

# Globalization and Corruption in Nigeria

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## Abstract

Globalization has become a recognized reality despite the polemics on the usefulness and essence of the multi-dimensional phenomenon. This study which examines the nexus between globalization and corruption in Nigeria contends that while globalization has the potency and capacity of accentuating and exacerbating the occurrence and effect of corruption, the real problem of corruption in Nigeria is the structural and institutional failure of the Nigerian state manifesting at two levels: the inability to provide a responsible and accountable leadership accompanied by true citizenship participation and empowerment and the poor capacity to confront and tackle the increasing menace of corruption. This study relies on valuable secondary sources of data and adopts a qualitative method. The study concludes with some useful recommendations including institutional and trans-boundary frameworks and mechanisms as well as attitudinal re-orientation.

**Keywords:** Globalization, corruption, multi-dimensional dimension, Nigeria.

## 1. Introduction

Corruption is not only a social problem because it does not only deny people the benefits of the exploitation of the abundance of natural resources that should have been invested for developmental purposes, it also undermines the economy, constitute a menace to democratic governance, distort economic, social and political programmes with implications for undermining the prospects of a durable social order in the country. That the problem has become hydra-headed and structural is no longer hyperbolic. Corruption that manifest in diverse forms such as bribery, inflation of contracts, kickbacks, over-invoicing, outright looting of the common wealth, manipulation of formal and acceptable processes and procedures, diversion of public funds, embezzlement and general misuse of authority and position has assumed frightening and unimaginable dimensions that it has not only gradually eroded the social and moral fabric of society.

At the end of the last century it is clear that through various media – the burgeoning capacity of electronic communications to compress both time and space, changes in technology which are allowing production and culture to be divorced from place, the pervasiveness of global ideologies on subjects such as the environment and human rights, and recent seismic shifts in the world's geopolitical balance – the world is now thoroughly globalized, a single place. What happens in one place routinely affects perceptions, attitudes and behaviour elsewhere. Indeed, because of technological innovations, this routine impact is almost instantaneous. Because social relations are being stretched across time and space the borders and walls which insulated and isolated individuals and collective actors in the past are being eroded. Tuathail (2014:6) says that territoriality is being eclipsed by telemetrically'. Indeed, the real change in the concept of globalization most poignantly observed in its current phases is that conventional borders are becoming increasingly irrelevant to the actual patterns of much economic, cultural and even political activity. Trans-local and transnational networks – of producers, professional, exchange students, community brokers and human rights activist – populate a truly global cultural economy, and territoriality as organizational principle of the world polity is everywhere in retreat. The modern geopolitical imagination (Tuathail, 2014), used to depicting the world in terms of spatial blocs, territory and the fixed identities usually attached to these, is now in some turmoil. Globalization presages a new geopolitics, and thus requires novel ways of imagining a global space increasingly made up of rows, networks and webs (Castells, 2009).

Globalization has brought about a shift in power: the Nation – State has been weakened and there is a reduction in social accountability. This makes sovereign states row rather than steer in the process of development, i.e. if countries do not intensely participate in this paradigm set by the North, they are 'out'. As a consequence the poor countries' very right to development is threatened by this unrelenting liberalization globalization process (Hazel, 2009; Tandon, 2014). Globalization has put the fate of those many in the hands of large corporations. Although the 'corporacracy' knows very well the negative effect of globalization, few of them are committed to change. They tend to ignore the root causes of the social problems they see as patently as everyone else, but seldom address the negative social impact of their activities. Since they lack the openness and transparency required, they pay only lip service the change and seldom change their practices (or change them in very marginal ways (Wellford, 2009:7). It is therefore not by accident that globalization has been called 'the imperialism of the 1990's (what is different between imperialism and globalization is just that latter's speed of expansion).

Globalization can be traced back to the ancient times and it was envisaged by neo-classical economists like Adam Smith (1723-1790), David Ricardo (1772-1823) and John Stuart Mill (1806-1873) who propounded

that specialization, peace and output of the world would be at maximum when the world economy is opened (Schurman, 2001). Globalization which has become a staple that all the dynamics in economics, communication and information technology are explained described and attributed is therefore not a new process or development, although the speed has increased phenomenally in the last decades. This position is in tandem with recent scholarly commentaries on contemporary notions of globalization that oppose conceiving it as a wholly recent phenomenon (Ajayi, 2010). These scholars posited that the world has experienced different periods of extensive global commerce and interrelationship. They asserted, with justification, that current forms of technological advancement and economic integration only represent the most modern period of and thus a continuation of – global intercourse. However, amidst the rhetorical and academic differences, one fact remains unchanged – globalization affects and is changing the lives of billions of people, whether positively or negatively.

One of the negative effects of globalization is arguably corruption. This study that examines the nexus between globalization and corruption in Nigeria contends that while globalization has the potency and capacity of accentuating and exacerbating the occurrence and effect of corruption, the real problem of corruption in Nigeria is the structural and institutional failure of the Nigerian state manifesting at two levels: the inability to provide a responsible and accountable leadership accompanied by true citizenship participation and empowerment and the poor capacity to confront and tackle the increasing menace of corruption.

