

Economic And Financial Crimes Commission (Efcc) And Public Sector Corruption In Kogi State Nigeria, 2016 - 2024

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Abstract: *This paper examined the connection between the Economic and Financial Crimes Commission (EFCC) and corruption in the public sector in Kogi State, Nigeria, between 2016 and 2024. The research was to investigate how the anticorruption sensitization programs of EFCC have led to the decline of corruption in the public sector in Kogi State and also evaluate how the EFCC monitoring of financial transactions has resulted in the interception of misappropriated public funds in the state in good time. Two research questions and hypotheses were tested on the basis of these objectives. The research was based on the institutional theory suggested by John Meyer and Brian Rowan (1970). The methodology used was a survey design, the primary and secondary data were obtained by surveying a population of 433 respondents. The Taro Yamane formula was used to select a sample size of 208 respondents. The information was collected by means of a structured questionnaire and the results were provided in tables and mean scores. Pearson Product Moment Correlation (PPMC) was used to analyze it. The most important findings were that the anticorruption sensitization by the EFCC did not make any significant difference in curbing corruption in the public sector in Kogi State, and that the monitoring of financial transactions by the EFCC did not result in interception of misappropriated funds in good time. On the basis of these findings, the research suggests that the anticorruption sensitization campaigns should be re-energized to engage the civil society and other major stakeholders in the non-governmental sector. Such participation would assist in disseminating the message to the grassroots and enhance more cooperation between the EFCC and the civil society in the fight against corruption. Also, the study recommends that with the sophistication of corruption in the public sector, the anti-corruption agencies ought to embrace modern technologies in the detection and investigation of corruption especially in the tracing of illegal financial flows. It is also advisable to strengthen international partnerships with the relevant institutions and countries and capacity building of EFCC personnel in international financial best practices.*

Keywords: Economic, Public Finance, Financial Crimes, Corruption, Public Sector

INTRODUCTION

It is a fact that corruption is rampant in Nigeria and it is not a secret to any part of the Nigerian society including the government, civil society, academia and so on. The argument about corruption in Nigeria is usually about its existence or otherwise, but more about its prevalence and magnitude. The fight against corruption has been in the agendas of political leaders at different levels since the formation of the Fourth Republic in 1999. This was especially in the 2015 general election where former President Muhammadu Buhari was elected on the pledge to eliminate corruption in the Nigerian public sector. According to Onoyume (2015), in a rally of supporters in Port Harcourt, Buhari had warned Nigerians that unless they dealt with corruption (by voting out the then ruling Peoples Democratic Party), corruption would eventually kill the nation.

Corruption may be described as abuse of power vested in one or the unscrupulous use of public authority to enrich oneself. It is a widespread problem in the world that has been a setback to the growth of most nations including Nigeria. Corruption in Nigeria is of many forms and these include misappropriation of government funds, kickbacks, over-invoicing, bribery, nepotism, embezzlement, tribalism, money laundering and plain looting of government resources.

These forms of corruption pose serious problems to good governance and have led to political instability, increased unemployment, poverty and various social and economic crises. Although corruption is a significant problem in most developing nations, none has been as badly hit by the vice as Nigeria (TI, 2019; Global Financial Integrity, 2017). Nigeria is a country rich in natural and human resources, including petroleum, natural gas, tin, coal, and large arable land, yet the country has not experienced the growth in its economy as it should and the living standards of its citizens have not improved as it should be based on the available resources (Gashinbaki, 2016).

A large number of elected and appointed public servants, senior bureaucrats have been accused or suspected of using their offices to practice corruption (Ijewereme, 2015). The most significant effect of corruption is that selfish interests are placed ahead of the common good and only a small number of people benefit as most of the population is deprived. Successive Nigerian governments have over the years come up with different measures, policies and programs to address corruption.

