

Political Leadership and Corruption in Nigeria Since 1960: A Socio-economic Analysis

By

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ABSTRACT

Nigeria, a country richly endowed with natural resources and high quality human capital is yet to find its rightful place among the comity of nations. A major reason that has been responsible for her socio-economic stagnation is the phenomenon of corruption. The kernel of the paper rest in the fact that political leadership and corruption were interwoven and it is against this background that it explored the corrupt tendencies of the political leadership class in Nigeria since 1960 and its implication for socio-economic development. The paper concludes that for Nigeria to experience sustainable socio-economic

development, responsible and credible leaders must emerge to implant the act of good and selfless governance in the country.

INTRODUCTION

Unlimited power is apt to corrupt the minds of those who possess it; and this I know, my lords: that where laws end, tyranny begins.
... **William Pitt**

Whereas Robert L. Tignor (1993) in his work examined and discussed extensively political corruption in Nigeria from a historical point of view with heavy concentration on political developments in the country before independence and the activities of Nigerian nationalists vis-à-vis the colonial masters, this paper seeks to discuss the role of the political leadership class in the entrenchment of corruption in Nigeria from a historical-socio-economic perspective. The paper argues that the political leadership class in Nigeria cannot exonerate itself from the current travails of socio-economic underdevelopment in the country. It explores from a historical perspective the pernicious effect of corruption on public policy decisions, actions, and the management of collapsed infrastructure and the nation's resources as well as its socio-economic implications to development. Attempt is made to assess the impact of the phenomenon of corruption on the social and economic wellbeing of the country as a whole. It must be mentioned here that the perspective offered in this paper does not exhaust all that there is to be discussed concerning corruption and political leadership in Nigeria. It will only approach the subject matter from the perspective of its contributions to public policy failure and its implications for socio-economic development.

It is instructive to state that political leadership in the context of this paper refers not only to the government or to the leadership of an organised state, but embrace the totality of the political class that has the capacity to exert influence on the machineries of government even from behind the scene. Hence, this paper shall explicate on the contributions of both the military and the civilian leadership class that has managed and directed the affairs of the country since independence to the growth and institutionalisation of corruption in Nigeria. This is a way of justifying the underlying thesis of this

paper that the political leadership of the country since independence is responsible for entrenching corruption in Nigeria and, by extension, had impeded meaningful socio-economic development.

It is an incontrovertible fact that corruption has been the bane of Nigeria's development. Thus, without mincing words the phenomenon has ravaged the country and destroyed most of what is held as cherished national values. Unfortunately, the political class saddled with the responsibility of directing the affairs of the country have been the major culprit in perpetrating this act. Regrettably, since independence a notable surviving legacy of the successive political leadership both civilian and military that have managed the affairs of the country at different times has been the institutionalisation of corruption in all agencies of the public service, which, like a deadly virus, has subsequently spread to the private sector of the country.

Indeed, it is a paradox that Nigeria, the world's eighth largest exporter of crude oil, a country endowed with many resources, still has more than 70 percent of its population living below the poverty line as a result of corruption and economic mismanagement. Pathetically, the logic of the Nigerian political leadership class has been that of self-service as some of the leaders are mired in the pursuit of selfish and personal goals at the expense of broader national interests. Consequently, emphasis has been on personal aggrandisement and self-glorification with the result that corruption has become an euphemism for explaining political leadership in Nigeria in relation to the management of national wealth.

History has shown that no nation of the world grew and enjoyed steady development in virtually all spheres of its national life without experiencing good and selfless political leadership. This is largely because qualitative growth and development has always been an outcome of good governance.

Commenting on the experience of the Nigerian nation, the renowned novelist, Chinua Achebe, insisted that the root cause of the Nigerian predicament should be laid squarely at the foot of bad leadership.

“The trouble with Nigeria,” Achebe argued,

is simply and squarely a failure of leadership. There is nothing basically wrong with the Nigerian character. There is nothing wrong with the Nigerian land, climate, water, air, or anything else. The Nigerian problem is the unwillingness or inability of its leaders to rise to their responsibility, to the challenge of personal example, which is the hallmark of true leadership (Achebe, 1984: 1).

Consequently, the state of Nigeria's pitiable socio-economic development has been a direct consequence of the actions and inactions of the leadership class that has managed the affairs and wealth of the country since independence.

CONCEPTUAL ANALYSIS

For the purpose of conceptual clarification and to limit the level of ambiguity, which as a rule is the hallmark of academic research, it is important to examine some of the concepts and terms that are used in this study i.e. leadership, political leadership, corruption and political corruption.

Leadership has been defined in so many ways that it is hard to come up with a single working definition. However, leadership may be defined as a body of people who lead and direct the activities of a group towards a shared goal. It also denotes the ability to lead, direct and organise a group. In line with this understanding, Norman Schwarzkopf (quoted in Reed, 2001) describes leadership as a potent combination of strategy and character and strongly emphasised that, of the two elements, character is the most preferred for leadership. John Gardener, on his part, explains leadership as the process of persuasion or example by which an individual induces a group to pursue objectives held by the leader or shared by the leader and his or her followers (*Weekly Trust*, 2004: 11). Consequently, leadership is a process of social influence by which a person influences others to accomplish an objective and directs the organisation in a way that makes it more cohesive and coherent (Chemers, 2002). A leader therefore is expected to demonstrate qualities, which embrace but not limited to good character, vision, tact, prudence, and ability to lead by example because people basically ascribe leadership to those who they feel can most enable them achieve important goals or objectives.

