Corruption in Nigeria: Historical Perspectives

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With this essay by Segun Osoba we begin an occasional series of guest essays by distinguished African scholars in which they reflect on key political, social and developmental issues. This essay is based on a paper presented to the August 1995 conference on Ethics in Government, organised by the Civil Liberties Organisation, at Ijebu-Ode.

Corruption is a global phenomenon, intelligible only in its social context. It can be defined as anti-social behaviour conferring improper benefits contrary to legal and moral norms, and which undermines the authorities’ capacity to secure the welfare of all citizens. In Nigeria it became the principal means of private accumulation during the decolonisation period, in the absence of other means, and came to shape political activity and competition after independence.

All subsequent regimes, military and civilian, have been pervaded by corruption. Aided and enhanced by oil revenues, this has created a deepening crisis of kleptocracy, shown in is most extreme form since 1984. It results in a combination of scandalous wealth among the ruling class with growing poverty, misery and degradation among the mass of Nigerians. Political life has become dominated by winner-take-all factional struggles, political cynicism and violence, while the economy and social institutions have been driven into decay.

Corruption has thus become a way of life in Nigeria, one which existing governments neither wish to, nor can, control. Combating corruption requires a popular participatory democracy able to monitor and hold to account those in charge of the state and the treasury.

Theoretical and Moral Presuppositions
Contrary to the prevailing practice among most social scientists and other students of society (like lawyers, historians and philosophers), who claim, or make a pretence at objective, value-free analysis and explanation of any social phenomenon, I openly acknowledge that all attempts to explain social reality, or any aspect of it, are necessarily informed by philosophical and moral presuppositions, explicitly or implicitly made by the scholars concerned. Consequently, no valid distinction can be made among students of society on the basis alone of their objectivity or lack of objectivity, since they are all carriers of prejudices and predilections of a philosophical or moral nature, or both. The proper distinction that can be made is between scholars who explicitly state their prejudices and predilections and those
who hide theirs behind the smokescreen of value-free and objective analysis. Stating one’s presuppositions enables one’s readers and audience to establish one’s prejudices and predilections and assess the extent to which such prejudices have affected one’s choice and use of evidence in the construction of any analysis and explanation of a social phenomenon. Consequently, the ability by the reader or listener to establish the author’s peculiar prejudices and assess the extent of their influence on the author’s construction of social reality makes it possible for the reader or listener to make allowance for the author’s bias(es) in arriving at his or her own independent judgment on the author’s representation of social reality. Such active participation by the reader or listener, alongside the author, in reconstructing and explaining social reality becomes well-nigh impossible when an author hides the philosophical and moral presuppositions informing his or her analysis and explanation of social reality behind the shibboleth of objective and value-free analysis.

Given the notoriously recurring character of corruption as a social phenomenon in the Nigerian polity from colonial times to the present, it is my humble opinion that the enterprise for the study, analysis, explanation and solution of this persistent and progressively worsening problem is too serious and important to be left to social scientists, historians, philosophers and lawyers alone. Hence the need for these scholars to involve their readers and listeners in the process of analysis and explanation by making their presuppositions and, therefore, their prejudices and predilections explicit in their works.

Hence, I start this discussion of corruption in Nigerian society by offering a definition of corruption informed by philosophical and moral presuppositions which I uphold, but which other people may find unacceptable. Corruption in my view is a form of anti-social behaviour by an individual or social group which confers unjust or fraudulent benefits on its perpetrators, is inconsistent with the established legal norms and prevailing moral ethos of the land and is likely to subvert or diminish the capacity of the legitimate authorities to provide fully for the material and spiritual wellbeing of all members of society in a just and equitable manner. I attempt to list below all the presuppositions that I can explicitly identify as informing the definition stated above and my whole analytical, explanatory and prescriptive approach to the issue of corruption in our society:

1) Corruption was not invented by, nor is it peculiar to Nigerians. On the contrary, it is a global phenomenon with deep historical roots, although it manifests itself with significant similarities and differences in different societies, depending on the peculiar systems of power distribution and the legal and moral norms operating therein.

2) Corruption, like all social phenomena, is intelligible only in its total social context: its peculiar form, dynamics and degree of social and cultural acceptability or tolerance being critically related to the dominant mode of capital accumulation; income, wealth and poverty distribution; power configuration; and the underpinning moral and ethical values operating in a given society.

