

Corruption and Socio-economic Development in Nigeria: A Sociological Perspectives

¹Hassan I Imam PhD, ²Ahmed, T. Ibrahim PhD and
³Abdullahi Usman K/Naisa

Abstract

For the fact that in Nigeria corruption has become a social epidemic and economic pathology to the extent that those who claim to be right physicians as the previous and current revelation have shown, have ironically come out as patients of the disease. Thus the paper attempts to determine the socio-economic determinate of corruption, using contents analysis to explain it. Sociological perspective of Functionalists and Marxist paradigms were used. It also argues that Nigeria's socio-economic failure due to corruption can be easily recognized when we compare her with huge populous, ethnically diverse-rich nations. The idea of sustainable socio-economic development is predicted on the creation of healthy, societies that can sustain the present generation as well as those that follows through the judicious use of economic, environmental and cultural resources which have always been a mirage due to persistent corruption. Having observed the strong relationship between corruption and socio-economic development in Nigeria, the paper concludes that corruption is a national disaster that has eaten so deep into the entire fabric of the Nigerian society, it confers undue benefits on few people contrary to legal and moral norms of the society. in addition to its contagious and incurable infection, it undermines authority's effort to provide welfare for all citizens as the resources to do this are in the hands or at the reach of no fewer than 1% of the population. the paper therefore recommends that "institutional approach " and" no sacred cow" are the only antidotes that can fight this monster called corruption. the fight must be a genuine and collective one, if Nigerian's desired economic and democratic growth and this can only be possible by a determined, blunt, firm and resolved leadership and followership.

Introduction

Corruption is a global phenomenon that has been examined by numerous social scientists. Many scholars studied its nature and how it is related to ethical, legal,

¹ Department of Sociology, Federal University, Lafia; hassanimam405@gmail.com: +234, 8036252936

² State House, Aso Rock Villa, Abuja; +234, 8030751140

³ Mambayya House, Aminu Kano Center for Democratic Research and Training, Bayero University, Kano; 234, 8032289919

economic, educational and cultural factors (Barr and Serra, 2010; Hooker, 2009; Cary, 2007). However, any attempt to understand the tragedy of socio-economic development and challenges facing people in most developing countries, must come to grips with the problem of corruption and complete absence of transparency and accountability in governance. This is not to suggest that corruption and prodigality are peculiar to the developing countries. Certainly, corruption is neither culture specific nor system bound. It is ubiquitous. However, the severity and its devastating impact vary from one system to the other. The impact is undoubtedly more severe and devastating in the developing world with weak economic base, fragile political institutions and inadequate control mechanisms.

Nigeria today is at a critical stage since independence. The country faces a severe crisis in its economic, social and political development that is not unconnected to the problem of pandemic corruption. The manifestations of the crises are clear, the remedies much less so. Therefore, for a country awakening to economic growth and development after long years of economic retardation, social dislocation and political instability, endemic corruption and stupendous wastage pose greater challenges. Since 1999 when the country returned to civil rule, there is no doubt that corruption has been the bane of democratic stability and survival. News about corruption is no longer stunning. This vindicates consistent rating of Nigeria by Transparency International (TI), the global watchdog on corruption, as one of the most corrupt nations in the world. All anti-corruption strategies by the various successive governments have had trifling impacts.

The pathological effects of corruption ranging from political instability, low level of governmental legitimacy, voracious poverty, infrastructural decay, welfare crisis, contract killing, industrial stagnation, insecurity and generally, developmental problems- have been very devastating. Regrettably, those who claim to be the right physicians, as the previous and current revelations have shown, have come out as patients. The questions are- how is corruption explained in Nigerian in sociological context? What is the social origin? What are precipitating factors? And why has all the measures designed to nip the problem in the bud failed? To answer these questions, the paper discusses the socio-economic determinants of corruption in Nigeria within the context of sociological perspectives.

Definition of Concepts

In order for us to delve into this discussion effectively, it is of paramount importance for us to look at the meaning of two main concepts; corruption and socioeconomic development.

Corruption

There is no rigid definition of corruption because many people look at it in different ways. What is considered as corruption in Kenya may not be the same in Nigeria. A public leader or officer for example who aids friends, family members and supporters with public funds may seem praise worthy in some societies and corrupt in others; a youth who indulges in pornography might be regarded as corrupt in the Nigerian society and not in South African society, just to mention a few. These cultural differences with regard to the definition of corruption made some scholars to resort to defining corruption in political terms restricting the definition to describing the behavior of public functionaries who overrule due processes (Olaifa, 2012).