## **2. Globalization: A Conceptual Clarification**

Globalization is the historical process whereby the world is being made into a single place with systemic properties (Oni et al, 2004:242). Historically, globalizing forces produced global systems, which were of limited extent spatially and in which the density of social relations across borders and time varied enormously. The concept of globalization is a multi-dimensional one, notably because it encompasses political, social, economic and cultural elements or aspects. A lot of meanings have been ascribed to the concept, depending on the perception of the individual author. Defining globalization is not only a herculean task; it is equally an elusive and contentious enterprise. However, the most central element in any definition of globalization is that it is the freedom of or non-barrier to everything across the border. Globalization, which is also known as liberalization is the breaking of barriers to exchange things, be they economic, cultural, political or social. Globalization or liberalization entails the freedom in the movement of goods and services across the borders of trading countries. This means the taking away of barriers to the borders of trading countries and the barriers to the exchange of goods and services.

Globalization can also be defined as the network of connections of organizations and people across national, geographic and cultural borders and boundaries (Pearson Education, 2010:17). Globalization refers to the increasing importance of international trade, international relations, treaties, alliance and the like. International, of course, means between or among nations and the basic unit remains the nation even as relations among other nations become increasingly necessary and important.” It signifies an increase in the interaction across borders in areas such as economic cooperation, technology, personal contacts and political engagement (O’ Rourke and Williamson, 2009:15; Griswold, 2009:11). Adewuyi (2010:12) also conceived globalization as the process of both vertical and horizontal integration that involves an increased volume and variety of transnational transactions. In his own perspective, Omar (2010:19) posited that globalization is the integration of the domestic economies via financial and trade interactions, leading to the collapse of barriers to trade that makes domestic economies to be influenced by the policies of another product through trade and investment. Igudia (2011:17) equally conceptualized globalization as the union of countries of the world where the national economies are opened and economic activities are integrated, while Kareem (2011:343) opined that the concept simply entails the liberalization of the political and economic aspects of life in any country. It is, in fact, an asymmetric process by which free flow of ideas, people, goods, services and capital lead to integration of economies and societies, yet it has diminished the importance of national boundaries (Aluko, 2011:26). The hallmark of globalization is that it is a process marked by the breaking down of national boundaries, governmental influence and state sovereignty and it is the growing interaction in world trade, national and foreign investments, capital markets and the ascribed role of governments in the national economies. All the same, globalization evolved from the term “modernity” and as a result combines many different aspects (Schurman 2001).

For the purpose of this study, globalization is taken to be an eclectic, asymmetric and synthetic process that encapsulates both vertical and horizontal elements of integration with the increasing potency of culminating in a borderless, seamless and boundariless relationships typified by liberalized interconnectivity, interdependence, dynamism, openness and freedom through a cracking down and freeing enterprise that transcends national, geographical and ideological boundaries and encompasses political, social and economic, cultural and linguistic dimensions.

### 3. Polemics on the Usefulness and Essence of Globalization

There are arguments both in favour and against the concept, notion and essence of globalization. Part of the reason for such controversy is the varied view-points which explain why the term “globalization” means so many things to different people and the fact that globalization is assumed to have created enormous opportunities for states to exercise hegemony on the one hand, and it has created backlashes and more importantly opportunities for individuals to project power, promote physically and conceptually remote cultures as well as opportunities for other individuals to identify with such cultures (Bangura, 2005:19). In fact, the breadth of meanings attached to it seems to be increasing rather than narrowing over time. In addition to the political, economic and cultural implications of globalization, supporters and critics alike also speak of the environmental, linguistic and technological effects of globalization. Some see it as a contention between optimism and pessimism, while others consider it as not a debate at all, but an on-going quest to find the best uses of increased interconnectedness in today’s global society.

Supporters of globalization contend that the concept conveys a sense that internal forces are driving more and more developments in the world and that globalization is generating great wealth which could be used to massively reduce poverty worldwide and to reduce global inequality (Clare 2014:35). They also argue that globalization provides the opportunity for investment funds and businesses to move beyond domestic and national markets to other markets around the globe such that they become interconnected with different markets and helps developing nations “catch up” with industrialized nations much faster through increased employment and technological advances. However, this crystallizes in the hope of some people that a global society will finally be attained and the fears of many that lives and jobs are threatened by forces beyond their control. Globalization is therefore seen as growth-promoting that, in turn, reduces poverty and encourages liberalization of international transaction that is good for freedom and prosperity. The anti-liberalization critique is as a result considered to be wrong, for marginalization is in large part said to be caused by not enough rather than too much globalization (Sally, 2012:16).

Ajayi (2012: 202) also posited that globalization is associated with the notion that great scientific and technological advancements have revolutionized the way societies are organized and the priorities around which they are ordered and that features such as the proliferation of cross-border trade and instant access to communication characterize on-going global changes. There are even many suggestions that globalization has increased access to privilege and socio-economic empowerment since the beginning of the 1990s. According to renowned political scientist, Larry Diamond (cited in Friedman 2009:14), it is important that the globalization of information is constantly informing more and more people about how others live and that economic development within countries create middle classes around the world with their natural demands for more participation in decision making and political pluralism.

