Research on Humanities and Social Sciences ISSN 2224-5766 (Paper) ISSN 2225-0484 (Online) Vol.8, No.6, 2018



# The Negative Impact of Corruption on Development in Nigeria

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#### **ABSTRACT**

The study examines the impact of corruption on development in Nigeria. It adopts a descriptive approach. After a critical analysis of literatures, reports and data, it realises that the impact of corruption include among others, poor economic growth, poor infrastructural development, under utilization of human and natural resources, distorted policies and poor policy implementation and a colossal loss of public funds and poor inflow of foreign direct investments. In tackling this negative impacts, the study recommends among others, an attitudinal reorientation on the part of citizens both in private and public sectors towards corruption, strengthening of the anti-corruption agencies in order to discharge their duties efficiently and effectively, prompt judicial adjudication of corruption cases in the law courts so that those found guilty would be sanctioned accordingly to serve as a deterrent to others.

Keywords: Impact, corruption, economy, development

#### 1.1 Introduction

Corruption is a form of dishonesty or unethical behaviour by a person(s) entrusted with position of authority (Wikipedia, 2017).

Corruption include but not limited to actions such as bribery, embezzlement, diversion of public funds, goods and services for personal or parochial interest. While corruption is multifaceted and can be on a small or large scale. One of the biggest challenges plaguing Nigeria since independence is the issue of corruption. In fact, corruption is said to be the bane of Nigeria's development, causing the nation's perpetual underdevelopment with the loss of funds that could have been used to fast-track the development of Nigeria (Onyemelukwe, 2004; Onosode, 1993).

Corruption in Nigeria is so endemic that it has stifled economic growth and development affecting every sector negatively. Nigeria at the moment, is still ranked as one of the poorest nations in the world, in spite of the vast human and natural resources the nation is blessed with (Nwaze, 2012). Given the diverse nature of corruption in Nigeria as alluded to previously in this paper, the focus of this study is on the negative impact of corruption on development in Nigeria.

#### 1.2 The Critical Issue of Corruption in Nigeria

The Transparency International (2002) corruption perception index places Nigeria at 136, on a scale from 100 (very clean) to 0 (highly corrupt). The 2016 corruption perception index saw the country (Nigeria) occupying the 28th position, an appreciable improvement from the previous rankings. It further reports that developing nations like Nigeria loose a whopping 1.2 trillion dollars annually to corruption (Wale, 2017).

Various scholars, organizations and commentators have decried and condemned the preponderance of corruption in Nigeria, as well as its negative effects on both the economy and national development (Chimakonan, 2011; Akor, 2014; African Economic Outlook, 2015; Transparency, International, 2014).

This underscores the prevalence and impact of corruption on development in Nigeria

#### 1.3 **Conceptual Clarifications**

We shall define some of the concepts as they relate to this study to avoid ambiguity.

### Corruption

Eshimolah (2016) views corruption as a form of unethical behavioural by someone occupying a position of trust with the motive of personal gratification. Corruptic (2017) defines corruption as the misuse of public power by elected politicians or appointed civil servant for private gain.

The independent broad-based Anti-Corruption Commission (2017) defines corruption as the misuse of public power of position or resources for personal interest or gain. It encompasses bribe taking or offering of bribes, dishonest use of influence or authority; fraud, theft, embezzlement; misuse of information or materials meant for public, government or corporate body.



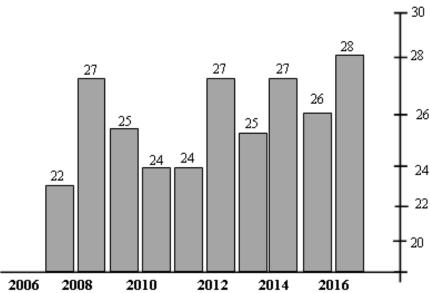
#### **Development**

There is no consensus as to the definition of development. In fact, the conceptualization is polarized along both liberal and neo-Marxist thinkers. Nonetheless, we shall focus on the following definitions as they relate to this study. Etuala (2017) defines development as the transformation from one state to another state, which could be economic, social, human and physical. It is also said to be the dynamics of measurable changes in specific or general context of a country or institution or people (Eshimolah, 2016). In this context, development entails economic growth coupled with real changes in infrastructure, social, technological and human advancement.

### 2.1 Corruption in Nigeria: Myth or Reality

There is no gainsaying that corruption is pervasive and endemic in Nigeria, as there are various data supporting wide spread opinion and criticisms on the issue. It should be noted that the country's corruption rating has been appalling and an issue of great concern in the last decades. A critical examination of the data presented below by Transparency International buttresses the worrisome incidence of corruption in Nigeria.

## **Nigeria Corruption Index**



Source: Tradingeconomics.com/Transparency International

From the above data, it is obvious that the country scored 28 point out of 100 in 2016 corruption perception index, while falling to an all high -28 points in 2016, from a record low of 6.90 points in 1996. The corruption perception index ranking of countries takes into account the perception of corruption in the public sector, on a scale of 0 (highly corrupt) to a scale of 100 (very clean) (Gotep, 2017; Usifo, 2017).

