nation and pauperized its people. (What's more)...the stolen 65 trillion being part of 500 billion Dollars, being official development assistance (ODA) granted to Nigeria during the four decades....Add 65 trillion Naira to Nigeria's total earnings from crude oil during the same period, which is put at 699 billion Dollars (about 84 trillion Naira)) by the African Development Bank (ADB), that will be 149 trillion Naira! That is to say our past leaders corruptly stole our collective patrimony, which could have recreated the beauty and glory of Western Europe (Cited in Okoi-Uyouyo, 2008: 20).

As corruption has eaten deep into the fabric of the nation, governments at all levels should not treat it with kid gloves. Government should adopt relevant measures in the war against the malaise. It is suggested that the federal government should empower the anti-graft bodies like EFCC and ICPC to work out the modalities of eliminating corruption in the country. Also, certain laws and programmes that breed corruption should be eliminated. In addition, relevant technologies should be integrated in the financial management system of public institutions to detect corruption. The civil societies should be co-opted into the attempt to eliminate corruption while unemployment and poverty should be eliminated.

The Buhari-led administration has embarked on a mission to recover loots kept in foreign lands. The government has also begun mass investigation of financial crimes and the prosecution of suspects. The disclosure made by the Minister of Information, Alhaji Lai Mohammed has shown that the federal government has within the first year of its tenure recovered more than 3 trillion Naira from looters of public treasury in the last political dispensation. The government requires the maximum support of the Nigerians and the international community in this direction especially as the President has repeatedly re-stated his resolve to defeat corruption. He should not weaver or compromise in his epochal struggle. While he should not neglect the economy, security and provision of social services to the citizens, the fight against corruption should be the cornerstone of his tenure. Without suppressing corruption, development will continue to elude Nigeria (The Punch, 7th July 2016). However, the fight should be sustained and should not be selective, it should cut across board. There should be neither friend nor foe" and due process and the rule of law should be followed.

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