Some others say that the spread of globalization, free markets and free trade into the developing world is the best way to beat poverty. Accordingly, globalization presents huge opportunities for emerging economies and it is said to have played a very important catalytic role in increasing economic growth and reducing absolute poverty in developing countries of the world. Indeed, proponents of globalization have stressed that it has led to better products, lower costs, job opportunities, increased productivity and improvement in global quality of life or welfare (Kwanashie, 2009:23; Egware, 2010:10 and Aninat, 2011:31).

In line with the above argument, Sen (2012), a Nobel Prize winner in Economics, opined that globalization has enriched the world scientifically and culturally and has benefited a great multitude of people economically. Arguably, globalization is said to have brought unprecedented opportunities to billions of people throughout the world and to have played a very important catalytic role in increasing economic growth and reducing absolute poverty in developing countries of the world. This interrelationship or interdependency created by globalization is believed to have engendered massive daily commercial transaction, the homogenization of culture worldwide concurrently with the resurgence of an emphasis on ethnic communal identity, some erosion of the political clout of many states and, finally, the increasing reliance on communications technology to perform more tasks.

The critics of globalization, on the other hand, asserted that the development has led to benefits for some, but not to all, apart from the fact that it weakens national sovereignty and allows rich nations to ship domestic jobs overseas where labour is much cheaper. The benefits, they underscored, appear to have gone to those who already have the most, while many of the poorest have failed to benefit fully and some have been made poorer (Duncan and Melamed, 2014:37). Globalization, they opined, does not only attempt to suppress labour, but also seeks to suppress social welfare system and support for public expenditures that directly benefit the expansion of capital. The argument herein is that while the processes of interdependence have produced a more borderless world, the conditions are exploitative of poorer states and poorer people in wealthy countries. On the whole, the effects of these paradoxical co-existing privileges and marginality are extensive across various quality of life indices including labour, access to basic health care and education. They argue that globalization causes more harm than good to any economy and that it encourages the dumping of goods and services in

countries that are not competitive, especially those in the developing world. They also see it as encouraging oppression and the oppressors in this case are the developed countries, while the developing countries are the oppressed. The critics also emphasized that globalization discourages local production of goods and services since goods from most developing countries cannot compete favourably with those of the advanced nations. Therefore, domestic industries are forced out of business. This, according to them, leads to massive retrenchment, increased unemployment level and poverty in the affected countries.

Essentially too, even within wealthy countries, the critics reasoned, there are also significant disparities in income despite growing prosperity and the trend toward global integration is widening existing social and economic inequities. The effects of the contradictions between privilege and marginality in sub-Saharan African states, the critics noted, are devastating and state and social institutions are collapsing even as the hopes for an emerging middle class become dimmer. Countries with inherently frail democratic and civil structures, they further contended, have become even more precarious with the onslaught of dire economic conditions and controversies evoke the notion that globalization is simply another form of domination by the wealthy over the poor. This idea, they stressed, is not limited to state to state relationships, but also citizens' interactions within a state, whether in the non-industrialized world or elsewhere. Although poverty was an important question in public discourse before globalization became a reality, they noted, the heightened level of impoverishment in many societies and the unprecedented scale at which it is happening has altered. Thus globalization is thwarting the social, economic and political hopes of the world's citizen.

In the same vein, the critics emphasized that there are deep contradictions within the global system, for the integration is uneven among countries and regions, among countries within regions and among categories within regions (Pieterse, 2010: 129), and the opportunities created by globalization are not equally distributed. In fact, the entire process of interconnectivity, the critics noted, could be described more aptly as globalization because of the diversity and inequalities in the entire experience as Ajayi (2012) rightly articulated. The benefits often cited therefore as evidence for economic advancement, they further posited, are generally superficial while the consequences of the policies underlying globalization have been devastating. Critics of globalization equally stated that globalization is a way of controlling and influencing the economy of a country by overseas corporations which implies surrender of power from the local government and that it is a necessary evil, especially as multinational companies are running the lives of individuals or are more powerful than nations.

In the face of the seemingly contradictory view-points represented by the two sides in the polemical debate, globalization is one of the most celebrated concepts in the world today. The speed and scale of its occurrence, the immense and unprecedented technological advancement, the profound changes in the international environment and the transformation of the world into a "global village" are all responsible for the popularity of the concept of globalization (Ajayi, 2012). It is also evident that harnessing the forces and promise of globalization to distribute the benefits of a globalized world is the ultimate challenge because freedom and values are at stake. Nelson Mandela, for instance, argued for the "globalization of responsibility", a reference to the need for accountability by the privileged in every society. Thus, if globalization is as good as its promise, then the aspirations of billions of people will be realized. The choices of freedom and prosperity worldwide, as a consequence, depend on broadening the benefits of globalization and eliminating its contradictions.