3) Corruption in Nigeria is a kind of social virus which is a hybrid of traits of fraudulent anti-social behaviour derived from British colonial rule and those derived from, and nurtured in the indigenous Nigerian context.
From Petty Thievery to Army Robbery

Colonial Period
Classical colonial rule that lasted until the end of the Second World War was essentially the unrestrained autocratic and authoritarian rule of a small band of British colonial officials aided and abetted by their compatriots among the European Christian missions and monopoly trading firms operating in Nigeria. This international bourgeoisie of usurpers of the Nigerian people’s sovereign power and authority established a kind of praetorian or military rule (Dudley, 1973:21-39) underpinned by a mode of capital production, appropriation and accumulation that was dominated by the monopolistic and oligopolistic practices of major European trading firms. Thus the colonial authorities and their collaborators presided over a fraudulent and corrupt accumulation system, which facilitated the appropriation of huge surpluses for shipment to the metropolis from Nigerian peasant farmers and other petty producers via unequal terms of trade; Nigerian workers via meagre, often below subsistence, wages; all adults via primitive and exorbitant taxation; and the entire population (including unborn generations) via exclusive monopoly rights of exploitation granted to British and other European firms over Nigeria’s mineral and other natural resources.

This mode of colonial authoritarianism generated a crisis of accumulation whereby, in the Fanonian sense, ‘to be white was to be rich and to be black was to be poor’, since the only roles available to most Nigerians in the colonial economy were menial ones like peasant farming, petty trading, petty clerical and subordinate jobs in the bureaucracy and the trading firms. By the end of the Second World War this crisis of accumulation had resulted in such sharpening of the contradiction between the British colonial rulers and the ambitious up-and-coming Nigerian bourgeoisie or foster elite as to enable the latter to challenge the power monopoly of the former, thus forcing a change in the colonial project. This, however, resulted only in the cosmetic transformation both of the mode of capital accumulation and the structure of governance, dubbed by historians as the policy of decolonisation during the last decade or so of British colonial rule in Nigeria.

Period of Decolonisation (1952-60)
The most striking feature of the politics of decolonisation was the deftness with which the British colonialists arranged to perpetuate themselves in a dominant position over the wealth of Nigeria and its accumulation process by putting in place a spurious power-sharing arrangement or partnership between themselves and their monopoly enterprises on the one hand, and the fledgling Nigerian bourgeoisie on the other. Care was, however, taken to ensure, through a series of cleverly stage-managed constitutional projects from the Richards Constitution of 1946 to the Independence Constitution of 1960, that the British international bourgeoisie remained the senior partner and their Nigerian counterparts were no more than a junior or subordinate partner in this power-sharing arrangement.

By progressively transferring formal legal authority to rule to their Nigerian surrogate bourgeoisie under decolonisation the departing British colonialists succeeded in securing their acquiescence in the retaining, even consolidating and enhancing of the existing structures of accumulation under which foreign monopoly capital dominated all the key sectors of the economy – export-import trade, extractive and manufacturing industries, banking, insurance, shipping etc. The sweetener in this
pact of unequal partnership was the admission of several key and politically influential members of the Nigerian ruling bourgeoisie from the three regions and Lagos into lucrative but honorific and powerless partnerships and directorships (and as agents, distributors and representatives) in the major foreign enterprises. This was in addition to the new opportunities of private accumulation which became open to politically influential members of the Nigerian bourgeoisie who became ministers, chairmen and members of public corporations or parastatals with powers limited only by the veto of the ultimate colonial authority to award contracts for public projects, issue commodity buying agents’ licenses, award scholarships to students, grant government loans to cash-strapped indigenous contractors and businessmen. All these new roles as political and economic decision-makers in the public domain opened the doors to new forms of corrupt and substantial capital accumulation to major members of the Nigerian ruling class, as opposed to the pre-decolonisation era when, because of their marginal position in the scheme of things, they had severely limited access to corrupt accumulation. It is to this period of decolonisation that the pervasive phenomenon of ‘ten per cent’ kickbacks dates, as executors of a whole array of public policies insisted on a prepayment to themselves of at least 10 per cent of the value of the favour being sought by members of the public (contract, licence, scholarship, employment etc.) before performing the duty for which they were already being paid generous salaries and allowances from the public treasury.

