Economic and Financial Crimes Commission (EFCC) and the Challenge of Public Service Corruption In Nigeria

Hassan Achimugu Ph.d\textsuperscript{a}, Usman Muhammed\textsuperscript{b}*\textsuperscript{a}, Isyak Ibrahim Ogirima\textsuperscript{c}

\textsuperscript{a,b&c} - Department of Public Administration
Faculty of Management Sciences Kogi State
University, Anyigba- Nigeria.
Corresponding author’s Email: usmanmuhammed2030@gmail.com

Abstract
Corruption in Nigeria has reached an alarming proportion with the result that successive governments have made efforts at reducing the scourge. One of such modest efforts was the establishment of the Economic and Financial Crimes Commission. The study examines the challenges of EFCC in its fight against public servants involved in financial crimes. The main objective of this study is an evaluation of the perception of the public servants with regard to the anti-corruption campaign of the EFCC. The findings of the study reveals that the EFCC is saddled with the problem of inadequacy of funds coupled with political interference and absence of autonomy. The study recommends amongst others that EFCC should be adequately funded and that EFCC must be given a freehand to operate.

Keywords: EFCC, Corruption, Public service, Fight, Nigeria.

1. INTRODUCTION
Any attempt to conceptualize corruption may seem almost a mere rehearsal of existing conceptions of the phenomenon. Rehashing old definitions would seem easy. However, after the rehearsals, putting a finger on what constitutes corruption would still prove to be a difficult endeavour. Conceptualizing corruption is not any easy task. Indeed, it is a daunting and challenging venture (Olugbenga, 2007; Odofin and Omojuwa, 2007; Ajibewa, 2006; Falloore, 2010; Igbuzor, 2008). According to Andrig and Fjeldstad (2001:4), ‘corruption is a complex and multifaceted phenomenon with multiple causes and effects, as it takes on various forms and functions in different contexts.’ In fact, one of the major crises in conceptualizing corruption is that while it is difficult for it to disappear, it has a capacity to take on new forms (Andrig and Fjelstad, 2001; Girling, 1997). The difficulty of defining corruption is first a function of its being a secret and clandestine activity and secondly because it has many manifestations, dimensions and forms. That is why Johnston argues that studying corruption is a tricky business. According to him, definitions are controversial, and solid evidence is often elusive. Descriptive accounts may be clouded by self-serving equivocations. Equally subtle is the question of the significance of a corrupt act – not only its consequences, but also its meaning as perceived by citizens and officials alike (Ogbundiya, 2009:282).

Be that as it may, Tanzi has argued that while it may not be easy to define corruption, the crisis associated with corruption is not difficult to recognize (Tanzi, 1998). The word ‘corruption’ is originally from the Latin verb \textit{rumpere} which means to break (Abdul-Ismail, N.D). Following from the above, corruption means the breaking of a certain code of conduct for the personal benefit of the perpetrator. Many definitions of corruption have been put forward. For example, Sen defines it as the violation of
established rules for personal gain and profit (Aluko, 2009:2). Osoba defines it as ‘an anti-social behaviour conferring improper benefits contrary to legal and moral norms, and which undermines the capacity of authorities to improve the living conditions of the people’ (Aluko, 2009:3).

1.1 Corruption in Nigeria

Corruption is as old as civilization itself and in the particular case of Nigeria, it is as old as the history of the country itself (Aluko, 2009). Omotola traces corruption to colonialism. He argues that by all standards, colonialism in Nigeria was built on corruption. This is to the extent that ‘because of the colonialis’t’s corrupt disposition to exploit the state for their exclusive benefit, they liquidated social structure against corruption associated with pre-colonial Africa and replaced and or transformed them to their own purposes’ (Omotola, 2006:217).

The colonial era was characterized by allegations of corrupt practices against civil-servants and police officers (Aluko, 2009). This colonial legacy of corruption was carried into the independence period. Chinua Achebe, the famous Nigerian novelist, has highlighted the incidence of corruption in some of his novels (Achebe, 1960, 1966, 1988). Achebe’s literary presentation of corruption indicates the extent and damaging impact of the phenomenon on Nigeria and her people.

1.2 The Scope of Corruption in Nigeria

Nigeria has been variously classified as a ‘failed’, ‘failing’ or ‘fragile’ state in which there is a consistent failure by the governments to honor the social contract entered with the people and in which kleptocratic and “lootocratic” practices including corruption, have been identified as significant debilitating indicators to its development (Obuah and Enyinda, 2004; Foreign Policy, 2006 and 2009; World Bank IEG, 2006). A failed state is one in which the institutions of the state and society are weak and lack the necessary capacity to manage society through various checks and balances. Nigeria operates a fiscal federalism with strong central government that controls and distributes the main resources to the federating units - the states and local government areas (LGAs). Nigeria has 36 states and 774 LGAs, and under the current arrangement both states and LGAs receive monthly appropriations from the federal government. According to HRW (2007), this system has led to the “decentralization of corruption”: a situation in which corruption has become rampant and an organized crime. Some LGAs (in Abia, Bauchi, Kaduna, Ondo, Rivers and Nasarawa states) have been accused of reckless spending and misappropriation of funds to the tune of N1.6 trillion between 1999 and 2007 (Ribadu, 2007).