Etymologically, 'corruption' is in the Latin adjective 'corruptus,' meaning spoiled, broken or destroyed (Olaifa, 2012). Corruption as used in the Holy Bible implies total moral, socio-political and economic decadence which permeates an entire system. According to the concise Oxford English Dictionary, the meaning of 'to corrupt' in the social context is to bribe and corruption amounts to 'moral deterioration.' Transparency International (2000) defines corruption as the abuse of public office for private gain.

With the above background, we can emphatically say that corruption is deviation from the ideal; that is the abandonment of good habits. It mostly involves bribery, embezzlement and the use of position power to influence decisions in order to benefit the selfish interest of those involved in it. (Olaifa, 2012).

Socioeconomic Development

Many a time, people express their concerns with regard to how things are in their various countries. Matters like poverty, unemployment, health facilities, schools, dilapidated infrastructures, political instability, just to mention a few always take a centre stage. Politicians always use this as their manifesto in order to woo their electorates. However, when they are voted into office, some of them forget the promises they made to their electorates. Improvement in the quality and standard of life is what every citizen needs and sustainable socioeconomic development which also considers the future generation is the answer to this.

In order to understand what socioeconomic development means, it is imperative to note that development is defined in a layperson's ideas as a state in which things are improving. In the socioeconomic context, development means the improvement of people's lifestyle through improved education, incomes, skills development and employment. It is the process of economic and social transformation based on cultural and environmental factors (WiseGeek, 2015). Social development implies a qualitative change in the way the society shapes itself and carries out its activities. That is, it is the process that results in the transformation of social institutions in a manner which improves the capacity of

the society to fulfill its aspirations. Economic development on the other hand is the qualitative change in the economic wealth of a country for the wellbeing of her inhabitants. Here, the economic, political and social wellbeing of the citizens are always taken into consideration.

WiseGeek(2015) views socioeconomic development as a process that seeks to identify both the social and economic needs within a community and seeks to create strategies that will address those needs in ways that are practical and in the best interests of the community over the long run. The general idea in this definition is simply finding ways to improve the standard of living within the area while also making sure the local economy is healthy and capable of sustaining the population present in the area. Development according to Olaifa (2012, p.88) involves “the progressive improvement on the existing socioeconomic status of a people based on a cohesive effort of the political class, the elites and the entire polity.” He further looks at it as an all-inclusive movement which aims at improving the lifestyle and the quality of life of citizens in a creative manner.

We summarily define sustainable socioeconomic development as the quantitative and qualitative changes in the social and economic dimensions of the present and future society measured with indicators such as life expectancy, personal dignity, personal safety, freedom of speech and participation in the society, literacy level, freedom of worship, levels of employment, respect for rule of law and Gross Domestic Product (GDP) or Gross Domestic Income (GDI).

Sociological Perspectives on Corruption

In human society, happenings, events, habits, behaviors and attitudes are analyzed via theoretical perspective. Some of the theoretical explanations of corruption in literature hitherto are depicted in “amoral politics”, “amoral familism”, “prebendalism”, “patrimonialism and neopatrimonialism”, “clientelism” (Parks, 2003). These perspectives however, fall short of social explanations of corruption. This study intends to correct this critical gap in knowledge.

Functionalism

This perspective has its origin and development traceable to the works of evolutionary scholars such as August Comte” and “Herbert Spencer” while later scholars- “Emile Durkheim” and “Talcott Parsons” refined the theory (Parks, 2003).

Functionalism views society as a system that has several parts, which are related to one another and at the same time functions independently, but contribute their quota to the maintenance and survival of the entire system. It therefore assumes that there exists harmony, order and stability in the system, which is attributable to the independent nature of each part as well as existing values and norms

governing its operation. This brings about co-operation and consensus in the system (Giddens, 2010 cited in Dhull, 2014).

Functionalists advance by comparing human society with a living organism, such as human body, draw an analogy between the two and argued that understanding any organ in the body, such as lung, heart, livers, eyes, nose, mouth etc involves understanding its relationship and contribution to the survival of the entire body system. In the same manner, understanding any aspect of various institutions that make the society-family, economy, politics, education etc, requires an analysis of its relationship and contributions towards the maintenance of entire society (Giddens, 1984 cited in Dhull, 2014).