Political Leadership refers to the ruling class that bears the responsibility of managing the affairs and resources of a political entity by setting and influencing policy priorities affecting the territory through different decision-making structures and institutions created for the orderly development of the territory. It could also be described as the human element that operates the machineries of government on behalf of an organised territory. This includes people who hold decision-making positions in government, and people who seek those positions, whether by means of election, coup d'état, appointment, electoral fraud, conquest, right of inheritance or other means (Wikipedia, 2009). Broadly defined, however, political leadership goes beyond the ruling elites that directly manage

the affairs of a territory; it embraces the totality of the political class that has the capacity to manipulate the machineries of government even from behind the scene.

Corruption: Although there is no widespread or comprehensive definition as to what constitutes corrupt behaviour, the most prominent definitions share a common emphasis on the abuse of public power or position for personal advantage. A simple dictionary definition of the phenomenon refers to it as “an impairment of virtue and moral principles” (Lewis, 2006). According to the World Bank and Transparency International (TI), a leading global anti-corruption watchdog, corruption is the abuse of public office for private gains for the benefit of the holder of the office or some third party. Viewed from these definitions, political corruption can be broadly understood as unethical behaviour, which violates the norms of the system of political order (Heidenheimer and Johnston, 1993: 6). Basically, political corruption can be for private and group enrichment and for power preservation purposes. Often, these two forms of political corruption are connected. In fact, some of the larger and more serious political corruption scandals include both processes. Political corruption usually encompasses abuses by government officials such as embezzlement and cronyism, as well as abuses linking public and private actors such as bribery, extortion, influence peddling, and fraud, to mention but a few. In this regard, corruption threatens good governance, sustainable development, democratic process, and fair business practices.

From the definitions and explanations above, it is evident that the definitions of leadership explain the concept from a positive perspective while the definitions of corruption locate the phenomenon in the negative axis. Consequently, when the political leadership class of a country espouses corruption, it becomes difficult for it to act positively to the benefit of the state and its citizens. This has been the situation the Nigerian state has found herself since independence. The political leadership class, in its quest to secure or retain power, suppress opposition, and have access to unlimited funds for personal use, have sacrificed positive leadership on the altar of corruption. Indeed, from the first generation of political leadership class through the successive military and civilian generation of political leaders, Nigerian political leadership had grown continually in corrupt practices. Political corruption has become a cancerous phenomenon that pervades the Nigerian state unrestrained. Over the years, we have seen the development of a vast system of institutionalised political corruption most times emanating from the very top and pervading all governmental institutions with perverse influence on the entire society.

NIGERIA'S POLITICAL LEADERSHIP SINCE 1960 AND THE RHYTHMS OF CORRUPTION

It would be an exercise in futility going into the details of the intricate political interplay that characterised each of the phases of Nigeria's chequered political history; these histories have been well documented and discussed in several books and are well known to those with a conscious interest in the history of Nigeria. The task here is to examine corruption as a common denominator of Nigerian political leadership since independence. Available records on the history of the political development of Nigeria since independence have shown that the reins of government has always fallen into the hands of a political leadership class that showed more interest in private, group or ethnic gains than in the general wellbeing of the Nigerian state. In all, political power has alternated between the civilian and the military since independence and neither of the two categories that ruled the country has done better in terms of corruption ratings. Indeed, the political leadership class has succeeded in entrenching corruption by providing a fertile ground and an environment conducive for the phenomenon to thrive incurably at the expense of national socio-economic, cultural and political development.

Historically, the origin of corruption in Nigeria predates the colonial era. According to a Colonial Government Report (CGR) of 1947, "The African's background and outlook on public morality is very different from that of the present day Briton. The African in the public service seeks to further his own financial interest." (Okonkwo, 2007). Before independence, there have been cases of official misuse of resources for personal enrichment (Storey, 1953). Over the years, Nigeria has seen its wealth withered with little to show in living conditions of the citizens. The First Republic under the leadership of Sir Abubakar Tafawa Balewa, the Prime Minister, and Nnamdi Azikwe, the President, was marked by widespread corruption. Government officials looted public funds with impunity. Federal Representative and Ministers flaunted their wealth with reckless abandon. In fact, it appeared there were no men of good character in the political leadership of the First Republic. Politically, the thinking of the First Republic Nigerian leadership class was based on politics for material gain; making money and living well.

The situation described above, among other factors, provided the pretext for a group of young middle-rank army officers to sack the Nigerian First Republic politicians from power through a coup d'état on 15th January 1966 on the ground of corruption. The editorial of the *Daily Times Newspaper* of January 16, 1966 argued thus:

With the transfer of authority of the Federal Government to the Armed Forces, we reached a turning point in our national life. The old order has changed, yielding place to a new one... For a long time, instead of settling down to minister to people's needs, the politicians were busy performing series of seven day wonders as if the act of government was some circus show... still we groped along as citizens watched politicians scorn the base by which they did ascend... (*Daily Times*, 1966).

The coup was a direct response to the corruption of the First Republic; and the popular support the military received for the coup showed that Nigerians were long expecting such a wind of change to bail them out from the claws of the politicians of that era. Interestingly, despite the killings of some major First Republic politicians, there were widespread jubilations in the country.

The General Aguiyi Thomas Ironsi military government that replaced the sacked civilian regime instituted a series of commissions of inquiry to investigate the activities of some government parastatals and to probe the widespread corruption that characterised the public service sector of the deposed regime. The report on the parastatals, especially the Nigeria Railway Corporation, Nigeria Ports Authority, and the defunct Electricity Corporation of Nigeria and Nigeria Airways, revealed that a number of ministers formed companies and used their influence to secure contracts. Moreover, they were found guilty of misappropriation of funds as well as disregarding laid down procedures in the award of contracts by parastatals under their Ministries (Okonkwo, 2007). The zeal to punish the wrong doers of the First Republic died with the Gowon coup of July 1966, which ousted the Ironsi government because the politicians in detention were freed. This development had serious implications for the polity as the new set of rulers embarked on white elephant projects, which served as a means of looting public funds. The ensuing development clearly showed that the military rulers were not better nor different from the ousted civilians leaders.