#### **4. Corruption: A Conceptual Understanding**

Brooks (1910:46) defined corruption as the intentional mis-performance or neglect of a recognized duty or the unwarranted exercise of power, with the motive of gaining some advantage more or less directly personal, while Alatas (1990:18) opined that corruption is the abuse of trust for the sake of private benefits and that it can be classified into seven distinct types viz: antigenic, defensive, extortive, invective, nepotistic, supportive and transitive. According to Adeleye (2012), corruption is an anti-social behaviour conferring improper benefits contrary to legal and moral norms, and which undermine the authorities to improve the living conditions of the people. Corruption is probably the main means to accumulate quick wealth and it occurs in many forms, and it has contributed immensely to the poverty and misery of a large segment of any population.

Besides, corruption is a general term covering the misuse of authority as a result of considerations of personal gain, which could be monetary or otherwise (Bayley, 2009:273). It can also be seen as behaviour, which deviates from the formal duties of a public role because of status gains. Corruption is equally the misuse of entrusted power for private benefits, the violation of legitimate or exploitation of one's position, status or resources and the violation of legitimate or sanctioned or commonly accepted norms of behaviour. Specifically, corruption involves the violation of established rules for personal gain and profit and efforts to secure wealth or power through illegal means, private gain at public expense; or a misuse of public power for private benefit (Sen, 2010:275; Lipset & Lenz, 2010:112-114).

Corruption is broadly the perversion and destruction of integrity in the discharge of public duties by bribery and favour and the diversion of material wealth intended for effective achievement of socially desirable ends into the pockets of individuals. In his thinking, Adegbite (2009:12) posited that corruption is the change



from a sound to putrid state, or from a state of uprightness, correctness or truth to a bad state or a tainted use to which money is put to get things done illegally and Senturia (2010) emphasized that corruption is the misuse of public power for private gains. Corruption is the capacity to take advantage of other people, a ruthless determination to get one's way by all means and an insatiable obsession for material accumulation. By and large, it is any behaviour that deviates from the formal duties of a public role because of private gain, or behaviour which denotes rules against the exercise of certain types of private-regulating influence (Nye, 2012:45).

For the purpose of this study, corruption is a dysfunctional process or anti- social behaviour involving the misuse of authority or exercise of undue advantage that is aimed at misappropriation of resources, exploitation of individuals or systems for selfish personal or group interest.

#### **4.1 Causes of Corruption**

Corruption is a notable ill that has not only become commonplace in the Nigerian society, it has also permeated virtually all institutions in Nigeria so much so, that it can be described as a plague. Essentially, the phenomenon has become universal, for there is no society that is immune to or free from it. It has, in fact, become part of the political, social, economic and administrative culture of societies globally. Corruption is, also in the light of the Marxist perspective, shaped by the socially structured inequalities of wealth and power. The Marxist understanding of corruption however pay little attention to the sociological processes that generate social problems and contend that such problems are the outgrowth of the conflict of economic interests between the two main social classes and between smaller groups in society. They further argue that the anomie at the centre of the functionalist explanation for corruption is directly produced by capitalism (Hale, 2012:199).

In the Marxist parlance, the problem of corruption is regarded neither as a result of cultural deviation by the poor or criminal from society's accepted values and norms, nor as the result of social disorganization, or as the consequence of some dysfunction in the society, but the result of the economic exploitation of the poor by the dominant group in society (Marx and Engels 1848:17; Marx 1867:26). Labeling such a potential conflict situation as mere social problems, the Marxist perspective posits, is diversionary and an attempt at defusing the responsibility for their existence and continuance and seeking a solution that will not alter the existing status quo in the context of the distribution of wealth, income and power. In view of the inadequacy of the functionalist and the Marxist perspectives in explaining the problem of corruption in all societies including Nigeria, the need to provide an appropriate context for a better and broader explanation of the factors that are responsible for the hydra-headed problem of corruption in Nigeria has become a desideratum.

According to Bryce (2009:17), certain factors engender corrupt practices. They include great inequality in the distribution of wealth; political office as primary means of gaining access to wealth; conflict between changing moral codes; the weakness of social and governmental enforcement mechanisms and the absence of a strong sense of national community; lack of ethical standards throughout the agencies of government and business organizations (Bowman, 2010:19); poor reward system and greed (Howard 2011:22); the lukewarm attitude of those who are supposed to enforce the laws of the land (judges, police officers and public officials) and the brazen display of wealth by public officials. Other causes include governmental ineptitude and social pressure as an outgrowth of the gap between goals and access to means of accomplishment which suggest why members of disadvantaged social classes should be expected to be more corruption prone (George and Wilding, 2008:6; Ryan, 2011:27), negative institutional motivation such as the requirements for business licenses and permits that give public officials the leverage to be corrupt, most especially at the local governments, corporate affairs commission and the inland revenues department.