Reasoning with functionalists, corruption serves as a means to an end and not an end in itself. The social explanation of this is rooted in the functions, which it performs in sustaining some persons in the society. This can be viewed in the following ways:

Firstly, corruption is useful in cutting through red-tapism prevalent in both private and public institutions in Nigeria. Unnecessary delay that goes with the movement of files in several institutions, due to workers poor conditions of service, salaries and entitlements is often avoided through bribery. When a poorly remunerated staff is bribed, he carries out any assignment that has to do with the person. To this extent, it promotes flexibility in intra-administrative procedure (Ugwu, 2002 cited in Barr and Serra, 2010).

Secondly, it sustains Nigerian workers when salaries, entitlements etc are not promptly paid. Also, it sustains workers who are earning poor income. Bakare, (2011) establishes difference between poor income and corruption among staff in Power Holding Company of Nigeria (PHCN) and concludes that staff who earn poor income are more corrupt than staff earning good income. In other private institutions, such as filling stations, petroleum attendants across the country rely largely for survival on money they realize through illegal adjustment of meters to the detriment of various consumers.

Thirdly, when the rate of unemployment is high, it elevates the magnitude of poverty and corruption. Hence, corruption like dishonesty, fraud, prostitution, armed robbery, theft and violence generally prevail in societies, where the rate of unemployment is high (Bakare, 2011). This corroborates Ali, Abdiweh, and Isse, (2003) who believe that unemployment has a strong relation with criminal behaviors. According to them, un-employment correlates with crime rate as an index for societal strains. poorly remunerated and underpaid workers could be prone to abject poverty. Such persons are many in Sub-Sahara Africa. In fact, the Transparency International, (2000 claims that Sub-Saharan Africa is the world's poorest continent, with nearly half of its 719 million people subsisting on less than \$1 US per day. In Nigeria, poverty rate has risen to 71.5 per cent, 61.9 per cent, and 62.8 per cent using the relative, absolute and dollar-per-day measures

respectively. Poverty stinks and it could prompt victims to be involved in corrupt practices in order to survive. Its psychological implication could be geared towards avoidance of trauma and its effect on living in society while its social effect could be targeted at continuity of such persons, lineage and the entire social system.

Fourthly, it provides means of employment for people working in institutions created to curb corruption. These include the police force, military, judiciary, prison service, EFCC, ICPC etc. These institutions provide jobs, fame and recognition for many people in the public. Mallam Ribadu, the erstwhile Chairman of EFCC is a clear case in point. His fame worldwide could be attributed to the establishment of an institution meant to fight against corruption in Nigeria.

Fifthly, it serves as a motivating factor among workers. Going by the “means-ends schema” of Merton, (1968 in Agbibo, 2014), corruption prompts workers to respond to social pressures in order to violate societal norms, so as to meet goals and objectives of a social system. These goals could be for improvement in the lives of family, relations, friends etc. When there is mounting demands from public servants’ families and friends, corruption provides means of meeting these demands. Its social importance rests on the premises of acting as one’s brother’s keeper and it reinforced the traditional spirit of communalism prevailing in pre-colonial era.

Social function of corruption discussed above refers to its observable and objective consequences and not subjective dispositions (aims, motives and purposes)” (Merton, 1957 in Agbibo, 2014). Although, Durkheim, (1898 in Agbibo, 2014) admits that when the rate of crime (corruption) is unusually high, it becomes dysfunctional to the society. The rate of corruption is now unusually high in Nigeria, thus, it is dysfunctional to the Nation in the following ways: The money meant for the nation’s development is being embezzled. Amaefule and Owete, (2006) categorically emphasize on the development funds of 220 billion pounds, which elites have stolen since 1960. This huge amount of money could have been used to develop Nigeria more than Europe, because it was more than what was invested in rebuilding Europe after the Second World War through the Marshal Plan. Therefore, the nation is creeping to grow and develop because the rate of corruption is very high.

Adulteration of products is endemic in Nigeria. As regard fuel, Amanullah and Eatzaz, (2007) Osueke and comment on the damages it does to motor vehicles and other harmful effects on human beings across the nation. Besides, the significant loss of tax revenue to adulteration of petroleum products is alarming. Various estimates have also been made of the extent of financial loss to the national GDP (Gross Domestic Product), as well as the oil companies as a result of diversion of kerosene which is mixed with petrol and diesel. In respect of fake drugs, it has

been estimated that up to 15% of all sold drugs are fake, and in parts of Africa and Asia this figure exceeds 50% and it is dangerous to human life (Amanulah and Earzaz, 2007).

The rate of cheating in education sector has reached an alarming stage. Consequently, candidates who cannot defend their course of studies are numerous, resulting in high level of educated illiterates, which is a bad signal to national development (Akinlabi, Hamed and Awoniyi, 2011).

