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### **Abstract**

*Corruption connotes impropriety and therefore, encompasses all forms of reprehensible, indecorous or infamous conduct in the performance of some officials, quasi-official or fiduciary responsibility. This paper examined the effects of monetary corruption on the economic development in Nigeria. The level of corruption varies widely across countries. This paper examined the issues related to the causes, effects, consequence and possible corrective actions of corruption for the design of monetary corruption. This is a national problem that has been seriously hindering the development of this nation. Undoubtedly, it is clear that corruption has done incalculable damage to our great country, Nigeria. It has taught us lesson that it does pay to be honest, sincere, hardworking and obedient servants or law-abiding citizens. Paper concludes and offer some recommendations which includes proper education for the citizens, religious leaders to intensify campaign for citizens to shun fraudulent actions and leaders to show good examples as Leaders amongst others.*

**Keywords:** *Economic Development, Monetary Corruption.*

### **Introduction**

Longman dictionary of contemporary English (1987) defines Corruption as “ dishonest, illegal or immoral behaviour, especially in someone in power”. Webster’s 3<sup>rd</sup> New International Dictionary sees it as “ to change from good to bad in morals, manner to actions” to become morally debased and weakened”. This includes political and selling of political favours and morality. To Oxford Advance Learners’ Dictionary (1884), corruption means dishonest or illegal behavior especially of people in authority or allegation of bribery and corruptive standards of behaviour. The act of effect making somebody to change from moral to immoral standard of behavior. According to Lemu, (1990), corruption is of broader form covering not only bribery but all forms of facial misconducts in return for gifts or services or agreements of any kind, not necessarily material. Aleem (2011) defines corruption as ‘a political power or influence by an official of the government either to enrich himself or further his cause and or any other person at the expense of the public, in contravention of his oath of office, and or contrary to the conventions of laws that are in force”. Babatunde (1999) also says that “corruption means willingness to do something whether right or wrong in return for favour in kind or cash”. From the above definitions, It can be concluded that corruption connotes immoral, impure perversion and depravation In Nigeria, today, there is hardly anything that can be done or achieved without some elements of corrupt practices. It has assumed an alarming proportion in our society and has become the single most important obstacle to Nigeria development. Meanwhile, there are various forms of corruption activities prevalent in Nigeria today. These include political corruption, bureaucratic corruption, electoral corruption,

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embezzlement and bribery corruption. Onimode, corruption is of six types. Among them are looting and misappropriation of public funds, money laundering, abuse of office and nepotism. Isiyaku (2003) listed four types of corruption, namely: “political, bureaucratic, electoral and also embezzlement and bribery”. As regards the causes and nature of corruption in Nigeria, Aleem (2001) observes that “corruption in office manifests itself in different forms such as sale of votes, administrative or judicial decision or governmental appointment. In addition, distinguished payment in the form of gifts or legal fees, employment favour to relatives, social influence or any relationship that stultifies the public interest and welfare with or without payment of money is usually considered corruption.

### **Causes of Corruption in Nigeria**

Akinseye (2001) States Causes of Corruption as follows:

- Motivational factors: These include inadequate or lack of incentives and motivations for Nigeria generally and the civil servant in particular. These factors include low public salaries.
- Also, the imbalance in the rewarding system has led to much Nigerian losing faith in public service and thus further eroding the moral fibre of most Nigerians.
- Political factors: These include political instability and frequent military interventions in government. Furthermore, the deteriorating state of governance over the years led most Nigerians to resort to helping themselves by defrauding the country in order to fulfill life ambitions and guarantee a secured future.
- Constitutional causes: There are certain clauses enshrined in the constitution such as “Federal Character” which tends to work against the spirit of excellence. Federal character has only succeeded in promoting nepotism, favoritism and tribalism indices of corruption in Nigeria.
- Another constitutional cause of corruption is the immunity granted to certain public officials such as the President, Vice President, Governors and Deputy Governors respectively which has prevented them from being subjected to legal action.
- Economic causes: Sociologist believed that when an individual cannot satisfy his basic needs in life and that of his family, then there is poverty with that. Dike (2000) defined poverty as “a way of life characterized by inaccessibility to adequate health facilities, poor feeding, low quality of education, inaccessibility to various housing and societal facilities. Poverty exists when the resources of a family or an individual are inadequate to provide a socially acceptable standard of living. This eventually leads to corruption. Nigerian is badly affected by these terrible phenomena. The high rate of poverty has indeed, culminated into national corruption.

### **Effects of Corruption in Nigeria**

President Olusegun Obasanjo at the signing into law of the ICPC Act 2000 did assert that:

“With corruption, there can be no sustainable development, no political stability breeding and feeding on”. Despite the establishment of ICPC by President Olusegun Obasanjo, it is sad, that the corruption is on the increase.