Among the most prominent ones are the Jaji Declaration of Murtala/Obasanjo and seizure of assets that were acquired illegally by Nigerians in the 1970s, Ethical Revolution of 1981 by Shagari to fight corruption through a code of conduct by public servants, War Against Indiscipline (WAI) in 1984 by Buhari/Idiagbon administration and the social mobilization campaign against corruption by Babangida regime in 1986. In 1994, Abacha administration also introduced the War Against Indiscipline and Corruption (WAI-C). Nevertheless, most of these efforts were shallow and did not result in any significant transformation (Ijewereme, 2015).

Having identified corruption as the most urgent problem in Nigeria, Obasanjo government, after coming to power in 1999, created a number of anti-corruption bodies, such as the Economic and Financial Crimes Commission (EFCC) and the Independent Corrupt Practices and Other Related Offences Commission (ICPC). The establishment of these agencies brought optimism to the Nigerians, and it was expected that they would prosecute corrupt government officials and act as a warning to others (Ijewereme, 2015).

Although the EFCC has achieved some success in its operations, its operations still receive mixed feelings among different quarters of the Nigerian society. The Commission is also in a legal tussle with a former Governor of Kogi State, Yahaya Bello, who has been alleged to have committed many acts of corruption and abuse of office when he was a governor between 2016 and 2024. It would have been expected that the work of the Commission would have helped in cleaning up the public sector and instilling the thought that the fear of the EFCC should promote good governance and ethical behavior among the public officials.

But the failure of the EFCC to convict high profile corruption cases in the past appears to have given the public officials the courage to keep on practicing corruption at the expense of the people. The drama, political intrigues, and intricacies that have surrounded the Yahaya Bello case are an indication of a trend that has been common in other high-profile corruption cases and this is one of the reasons why this study is motivated to investigate the role of the Economic and Financial Crimes Commission (EFCC) in combating corruption in the public sector in Kogi State, Nigeria, between 2016 and 2024.

STATEMENT OF THE PROBLEM

The issue of corruption is generally considered as one of the greatest threats to governance in the world. The magnitude of this problem has over the years necessitated the need to have coordinated anti-corruption initiatives at the national, continental and global levels. This has seen the war against corruption being given priority in the reform agendas of almost all countries. In spite of the magnitude of anti-corruption campaigns in most countries, corrupt practices are still being perpetrated by the public officials and they are using more advanced techniques to evade arrest.

The Economic and Financial Crimes Commission (EFCC) in Kogi State has charged former Governor Yahaya Bello with money laundering and misappropriation of more than 80 billion naira of state funds. The main allegations are based on the mismanagement of state funds and this begs the question of the involvement of the bureaucracy of the state especially the Ministry of Finance, the office of the Accountant General and the office of the Auditor General. There is one particular accusation that concerns the diversion of 20 billion naira in 2021 that was a part of the salary bailout loans that were given to the state and others by the federal government. Also, the EFCC has alleged that the Bello administration misappropriated close to 17 billion naira that was meant to be used in the COVID-19 pandemic measures.

The claims made against the former Governor Yahaya Bello such as the inflation of contract prices and awarding of contracts without following due process raise two key concerns. To begin with, they indicate that there is a close cooperation between the bureaucracy and the political class in the maintenance of corruption in the public sector in Nigeria. Second, most anti-corruption investigations and prosecutions are retrospective and therefore enable some public officials to escape liability to corruption and financial crimes.

The roles of the Economic and Financial Crimes Commission (EFCC) may be broadly categorized into five broad areas which include investigative, prosecutorial, preventive, regulatory and international cooperation. Although the EFCC is quite vibrant in its investigative and prosecutorial duties and also in international cooperation where it is required, it seems to be deficient in its preventive and regulatory duties. Such functions include sensitizing the masses, advising on the financial regulations, and controlling and supervising financial transactions and financial institutions. In view of these issues, this paper seeks to investigate the EFCC in dealing with corruption in the public sector in Kogi State, Nigeria, between 2016 and 2024.