**Corruption Perception Index** 

| Date | Value Change (Points) | Percentage (%) |
|------|-----------------------|----------------|
| 2016 | 28.00                 | 7.69           |
| 2015 | 26.00                 | -3.70          |
| 2014 | 27.00                 | 8.00           |
| 2013 | 25.00                 | 7.41           |
| 2012 | 27.00                 | 10.23          |
| 2011 | 24.00                 | 2.06           |
| 2010 | 24.00                 | -4.00          |
| 2009 | 25.00                 | 7.41           |
| 2008 | 27.00                 | 22.73          |
| 2007 | 22.00                 | 0.00           |
| 2006 | 22.00                 | 15.76          |

This data fluctuated and increased from 2002 to 2016



# 2.2 The Impact of Corruption on Development in Nigeria

It should be noted that the impact of corruption goes beyond the data about the prevalence of corruption in Nigeria. Some of the negative impacts of corruption in Nigeria are, the distortion of developmental policies, it also hampers economic policies on the economy, as economic resources that would have stimulated the economy are sabotaged or undermined due to corruption (Sverdsen, 2004; Achebe, 1988; Rotimi et al, 2013).

Corruption also causes a huge loss of public funds that would have been channeled towards the economic development of the country. On the other hand, corruption negatively serves as disincentive to Foreign Direct Investments (FDIs) as the prospective investors are wary of investing in the country due to pervasive corruption reported in the country (Andrew, 2016; Nwaze, 2012; Eshimolah, 2016).

Corruption leads to poor economic growth rate as reflected in poor GDP as well as poor infrastructural development, while also causing the underutilization of both natural and human resources. This stifles the development of the country (Usifo, 2017; Gotep, 2017).

# 2.3 Types of Corruption in Nigeria

Usifo (2017) rightly posit that corruption is multifaceted and comes in various dimensions. These are electoral corruption, bureaucratic corruption, judicial corruption, economic corruption, political corruption and moral corruption. It should however be noted that some, if not all the various types of corruption have various negative impact on the economic development of the country in different dimensions.

# 2.4 The Causes of Corruption in Nigeria

Many scholars have argued differently about the causes of corruption in Nigeria. there are widespread opinion that corruption in Nigeria is caused by numerous factors such as poverty, greed, economic insecurities, prebendalism, declining moral values, lack of patriotism, but most importantly, the social value the society places on wealth irrespective of the mode of acquisition (Usifo, 2013; Nwaze, 2012; Rotimi et al; 2013 and Igbuzor, 2013).

# 3.1 Recommendations: Tackling corruption in order to stimulate development in Nigeria.

It is an incontrovertible fact that the issue of corruption in Nigeria is endemic and pervasive, causing the country trillions of naira that could have been channeled to economic development of the country. Thus, this calls for a holistic measures to guide against the social vice and Maliaise.

First, the legal framework in tackling corruption must be strengthened. The current situation, where corrupt government officials exploit legal loopholes and technicalities to cover their corruption charges and thereby escape justice must be seriously redressed. The legislature should amend such legal loopholes in the constitution that corrupt officials often hide under to evade justice.

The executive should strengthen the existing agencies fighting corruption such as the Economic and Financial Crimes Commission (EFCC) and the Independent Corrupt Practices Commission (ICPC) in order to make them more functional and effective. These agencies should be more innovative by preventing officials from stealing public funds through the use of Information Technology (IT), rather than the last minute arrest and prosecution.

Government should have the political will to tackle corruption headlong. There should be no sacred cows, government should have the political will to prosecute any official found wanting in the discharge of his/her official duties irrespective of their status. There should be judicial reforms aimed at improving the capacity of the judiciary to speed-up the dispensation of justice as far as corruption cases are concerned. If possible, special courts can be established to try corruption cases, so as to conclude them speedily. Last but not the least, there is the need for value reorientation among Nigerians, aimed at changing the attitude and psychology of the people towards corruption as well as making the social problem an unethical practice in the minds of Nigeria (Njoku, 2015).

#### 3.2 Conclusion

It is evident in this study that the issue of corruption in Nigeria is endemic and pervasive, with negative impact on all facet of the country. Thus, the study focused on the impact of corruption on development in Nigeria. Such negative impact includes, infrastructural problems such as lack of good roads, inadequate electricity and pipe borne water that the nation has had to grapple with due to corruption. Others, include poverty, unemployment of young graduates, without jobs to do even after leaving the universities and higher institution with certificates. This scenario poses a grave danger to the country because an idle hand is the devil's workshop, no wonder, there are many restive and militia groups all over the country, which is a consequence of joblessness occasioned by corruption.

It is high time the government tackled this social problem so as to save the nation from dire consequences.



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