Additional causes are level of risk because perpetrators profit from obscurity and lack of transparency (Waziri, 2009), natural penchant and propensity for corruption (Branham, 1965:135), weak institutional accounting system (where the probability of detection and penalty is low and since corruption begets corruption, the process continues without interruption), overlapping generation problem, political instability, constant military incursions and outbreaks of various rebel groups that often necessitate the need to negotiate the state resources at the expense of society's welfare and misuse of oil wealth. This negotiation takes the form of resources' diversion or non accountability for the state's money spent under the pretence of emergency. For example, Adeleye (2012) claimed that the Nigerian civil war provided sensational opportunities for unlawful enrichment and oil wealth

#### **5. Theoretical Framework**

This paper adopted the Roland Robertson (1999) theory on globalization that states that "globalization in a nutshell involves universalization of particularism and particularization of universalism. Robertson's comprehensive analysis of globalization offers a distinctively cultural perspective on the social theory of the contemporary world. Robertson distinguishes his analysis and interpretation of globalization from, on the one hand, world-systems theory and, on the other, theories which regard globalization as a direct extension of "western projection of modernity". In an effort to respond to all economic communications and western centered

understanding of globalization, the theoretical framework expands beyond the ideas of understanding globalization as a two-track process. That is, while globalization has created opportunities for western projection of economic political power, or what is conceptualized as “a projection of modernity,” globalization has also in reverse created opportunities for projection of individual power, as well as for remote promotion of cultural uniqueness. This two-fold process should not necessarily be understood as clashing.

The above theory is germane to the explanation of corruption in Nigeria where there is obsession with materialism, culture of shortcut to affluence and glorification and approbation (of ill-gotten wealth) by the general public (Ndiulor, 1999:12).

## **6. Globalization and Corruption in Nigeria**

The need to integrate a system into the world economy according to Gagan et al (2004) increases the probability that the effect of corruption will spill over and resonate throughout the world, thus making globalization contribute to the corruption problem. Furthermore, the sophistication in electronic financial transactions all over the world coupled with increases in the number of cooperative strategic alliances both within countries and across the borders makes control difficult and thus enhances corruption. From a priori, all these causes of corruption could generate the effects bordering on the productive capacity of any economy and consequently influence investment, employment and income. All the same, corruption has become institutionalized in Nigeria with consequential effects on the country’s development path. Corruption has, in fact, become an integral part and therefore almost synonymous with the Nigerian state. It has equally so much infested the entire fabric of Nigeria’s existence to the extent that it has earned the country and its citizen’s notoriety.

The contention of this study is that globalization represents an exogenous force that has expanded the already existing endogenous networks and created additional platforms that have enhanced opportunities for the actualization of corruption in Nigeria. Globalization is therefore the exogenization of the endogenized corruption processes and tendencies in Nigeria. As a matter of fact, corruption cases in Nigeria reveal that the internal forces have instigated corruption more than external globalization forces. Notably, since independence in 1960, corruption became a phenomenal to the extent that it is associated with governance. For instance, the military coup of 1966 that ousted the first republic was as a result of corrupt practices by the civilian administration.

During the first republic, Nnamdi Azikiwe, the premier of the then Eastern region was accused of allowing public funds belonging to the region to be invested in the defunct African Continental Bank, where he had interest. The Foster-Sutton investigative panel indicted him and recommended refund of the fund (Odetola, 2012). In a similar vein, Obafemi Awolowo, the premier of the then Western region, was accused of diverting funds meant for the region to his defunct party, the Action Group. The Justice George Coker Commission set up by the Tafawa Balewa administration indicted him for diverting 3.7 million pounds from the then Western region government to his party through the National Investment and Property Company established by him (Adeleye, 2012)

The military administration of General Yakubu Gowon that was put in place through a counter coup lasted for about nine years with scathing criticisms from the public. Worthy of note is the cement armada and cement in which high ranking officials of the government were involved in dubious cement deal. In addition, the government engaged in several prestigious projects without regards to due process and transparency and huge sums of money were stashed in foreign accounts by public officers. In fact, the government was so corrupt that there were ignoble super permanent secretaries that brought shame and disgrace to it. Incidentally, the administration was overthrown by the Murtala-Obasanjo government and the basis for the intervention was the need to salvage the country of the corrupt practices that was prevalent during the Gowon administration. This administration was short-lived because the then Head of state, General Murtala Mohammed, was assassinated in a coup plot which led to the emergence of General Olusegun Obasanjo as the Head of State.

The Obasanjo administration could not sustain the emerging signal of anti-corruption war experienced during the short-lived Murtala Mohammed regime. Although his administration witnessed the first military to civilian transition of power in 1979 with the emergence of Alhaji Shehu Usman Aliyu Shagari as the first democratically elected president, N2.8 billion oil money got missing while he was military head of state (Vanguard, 2013). It is however appalling that the first civilian administration of President Shehu Shagari was so corrupt that it was presumed that the president had lost control of power. The civilian administrators at the federal, state and local government levels were openly looting the treasury. At this stage of the nation’s existence, corruption became endemic to the extent that public office was perceived as an avenue for embezzlement of funds for personal gains (The Nation, 2014).