By and large, functionalists could be commended for pointing to the usefulness of corruption in society. Its social relevance to the segment, who benefit from it cannot be easily ignored. It prevents them and their families from starvation and extinction, and thereby ensures the continuity of mankind, but the majority that bears the pain of corruption makes it grievous and terrible to societal advancement. Besides this flaw, functionalist writers are found wanting on two grounds. Firstly, they fail to offer explanation for why certain persons appear to be more prone to corruption than others. For instance, members of staff in public and private institutions, who are earning poor incomes, could be prone to corruption more than those who are earning good incomes. These writers could not provide explanation for this flaw in their approaches. Secondly, functionalists have not been able to explain why certain forms of corruption appear to be associated with a particular group of persons or institutions in society. In Nigeria for example, “419” fraud, stealing and covetousness could be associated with unemployed graduates. Moreover, patterns of corruption such as bribery and extortion could be associated with agencies like the police and customs as institutions. Given these flaws, another core social theory is examined below.

Marxian Theory

This is an interdisciplinary approach to criminality and it is rooted in the philosophy of dialectical and historical materialism. The theory sprang from the ideas of “Hegel, Ludwing Feurbachi, Friedrich Engels and Karl Marx”. Dahrendorf contributed greatly to its development, while radical scholars, such as Ake, (1986) and Odekunle, (1983) subscribed to it (as quoted in Sebastian, 2007).

Man, according to Marxian theory must produce food and other necessary material objects for his survival. The process of producing these goods involves both social relations of production and technical forces of production. The combination of both social forces of production and technical forces of production are regarded as substructure of the society. Other parts of the society are regarded as superstructure, but substructure determines superstructure. This dialectical relationship between substructure and superstructure of the society is expressed in Marxist assertion that “...the economic structure of society is the real foundation, which raises a legal and political structure that corresponds with definite forms of social consciousness” (Sebastian, 2007:69). Thus, any change in the substructure

will reflect in the superstructure. Whatever manifests in the superstructure is settled in the substructure under heathen wherein its strength lies. In other words, man's society is divided into two-substructure (economy) and superstructure (other institutions). Nevertheless, substructure determines the success of superstructure. This is because economy is very vital to the survival of mankind. Hence, no man can function satisfactorily in the superstructure without food, which substructure represents. The primary need of man is economy and it is very germane to his effectiveness and efficiency in the organizations", where they work.

In the process of producing food and other necessary objects man needs for his survival, however, man must enter into social relationship with other men in the society. In a capitalist economy, Marxian scholars believe that this social relationship involves those who control the means of production; the bourgeoisie and those who produce the wealth; the proletariat. The bulk of the wealth produced is taken over by the bourgeoisie while the proletariat is underpaid and exploited in relation to total profit that represents the surplus value. Marxists thus believe that this situation of inequality and exploitation is responsible for crimes (corruption inclusive) in the society. This according to Marxian scholars is because the proletariat must look for other means of survival, which can be found in crime. In the public sector of the Nigerian economy, junior staffs who are earning poor income could be akin to proletariat while elites who take leadership positions can be considered as bourgeoisie. The latter is mindful of his/her self-interest to the detriment of the former. Thus, the former is given poor salaries while other entitlements are not regular and at times not paid at all. These may prompt junior staff to indulge in corruption.

In most institutions in the country, remunerations of staff mostly junior ones are poor. Moreover, payment of gratuity and pension is not regular. Many pensioners are unable to collect their pensions before their death. Many others have collapsed in queues while trying to collect their entitlements. Nigerian elites, who are supposed to govern the country properly, pursue their self-interests to the detriment of the masses, by embezzling the resources meant for national development. In other words, *the surplus value, which the bourgeoisie keep to themselves to the detriment of the proletariat in industries, could be akin to the resources of the state which elites are embezzling to the detriment of the poor staff, unemployed, underpaid and jobless in the society etc.* These classes of people according to "David Gordon and Williams Chambliss" (Haralambous, 2000 cited in Smith, 2001) must look for other means of survival, which can be found in corruption (bribery, extortion, stealing, armed robbery, prostitution, forgery, smuggling, 419 fraud) and many more. The more unemployment, poor remunerated staff, irregular payment of salaries, underemployed and underpaid staff is increasing in a country; the more these forms of corruption persist and become endemic.