- From the economic perspective, Olayinka (2008) pointed out that corruption is one of the major obstacles to the realization of Nigeria’s developmental objectives. Olayinka(2000) went further to state that a substantial amount of scarce financial resources meant to develop the country are diverted into private pockets and/or are snatched away in foreign accounts.
- Another terrible effect of corruption is the it undermines the effectiveness and flow of foreign investments by serving as convenient excuse for refusing to give grant or aids unless foreign personnel

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by allowed to handle the projects. This consequently adds to the rate of unemployment in the country (Olayinka, 2008).

- Furthermore, the incidence of corruption in high places has undermined diligence, commitment and dedication that used to be the hallmark of the civil service to the nation.
- Another effect of corruption is that it can lead to violence, chaos and political instability. Political apathy is the result of corruption. People now perceive political office holder as opportunist who will only rise on the people to amass wealth for themselves and this tends to breed endemic hatred between the rich and the poor. Psychologically, the poor will feel oppressed by the manner in which the highly privileged individuals mismanaged their national economy at the expense of their fundamental human rights.

Victims of this situation would experience isolation and deprivation and would not be able to compete well with mates who are not disadvantaged by absolute poverty. They are constrained and would not be able to develop and actualize their potentials. When youths are fed well, exposed to sound health facilities, quality education and proper housing, they are given the required power of survival and resourcefulness.

### **The Nature and Wave of Monetary Corruption in Nigeria**

The level of corruption in Nigeria is so high and alarming to the extent that Nigeria has been ranked among the most corruption nations of the world (Balami & Naphtali 1999). Monetary corruption engulfs all spheres of human existence in Nigeria with its concomitant negative effects on national development plan scheme. The successive governments in Nigeria either military or democratic had not failed to put anticorruption crusade in place in view of the fact that the nation had been under serious siege of monetary corruption. Muhammad (2005) admits that many political administrators, traditional ruler, religious leaders, traders, massagers etc are not exempted. This is an indication that monetary corruption has a sweeping group on every category of people in Nigeria. According to Olayinka (2008), it is not an over-statement to state that people outside Nigeria see Nigeria as one of the most corrupt countries of the world. Olayinka (2008) further substantiates this fact with the rating of the Transparency International describing Nigeria as the second and fourth most corrupt country in 1999 and 2003 respectively. The World Economic Forum in their public institutions index ranked Nigeria as the second worst corrupt nation among the twenty-one African countries. It is pertinent to mention at this point that various attempts or moves have been made to rid Nigeria of monetary corruption. In this direction, Muritala Rahmat Muhammad resolved to, purge the civil service in 1975 of acquisition and amassment of ill-gotten wealth. The Ethical Revolution of Alhaji Uthman Aliyu Sheu Shagari was targeted at curbing the unprecedented monetary fraud, misappropriation and mismanagement that characterized the second Republic. We cannot but mention the crusade of General Muhammad Buhari's administration that launched War Against Indiscipline to check the malice of squander-mania, abuse of office and graft that characterized the second republic which General Ibrahim Badamosi Babangida launched Mass Mobilization for Social Curb Embezzlement, over-invoicing, currency counterfeiting, illegal currency manipulation and fraud. The I.C.P.C and E.F.C.C are the present watch dogs on corruption economic and financial crimes. In spite of all these moves to wipe-out monetary corruption in Nigeria, it seems that we have been pursuing a shadow in this direction because this mission has not pursued with utmost sincerity of purpose. This is why we have seen people at the helm of affairs committing the crime of monetary corruption on a large scale. Some senate presidents and speakers on the House of Representatives have been removed or impeached based on allegations of monetary frauds. Some Governors, Ministers of the Federal Republic of Nigeria. Chairman, Boards of parastatals etc, have been removed from office and arraigned before the independent corrupt practice commission (ICPC) or the Economic and Financial Crime Commission. All these are sad testimonies to the fact that monetary corruption has been a cankerworm that has eaten deep into the fabric of Nigeria as a Nation.

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### **Monetary Corruption in Nigeria and National Development**

Muhammad (2005), submits that monetary corruption has been responsible for social ills such as poverty, destitution, disease, ignorance, drug addiction, alcoholism, human trafficking, social insecurity and political instability. All these definitely worked against the plans for national development. The goals of national development according to Anyacho (2002) are building:

- A united, strong and self-reliant nation
- A great and s dynamic nation
- A just and egalitarian society
- A land of bright and full opportunities for all citizens and
- A free and democratic society.