Nigeria’s second republic of Alhaji Shehu Shagari was characterized by plundering of the nation’s wealth as politicians wantonly displayed opulence in the midst of poverty and suffering by majority of Nigerians. As at the time Shagari became president in October 1979, the country’s external reserve that stood at N2.3 billion, but the external reserves had depleted in December 1983 when his government was sacked, apart from the fact that the country’s external debt was N10. 21 billion (CBN, 1984). The perceived effect of corrupt

practices during this administration was so enormous that poverty, inflation and unemployment became widespread and predominant in the nation's national landscape. Alhaji Shehu Shagari was, in fact, written off as inept because of the magnitude of corruption and lack of policy direction

The military intervention of 1983 by General Buhari/Idiagbon that ousted the Shehu Shagari's government was attributed to the prevalent corruption and corrupt practices by the then immediate past civilian administration. It was during the Shagari administration that the likes of Chief Adisa Akinloye, the national chairman of the then ruling National Party of Nigeria came out with his customized Champaign and Umaru Dikko, the then minister for transport fled the country and escaped an attempt to bring him back to face the wrath of the law in Nigeria. Notable members of the then immediate past civilian administration were even charged and convicted for corrupt practices and sentenced to various jail terms (Adelodun, 2014).

Unfortunately, the administration was overthrown in a coup d'etat that ushered in President Ibrahim Babangida as head of state and the culture of "settlement" was introduced with the award of contracts and other business transactions based on kickbacks and percentage sharing. During this administration corruption became so pronounced that it was seen as "a way of life. Apart from the fact that Babangida's government could not account for the N12. 4 billion oil wind-falls due to the Gulf war, the military president was rated as one of the richest in the world because of his vast physical and liquid assets (Adelodun, 2014). The unstable political atmosphere that the nation had experienced over the years may not be unconnected with corruption; especially as almost all the maiden broadcast of the successful coup plots was always been woven around corruption as a justification for their intervention. As Randali (2012) rightly asserted Nigerian generals siphoned and deposited in dedicated accounts around the world billions of dollars.

The interim administration of Chief Ernest Sonekan fraudulently put in place by the self-styled military president, General Ibrahim Babangida, after his failed attempt to transit from military presidency to civilian presidency was toppled by General Sani Abacha whose administration was also characterized by widespread corruption and corrupt practices to the extent that at his death trillions of pounds and dollars stocked in his foreign accounts overseas were traced (Adelodun, 2014). The death of General Abacha saw the emergence of General Abdulsalami Abubakar who transited the country within six months to a democratically elected government of President Olusegun Obasanjo.

At the inception of president Obasanjo's administration, corruption had so much tarnished the image of Nigeria to the extent that no sector was left untainted by it. The past governments, both military and civilian, were corrupt and there was institutional decay with the economy, politics, religion, the public and private institutions heavily plagued. The issue of corruption had led to the loss of confidence by Nigerians and non-Nigerians in the Nigerian nation due to the activities of fraudsters, corrupt public officials and mis-governance by the elite class. On the international scene, Nigeria was blacklisted and isolated as a pariah state where integrity and transparency were alien and where no transaction occurred without greasing palms. It was supposedly against the backdrop of this development that President Olusegun Obasanjo initiated the anti-corruption crusade to challenge corruption headlong and sanitize the Nigerian society.

Before the introduction of the anti-graft agencies, the country was rated by the Transparency International as the second most corrupt nation in the world. The formation and passage of the anti-corruption act gave birth to the establishment of the Independent Corrupt Practices and other Related Offences Commission (ICPC) and the Economic and Financial Crimes Commission, (EFCC). With the support of the government, the agencies had arrested, investigated and prosecuted many corrupt public officials. The ICPC had placed on record that no highly placed person is above the law by investigating High Court Judges, Directors, Ministers, Governors, Senate President and a former Speaker of the House of Representatives (Adeola, 2014). The N55million bribery scam in which a former Minister of Education was alleged to have given bribe to the President of the Senate, Chairman of the Senate Committee on Education and some members of the Committee in order to increase substantially the allocation to the Ministry is also a case in point. The Minister was sacked from office and the Senate President was compelled to resign.

Besides, many corrupt officials within government and even bureaucrats were arrested, investigated and imprisoned. Among the victims were two former senate presidents – Chuba Okadigbo and Adolphus Wabara (Adegoke, 2013). Also ministers, Governors and administrators were arrested, investigated and tried for corrupt practices. Also recoveries were made of looted funds laundered in foreign banks by Nigerians. An EFCC report on the Petroleum Trust Development Fund scandal also, indicted former vice president Atiku Abubakar. With the intervention of the committee set up by the senate to investigate the allegation, former president Olusegun was implicated and the then incumbent vice president indicted (Adeola, 2014). This shows to a large extent that the anti-corruption crusade was faulty, especially as the arrowheads of the crusade were found to be also corrupt. Even the same Obasanjo was known to have appointed people of questionable character as far as corruption is concerned into his government. For instance, Funsho Kupolukun and Edmund Dakouro who were Group Executive Director and Group Managing Director of the Nigerian National Petroleum Corporation respectively and were suspended in 1993 and retired in 1994 from the corporation for mismanagement were appointed Group

Managing Director and Special Adviser on Petroleum Matters by the Obasanjo administration (Adegoke, 2013). Their retirement came on the heels of allegations of corruption that rocked NNPC.