The social understanding of the above is rooted in poor leadership. When the righteous are in power the people rejoice but when the wicked rule the people mourn (Proverbs 29:2). Selfish and wicked elite have being in power since political independence in Nigeria. Their wickedness is demonstrated in different kinds of abuse of power, mostly looting the state resources to the detriment of common man. In spite of the above social life reality of corruption, which Marxism expatiated, however, the school of thought is found wanting on three major grounds: firstly, these scholars ardently emphasized substructure and ignored superstructure in explaining corruption in capitalist societies. Factors under superstructure such as politics, education and religion are also leading to corruption in all societies. Secondly, Marxists associate corruption with capitalist societies and exonerate socialist societies from the same (Haralambous, 2000 cited in Smith, 2001). This is unrealistic as it could be observed that corruption defies ideological affiliation of countries worldwide. Thirdly, Marxists have not been able to account for why some of the exploited masses are not resorting to corruption in order to survive in spite of the inequality of life in capitalist societies. Smith, (2008) believes that there are many poor masses in Nigeria, who are not resorting to corruption, in spite of their exploitation or poverty. Such persons according to him value their integrity more than ill-gotten wealth. In view of these flaws in knowledge, a middle-range theory drawn from different areas of specialization in social science and humanities are discussed below.

A Brief Review of the Related Literature on Socio-Economic Determinants of Corruption

The review of various literatures on corruption reveals that the determinants of corruption can broadly be classified into economic and non-economic causes. These classifications can be further broken down into (1) economic and economic institutions (2) political (3) judicial and bureaucratic, and (4) religious and geo-cultural factors Sabestian, 2007). Although, the focus of this paper is to examine the social economic determinants of corruption in Nigeria, we Endeavour to outline the non-economic causes of corruption before we fully deal with the social economic determinants of corruption.

Political determinant of corruption from empirical studies includes level of political – civil liberty, centralization of government, government administration, electoral system and political stability. Theoretically, it is argued that democratic and open government mitigates corruption because such system encourages transparency, monitoring and check and balances on Chief Executive Officer of the state. However, Rivera – Batre and Rivera – Batiz (2002), suggests that under certain condition, democracy may be a potential source of government misconduct and inefficiency.

The impact of decentralization on corruption has no clear cut outcome both from theory and empirical studies. It is argues that inter jurisdictional competition

would curb the opportunities of corrupt behaviour. However, some authors like Pevito, and Madeline, (2010) suggest that decentralization may lead to corruption. According to, Myeison (1993) electoral system that simplifies entry would encourage the citizens to control and make corrupt incumbent accountable. Whereas, where there is barrier to entry by citizen, corruption may be encouraged in the electoral system. Stable democracies are generally associated with political stability and hence such countries are less prone to corruption. However, political instability is associated with autocratic regimes and new democracies hence higher corruption.

The role of judiciary in mitigating corruption in a country is narrated by Salzberger (1993) who states that there is a view that separation of powers and portraying the judiciary as one mechanism that operates to balance and control the legislative and executive branch, and hence it is an obstacle to rent seeking activity and interest group legislation. An independent judiciary would promote rule of law which would make citizens of a country to accept and repose confidence on the established institutions to make and implement laws and adjudicate disputes. Authors such as Ali and Isse (2003), Rark (2003), Leite and Weidmann (1999) have all suggested that a strong rule of law reduces likelihood of corruption. The wages level of civil servants has been found to have effect on the rule of law and the quality of bureaucracy and therefore have an impact on corruption (Rijekeghem and Weder, 1997). It has been observed that wages of civil servant in most developing countries are low which may encourage them to be corrupt.

Affiliation to religion by citizens of a country has been found to determine the level of corruption. Studies by Chang and Golden (2004) and Treisman (2000) reported that countries with many protestants tend to have lower corruption level. On the impact of culture on corruption, Lederman et al (2005) observed a negative relationship between ethno linguistic homogeneity and level of corruption. According to Ali and Isse (2003) in heterogenic communities, a civil servant behaves sequentially. First to his close kin, to his ethnic group, and then may be to his country. Consequently, diversity of ethnic or tribal groups is more likely to promote and encourage corruption compared with homogenous communities.

Historical factors such as colonial history have been found to have influence on the level of corruption. According to Tavares (2003) countries that have colonial history have high level of corruption. However, (Herzfeld and Weiss (2000) and Persson et al (2003) reported that former British colonies have lower level of corruption.

Economic variable which have been employed by researchers to investigate the determinants of corruption varied and are many. They include gross domestic product (GDP) per capital income literacy rate, population growth international integration (globalization) proportion of fuel and mineral exports to total export.