OBJECTIVES OF THE STUDY

The broad objective of this study is to investigate the Economic and Financial Crimes Commission (EFCC) and public sector corruption in Kogi state Nigeria, from 2016 to 2024. The specific objectives are to;

1. Examine the relationship between anticorruption sensitization by the EFCC and reduction in public sector corruption in Kogi State, Nigeria.
2. Ascertain the relationship between EFCC's monitoring of financial transactions and timely interception of misappropriated public funds in Kogi State, Nigeria.

RESEARCH QUESTIONS

The following research questions guided the study;

1. What is the relationship between anticorruption sensitization by the EFCC and reduction in public sector corruption in Kogi State, Nigeria?
2. What is the relationship between EFCC's monitoring of financial transactions and timely interception of misappropriated public funds in Kogi State, Nigeria?

HYPOTHESES

The following hypotheses were formulated for the study:

1. **H₀:** Anticorruption sensitization by the EFCC has no relationship with reduction in public sector corruption in Kogi State, Nigeria.
2. **H₀:** EFCC's monitoring of financial transactions has no relationship with timely interception of misappropriated public funds in Kogi State, Nigeria.

REVIEW OF RELATED LITERATURE

Corruption: Different definitions of corruption have been given by scholars in different social sciences such as psychology, political science, economics, and religious studies (Uwa, Samuel, and Akinyemi, 2023). Nevertheless, these definitions tend to be interconnected. The definition that is most applicable to the current research is the one provided by the World Bank (cited in Akindele, 2015) and Osoba (2018). The World Bank defines corruption as the misuse of public office to acquire personal benefit. According to Akindele (2015), it is any mutual action or exchange in which the power holder and the inducement initiator offers illegal preferential treatment or favors, which are against the principles and interests of a particular organization or the society at large. Corruption in this case entails the following: a) using office to enrich oneself, b) accepting gratification, c) influence peddling, d) giving insincere advice to get an advantage, e) working less than a full day and getting a full day pay, f) tardiness and negligence.

According to Osoba (2018), corruption is an anti-social act that brings undue advantage, which is against the law and moral standards and weakens the capacity of authorities to enhance the living standards of the population. Dike (2021) remarks that despite these definitions being in existence over decades, recent disclosures of looted government funds in billions of U.S. dollars and Nigerian naira in Nigeria have brought these definitions to the fore. He also notes that corruption is probably the major way of getting rich fast in Nigeria. Corruption comes in different forms and it has been a major cause of poverty and suffering to a greater percentage of the Nigerian people. It has been entrenched and institutionalized in Nigeria.

Corruption is a representation of fraudulence, a shameless jubilation of impunity that pollutes the moral fiber of the society (Uwa, Samuel, and Akinyemi, 2023). Although corruption is a worldwide problem, it is most rampant in the developing countries especially in Africa. The high rate of corruption is an indication of a failed state and a failed state can be a deterrent to economic growth. Even the countries with natural resources cannot develop in a way that can be beneficial to the general population in the societies where corruption is deeply rooted in the structure of the society (Uwa, Samuel, and Akinyemi, 2023).

The negative impact of corruption is manifested in a broad variety of phenomena, and the political corruption is one of the most prominent ones. Political corruption is the abuse of power that is entrusted to political leaders to benefit themselves in order to gain more power or wealth (Imohe, 2015). Political corruption does not necessarily involve direct money exchange it can be an exchange of influence or favors which compromise political integrity and jeopardize democracy. It arises when the people who are given the mandate to create, establish and enforce laws on behalf of the people indulge in corrupt activities. It also occurs when the policymaking and legislation are being manipulated to favor the politicians and the legislators. Political corruption in Nigeria involves the abuse of government resources and official power to achieve personal and in most cases, unworthy ends.

The problem of political corruption in Nigeria is not new; ever since the introduction of modern public administration in the country, there were many cases of misappropriation of state funds to personal use (Osoba, 2018). A country that condones corruption is basically welcoming the erosion of its social systems. Corruption gives strength and motivation to the forces that promote social backwardness, and provides them with the undeserved chances to destabilize the society. Corruption becomes part of the social fabric when society passively tolerates impunity, unjust privileges, glorifies dishonest success, tolerates double standards, glorifies indiscipline, and endorses the arrogance of unearned privilege (Uwa, Samuel, and Akinyemi, 2023). A society should always struggle

against the evil forces that aim at destabilizing the social fabric of the society. Corruption being a negative social force does not allow the political, social and economic growth of a country as much as poverty does not allow the growth of a sustainable democracy.