General Yakubu Gowon ruled the country at a time Nigeria experienced an unprecedented wealth from the oil boom of the 1970s. Apart from the mismanagement of the economy, the Gowon regime was enmeshed in deep-seated corruption. By 1974, reports of unaccountable wealth of Gowon's military governors and other public office holders had become the crux of discussion in the various Nigerian dailies. Thus, in July 1975, the Gowon administration was toppled by General Murtala Mohammed through a coup d'état. The coup of 1975, among other things, was an attempt to end corruption in the public service. General Murtala Mohammed began by declaring his assets and asking all government officials to follow suit. He instituted a series of probes of past leaders. The Federal

Assets Investigation Panel of 1975 found ten of the twelve state military governors in the Gowon regime guilty of corruption. The guilty persons were dismissed from the military services with ignominy. They were also forced to give up ill-acquired properties considered to be in excess of their earnings (M. O. Maduagwu quoted in Gboyega, 1996: 3).

In the same vein, the Belgore Commission of Inquiry was established to investigate the “Cement Armada.” The Commission indicted the Gowon government of inflating contracts for cement on behalf of the Ministry of Defence for private profit at a great cost to the government. In its Report, the Commission noted that the Ministry of Defence needed only 2.9 million tons of cement at a cost of N52 million as against the 16 million metric tons of cement, it ordered, at a cost of N557 million (Afolabi, 1993). Similar commissions of inquiry were constituted by the new state governments which resulted in the immediate dismissal of several corrupt officials, many of who were in turn ordered to refund the money they had stolen. General Murtala was assassinated after only six months in office. He was succeeded by his Chief of Staff, General Olusegun Obasanjo, who did not show the same zeal, as his erstwhile boss, in the prosecution of wrongdoers. Obasanjo, however, ensured that the reins of government was transferred to civilians in October 1979.

The Second Republic, under President Shehu Shagari, witnessed a resurgence of corruption. The Shagari administration was marked by spectacular government corruption, as the President did nothing to stop the looting of public funds by elected officials. Corruption among the political leaders was amplified due to greater availability of funds. It was claimed that over \$16 billion in oil revenues were lost between 1979 and 1983 during the reign of President Shehu Shagari. It became quite common, for federal buildings to mysteriously go up in flames, most especially just before the onset of ordered audits of government accounts, making it impossible to discover written evidence of embezzlement and fraud (Dash, 1983). True to his nature, President Shehu Shagari was too weak in his administration of the country. A soft-spoken and mild mannered gentleman Shagari was pathetic in his inability to call his ministers and political lieutenants to order or stop them from embezzling state funds.

No politician symbolised the graft and avarice under Shagari’s government more than his combative Transport Minister, Alhaji Umaru Dikko, who was alleged to have mismanaged about N4 billion of public fund meant for the importation of rice. However, on 31st December 1983, General Muhammadu Buhari led a popular coup that again rescued the economy from the grip of corrupt politicians of the Second Republic. The 1983 coup was carried out with the aim of halting corruption

and restoring discipline, integrity and dignity to public life. General Buhari's regime promised to bring corrupt officials and their agents to book. Consequently, state governors and commissioners were arrested and brought before tribunals of inquiry.

The new Buhari regime, which scarcely showed respect for human rights in its bid to entrench discipline and sanity in public life, was toppled by the General Ibrahim Babangida in a bloodless in-house coup on 27th August 1985. The next thirteen years saw no serious attempt to stop corruption. If anything, corruption reached an alarming rate and became institutionalized during Babangida's regime. Leaders found guilty by tribunals under the Murtala Mohammed and Mohammadu Buhari regimes found their way back to public life and recovered their seized properties. According to Maduagwu:

Not only did the regime encourage corruption by pardoning corrupt officials convicted by his predecessors and returning their seized properties, the regime officially sanctioned corruption in the country and made it difficult to apply the only potent measures, long prison terms and seizure of ill-gotten wealth, for fighting corruption in Nigeria in the future (Maduagwu quoted in Gboyega, 1996: 5).

In the face of intense public opposition to his rule, General Babangida reluctantly handed the reins of government to a non-elected military-civilian Interim National Government on 26th August 1993 which was later ousted from power by the military under the leadership of General Sani Abacha on 17th November 1993. Abacha's regime only furthered the deep-seated corrupt practices, which already characterised public life since the inception of the Babangida regime. Under General Abacha, corrupt practices became blatant and systematic. General Abacha and his family alongside his associates looted Nigeria's coffers with reckless abandon. The extent of Abacha's venality seemed to have surpassed that of other notorious African rulers, such as Mobutu Sese Seko of Zaire (now called the Democratic Republic of Congo). It was estimated that the embezzlement of public funds and corruption proceeds of General Abacha and his family amounted to USD 4 billion (International Centre for Asset Recovery, 2009).

The dictator, General Sani Abacha, died suddenly from a heart attack in June 1998. He was replaced by General Abdulsalami Abubakar, who subsequently handed over the reins of government to a democratically elected civilian government in May 1999 after having spent eleven months in power. The Abdulsalami Abubakar government showed dedicated commitment to returning the country to democracy but did not do much to fight corruption. It is instructive to state here that the Third Republic was sandwiched within the thirteen years military rule of General Babangida and Sani Abacha (1985 –

1998). During this period, a number of commissions of inquiry were instituted, yet no inquiry and reports stopped the high rate of corruption.

