

The Economic and Financial Crimes Commission (Efcc) and the Fight against Corruption in Nigeria.

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Abstract: *This research examined the economic and financial crimes commission (EFCC) and the fight against corruption in Nigeria. This research is an appraisal of Olusegun Obasanjo's regime and also corruption eradication in the Nigeria political body. The institution was established to tackle the menace of corruption in the country. The Government is incapable of curbing corruption in Nigeria since the institutions which established it is not corruption free. The method used in gathering and analyzing data in this research is essentially library research, content analysis from library materials, Journals and other unpublished papers. This research will serve to stimulate the interest of the researchers and various world government and bodies on the subject matter.*

Keywords: *EFCC, Corruption, anti-corruption and Nigeria.*

I. Introduction

The issue of corruption continues to elude Nigeria ever since our Independence. It is affecting the entire population both at the grass roots up to the political leaders. Even the insane people in the country could recognize the havoc caused by corruption. Evidence abound that the rate of corruption especially financial crimes like advanced fee fraud (419) and money laundering committed in Nigeria is alarming. Nigerian's are treated with suspicion in all business dealings. Majority of honest Nigerians suffer as the result. In regards to this, Hassan (2004), opined that the Federal Government should try to implement an intensive programme of eradicating the menace of corruption in the country. This is because, it has the political will to achieve this objective. The most relevant effort is the creation of EFCC. The EFCC was established by an act of parliament on December 13th 2002 by the Federal Government [1, 2, 3].

They began full operation in 2003. It has support from the presidency, the legislature, security and law enforcement agencies in Nigeria [4]. The commission is primarily charged with the responsibility of eradicating all the economic and financial crimes such as: Advanced fee fraud, money laundering, counterfeits, future market fraud, fraudulent encashment of negotiable instrument, computer credit card fraud, contracts scam, embezzlement of public funds and illegal acquisition of company shares which do not exist to investors [5, 6, 7 and 8].

According to Ajaero (2004), our politicians are also not exempted in this financial crime. In Nigeria today, people see politics as a short cut to becoming a millionaire. Those voted into power use it as an opportunity of looting the public funds, diverting them to their personal account instead of providing the people with dividends of democracy. According to Bajo (2004), corruption has continued to be a destructive element in the government of Nigeria and the perception of the country in the community of nations. It has resulted to a lot of problem, thus: Loss of government, brain drain, electoral malpractices and absence of law and orders [9 and 10].

Statement of the Problem

Nigeria since independence has witnessed one type of corruption or the other, especially financial misconduct at local, state and federal government levels. However, the magnitude, the effort and brazen at which corruption is now being committed to every meaningful citizen and foreigners are alike. The paradox of it is that successive governments have in many ways claimed to fight corruption but each has always come out worse than the previous state of matter in corruption rating. Many Nigerians have being enriching themselves through crooked ways especially advanced fee fraud and money laundering [3]. Top government officials loot the public funds and divert them into their private account, while the masses suffer in abject poverty and die of starvation. While we are blessed with enough national and human resources that can easily make a nation to be great. This research investigated why Nigeria is the fifth highest largest producer of petroleum and still rated as one of the thirtieth poorest and third most corrupt country in the world through the operation of economic and financial crimes commission [2].

Theoretical Frame Work

To answer properly the questions raised in this work in respect of effectiveness of the EFCC act in combating corruption in Nigeria and its achievement in combating corruption in the Nigeria political economy. The study adopted the structural function theory as its theoretical framework. This theory was very effective among many other means for the study and understanding of social system and other related phenomena. Structural function theory was propounded by American sociologist, Talcott Parson and Robert Merton (1910) as well as anthropologist Rad Cliff -Brown (1955) and Bronislaw Malinowski (188 –1942). Structural function theory essentially viewed society as system made up of a certain arrangement of parts (structures) which behave (functions) in a coordinated and interdependent manner to achieve the objectives intended for them by the society. Structural functional theory remains one of the most creative attempts in the social science to develop a well integrated theory. This theory has helped out in a deeper understanding of the societal process. Relating the theory to our study, EFCC is a structure in Nigerian society and has its own basic function of checking crimes. In the light of the structural functional theory, the extent of which EFCC has reduced the level of corruption in Nigeria within the period it has lasted, determines the anti corruption institution's effectiveness or its inability to check corruption in Nigeria.

Significance of the Study

A study of this nature is expected to improve performance of the EFCC in Nigeria economy. This means that the organization including other sectors of the economy will be better perceived. The government and its officials should learn to be accountable for their various offices, also adopt new measures to ensure a total sanity in the country; The general public will understand that nobody is above the law and no matter the position or status; Foreigners also will benefit from the research work put together. They will no longer see Nigeria as one of the most corrupt nations of the world. Rather they will appreciate the effort of the Nigeria government through EFCC to restore the last integrity of the country and returning to them that money stolen by fraud stars. They can as well start to invest in Nigeria never to panic about the safety of their investment; for students and the academia, it will be a stepping stone for further research on the issue, thus acting as think tank information for students.