THEORETICAL FRAMEWORK

The institutional theory is the basis of this study, and it was presented in the late 1970s by John Meyer and Brian Rowan to study how organizations fit in, interact with, and are influenced by their societal, state, national, and global surroundings. Institutional theory is more concerned with the more permanent and fundamental features of social structure. It examines how structures, such as frameworks, rules, norms and routines, come to be authoritative guides to social behavior. Different elements of institutional theory describe the process of their creation, distribution, adoption, and adaptation in time and space, and the eventual decay and abandonment.

According to Scott (2008), institutional theory is a well-known model that focuses on productivity, ethics and legitimacy. Researchers who developed this theory further claim that one of the fundamental understandings of institutional theory is ethics: instead of maximizing their choices, practices, and structures, organizations tend to turn to their peers in order to understand how to behave (Marquis & Tilcsik, 2016). Kraft & Furlong (2007) also state that institutional theory emphasizes the formal and legal features of the government structures in policy-making. The theory describes the efforts of institutions to be consistent by following the wider rules and norms of the institutional environment. It singles out three important strategies that institutions employ to ensure consistency: normative pressures, coercive processes and mimetic processes.

Institutional theory is a sociological theory that describes the influence of social and cultural environment on the organization and individuals. It assumes that organizations are not only affected by internal forces, like leadership and strategy but also by external forces, like political and legal systems, social norms and cultural values. This essay shall explore the main ideas of institutional theory and its implication on the public organizations.

The institutional theory states that organizations have to conform to social norms and cultural values in order to be legitimate. Consequently, there are several institutional pressures that affect the behavior of the public organizations and their decision-making. Such pressures can be legal and regulatory, professional and societal. Conformity to these pressures may lead to legitimacy and non-conformity may lead to stigmatization or legal implications.

The institutional theory has far reaching implications on the public organizations. To begin with, it underlines the need to comprehend the institutional environment within which the public organizations are functioning. Leaders should be sensitive to the political and legal systems, social norms and cultural values that shape the behavior and decision of their organization. Second, the institutional theory implies that the public organizations have to negotiate and reconcile between conflicting institutional pressures and logics. This involves good leadership and strategic decision making with consideration to the needs and expectations of different stakeholders.

The institutional theory also provides a model of how the public officials can use the public institutions to serve their own interests against the interest of the people. Based on the principles of the theory, the relationships of power between individuals holding different positions in the organizations of the public sector have a huge impact on the developmental trends of the organizations and the societies they are supposed to serve. In the case of a public figure who misappropriates funds that are supposed to be used in developmental or infrastructure projects, he or she ends up underdeveloping the society. The fact that the person is able to access these public funds is due to the fact that he is in a position in the institution that the funds were given and this is how institutional power can be used to benefit an individual.

METHODOLOGY

Research Design: Survey research design.

Population of Study: 433 public servants in Kogi State, Nigeria.

Sample Size Determination: Using the Taro Yamane formula, we obtained a sample of 208

A total of two hundred and eight copies of questionnaires were distributed to the respondents, out of which two hundred and two were filled and returned. This represents 97 percent of the total respondents.

DATA ANALYSIS**Hypotheses One**

H₀: Anticorruption sensitization by the EFCC has no relationship with reduction in public sector corruption in Kogi State, Nigeria.

H₁: Anticorruption sensitization by the EFCC has a relationship with reduction in public sector corruption in Kogi State, Nigeria.

