Costs and effects of Bribery and Corruption: Nigerian Experience

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ABSTRACT: Costs and effects of bribery and corruption have been investigated. The aim of the study is tofind out the costs, effects and level of bribery and corruption in Nigeria. The study utilized a survey method of obtaining data from classified respondents to confirm records on bribery and corruption. The respondents were classified as market men and women, students, farmers, cleaners, messengers, drivers, beggars, patients, carpenters, hair dressers, welders and painters in the study areas. Descriptive statistics mean and ANOVA at 5% level of significance wasused in analyzing the data. The result showed that 45% of Nigerian leaders are corrupt. This supported by $\mu 446.01 \geq \mu 224.99$. The study recommended for a change in the instrument of handling corruption to free these countries from the vices.

Keywords— Costs, effects, bribery, corruption, Nigeria Experience

Introduction

Bribery and corruption is as old as history. The word corruption came from a Latin word called corruptus meaning break up or destroy the morality, image, and ethics for personal gains. Bribery is the act of taking gifts so that one feels complacent over an issue (as in the case of Jacob and Esau in Exodus)while corruption is the habitual taking ofany form ofbribery. When one is said to be corrupt, the spirit of taking bribery has become part and parcel of the life style. The generic cause of bribery and corruption arise as a result of lack of contentment and opportunity to cushion up the utility that could not be met at that indifference curve.

Nigerian government has promised to provide public goods and services to the citizenry at all levels of governments. Despite the huge natural and financial resources, the citizens are crying of poor service delivery at all tiers of governments. Every successive government tends to provide hope to the people but at the end of their tenures, there is not much to show. The recent launch of war against bribery and corruption did not yield giant success as the former chairman of EFCC was accused of partisanship and illegal possession of multimillion naira houses in Abuja and Dubai (Daily Trust, 2008).

Observable factors such as insincerity, unfaithfulness, family pressures, peer groups and poor leadership are responsible for bribery and corruption. People placed in position of trust are often tempted and lured into bribery and corruption. The depth, breath and height of public frauds in Nigeria vary in quantum and magnitude of the fraudster's activities.

Government of Nigeria is worried over reported cases of bribery and corruption despite the constitution of independent bodies to check the activities of fraudulent practices in those governments.

Concepts of bribery and frauds have been viewed differently from Heinecke(1982), Jenffa(2006), Okafor(1986), Damagum(2003) as diversion, gifts, breach of rules, political and economic. The call for war against bribery and corruption has caused some agencies to change tactics of tackling this monster.

Theoretical framework and related literature

Herzfeld and Weiss (2002) investigated the causes and consequences of differences in corruption among countries and found that a persistent phenomenon and strong forces tend to perpetuate corruption at fairly constant level. Agbiboa and Maiangwa(2012) rethink that corruption is a curse to underdevelopment that will shrink a country oil reserves and national income. Bhatt (2010) viewed corruption as an obstacle to development and has effects on export trade of a country.Otusanya andLauwo (2013) also investigated corruption and socio-political culture a case of Nigeria and found that large sums of government revenues have been undermined by the anti-social practices of the Nigeria political and economic elite which have enriched few but made most Nigerians poor.

Bribery and corruption are by products of greed, dishonesty, covetousness and lack of sincerity in the use of government resources. Its effects undermine the national image of a country. In the case of Nigeria, it requires God's divine intervention. To keep down the volume and level of bribery and corruption, exemplary leadership must be demonstrated at the top level of governance. James (2013) viewed corruption solution too harsh to take and implement, because it was suggested that the only solution to Nigeria's position on bribery and corruption is to burn the country, and this does not solve the situation but compounds it.

An empirical work of Olagunju (2012) recommended that Nigerian police ministry should take a holistic approach to bribery and corruption. Nigerian forms of bribery and corruption has become a canker worm, an attempt to eradicate it becomes a disaster.Malgwi (2006) ascribed the increasing volume of bribery and corruption to the usage of computer scam to defraud a country's valuables through calculated fraudulent ways. Auta lend support to Malgwi(2006) view that even people of high position no longer feel shy of collecting open bribes from motorists and others.Danlami(2005) lamented that Nigerian government is not prepared to get rid of the menace. Ahamad(2008) uncovered a scam worth N1.67billion in National Integrated Power project and no rapt decision taken against those perpetrators of this evil. In a study conducted by Hatta (2008), it was reported that Japan was able to deter fraud occurrence with the J-box. If this this powerful device is used in Nigeria it is going to reduce the level and volume of bribery and corruption. The issue of bribery and corruption became quite noticeable during the electoral processes which were responsible for bad governance and poor leadership.Ejiofor (1982) tagged an average Nigerian as dishonest, nepotism, lazy, and all the time seeking for an opportunity to cheat his or her employer or organization. Most of the empirical reviews on bribery and corruption, none were able to find the mean and the ANOVA at certain level of significance.