Research Hypothesis

The following hypothesis will serve as a major guide to affirm or reject some of the facts involved in the problems already mentioned. The hypothesis includes, there is an extent of EFCC effort in curbing economic and financial crimes in Nigeria; There are implications of economic and financial crimes in Nigerian economy as regards to foreign investors; There is a positive effect of EFCC in the Nigerian economy; There is an achievement made with the previous administration in fighting economic and financial crime in Nigeria.

Method of Data Analysis

Data obtained from the oral interview were drawn by examining the numbers of responses to which oral interview was administered to. At the time of conducting this research, it was learnt from impeccable sources within the anti graft agency that EFCC has taken over 700 cases to court with a record of over 400 convictions. While the rest are still pending before the court. This forms population study.

Method of Data Collection

Oral interviews were also used to get factual data from the staff of the economic and financial crimes commission. The personal interview was conducted and only sixty six (66) staff responded out of the one hundred (100) staff approached. The oral interviews were to enable this study to identify and examine other efforts made by the past and present government to fight corruption in the country. The oral interviews were designed to obtain information on the contribution of the EFCC in the global war against economic and financial crimes in all its ramifications.

Scope and Limitation of the Study

For the fact that EFCC have operated for only ten years and this led to a limited data for the research. Moreover the cost involved in a study of this nature also contributed.

Objectives of EFCC

- (a) To enhance the effective and capacity in detection and prevention of financial crimes.
- (b) To enhance and supplement financial sector supervision.
- (c) To facilitate the implementation of monetary policies by discouraging the developments of an underground economy.

- (d) To facilitate the compliance with some requirement of the financial sector assessment programme (FSAP) of the international monetary fund (IMF) and the World Bank.
- (e) To maintain a system of monitoring international economic and financial crimes in order to identify suspicious transactions and persons involved.
- (f) The inculcation of prudential and sincere dealings amongst Nigerians through transparent value system and preventive measures.

Method of Data Presentation and Analysis

Presentation of Data

Out of one hundred staff of EFCC interviewed and admonished, sixty six (66) staff responded while thirty four (34) staff did not respond. Therefore, the response rate was 66% and 34% did not respond. The first information will be on educational qualification of respondents.

Table: 1 Educational qualification of respondents

Level of education	No. of respondents	Percentage G.E of respondents
EFCC	0	0
WEAC	27	40
NCE/OND	9	14
HND/B.Sc	15	23
Post-graduate	6	9
Professional qualification	9	14
Total	66	100%

Source: Field work, September 2012

This table indicates that none of the respondents had primary six as their highest educational qualification, 9 or 14% had NECO/OND as their highest qualification, 15 or 23% of the respondents were graduates or HND holders, 6 or 9% of the total respondents were post graduates, while 9 or 14% are trained professional bodies.

Table 2: Sex of respondents

Level of education	No. of respondents	Percentage G.E of respondents
Male	40	60%
Female	26	40%
Total	66	100%

Source: Field work, September 2012

From the table, the total numbers of male respondents were 60, constituting 60%, while 40 percent were female, and the sex of respondent shows that majority of respondents were male.

Table 3: Marital status of respondents

Level of education	No. of respondents	Percentage G.E of respondents
Married	45	68%
Single	21	32%
Total	66	100%

Source: Field work, September 2012

This table reveals that out of the 66 respondents, that a greater number of respondents are married. Thus 45 or 68% of respondents are married while 21 or 32% of respondents are single. In effect, this implies that information given by the respondents during the oral interview could be relied upon based on the fact that majority of them are matured and dully understand the question asked them.

Table 4: Showing the achievement made by the previous administration in fighting economic and financial crime in Nigeria.

Details	No. of respondents	Percentage G.E of respondents
No. of achievement	20	30
There is achievement	46	70
Don't know	-	-
Total	66	100%

Source: Field work, September 2012

This table shows that 20 or 30 of the respondents are of the opinion that no achievement was made by the previous administration in fighting economic and financial crimes in Nigeria. While 46 or 70% of

respondent accepted that there is a tremendous achievement made by the previous administration in fighting economic and financial crimes in Nigeria.

Table 5: Is there any factor that led to the creation of EFCC in Nigeria?

Details	No. of respondents	Percentage G.E of respondents
Yes	60	91%
No	6	9%
Don't know	-	0
Total	66	100%

Source: Field work, September 2012

This table shows that 60 or 91% of the respondents agreed that there are factors that led to the creation of economic and financial crime commission in Nigeria. Then 6 or 9% of respondents disagreed and believed that no serious factor could led to the creation of EFCC in Nigeria.

Table 6: What is the extent of EFCC efforts in curbing economic and financial crimes in Nigeria?

Details	No. of respondents	Percentage G.E of respondents
Good	10	30%
Fair	11	17%
Poor	10	15%
Very good	15	23
Total	66	100

Source: Field work, September 2012

From the above table, it shows that 30% of the respondents believed that extent of EFCC efforts in cubing economic and financial crimes in Nigeria were excellent. 15% are of the opinion that it is good, 17% accepted it was fair, 15% maintained that it is poor, while 23% confirmed that it is very good.

Table 7: What are the positive effects of EFCC in Nigeria economy?