The scope of corruption in Nigeria has expanded significantly since the administrations of Generals Ibrahim Babaginda and Sani Abachi. For some scholars corruption in Nigeria has moved from pre-bendalism to predation in which office holders and public officials try to repay their supporters, family members, cronies, ethnic group members etc with sums of money, contracts or jobs (Lewis, 1996). Corruption is blamed for the downfall of the first republic 1960-1966, and the second republic 1979-1983.

1.3 General Conditions that Cause Corruption

Corruption is a complex and multi-faceted phenomenon with multiple causes and effects and takes on various forms and functions in different contexts. The tendency of
Corruption ranges from the single act of a payment contradicted by law to an endemic malfunction of a political and economic system. Corruption has been seen as a structural problem of politics, economic, cultural and individual malaise. In the writings of Egwemi (2010), corruption is a problem that confronts all nations of the World, explaining that the only difference is that its prevalence, gravity and persistence vary from one country to another. Lawal (2007) has also noted that the menace of corruption cases is receiving increased local, national and international attention.

Corruption is conventionally understood and referred to as the private wealth-seeking behavior of someone who represents the state or the public authority. The encyclopedic and working definitions used by the World Bank, Transparency International and others are that corruption is the abuse of public power for private gain (Heidenheimer et al, 1989).

Transparency International maintains that public programmes, government organization, law enforcement, public awareness and the creation of institutions to prevent corruption are nothing but elements in a long term process that needs to be supported from above all needs and attitude change at all levels (Girling, 1997).

1.4 Consequences of Corruption

What impact does corruption have on society? It is widely recognized that corruption as profoundly damaging political, social and economic consequences, particularly when considering its broader, long term effects (Clarke, 1983; Rose-Ackerman, 1996; Johnston, 1982).

Politically, corruption subverts good governance by undermining public trust in government (Klitgaard, 1988) and may reduce political participation by adding to growing cynicism about politics and the political process amongst citizens (Johnston, 1991; Rothchild and Chazan, 1988). Economically, corruption raises costs, reduces government revenues and exacerbates inequality (Ward, 1989). In particular, corruption undermines the development capacities of states by distorting priorities (Rose-Ackerman, 1978) where it may also skew decisions in favor of capital-intensive enterprise (where the pickings are greater, such as the arms industry) and away from labor-intensive activities more likely to benefit the poor (UNDP:1997b).

Some economists have argued that corruption may even have beneficial developmental effects, especially in those cases where formal bureaucratic controls obstruct entrepreneurial growth (Nye, 1967 and Leff, 1964). Here, the argument is that acts of corruption help integrate political systems and economic growth by breaking through bureaucratic bottlenecks and creating informal markets and price systems.

This functional theory of corruption argues that the buying and selling of political favors has political and economic advantages (at least for some), and that bribery “greases the wheels” by cutting through unnecessary red tape, thereby improving efficiency and speeding up the wheels of commerce.

It has also been argued that another beneficial effect of political corruption may be that it can enhance social stability where constituency-based patronage systems have resulted in generous levels of public investment in rural areas (Bouissou, 1997).
1.5 Economic Consequences of Corruption

There are a number of empirical studies providing overwhelming statistical evidence to show that countries with high corruption levels have poorer economic performance. There are several channels through which corruption hinders economic development and growth. Briefly, it reduces investment (both domestic and foreign), distorts the size and composition of government expenditure away from education, health and the maintenance of infrastructure towards less efficient projects that have more scope for manipulation and bribe-taking opportunities, and it weakens the financial and tax system, strengthening the underground economy and encouraging links to organized crime groups. As would be expected from this, a strong connection has been demonstrated between corruption and increasing levels of poverty and income inequality.

1.6 Organizational Structure of EFCC

The EFCC is an independent agency headed by an executive chairman under the direction of a board. The chairman is supported by five directors: financial crimes and intelligence, advance fee fraud and other economic crimes, enforcement and general operations, prosecution and legal counsel, organization and support, and training school. The executive chairman is the chief executive and accounting officer of the Commission. The agency receives support from the presidency, the legislature and the judiciary branches of government. The agency also cooperates with like organizations from other foreign countries to uncover corruption and money laundering activities involving Nigerians.

In terms of its structure and organization, the EFCC is committed to containing economic and financial crimes, generating and disseminating effective economic and financial crimes intelligence to assist law enforcement, and inculcating prudential and sincere dealing amongst Nigerians via transparent value system and preventive measure (EFCC, 2004). The organizational structure reflects the major broad activity areas of the commission, namely, economic and financial crimes intelligence, investigation and enforcement, prosecution, crime prevention through mass communication and advocacy, and proactive and reactive execution of anti-terrorism operations. To this end, the Commission has a versatile organizational structure made up of five operation units — investigation, legal and prosecution, research, administration, and training. The head Office of the Commission is based in Abuja with regional offices in Lagos, Enugu and Port Harcourt.