The impact of economic development has been investigated by many researchers as a determinant of corruption. It is believed that higher level of economic development would lead to good economic structure and better government institution which would results in higher quality and quantity of public infrastructure.

Consequently, these would mitigate corruption. GDP per capita had been employed as proxy for economic development in many studies that investigated the relationship between economic development and corruption. Studies by Ades and Di Tella 1999 La Porta et al 1999 and Persson et al (2003) all reported that there is strong negative relationship between economic development proxy by GDP per capita and level of corruption. The implication of these finding is that corruption is mostly the problem of developing nation which is validated by yearly corruption index result which show that developed countries usually score higher in the index, while developing nations are always at the bottom of the index. The effect of economic development on corruption is so strong that its inclusion or exclusion normally increases or reduces explanatory power of the pertinent regressions Sebastian Freille (2007). A positive relationship between income distribution proxy by Gini coefficient and corruption was established byPaldam (2002) and Amanullah and Eat zaz (2007). However, Braun and Di Tella (2004) and Frecheltt (2001) using panel data reported a positive relationship between economic development and level of corruption.

Trade openness or international integration measured by total import value to GDP has been found to influence the level of corruption. The reasons for this include the fact that higher imports, implies lower tariff and non-import restrictions. Therefore, opportunities for bribe taking by civil servants through issue of import license are eliminated. Treisman (2000) and Hersfeld and Weiss (2003) find that a higher import share leads to less corruption. Proportion of raw materials such as minerals, fuels and metal to total exports are found to have influence on level of corruption. Studies of Tavares (2003); Adsera et al (2003) and Seldadyo and De Haan (2006) reported positive and significant relationship between share of export of raw minerals to total export and level of corruption. However, Serra (2006) finds insignificant relationship between export of raw minerals and corruption.

Social demographic factors that determines level of corruption examined in this paper is population growth and literacy rate. The result of the effect of population growth to level of corruption is mixed. Whiles, Knack and Aztar (2003) suggests that as population grow corruption also increases, Tavaves (2003) reported that population growth negatively affects corruption. Level of human capital development of a nation should have effect on corruption index score of a country. According to Ades and Di Tella (1999) education assists citizen to check and control government behavior and evaluate their performance. Furthermore, well informed societies are better equipped to control corruption in Government.

The Connection between Corruption and Socio-Economic Development in Nigeria

Corruption is a widespread phenomenon and its effects are immeasurable. It leaves an economy with an untold hardship. However, the effects of corruption are felt in the economic, political and social spheres either directly or indirectly. Although the direct costs of corruption may be high in terms of lost revenue or funds diverted from their intended use, the indirect costs in terms of the economic distortions; inefficiencies and waste resulting from corrupt practices are more problematic over the long-term and thus make it more difficult to address. (Gbenga 2007)

Mauro (1997a) observed that corruption affects investment. Corruption also affects the quality of life of man. Dike (2005) observed that corruption occurs in many forms and it has contributed immensely to the poverty and misery of a large segment of the Nigeria's population. Mauro (1997b) and Johnston observed that high rate of corruption creates a situation where investment returns are difficult to predict. Their conclusion showed that the effects of corruption are to limit investment, which is critical to the long-run sustainable economic growth. They further argue that corrupt behaviors have the tendency of scaring away foreign and local investors with significant adverse effect on the economy.

Corruption wastes the limited resources of an economy, increases the costs of doing business thus signaling inflation, hence radically reduce revenues accruing to the state. It also results in poor service delivery, "moonlighting" or multiple concurrent sources of employment and refusal to perform normal functions without additional payment. Gbenga (2007) asserted that corruption deepens poverty and makes it difficult for ordinary people to get ahead as the result of their own efforts. There is increasing evidence that the social and economic cost of corruption disproportionately affects the poor, who not only suffer from the lack of services and efficient Government, but who are also powerless to resist the demands of corrupt officials.

Corruption is deep rooted in Nigeria and its manifestation is reflected in the nation scores in Corruption Perception Index (CIP) published annually by the highly rated Transparency International (TI). The highest index point the nation has ever had is 2.7 out of 10 points which means that for the past sixteen years when the country has been appearing in the roll call she has always being among the worst rated corrupt countries in the world. The negative effects of corruption on any nation cannot be over emphasized. Studies by (Sebastians, 2007 and Bakare, 2011) have shown that corruption undermines economic development by creating inefficiencies that significantly reduce a country's welfare. The impact of corruption on the nation is not limited to economy as it also militates against social, environmental and political development. It is because of these effects on any nation that makes the (World Bank, 1997) to describe corruption as "among

the greatest obstacles to economic and social development. It undermines development by distorting the rule of law and weakening the institutional foundation on which economic growth depends. While, the Transparency International argues that one of the greatest challenges of the contemporary world is corruption. Because it undermines good government, fundamentally distorts public policy, it leads to the misallocation of resources, harms the private sector development and particularly hurts the poor.