Details	No. of respondents	Percentage G.E of respondents
Very effective in crime	52	79%
Reduction	-	-
Frustration	6	9%
Ineffective	8	12
Total	8	12

Source: Field work, September 2012

The table indicates that 52 or 79% of respondents are of the opinion that the positive effect of EFCC in Nigeria economy is very effective in crime reduction and control. Thus 6 or 9% of the respondent opined that the positive effect of EFCC in Nigeria economy is frustrating, while 8 or 12% of the total respondents maintained that there was no positive effect of EFCC in curbing economic and financial crime commission in Nigeria.

Method of Data Collection

Oral interviews were also used to get factual data from the staff of the economic and financial crimes commission. Personal interview was conducted and only sixty six staff responded out of the one hundred staff approached. The purpose of the oral interview was to generate information required to validate or reject the formulated hypothesis in this chapter. The oral interviews were to enable this study to identify and determine others made by the past and present government to fight corruption in the country. The oral interview was designed to obtain information on the contribution on the global war against economic and financial crimes in all its ramifications.

Method of Data Analysis

Data obtained from oral interview were drawn by examining the number of respondents to which the oral interview was administered to. Analysis was made based on the information gotten from different table presented on this research. It was learnt from impeccable sources (employees) within the anti graft agency that EFCC has taken over 700 cases to court with a record of over 400 convictions, while the rest are still pending before the court. This forms the population study.

Hypothesis

1. There is a positive effect in curbing economic and financial crime in Nigeria by the EFCC.
2. There are achievements made with the previous administrations in fighting economic and financial crimes in Nigeria
3. There are implications of economic and financial crimes in Nigeria economy as regards to forget investors.
4. There is positive effect of EFCC in the Nigerian economy.

II. Discussion

It has been observed that officials of EFCC do not show enough commitment to their duty. In some case where it is obvious that some people engaged in dubious activities and make wealth from these acts, the staff of the EFCC do not easily swing to action due to their personal preferences and values. This does not augur well for fight against corruption in Nigeria [7].

It was also found out that the characters of the society also help to inhibit the effectiveness and efficiency of the commission in pursuit of its mandate. Thus in assessing the success and achievements of EFCC since success and failure which are not in equilibrium. This means that the level of failure recorded outweighs the amount of success achieved so far.

Therefore, the success recorded by EFCC is not enough to say that the commission has succeeded in its mandate of fighting corruption in Nigeria. Nigeria has one of the most corrupt system in the world for this reason, Obasanjo's regime instituted an anti corruption campaign with its coming to power in 1999. The government gave legal backing to that through an anti corruption Act and the establishment of EFCC as an agency vested with powers to investigate and arraign those indicated over corruption and financial crimes before courts of law [3].

The tough image against corruption being depicted by the EFCC is a mere political bravado. The regime is a child of corruption. This same regime established the EFCC anti-corruption institution. It becomes apparent that the Act establishing the EFCC is not capable of curbing corruption in Nigeria since the administration that established the institution is not corrupt free. And there is no way the operations of the EFCC could have any credibility in a situation in which those who should have been their prime targets are being shielded from prosecution by a corrupt state [4]. This is to say that EFCC Act is not suitable enough in combating corruption in Nigeria because the anti-corruption programme is not credible and effective. The EFCC activities in combating corruption in Nigeria have not succeed because the anti corruption law is at variance with the deep rooted corruption in Nigeria political economy.

III. Conclusion

The political system and the culture of the Nigeria society made the EFCC more prone to failure. Some of the factors that made up the culture of the Nigerian society include a Great inequality in distribution of wealth, political office as the primary means of gaining access to wealth and conflict between changing moral codes, the absence of a strong sense of national community. These factors contributed to the weakness of social and governmental enforcement mechanisms which EFCC is one of them. The factor mentioned above make up the character of the Nigeria state and has made it difficult for EFCC to succeed in combating corruption in Nigeria.

IV. Recommendations

Obasanjo's anti-corruption efforts through the EFCC anti-corruption institution would have been largely successful if more practical and sincere measures were devised. The onus therefore lies on the commission to learn from history [7]. For Nigerians to truly embark on the exercise aimed at eradicating corruption, the belief system of the society has to be changed. The people must be reconnected to know that political office carries responsibilities assigned to the holder to perform their duties with accountability and responsibility to the people and not to be seen as a primary means of gaining access to wealth. The government should provide employment to the people in order to discourage the situation in which people engage in sharp practices to make ends meet. To make EFCC strong, the commission must be empowered to go after anybody that is perceived to be engaged in corruption and sharp practices. This is to ensure that there are no sacred cows in the fight against corruption in Nigeria. There must be absolute transparency, which implies that publication of all the financial dealings of government at every level. There should be a made law of the land that every allocation made by the level of government, ministry and department must be published so that public will know how the government ran. Finally, effective and applicable laws must be put in place. The laws should also ensure that every citizen is treated on equal basis and allowed every citizen the privileges that they deserve as citizens of Nigeria. No government regime should use the EFCC as a window of dressing, which the Obasanjo administration has been doing with EFCC. In addition, no government should use the EFCC to cover their corrupt and other fraudulent practices.

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