The fact remains that no development is substantially feasible in any corruption-ridden nation like Nigeria. Ojebode (2008) highlights the evils which corruption entails according to Justice Mustapha Akande, thus:

*Corruption stunts growth and development, creates Political instability, destroys social-economic life of a Nation, undermines the legitimacy of the state, makes Fiscal planning almost impossible, places the wealth Of the nation in the wrong hands and leads to uneven Distribution of the amenities and prerequisites of life.*

The former President Chief Olusegun Obasanjo while delivering a key-note address the Independent Policy Group (I.P.G) supported by the United Nation Development Programme on Corruption, Accountability and Transparency for sustainable development on the 9<sup>th</sup> of February, 2002 in Abuja, remarked that:

*With corruption, there can be no sustainable Development, no political stability. By breeding Feeding on inefficiency, corruption is literarily the Antithesis of development and progress.*

The effects of monetary corruption on national development are far-reaching. Sulaiman (1987) observes that corruption has imposed hardship on teaming majority of the Nigerian masses, forced them to live under terrible conditions of poverty, wretchedness, hunger and diseases. Without corruption, Nigeria could have reached greater heights of National Development and Progress.

### **Monetary Corruption, Youths' Restiveness And Poverty Alleviation In Nigeria**

There are reports of violence almost every day in dailies in parts of the country. The moment funds voted for nation building embezzled by those in authority, human and infrastructural resources would suffer attention. The fund budgeted for certain developmental works such as construction of good roads, health services, quality education, regular supply of drinkable water and agricultural projects are misappropriated. The youths who feels cheated, marginalized and deprived as a result, might take to restiveness and vengeance. The labour market has become saturated that everyone has lost count of the number of youths that are now jobless (Akinseye, 2001).

The most finds to be invested infrastructures and development of human capital has been siphoned by few selfish minorities either in government or high echelon of civil service. We have been hearing of various events of youths' restiveness in the Niger Delta region which have been paralyzing socio-economic activities of the region and of the government. There have been untold records of kidnapping activities in which the kidnapers

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demanded huge amounts of money as ransom. The activities of the Pipe-line vandalization and tapping are not new as youths get-actively involved. There are occasions of youths posing threats to peace especially in the Niger Delta. This has always been based on feeling of been marginalized. In his remarks, Chief Albert Horsfall-the Chairman of Rivers State Social Rehabilitation Committee which is responsible for the re-integration of militant youths of Rivers State origin into the Civil Society has this said:

We have to give opportunity to Niger Deltans to have  
The change ot be what they aspire to be and secondly,  
There has to be fairness in revenue distribution.

He further remarks that:

*“The most important development which the Nigeria Delta region needs is not infrastructure development, But human development. If you development the Infrastructures, build good roads, hospital, electricity etc. and do not develop those who will use them, sooner or later the infrastructures will be misused.”*

The idle hands they say, is the workshop of devil. If the wealth of the nation that has been siphoned and misappropriated by few selfish ones has been channeled to create jobs and develop youths, restiveness would be reduced to the barest minimum. Abiodun (1996), observed that Nigeria is rich in land, people, oil and natural gas resources and could have been poised for a promising future if more of this wealth had been channeled to the development of its people and to more of this wealth had been channeled to the development of is people and to the productive use of its land and other resources. If we are to go by the definition and poverty as in ability to provide for physical subsistence to the extent of being incapable of protecting human dignity which include food, clothing, shelter, portable water, health services, basic education, public transportation and work the resources we have in Nigeria are enough if properly used to tackle these social problems. Youths’ restiveness would be checked if this poverty is alleviated.

## **Conclusion**

Corruption is seen as the use of position to extort something either in cash or kind from the public in furtherance of personal gain, contrary to expected behavior attached to the position occupied. It is the lawful use of the official power of influence by an official to enrich himself at the expense of the public in contravention of his oath of office. Monetary corruption has been the bane of national development in Nigeria and when there is no development in terms of human perspective, the youths who feel excluded from development plans would take to restiveness. Attempts have been made in the past and are still being made by the government to combat crime on monetary corruption in Nigeria.

## **Recommendations**

In order to find a lasting solution to the monetary problem of corruption in this country, it is therefore recommending that;

- Proper education which teaches good moral values should be introduced in Nigeria schools and be made compulsory at all levels.

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- Religious leaders should intensify their campaign on the need for Nigerians to earn clean money and shun fraud, embezzlement, bribery and corruption. They should be reminded of their accountability before God on the day of judgement.
- There is need to appeal to the conscience of our leaders to show good examples. Religious leaders must not only preach good moral values but should also be good examples.
- There is need to introduce adequate reward for good and honest civil servants. Enforcement of sanctions against those found guilty of corruption, should also be put in place. Well coordinate poverty reduction programs and job creation should be intensified.
- Entrenchment of the culture of free, fair and credible elections should be given priority by the government.
- Our leaders particularly those in governance must ensure that the proceeds of our resources circulate round so that every Nigerian will have the impact of government.
- The fight against corruption should not be left for government alone but should have in the voyage every citizen of the nation.

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