Systemic Corruption is the hydra-headed monster that has held the Nigerian state captive. This has contributed to government failure and breakdown of institutional infrastructures. The state of insecurity in Nigeria is greatly a function of government failure, traceable to systemic and political corruption. It has added another dimension of violent conflicts which has eroded national values. Corruption is bad not because money and benefits change hands, and not because of the motives of participants, but because it privatizes valuable aspects of public life, bypassing processes of representation, debate, and choice. It has been described as cancer militating against Nigeria's development, because corruption deeply threatens the fabric of the Nigeria society (Nwanegbo and Odigbo, 2013). Corruption hampers economic growth, disproportionately burdens the poor and undermines the effectiveness of investment and aid (Iyare, 2008).

To that effect, according to THISDAY (12 December 2003, pp.1-2) "Nigeria lost over five billion US dollars in the last few years to corrupt practices." And it was a disclosure from Antonio Maria Costa, the Executive Director of the United Nations on Drugs and Crime, at the conference of the UN Anti- corrupt Convention held in Mexico on 11 December, 2003. The effects of corruption on the public service delivery performance (very detrimental to the economy) and the poverty it brings are widely recognized. A wide consensus has also recently emerged that corruption is a symptom of failed governance (see World Bank, 2000) and hence curtailing corruption which require addressing the causes of mis-governance. However, the menu of potential actions to curtail corruption is very large so a framework is needed that provides guidance in ordering potential actions to address the menace.

Bribery, fictitious names are included in salary vouchers, and the proceeds converted to personal use, kick- backs, political pay offs, extortions and demanding/ receiving all kinds of gratifications; unlawful payments for contracts either not executed or poorly executed because the pay officers have been induced; collaboration with contractors to inflate costs of contract value; the "Ghost workers" syndrome; "sorting out" teachers/ lecturers and examiners for better grades, etc.; illegal enrichment of oneself using one's official position, at the expense of the public; alteration of official documents to derive personal benefits at the expense of the public i.e. forgery; demanding offering and acceptance of any form of gratification to obtain unmerited favors or advantages, and such gratification could be material or monetary; using one's official position

to influence policies and decisions, or offering wrong advice for the purpose of personal advantage, or for some other person's advantage, at the expense of the larger public interest; condoning indiscipline and other unwholesome behavior (e.g. drugs faking, violation of ethics governing certain business operations) because the official has compromised his position; aiding and abetting examination malpractices or other related offences.

Aside the destabilizing effects of corruption on the economy of this country, the following are still the major effects of corruption in the society: It is not only gives bad image to Nigeria, but it also discouraged genuine foreign investors from coming in to run business in the country.

It breeds high rate of indiscipline in the society, giving rise to a state of "mighty is right", a state of anomie where normlessness holds away in the society; When public officials connive with contractors to inflate the value of Government contracts, the cost of governance and administration shoot up, with very little to show in terms of projects and programmes which impact on the average citizen's well being; When Government officials collect bribes to issue clean bills of health for poor quality of contract jobs and services rendered to the government, the public have to contend with poor quality projects with short life span, e.g. roads, public buildings, office equipment, electricity transformer, etc.; Political corruption is rape on democracy because the popular will of the people is subverted; Corruption discourages honest endeavors, hard work and merit; Miscarriage of justice when judicial officers give judgment to the highest bidder.

Solution to Corruption Problems in Nigeria

The dangers posed by endemic corruption to the survival of Nigeria as a socio political and economic entity as expressed in this piece, Should compel all stakeholders in Nigeria project to devise more proactive measures to arrest the scourge. Despite the seemingly failure of the institutional approach to combat corruption as it is currently experienced in the country Animashaun (2007) is of opinion that these institutional approaches (EFFC, ICPC, etc) are still the most effective instruments in controlling corruption if they are properly applied without selective, judgment.

To win the war on corruption, Aluko (2009) Obasanjo's slogan of 'no sacred cows, should be put into maximum use by prosecuting all the known corrupt political 'heavy-weights 'in the society, because they are the major contributors to making the national corruption law inoperable. Thus, corruption which is currently a high profile issue in Nigeria has created a dangerous mixture of celebrity and corruption in the society.