The Fourth Republic commenced with the election of General Olusegun Obasanjo as the President of Nigeria in 1999. Indeed, the sixteen unbroken years of the military era from the fall of the Second Republic in 1983 and the restoration of democracy in 1999 represents an era in the history of the country when corruption was practically institutionalized as the foundation and essence of governance.

The question now is how did the relationship between leadership and corruption during all of the regimes mentioned above differ from each other. The answer to this is not farfetched. Without mincing words, it is not out of place to argue that a careful analysis of all the regimes reveals that leadership and corruption are positively correlated. This argument is based on the fact that virtually all the leaders came to power with the sole purpose of enriching themselves and their cronies rather than offering selfless services to the nation and its people. However, the magnitude of corruption during the era of the various civilian and military regimes cannot always be determined with precision because the trend, ways and means of illegal self-enrichment were not similar. Again, the military often come to power accusing the ousted military/civilian regime of corruption and incompetence. The end result was that Nigeria became a chessboard in the hands of the military class with various military individuals, at different times, attempting to seize power primarily to enrich themselves.

Consequently, being aware of the decades of systematic corruption perpetrated by the successive political leadership of Nigeria and the devastating effects it has had on the country in all ramifications of national life, the Obasanjo-led civilian government strengthened existing anti-corruption laws and established two important anti-corruption institutions – the Independent Corrupt Practices Commission (ICPC) and the Economic and Financial Crimes Commission (EFCC) – to tackle the phenomenon of corruption in public and private life squarely.

The ICPC was inaugurated on 29th September 2000 by the administration of President Olusegun Obasanjo. The Commission was established to target corruption in the public sector, especially cases of bribery, gratification, graft, and abuse or misuse of office (The Corrupt practices and other Related Offences Act, 2000). The EFCC, on the other hand, was established in 2003, partially in response to pressure from the Financial Action Task Force on Money Laundering (FATF), which named Nigeria among twenty-three non-cooperative countries frustrating the efforts of the international community to fight money laundering (EFCC (Establishment) Act, 2002). Unlike ICPC, the EFCC investigates people

in all sectors who appear to be living above their means. Although both bodies have helped immensely in the fight against corruption in the country, their efforts have not resulted in the eradication of the phenomenon.

Perhaps, it is necessary to mention here that the political leadership class in Nigeria is not alone in enwrapping themselves in corrupt practices. Many other nations, both in the developed and emerging markets/economies are also entangled in this quagmire. Two examples shall be discussed. The first is the incidence that undermined the national economy of Indonesia. In this case, state banks channelled money to projects involving former President Suharto's family and friends. In the 1990s, Indonesian banks allowed arrears on loan repayments to mount unchecked and circumvented rules to prevent excessive foreign-currency borrowing. Consequently, when the value of the Rupiah fell in 1997, the entire financial system began to collapse. Bankruptcies and massive layoffs took place and returned as many as half of Indonesia's over 200 million people to extreme poverty (Atwood, 2000: 11). Another example is taken from a developed economy. The second example is Russia, a developed economy, which shows how corruption can damage political and economic development. In Russia, corruption linking an oligarchy of financial-industrial groups with the political leadership class has distorted privatisation, undermined economic reforms, deterred trade and investment and eroded public confidence in state institutions (Atwood, 2000: 11). It is worth mentioning here that the weak nature of the Russian economy immediately after the collapse of communism, combined with the ever increasing rate of corruption among the political leadership class has given a substantial political boost to former communists and other opponents of reforms.

At this point, it suffices to say that the battle against corruption is still ongoing and represents the desire of Nigerians to eradicate the scourge of corruption in our national life. However, it appears the anti-corruption effort is also doomed to fail like other previous attempts because the political leadership class who should provide the needed support appears insincere and seemed to be interested in using the anti-corruption institutions as tools to hunt political adversaries. Consequently, the political leadership class of the Obasanjo administration from the top to the grassroots were almost entirely entrapped in the snare of corruption, which made the anti-corruption posture of the administration an obvious paradox.

FACTS AND FIGURES: AN INSIGHT INTO CORRUPTION AMONG THE POLITICAL LEADERSHIP CLASS IN NIGERIA

At this point, a few of the many cases of corruption in Nigeria perpetrated by the top echelon of the political leadership class will be the focus of discussion. As mentioned earlier, corruption by the political leadership class can be traced back to the colonial era. The culture of corruption had become entrenched in the Nigerian polity since the creation of modern public service administration in the country. In 1956, the Foster-Sutton Tribunal of Inquiry investigated the Premier of the defunct Eastern Region, Dr. Nnamdi Azikiwe, for his involvement in the affairs of the defunct African Continental Bank (ACB). The code of conduct for government officials stipulates that a government officer shall relinquish his holdings in private business when he assumes public office. The Foster-Sutton Tribunal discovered that Azikiwe did not sever his connections to the bank when he became a Premier. The Tribunal reported that Azikiwe continued to use his influence to promote the interests of the bank (Report of the Foster-Sutton Tribunal of Inquiry, 1956: 42; Sklar, 2004: 185). Moreover, Azikiwe, his family, and the Zik Group of Companies were the principal shareholders of the African Continental Bank. As indicated in the report of the tribunal of inquiry, the bank loaned over £163,000 to the Zik Group of Companies at a lower interest rate and over an extended period, which meant that the Zik Group did not have to repay the loans until 1971. Consequently, the African Continental Bank became a distressed bank. In 1952, the Registrar of Banks refused to grant a license of operation to the bank. Attempts to find partners for the bank in Britain failed because of its level of insolvency.