The weight of corruption in Nigeria is evident in the confiscation in London of the assets of the former Governor of Bayelsa state, Deprieye Alamieseigha and his subsequent arrest, and the arrest of the former Delta State Governor, James Ibori, as well as their former Plateau state counterpart, Joshua Dariye (Adeosun, 2014). Notably, James Ibori was arrested at Dubai after fleeing from Nigeria and was subsequently extradited to the United Kingdom where he stood trial at the Crown court over charges of corruption. He is presently serving his jail terms which are running concurrently in London. Meanwhile, the same Ibori had been cleared of all corruption charges leveled against him by the Economic and Financial Crimes Commission (EFCC) by a high court in Nigeria, a clear manifestation of corruption and miscarriage of justice (Adeosun, 2014). The arrest of the immediate past executive governor of Jigawa State, Alhaji Sule Lamido and his two sons, the immediate past executive governor of Imo State Ikedi Ohakim, the former governor of Adamawa State, Murtala Nyako as well as a former executive governor of Kogi State, Audu Abubakar for various corruption-related cases by the Economic and Financial Crimes Commission (EFCC) is also a clear testimony of the level of corruption by government officials in Nigeria (The Nation, 2015).

Essentially too, the Independent Corrupt Practices and other Related Offences Commission (ICPC) filed a charge against five directors of the Ministry of Niger Delta Affairs in connection with a N605million fraud (The Nation, 2015), while the EFCC filed charges against a former head of the Civil Service of the Federation, Mr. Steve Oronsaye and three others before the Federal High Court, Abuja over N1.9 billion biometric pension enrolment scam and monumental fraud embezzlement funds in the running of a Presidential Standing Committee on Financial Action Task Force which he chaired and used as conduit pipe siphon and launder money (The Nation, 2015). In a similar vein, the immediate past Minister for Petroleum Resources, Mrs. Diezani Alison-Madueke was arrested in the United Kingdom on the 2<sup>nd</sup> of October, 2015 in connection with money laundering and bribery by the United Kingdom National Crime Agency (Vanguard, 2015). She was reported to own a building worth of £12.5million which she bought through mortgage, but later suspiciously offered to pay huge sum of money in order to clear the mortgage. It is not therefore surprising, that the Transparency International and Gottingen University had in 1999 ranked Nigeria as the most corrupt nation among 54 nations listed in the study, while the 2001 Corruption Perception Index (CPI) ranked Nigeria as the second most corrupt nation in the world after Bangladesh (Vanguard, 2014).

Although several laws, decrees and ethical campaigns including the Corrupt Practices Decree of 1975 that established the Corrupt Practices Investigation Bureau, the Ethical Revolution of President Shagari's regime, the War Against Indiscipline of the Buhari/Idiagbon administration, the Mass Mobilization for Social Justice, Self-Reliance and Economic Recovery of General Babangida's era, the Code of Conduct Bureau and Tribunal Act and the Recovery of Public Property Act of 1990, the War Against Indiscipline and Corruption Act of late Gen. Sani Abacha and Failed Banks Decree of 1994 and the Economic and Financial Crimes Commission and Independent Corrupt Practices and other Related Offences Commission (ICPC) were established by the civilian administration of Olusegun Obasanjo supposedly to reshape the peoples sense of reasoning and understanding about corruption and restore societal confidence in the government. At the same time, it was presumed there would be socio-economic development in the country. Disappointingly however, these remedial measures merely rendered the malaise more virulent because the panacea failed to take into cognizance the magnitude, character and sophistication of corruption as defined by its socio-cultural context and time dimensions (CBN, 2014). Another reason for the failure of the above initiatives was the compromised sincerity and hypocrisy of most policy makers and those entrusted with enforcement.

It is instructive to assert at this point that globalization has accentuated corruption in Nigeria, by providing institutions, processes and people that facilitated the movement of stolen monies from the country to different parts of the globe, especially the United Kingdom and Switzerland. This contention implies that efforts by transnational corporations and foreign countries in helping African countries, especially Nigeria in dealing with proceeds of corruption laundered through them and lodged in banks in their countries is a form of restitution. For instance, the World Bank introduced tougher anti-corruption standards into its lending policies to corrupt countries. At the same time international organizations such as the Council of Europe and the Organization of American States are taking tougher measures against International Corruption (Adeleye, 2012). Also, the UK National Crime Agency stressed that money laundering was becoming a threat to the United Kingdom economy and reputation and that many hundreds of billions of pounds of international criminal money is laundered through UK banks including their subsidiaries each year (The Nation, 2015). The pertinent question remains "were the relevant UK authorities not aware of the illegal and criminal financial transactions in the first instance"? Equally disturbing, is the fact that several western countries including the UK and France have reached out to President Buhari of Nigeria advising him to waste no further time in bringing the oil thieves who stole as much as 250,000 barrels of crude oil daily. They have additionally offered to support and assist Nigeria in repatriating the proceeds of oil theft in their countries (The Nation, 2015).



Below are two tables showing the monetary loots of some Nigerians which were kept in foreign accounts in different countries oversea.