The failure of the institutional approach in Nigeria cannot be located in the approach itself but in its operations by state leadership whose vested interests have sabotaged the effectiveness of the approach. For the institutional approach to be

effective to combat corruption, this chapter will consider three issues as identified by Diamond (1999) as found in Animashaun(2007). First a system must be put in place for monitoring official conduct and exposing wrongdoing. Two a credible system be built for assessing charges for wrongdoings and for punishing convicted wrongdoers and the third is building a framework for insulating institutions of watchdog, exposure and punishment from the control and manipulation of the very state actors they are meant to monitor.

References

- Achebe, C., (1983)*The trouble with Nigeria*, London: Heinemann.
- Agbibo, D.E., (2014) "Serving the few, starving the many: How corruption underdeveloped Nigeria and how there is an alternative perspective to corruption cleanups". *Africa Today*, 58(4), 112-132
- Akinlabi, A., O., Hamed, O. and Awoniyi, M. A. (2011) "Corruption, Foreign Direct investment and Economic growth in Nigeria. An empirical Investigation" in *Journal of Research in International Business Management* 1(9) Pp 278 – 292
- Ali, M., Abdiweh, and Isse, H. (2003) "Determinants of Economic Corruption: A cross – Country Comparison" in *Cato Journal*, 22 (6) Pp. 449 – 466
- Amanullah H. and Eatzaz, H. (2007) "Corruption and Income Inequality: A Panel Data Analysis" in *The Pakistan Development Review*, 46(4) Pp. 204-220
- Awuzie, U.A., (2010) *Combating fraud, corruption and loss of resources in the Nigerian educational sector: Issues and realities*. Paper presented at Imo State University, Owerri
- Bakare, A. S. (2011) "The Crowding – out Effects of Corruption in Nigeria: An empirical Study" in *Journal of Business Management and Economics* vol., 2 (2) Pp 059-068
- Barr, A. and D. Serra, D. (2010) "Corruption and culture: An Experimental Analysis" in *Journal of Public Economic*, 94(11/12): Pp. 862-869
- Cary, I. (2007) "Corruption, Legal Solutions and Limits of Law" in *International Journal of Law in Context*, 3(3): Pp. 227-183
- Dhull, J.S., (2014) "Corruption: Its Impact on Development and Curative Actions" in *International Journal of*
- Hodgson, G.M., & Jiang, S., (2007) "The Economics of Corruption and the Corruption of Economics: An Institutional Perspective" in *Journal of Economic Issues*, 41(4), Pp. 1043-1061
- Hooker, J. (2009) "Corruption from Cross-Cultural Perspectives and Cross Cultural Management" in *International Journal*, 16(3): Pp. 251 – 267
- Leite, C. A. and Jens, W. (1999) *Does Mother Nature Corrupt? Natural Resources, Corruption and Economic Growth*, Working Paper WP/99/85 International Monetary Fund Washington, DC
- Lumumba, P.L.O., (2011) "The War against Corruption as a Poverty Reduction Agenda in Africa" In *2nd African Governance, Leadership and Management Convention* Paper presentation at Kenya Institute of Management, Whitesands, Mombasa
- Multidisciplinary Approach and Studies*, 1 (6), Pp. 250-268.
- Olaifa, T. (2012) "Corruption and Sustainable Peace in Nigeria: Equipping Youth for Reconstruction" in *International Journal on World Peace*, 19 (3), Pp. 85-101

- Paldam, M. (2002) "The Cross – Country Pattern of Corruption: Economics, Culture and Seesaw Dynamics" in *European Journal of Political Economy*, 18 215 – 240.
- Parks, H. (2003) *Determinants of Corruption. A Cross – National Analysis The Multinational Business Review*, 11(2), 29 - 48
- Pevito, R. and Madeline, K. (2010) *Fighting Corruption in Security Sector Reform, United States Institute of Peace*, PEALE BRIEF 3
- Sebastians, F. B. (2007) *Essays on Corruption and Economic Development*. Thesis submitted to the University of Nottingham for the degree of Doctor of Philosophy.
- Smith, D.J., (2001) Kinship and Corruption in Contemporary Nigeria *Ethnos*, 66(3), 344-364.
- Transparency International, (2000) *Corruption Perceptions Index* Retrieved from <http://www.transparency.org/documents/cpi/2000/quanda.html>
- WiseGeek, (2015) *Socioeconomic Development*. Retrieved from