According to a colonial government official, “Were a UK minister to be involved in a series of transactions the result of which public funds were used to support an otherwise shaky institution in which he was directly interested, he would be forced to leave public life” (Okonkwo, 2007). The question now is why did the colonial government not prosecute Azikiwe for his failure to observe the code of conduct for government officers? A colonial correspondence revealed that the colonial government supported the NCNC because it was seen as the only party organized on a platform of national unity. Without Azikiwe, the NCNC would collapse. The national interest of the country demanded that Azikiwe continue as the leader of the party (Okonkwo, 2007; Sklar, 2004: 186).

Again, in 1962, Chief Obafemi Awolowo, the first Premier of the Western Region, was also investigated and found guilty of corruption by the Coker Commission of Inquiry. In 1954, the Western Region Marketing Board could boast of £6.2 million. However, by May 1962, the corporation had to

exist on overdrafts amounting to over £2.5 million. A loan of £6.7 million was made to the Western Region government-owned National Investment and Properties Co., Ltd. for building projects out of which only £500,000 was repaid. The Western Region Finance Corporation and the Western Nigeria Development Corporation also received loans of millions of pounds. None of these loans were ever repaid. The Coker Commission of Inquiry found Chief Awolowo culpable for the ills of the Western Region Marketing Board, due to his failure to adhere to the standards of conduct, which were required of persons holding public office (Coker Commission, 1962; Magid, 1976: 73).

It is common knowledge that the Shagari Administration that governed Nigeria between 1979 and 1983 had many of its state governors sentenced to ridiculous jail terms of a minimum of 100 years and a maximum period of 340 years by the Buhari/Idiagbon military regime that seized power from it. However, the Buhari/Idiagbon regime was short-lived because it was replaced by the General Ibrahim Babangida military regime after a palace coup on August 27, 1985. The corrupt nature and financial recklessness of the Babangida regime was detailed in the Okigbo Panel Report of 1994.

The 1994 Okigbo Panel Report on the Reorganisation and Reform of the Central Bank of Nigeria indicted former Military President, General Ibrahim Badamosi Babangida, former Head of State, late General Sani Abacha, and former Governor of the Central Bank of Nigeria, the late Alhaji Abdulkadir Ahmed, for mismanaging about \$12.4 billion oil windfall between 1988 and 1994. A summary of the panel's report submitted to the Federal Government revealed that General Ibrahim Babangida's regime conspired with top officials of the Central Bank of Nigeria to squander the entire fortune on unproductive or dubious projects (Okigbo Panel Report, 1994). Even after Babangida had stepped down from power in August 1993, the pillaging of the country's coffer by his successors through operations of secret accounts and other means continued.

As indicated in the Okigbo Report, in 1988, General Babangida authorised the dedication of crude oil of 65,000 barrels per day (bpd) for the finance of special priority projects including Ajaokuta Iron & Steel, Itakpe Iron Mining, and Shiroro Hydro-electric projects. The account was also to be used for external debt buy-back and the build-up of reserves. The quantity was subsequently increased to 105,000 barrels per day and in early 1994, to 150,000 barrels per day. In addition, a Stabilisation Account to receive the windfall of oil proceeds of the Gulf War and a Special Account for Mining Rights and Signature Bonus were opened. Altogether, \$12.4 billion was received into these accounts

from 1988 to June 1994, all of which were frittered away dubiously leaving only a balance of \$206 million as of 30th June 1994 (Executive Summary of Okigbo Panel Report, 1994, item 0.38).

The Okigbo Panel's appraisal of the operations of these accounts indicated that the use of the Dedication Account was stretched far beyond its original scope just as the utilisation of the Stabilisation Account completely undermined its fiscal objectives. It was further observed that the list of projects to be serviced from the Dedication and other Special Accounts did indeed contain some projects of importance to the rest of the economy, although there were many large projects of doubtful viability and many more of clearly misplaced priority. Better described, the Dedication and Special Accounts became a parallel budget for the Presidency. Decisions regarding what expenditure items to finance out of these dedicated accounts were the exclusive preserve of the President, depending on the pressures brought to bear on him by the sponsors of the items. Below is a list of some of the expenditure made from the accounts:

Items	(\$ millions)
Documentary Film on Nigeria	2.92
Purchase of TV/Video for the Presidency	18.30
Ceremonial Uniform for the Army	3.85
Staff Welfare at Dodan Barracks/Aso Rock	23.98
Travels of the First Lady abroad	0.99
President's Travels abroad	8.95
Medical (Clinic at Aso Rock)	27.25
Gifts: Liberia	1.00
Gifts: Ghana	0.50
Nigerian Embassy: London	18.12
Nigerian Embassy: Riyadh	14.99
Nigerian Embassy: Teheran	2.76
Nigerian Embassy: Niamey	3.80
Nigerian Embassy: Pakistan	3.80
Nigerian Embassy: Israel	13.07
TV Equipment for ABU	17.90
Ministry of Defence	323.35
Security	59.72
Defence Attaches	25.49
GHQ	1.04

Source: Okigbo Panel Report, 1994: item 7.148

Overall, neither the Dedication Account nor the Stabilisation Account was applied for the purpose for which it was originally designed. Thus, the Dedication Account was used for many non-priority projects and the Stabilisation Account was not, in practice, used to sterilise revenues in excess of projected earnings. Instead, after a short delay, the monies in the accounts were spent virtually as fast as they accumulated. In addition, the operation of such accounts was not subject to the normal budgetary processes, and therefore lacked transparency. Thus, by limiting the authorisation process for its operation to the approval of the President or Head of State, which was communicated directly to the Governor of the Central Bank of Nigeria, it created considerable room for abuse of procedures, abuse of application and reduced accountability (Okigbo Panel Report, 1994: item 7.149 and 7.150). Besides, the balances kept in these accounts were not included in the Federation Account, a practice that violated the fundamental precepts of federal fiscal relations in Nigeria. By excluding these incomes from the Federation Account, the respective shares of the State and Local Governments were more or less confiscated by the Federal Government, thereby unilaterally violating the revenue allocation formula (Okigbo Panel Report, 1994: item 7.151).