1.7 The Activities of Economic and Financial Crimes Commission

Fighting corruption is a difficult task, this is particularly so in a country where the corrupt have the tendency to use their power, influence and loot to subvert prosecution. Again, in an environment where the judiciary is believed to have been compromised and some people are protected by immunity, it becomes very challenging to exhaustively and genuinely battle the monster of corruption. This appears to be the situation in Nigeria. Prior to the establishment of the EFCC, Nigeria had been arguably seen as a haven of corruption, to the extent that the country was ranked by the Transparency International as the second most corrupt nation in the world in 2001, 2002 and 2003 respectively, (Ikubaje, 2006).

Ten years after its emergence, what is the score card of the EFCC in its anti-corruption campaign? Farida Waziri, the immediate past executive chairman of the commission identified the delisting of Nigeria from the in- famous list of the United-States-based financial action task force list of non- cooperative countries, the recovery of
over 6.5 billion dollars from crime suspects and advanced fee fraudsters as well as the prosecution of over 700 accused persons and the conviction of over 400 of them as evidence of the agency’s commitment to the battle against corruption in Nigeria (Waziri, 2010).

1.8 The Challenges of EFCC and Selective Operations

The ensuing argument making rounds all over the country and even internationally that the Economic and Financial Crimes Commission (EFCC) is being used by the Nigerian government to hunt down those opposed to its policies and leadership, is indeed a topic that should be of interest to anybody interested in the fight against economic and financial crimes in our beloved country, Nigeria, (Alipius, 2009).

However, the Establishment Act of the Commission that mandated it to exercise its enforcement powers in fighting economic and financial crimes in all its ramifications, is quite clear on the responsibilities expected of it and also has specified what roles the EFCC can play in the legal battle against all types of corruption, emanating either within or outside the country. Therefore, mere coincidences in arrests should not be a yardstick for measuring whether the Commission’s pendulum is swinging towards the side of the government or the powers that be. Naturally, human-beings are expected to perceive things differently as psychologists kept on reminding that it is nearly impossible for a group of persons to give same meanings to a particular occurrence or incident. It is on this note that the argument as stated above whether the Commission is deliberately involved in cases against alleged corrupt top government officials both serving and retired who happened to be in the bad books of the serving government, surfaces (Waziri, 2010).

2.1 CONCLUSION

Corruption has grown with Nigeria as a country. It gets more and more ingrained, especially as the economy deteriorates and the rate of crime increases. There is hardly any day a newspaper will not carry stories of corruption and/or financial crime. Corruption in Nigeria is not practiced systematically; it is systemic.

Corrupt practices are met both at public and private places but especially in the public service. Almost anywhere a service is to be provided, the service is not freely obtained. The Chairman of ICPC was recently quoted as saying that some government institutions are the most corrupt in Nigeria, maybe because those institutions practice their own more openly, or their services touch people more directly. At the government sector, hardly anything is done without recourse to corruption: admission, promotion, seeking employment, licensing or registration of small businesses, financial services etc. In the private sector, obtaining product distributorship, small or major contracts, provision of various services etc. common to both sectors are embezzlement, fraud and other financial crimes.

2.2 Recommendations

This study hereby recommends that:

1. The government must engage in vigorous national reorientation on the need to shun corruption. Along with this, the EFCC must see to it that corrupt public officers are prosecuted and penalized. This will deter other public officers. All hands must be on deck to achieve this without exceptions. Superiors should make subordinates found want to face full consequences.
2. NGOs, men, the government and women rights support groups must embark on supporting women to be more than housewives. More women must be encouraged to join the public service and demonstrate the accountability in their homes too.

3. To gain the trust of Nigerians, the EFCC must fight for its autonomy. The leadership of the commission should engage the Senate and presidency in this struggle and fight for it until it is achieved.

4. If victory in the fight against corruption in the public service must become a dream come true, Nigerians must also contribute individually by doing the right thing. This must reflect in the daily dealings of officers in the public service as it will go a long way to reduce the workload on the EFCC.

5. The government must equip the EFCC with necessary resources. The leadership of the commission must occasionally formally request for needed equipments and resources from the government. And even when the requests are not granted, the leadership of the EFCC must not relent.

REFERENCES


Bussman, K.D. (2003). Causes of Economic Crime and the Impact of Values: Business Ethics as a Crime Preventive Measure. Martin-Luther University, Faculty of Law, Germany, busman@jura.uni_halle-halle.de.


Coker-Anita, F. (2008). Perceptions as Problem in Reporting the Anti-Corruption Crusade. Report of proceedings at the 2-day Capacity Building Workshop for Journalists on Reporting Anti-


Legon Observer No.5, 2nd September, 1966.