Research questions
In this study, questions probing reality, costs and effects of corruption are raised as follows:
I. Is Nigeria a corrupt country?
ii. If Nigeria is corrupt, whatis the cost of bribery and corruption?
iii. What are effects of bribery and corruption on service delivery?

Hypothesis Testing
HO1: Nigeria is not corrupt
Ho2: The cost of bribery and corruption is low
Ho3: The effects of bribery and corruption is not adverse

Methodology of the study
The study used survey method of generating data from 6,400 classified respondents namely market men and women, students, farmers, cleaners, messengers, drivers, beggars and hospital patients in 16 states in Nigeria.
The secondary sources were obtained from documented records of bribery and corruption in Nigerian papers, bulletin, magazines and gazettes. Descriptive statistic such as mean, standard deviation and ANOVA are used in analyzing the data obtained. The hypothesisthat Nigeria is not corrupt is tested at 5% level of significance. Decision criteria for determining Nigeria's corrupt position is m≥10 ≤10. When mean is ≤ 10, this means that Nigeria is the 10th corrupt country. But when mean is greater than 10, that position determines Nigeria position as corrupt.

Results and Discussions
Groups mean of 43.06 shows that Nigeria is the 143rd corrupt country. Mean response from individual class of respondents showed that Nigeria is the 27th corrupt country in the world. The resultant effect of bribery and corruption slows down level of developments by imposing untold hardship to the common man that hardly each three square meals in a day. What should be done to this country to serve as deterrent to her neighbours? Others expressed their opinions that all newly elected leaders should experience prison before taking up leadership so that the lessons and experiences gained there could instill a sense of fear of God. The rate at which open bribery and corruption in Nigeria has reached its peak than that of other countries. The mean responses from classified group of respondents are: market men and women (22.3), students (24.8), farmers (23.8), drivers (27.6), beggars (21), and patients (22.3).

Cost of bribery and corruption
The cost of bribery and corruption has left untold hardship on the citizenry and several families have resorted to begging along Nigerian streets, offices and markets. While others hardly secure a square meal due to the level of poverty. The resource meant for the common manhardly reaches him. All the so called development claimed to be done is a mire window dressing. This buttress what was reported inSuperadim(2014) that Obasanjo blasted Jonathan administration and the national assembly for promoting corruption and poor governance.This administration was accused for lack of clear understanding of the Boko Haram which gave the Islamic militants to flourish and deepen the insurgency in the north earthen part of Nigeria. The cost implication has left untold

hardship and loss of lives and properties. Any leader that is concerned about his people well-being, development and the security is a good one.

Effects of bribery and corruption

Table discussion with the respondents revealed that bribery and corruption has the following effects on the citizenry: undermines socioeconomic and political development, it reduces level of investment, it causes reduction of quality of goods and services, profits of organizations are often manipulated, it has adverse effects on people's health and responsible for the number of untimely deaths, it reduce public spending on education and level of illiteracy. Illiteracy level is yet to come down in Nigeria due to the level of poverty caused by bribery and corruption. Despite the campaign against illiteracy, quite a number of people are out of school because of poverty which is a byproduct of corruption. Nigeria need a way out of this ugly situation in order improve her situation on the corruption index by international transparency as number 143 on the corruption index.

The effects of bribery and corruption leave a negative impact on the growth and development of a country as well as diversion of government resources to private and personal gains. For example, projects that could cost less to execute is often inflated as a result of corruption. The resultant effect of bribery and corruption on education has caused many intellectuals to leave Nigeria to other places where they chair heads of their departments.

Conclusion

Any country that appeared to be corrupt, it does not attract investments, and her national image is lost in the eyes of other countries. Basic amenities meant for the common man is being diverted to personal gains. Good quality goods, roads, education, security and other services are hardly provided.

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Appendix

class of R	borno	yobe	gombe	adamawa	benue	jigawa	kano	lagos	pharcourt	osun	ondo	kwara	Abia	Anambra	Niger	plateau	mean c	mean r
mkt M&W	30	32	43	33	2	41	5	43	23	4	8	7	43	3	34	6		22.3125
students	40	45	45	35	6	28	37	27	26	5	9	9	37	2	6	39		24.75
farmers	20	34	28	21	7	28	28	28	18	3	45	3	29	43	8	37		23.75
cleaners	10	21	39	45	19	39	28	17	47	8	3	20	40	32	9	23		25
m/gers	50	34	28	42	17	49	29	19	49	29	2	10	21	27	0	16		26.375
drivers	30	42	23	31	51	15	17	28	20	34	1	40	43	19	1	47		27.625
beggars	20	5	37	41	10	12	18	36	19	23	23	5	54	0	4	39		21.625
patients	34	24	19	23	28	13	19	39	36	12	37	18	47	3	3	2		22.3125
	234	237	262	271	140	225	181	237	238	118	128	112	314	129	65	209		
	52	52.66667	58.22222	60.22222	31.11111	50	40.22222	52.66667	52.88889	26.22222	28.44444	24.88889	69.77778	28.66667	14.44444	46.44444	43.05556	
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