The economic impact of the corruption perpetrated with these accounts on the country's micro-economy was enormous. The gross takings on these accounts from their inception in 1988 to June 1994 totalled \$12.4 billion, which was held totally outside the country's external reserves. What is more, if the funds were counted as part of the external reserves and were held as such, the impact on the exchange rate in the years under review would have been so significant that the Naira would have been stronger in 1994, in relation to the dollar, than it was in 1985 when it stood at N1 to \$1.004. More so, the burden of external debt to the Paris and London Clubs and the pressure on the exchange rate would have been substantially mitigated if not eliminated (Okigbo Panel Report, 1994: item 7.153).

The above facts and figures, therefore, calls into question the wisdom and prudence of the Nigerian political leadership class in the management of the affairs and wealth of the country. The injury the country sustained through the exceedingly harmful corruption of the Babangida and the Abacha regimes massively sets the country back on the path of socio-economic advancement and other forms of development i.e. investments in infrastructure development and social services, such as electricity, roads, education, security, healthcare, water supply, to mention but a few. Saddening enough, the Okigbo Panel Report was kept away from the prying eyes of the Nigerian press and the public for eleven years. It is noteworthy to mention here that up till date, the Federal Government is yet to officially release the Okigbo Panel Report nor issued a White Paper on it. This is so because the report indicted

many highly placed Nigerians. The contents of the report were only published serially by a national newspaper that got hold of it from an undisclosed source. The implication of the non-release of such sensitive panel report has been grave on governance. For instance, while the document was kept secret, more terrible corrupt practices that virtually collapsed the economy and impoverished several millions of Nigerians continued unabated. In addition, it encouraged leaders, whether military or civilian, to engage in the looting of public treasury and amassing wealth illegally with arrogance and impunity.

Incontrovertibly, corruption became endemic in the 1990s during the military regimes of Babangida and Abacha, but a culture of impunity spread throughout the political class when democracy returned to Nigeria in 1999. In fact, corruption took over as the engine of the Nigerian society and replaced the rule of law (Mallam N. Ribadu, interviewed by Reuters, December 17, 2004). Obviously, this was to the disadvantage of the country. The civilian politicians, their allies in public institutions and collaborators in the private sector, particularly the financial institutions were not any better in corruption ratings than former Military President, Ibrahim Babangida, and ex-Head of State, late General Sani Abacha.

A survey on the level of corruption in Nigeria carried out in 2003 by the Institute of Development Research of the Ahmadu Bello University, Zaria ranked political parties in the country third in the list of thirty most corrupt public institutions in Nigeria (Adekeye, 2003: 29). This is a sad development for Nigeria because political parties are the ideological powerhouse of civilian administration. On the contrary, political parties in Nigeria have been the main avenues for promoting corrupt practices in the country through godfatherism, extortion, to mention but a few. At the 2003 Special Convention of the ruling People Democratic Party (PDP), where the presidential flag bearer was chosen, more than N1billion bribe was allegedly shared to delegates by the Obasanjo group on the ninth floor of the Nicon Hilton Hotel, Abuja (Adekeye, 2003: 29). A corrupt ruling party undoubtedly would always produce a corrupt government; it is difficult to separate the legislators and the executives at the federal, state, and local councils from the cardinal ideology of their political parties.

If corruption in the 1990s was endemic, corruption since the return of democracy in 1999 has been legendary. Throughout the eight years presidency of President Olusegun Obasanjo, he was fully in-charge of the petroleum ministry, where high-level corrupt practices took place with impunity. The over \$400 million invested on the Turn-Around Maintenance (TAM) and repairs of the refineries failed to yield any positive result, and the contractors awarded the contracts were never brought to book

(Adekeye, 2003: 30). Records have also shown that the Nigerian National Petroleum Corporation (NNPC) is at the centre of major corrupt practices in the industry with regards to the operation of its finances, especially in respect of actual revenue realised from the sale of crude oil, and other petroleum resources, such as natural gas.

Furthermore, the report by the Revenue Mobilisation Allocation and Fiscal Commission (RMAFC) indicated that 445,000 barrels of crude oil sold by the NNPC between January and July 2002 was not accounted for in its financial report. The report further indicated that within the seven-month period, there was a shortfall of N302 billion as undeclared revenue. The request by Haman Tukur, Chairman of RMAFC, to the Presidency to compel Jackson Gaius-Obaseki, former Group Managing Director of NNPC, to refund the remaining money into government's coffer was never heeded. More so, the joint panel of the National Assembly set up to probe the matter was also hindered by the Presidency and top hierarchy officials of the People Democratic Party on the ground that the probe would send negative signals abroad about corruption in Nigeria, particularly because the Presidency directly oversees the petroleum ministry (Adekeye, 2003: 30 – 31; Shettima, 2009).

Again, during the first four years of the Olusegun Obasanjo administration, federal ministers allegedly stole more than N23 billion from the public coffers. An audit report released by Vincent Azie, acting Auditor-General of the Federation, showed that the amount represented financial frauds ranging from embezzlement, payments for jobs not done, over-invoicing, double-debiting, inflation of contract figures to release of money without the consent of the approving authority in ten major ministries. Rather than cautioning the ministers whose ministries were named in the fraud or invite the Independent Corrupt Practices Commission (ICPC) to further investigate the veracity of the alleged fraud, Vincent Azie was hastily retired by the Presidency for procedural offences (Adekeye, 2003: 31; Haruna, 2009). What a country whose political leaders have opted to loot the public treasury with arrogance and impunity.