Relationship between Anticorruption sensitization by the EFCC and reduction in public sector corruption in Kogi State, Nigeria

Variables		Anticorruption Sensitization	Public sector corruption
Anticorruption Sensitization	Pearson Correlation	1	-.343
	Sig. (2-tailed)		.061
	N	202	202
Public sector corruption	Pearson Correlation	-.343	1
	Sig. (2-tailed)	.061	
	N	202	202

Table 4.2.1 above presents data that shows the correlation between anticorruption sensitization by Economic and Financial Crimes Commission (EFCC) and reduction in corruption in the public sector in the study area. The value of correlation coefficient (r) of $-.343$ obtained shows that there is negative relationship between anticorruption sensitization by the EFCC and reduction in corruption in the public sector in Kogi State, Nigeria.

The table also showed a p -value of $.061$ that was higher than the alpha value of $.05$ and therefore, there was no significant positive relationship between anticorruption sensitization by the EFCC has a relationship with reduction in public sector corruption in Kogi State, Nigeria, and the null hypothesis stated above that anticorruption sensitization by the EFCC has no relationship with reduction in public sector corruption in Kogi State, Nigeria, was accepted.

Hypotheses Two

H₀: EFCC's monitoring of financial transactions has no relationship with timely interception of misappropriated public funds in Kogi State, Nigeria.

H₁: EFCC's monitoring of financial transactions has a relationship with timely interception of misappropriated public funds in Kogi State, Nigeria.

Relationship between EFCC's monitoring of financial transactions and timely interception of misappropriated public funds in Kogi State, Nigeria.

Variables		Monitoring of financial transactions	Public sector corruption
Monitoring of financial transactions	Pearson Correlation	1	-.335
	Sig. (2-tailed)		.056
	N	202	202
Public sector corruption	Pearson Correlation	-.335	1
	Sig. (2-tailed)	.056	
	N	202	202

Table 4.2.2 above shows data that indicates the correlation between monitoring of financial transactions by EFCC and prompt interception of misappropriated public funds in Kogi State, Nigeria. The value of correlation coefficient (r) of -.335 obtained shows that, there exists negative relationship between EFCC monitoring of financial transactions and interception of misappropriated public funds on time in Kogi State, Nigeria.

The table also showed that the p-value was .056 that was higher than the alpha value of .05 and therefore, the null hypothesis above that EFCC monitoring of financial transactions has no relationship with timely interception of misappropriated public funds in Kogi State, Nigeria, was accepted.

SUMMARY OF FINDINGS

The summary of the findings from this study are as follows;

1. That anticorruption sensitization by the EFCC has no relationship with reduction in public sector corruption in Kogi State, Nigeria (P value = 0.061 > 0.05, r = -0.343).
2. That EFCC's monitoring of financial transactions has no relationship with timely interception of misappropriated public funds in Kogi State, Nigeria (P value = 0.056 > 0.05, r = -0.335).

CONCLUSION AND RECOMMENDATIONS

Based on the results, the researcher makes the conclusion that the activities of the Economic and Financial Crimes Commission (EFCC) are not significantly positively correlated with corruption interception, mitigation and reduction in the public sector in Nigeria. With the help of two particular objectives, research questions and hypotheses, the results showed that all the null hypotheses were accepted. This further highlights the dire necessity of the Economic and Financial Crimes Commission to reconsider its strategies in its anticorruption campaign bearing in mind that the current method of combating corruption is not only failing to deter corrupt public officials particularly the politicians but also not intercepting the act in an effective or timely manner. The retrospective method that this study found to be among the greatest threats to the anticorruption crusade should be rejigged considering the fact that most of their prosecutions are either not successful or are taking too long to deliver justice. In view of the foregoing, we recommend as follows;

- 1) There should be a revival of anticorruption sensitization with a view of engaging the civil societies and other key stakeholders in the nongovernmental sector in the awareness creation on the war against corruption. This assists in bringing the message to the grassroots and generating the required cooperation between the EFCC and the Civil Society in the battle against corruption.
- 2) The anti-corruption institutions need advanced technology in identifying and investigating corruption practices, particularly in the field of monitoring illegal financial transactions as corruption in the public sector becomes more sophisticated. Capacity building of the staff of the Commission on international financial best practices should be enhanced by international cooperation with the relevant institutions and countries.

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