**Table 1: Classified Looting of Nigeria's Funds**

Names	Amount in London (Eb)	Amount in Swiss (\$b)	Deposits in USA (\$b)	Deposit in Germany (DMb)	Total Naira Equivalents* (=N=tr)
General Ibrahim Babangida	6.256	7.416	2.00	9.00	2.4635
General Abubakar	1.131	2.33	0.800	16.00	0.4938
Navy C/d Mike Akhigbe	1.24	2.426	0.671	9.00	0.8059
General Jerry Useni	3.04	2.01	1.03	0.900	0.8059
General Sanni Abacha	5.01	4.09	0.800	3.01	1.2107
General Garba Wushishi	2.3	1.00	0.161	1.43	0.55549
General T.Y. Danjuma	1.36	1.02	0.300	0.190	0.3427
General Ishaya Bamaïyi	0.120	0.800	n/a	n/a	0.94
Ismaila Gowon	1.03	2.00	1.03	0.700	0.50176
Umaru Dikko	4.40	1.46	0.700	0.345	0.89465
Paul Ogwuma	0.300	1.42	0.200	0.500	0.035
Mohammed Abacha	0.300	1.20	0.150	0.535	0.2107
Abdullahi Abacha	0.700	1.21	0.900	0.417	0.3384
Wada Nas	0.300	1.32	n/a	0.300	0.2374
Tom Ikimi	0.400	1.39	0.153	0.371	0.2553
Dan Etete	1.12	1.03	0.400	1.72	0.032743
Don Etiebet	2.5	1.06	0.700	0.361	0.56747
Major Al-Mustapha	0.600	1.001	n/a	0.210	0.1999793
Bashiru Dalhatu	2.90	1.09	0.360	1.66	0.68895
Hassan Adamu	0.300	0.200	0.700	n/a	0.1305

Source: Financial Times of London (2012).

**Table 2: Classified Looting of Nigeria's Funds**

Rtd. Col. Tanko Zubair Ex-Military Admin of Imo State	Embezzled N36 million Ecological fund	Ex-Milad	Warned to return the money.
Col. Augustine Aniebo	Embezzled N121.5 m	Ex-milad Kogi state	Warned to refund the money
Maurice Ibekwe	\$350,000 and 75,000 Dutch mark defrauded a German	Senator	Indicted, arrested and imprisoned until his death
Sunday Afolabi Hussani/Akwanga Muhmud Shala	Corrupt Enrichment on National I.D. card Scam.	Ministers	Dismissed as ministers
Tofa Balogun	Corrupt enrichment of N17.7b NPF fund	Ex- inspector General of Police	Sacked tried and imprisoned
Prof. Fabian Osuji	N55m bribe	Former Education Minister	Sacked
Mrs. Mobolaji Osomo	Shaddy transaction in sale of Ikoyi House	Ex-Minister of Housing and urban Dept.	Sacked
James Ibori	Corrupt enrichment and money laundering	Former Gov. Delta State	Arrested and serving jail terms in London
Ayo Fayose	Corrupt enrichment and money laundering	Current Gov. Ekiti State	Arrested and under prosecution
Joshua Dariye	Siphoned N250m	Former Gov. Plateau State	Arrested and under prosecution
Oriji Kalu	Siphoned N285m	Former Gov. Abia state	Arrested and under prosecution

Source: Financial Times of London (2012).

From the above tables and the foregoing discourse on globalization and corruption in Nigeria, it is

clear that notable Nigerians looted and siphoned the country's money to different oversea countries. It is therefore clear that both local and global forces were responsible for the incidence of corruption in the instant cases. While corruption can be said to be ingrained in Nigeria, making the phenomenon endogenous, globalization as an exogenous factor provided a facilitating environment.

#### 7. **Concluding Remarks and Recommendations**

Corruption is a global phenomenon and a socio-economic malady. It is also common place and has become part of society. In Nigeria, corruption is an age-long monumental problem that has plagued all sectors of the economy. Although globalization has accentuated and exacerbated the occurrence and effect of corruption through processes, institutions and people, the real problem of corruption in Nigeria is the structural and institutional failure of the Nigerian state manifesting at two levels: the inability to provide a responsible and accountable leadership accompanied by true citizenship participation and empowerment and the poor capacity to confront and tackle the increasing menace of corruption.

To reduce corruption and the effect of globalization on its occurrence, the study recommends institutional and trans-boundary frameworks and mechanisms, appropriate reward system as well as cultural and attitudinal re-orientation. At the institutional level, there should be transparency, code of conduct, accountability, judicial independence, strict compliance with anti-corruption laws, zero tolerance for corruption and unhindered enforcement of due processes, sanctions and punitive measures. At the international level, international financial bodies and institutions and foreign banks should go beyond withdrawing development support from nations that are notoriously corrupt and encourage corruption and introducing tougher anti-corruption standards into its lending policies to corrupt countries, to establishing frameworks for identifying questionable and corrupt sources of funds, tracking down such funds and preventing trans-boundary corrupt processes and practices and outright refusal of stolen funds or corrupt lodgment. At the same time, there should be enforceable international anti-corruption treaty and instruments for member states as well as firm action plans by organizations such as the Council of Europe and the Organization of American States and other bodies like the African Union. Essentially too, public sector reforms and true freedom of information that will engineer a cultural re-orientation and attitudinal change and at the same time guarantee a fair reward system are desiderata.

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