The National Identity Card scandal is another case of high profile corruption perpetrated by the top echelon of the nation's political leadership class. In 2001, the administration of Olusegun Obasanjo awarded the \$214 million National Identity Card project to SAGEM S.A., a French company, under controversial circumstances because the Nigerian Security Printing and Minting Company (NSPMC), which bid for the same contract at a lower rate, was not obliged. It was alleged that seven prominent public servants collaborated with SAGEM S.A. to scuttle the \$214million project. Records of the

investigation into the matter indicted Hussaini Akwanga, who until December 4, 2003 was Nigeria's Minister for Labour and Productivity, Chief Sunday Michael Afolabi and Mahmud Shata, former Minister of Internal Affairs and Minister of State in the same Ministry respectively, R. O. Akerele, Permanent Secretary of the same Ministry of Internal Affairs, Okwesilieze Nwodo, former Governor of Enugu State and erstwhile secretary of the ruling People Democratic Party, Niyi Adelagun, a business partner of SAGEM S.A. in Nigeria and Jean-Pierre Delarue, the Regional Area Manager, Identification Systems of SAGEM S.A. It is now on the pages of history books that the huge sum released for the project that was not fully executed was divided among the suspected culprits (Asaju, 2003: 38 – 41).

POLITICAL LEADERSHIP, CORRUPTION AND SOCIO-ECONOMIC DEVELOPMENT

That corruption is the bane of Nigeria's socio-economic development is to state the obvious. Today, in Nigeria, there is a consensus among well-meaning individuals and foreign nations that corruption has inevitably become a major clog in the quest for sustainable growth and development. It is further agreed that it must be halted before it shut down the country. It is the single most critical impediment to achieving the Millennium Development Goals (MDGs); and like a deadly virus, it attacks the vital structures and systems that engender progressive functioning of the society. Like most developing countries, Nigeria is still grappling with the dilemma of corruption that has largely retarded social development, undermined economic growth, discouraged foreign investments and reduced the resources available for infrastructural development, public service, and poverty reduction programmes (Findings, 1999: 1). Much more disturbing, the scourge of corruption leaves the poor perpetually disproportionately under-privileged, even as it renders the development of democracy and the building of a society of opportunity more problematic (Ribadu, 2007). Thus, by diverting assets away from their intended use, corruption can be said to be the single most important factor responsible for the failure of governance and lack of sustainable socio-economic development in Nigeria.

Without doubt, the unpardonable failure of the political leadership class managing the affairs and wealth of the country had inevitably brought severe misery to many voiceless and helpless Nigerians. It must also be mentioned here that Nigeria's post-independence political bureaucratic and military elites had terribly pillaged the nation's common wealth and national patrimony with impunity, thereby denying Nigerians access to economic prosperity and quality living condition. Also disheartening, is the fact that the volume of development assistance totalling about \$400 billion that flowed into the country

for socio-economic development between independence and the collapse of military dictatorship in 1999 was atrociously squandered by the political leaders of the period. The mismanagement of resources of such quantum which was worth six times the resources committed to the rebuilding of Western Europe after a devastating Second World War simply defines the callousness of the political leadership class towards the socio-economic wellbeing of the country (Ribadu, 2007).

A noticeable consequence of corruption on the political and economic wellbeing of Nigerians has been the distortion of governmental expenditure. This often results in diversion of public investment on large-scale projects, typically military or infrastructure projects, rather than on the provision of necessary public services such as health, roads, housing, and education. Mostly, the Nigerian government at all levels spends relatively more on large and hard-to-manage projects, such as airports or national stadia, to make room for fraud because execution of such project makes fraud easy. Consequently, development projects are made unnecessarily complex so as to justify the corrupt huge expenses on them (Dike, n.d.: 5). This situation makes it inevitable for the limited but valuable fund earmarked for development to disappear into private pockets.

Indeed, it is difficult to think of any social ill in the country that is not traceable to the embezzlement and misappropriation of public funds, particularly as a direct or indirect consequence of the corruption perpetrated by the callous political leadership class since independence. The cycle of poverty keeps growing with all its attendant consequences even as the rate of unemployment remains perpetually high. By giving mediocrity advantage over intelligence through nepotism and cronyism, intellectual capital, which is the bulwark of development and advancement, has continued to drift abroad in search of greener pasture. Paradoxically, the scourge of corruption has left the country straddling two economic worlds at the same time. To state the obvious, the country has found itself in the quagmire of a country too rich to be poor and at the same time too poor to be rich. Thus, this has made it inevitable for every Nigerian to be a victim of corruption.

As a consequence of unparalleled and unrivalled corruption in Nigeria, the healthcare delivery system and the education sector have become comatose and are nearing total collapse. Government spending has been considerably reduced towards these vital social sectors of the economy and others of equal importance, which are supposed to be of high priority to government. To this end, the resultant effects have been catastrophic as different forms of malpractices and corrupt practices have rubbished the Nigerian educational system, which is perceived from the outside as inadequate and, its product,

substandard. More so, corruption in the health sector has also given room for counterfeit and adulterated drugs to find easy passage into the country with little or no resistance until 1999 when Professor Dora Akunyili took over the leadership of the National Agency for Food and Drug Administration and Control (NAFDAC). It would be recalled that her first point of duty was an attempt to eradicate fake and adulterated drugs. This effort almost cost her her life when gunmen suspected to have been sent by importers of fake and adulterated drugs attacked her in 2005. Infrastructural facilities have long been in an abysmal state and to shore up its dwindling income, much of which was embezzled under successive governments and siphoned to foreign bank accounts, government resorted to excessive taxation of the already economically deprived and impoverished populace.

Perhaps the most tragic effect of corruption on Nigeria has been the failure of the country to attain its economic potentials. Despite its substantial natural and human resources, Nigeria remains desperately poor due to bad management of its wealth by successive corrupt governments. Today, Nigeria is one of the poorest countries in the world. Its unadjusted GNP per capita of \$300 leaves it in 164th position among other countries in 1999. The per capita GNP PPP (purchasing power parity) figure of \$820 looks better at first glance but it ranks 199th out of the 209 countries covered in the World Bank's 2000 World Development Report (World Bank, 2001). In 2010, Nigeria's GDP per capita (PPP) of \$2,365 ranked as 138th in the world out of the 180 countries, while the GNI per capita (PPP) of \$2,160 left the country in the 172nd position out of the 215 countries listed in the World Development Indicators Database (World Bank, 2011). These are not just abstract statistics. An average Nigerian leads an appallingly difficult life that is worse in most ways than the situations in other Third World countries (Ihonvbeere and Shaw, 1998). Unfortunately, the country has not been able to breakthrough with any significant step that would dramatically improve the living conditions of its mostly impoverished population due to the high level of corruption in the system.

The Corruption Perception Index (CPI) released annually by Transparency International has consistently listed Nigeria among the most corrupt nations of the world. The 1996 study of corruption by Transparency International and Goettingen University ranked Nigeria as the most corrupt nation, among 54 nations listed in the study (cited in Moore, 1997). The 1998 Transparency International Corruption Perception Index (CPI) ranked Nigeria as the fifth most corrupt nation out of 85 countries listed in the rating (The Transparency International Corruption Index, 1998). The 2001 Corruption Perception Index rated Nigeria second most corrupt nation among 91 countries listed (The Transparency International Corruption Index, 2001). The 2002 Corruption Perception Index ranked Nigeria third most corrupt

nation out of the 102 countries listed (The Transparency International Corruption Index, 2002). Similarly, the 2003 Corruption Perception Index also rated the country as the second most corrupt nation out of 133 countries listed (The Transparency International Corruption Index, 2003). Although the trend improved a little from the 2005 Corruption Perception Index ratings, Nigeria still languishes within the first ten most corrupt nations of the world.

CONCLUSION

From our survey of political leadership and corruption in Nigeria thus far, it is evident that the problem with Nigeria is not just corruption but leadership failure. Corruption has attained an unimaginable height and is currently assuming a pandemic proportion in Nigeria through, and with the full support of the political leadership class since 1960. Obviously, as a nation, we cannot move on without looking back because a people without a history can be compared to a tree without roots. The fact is obvious that there really was never a golden age of great leadership in the history of Nigeria. The lack of competent, responsible leaders with integrity, vision, high moral values has been the bane of the country. It is simply disheartening that Nigeria, a country blessed with natural resources and manpower is now doomed with uncertainty where abject poverty, high unemployment rate, unresolved assassinations, looting and squandering of public funds, etc, all as a consequence of corruption, have become the order of the day.

No doubt, corrupt practices among the political leadership class have also resulted in undermining the growth and stability of the nation's trading and financial system. As Nigeria seeks for more Foreign Direct Investments (FDIs), corruption tends to thrive more and impede the country's ability to attract overseas capital. Corruption has also damaged economic development and reforms and if adequate care is not taken, it can hinder the growth of democratic institutions.

Although the situation looked very bad, it is not beyond remedy. To achieve this, there must be a complete change of attitude on the part of the Nigerian political leadership class, because no matter how perfect or excellent the constitution or other instruments for ensuring accountability and checking corruption in the country might be, all will come to naught unless the political leadership class show the political will to abide by and enforce them. Consequently, until political and higher bureaucratic appointments ceases to be a means to easy accumulation of illicit wealth and a new political culture that

abhors corruption in public life and humiliates corrupt public servant, emerge in Nigeria, the country cannot escape the inevitable disastrous consequences that comes with pervasive corruption (Maduagwu quoted in Gboyega, 1996: 22).

It has been realised and generally agreed that government cannot legislate an end to corruption because punishment of wrongdoers, while necessary, may not be sufficient to stop corruption. In his comparison of corruption in Nigeria and Britain, Ronald Wraith, a British scholar on public and colonial administration, who also was Chairman of the Nigerian Federal Electoral Commission in the late 1950s, pointed to the need for education in good character and the importance of diffusion of wealth, power, and education in the society. There is a need to build a culture of honesty and establish a tradition of selflessness and patriotism in public service. In Britain, responsible government began with the emergence of people who entered government service after they had amassed substantial wealth. They joined government, not to increase their fortunes, but to contribute to the country; an attitude reminiscent of J. F. Kennedy's remark, "Ask not what your country can do for you; ask what you can do for your country" (Wraith and Simpkins, 1963; Kennedy, 1961).

In the final analysis, Nigeria simply has been lacking in one thing that every nation, big or small, needs to achieve greatness – credible, responsible and people-oriented leadership. After decades of failed attempts to produce credible leaders, it is imperative now for the political leadership class to turn a new leave by rejecting old habits of corruption which has hitherto hindered Nigeria from becoming a modern, great, and developed nation. This is not in any way to undermine the need for strong institutions. Nevertheless, no country can develop strong institutions without the benefits of good leadership, leaders who will create the conditions necessary for building and sustaining strong institutions. A positive change in the attitudes of the Nigerian leadership class is all that is needed to end corruption in Nigeria and for the nation and its people to experience sustainable socio-economic development.

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