Independence and its Immediate Aftermath (1960-66)

Since the dominant character of the colonial state and economy in Nigeria was the marginalisation of the African population and the virtual monopoly of political and economic power by the white agents of British rule, scarcity of capital, for investment in commerce, industry and agriculture and also in personal and social development, like higher and professional education, was a pervasive phenomenon throughout the country. The problems confronted by the two latter-day financial giants of the First Republic in their attempts to raise capital in the closing decades of colonial rule amply illustrate the phenomenon of capital famine among all sections of the indigenous population. Neither Azikiwe in the 1920s nor Awolowo in 1944 was able to raise substantial capital to fund his higher education overseas. Azikiwe had to work and study initially in the US before he accumulated enough credits to win scholarships and fellowships which enabled him to complete his university education. As for Awolowo, because of the limited borrowed resources at his command, he was not able to register with London University as an internal student of law, but rather as an external student relying on private study during his three-year sojourn in England from 1944 to 1947. Both men also confronted the crisis of capital formation in their respective ventures to set up newspaper organisations in the 1930s and 1940s (the West African Pilot and others by Zik and Nigerian Tribune by Awolowo) as instruments for promoting their political ambitions. Both organisations operated at a low level of capitalisation and excellence before the introduction of majority African governments in 1952 when the new political dispensation opened new avenues of capital formation to the two leaders.

The point of this illustration with the cases of Awolowo and Azikiwe is first to underscore the fact that dearth of capital was not peculiar to the two men, but rather that their plight was typical among Nigerians under colonial conditions. Secondly, this experience of capital famine by the up-and-coming Nigerian elite who entered into the power-sharing partnership with the British colonial authorities in 1952 and ultimately took over from them at independence in 1960, profoundly affected their attitude to the use of state power and the state treasury when they acceded to supreme
political power just before and at independence. Even before independence, Zik as premier of Eastern Nigeria had been exposed by the Foster Sutton Tribunal of Enquiry of 1956 into the African Continental Bank (ACB) to have abused his position as head of government to divert huge sums of Eastern Nigerian government funds into his own bank, the ACB, thus solving the bank’s problem of chronic shortage of operating capital and in the process substantially enriching himself. In the same way the G. B. A. Coker Commission of Inquiry of 1962 into six Western Nigerian public corporations revealed several ingenious and brazen devices by which Awolowo and his colleagues in the leadership of the Action Group Government of Western Nigeria enriched themselves and their party fabulously at the expense of the accumulated funds of the Cocoa Marketing Board, property of the whole people of Western Nigeria.

These two cases of judicially investigated corruption in Eastern and Western Nigeria were not unique. On the contrary they were only two dramatic examples of a phenomenon that was pervasive all over the country during the first Republic. The only difference between the North and South at this time was that in view of the monolithic solidarity of the Nigerian People’s Congress (NPC) government of the North, with the emirate authorities of the Sokoto Caliphate system serving as a cementing factor, there was no split in the NPC akin to that between Zik and E. O. Eyo in the National Council of Nigerian Citizens (NCNC) government in the East in 1955-56 and that between Awolowo and Akintola in the Action Group in 1961-62. Consequently there was no insider revelation of the goings-on in the Northern Nigerian government, as the Eyo faction of the NCNC made before Foster-Sutton and the Akintola faction of the Action Group made before Coker.

In effect, therefore, the succession of the Nigerian political elite at independence to the sovereign political authority meant that they could now attempt to solve their central problem of dearth of private capital by broadening their accumulative base through exploiting maximally the public wealth of the state which was previously unavailable to them. They were thus able to diversify their activities into new, often dubious and fraudulent forms of primitive private accumulation at public expense. These forms included the fraudulent award (including outright sale) of unsecured government loans, produce buying and import-licenses to their cronies, the inflation of government contract values (and the consequential enlargement of payable kickbacks to themselves), and the straightforward looting of the treasury by its very custodians. The attempt by each of the three major political groupings that dominated the politics of the First Republic to monopolise, or at least have the lion’s share of, the loot from this systematic plundering of the wealth of the nation was a major factor in intensifying and embittering the contest for political power along ethno-regional lines – a process whose high points were the action group crisis (1962), census crisis (1962-63), federal election crisis (1964), Tiv rebellion (1964-65), and Western Nigeria election crisis (1965), making the country more or less ungovernable and culminating in the Kaduna Nzeogwu military coup d’etat of January 1966 and the tragic and disastrous intrusion of the Nigerian armed forces into the political life of the country.

Military Rule and the Foundation of Kleptocracy (1966-75)
The abortive Nzeogwu-led coup d’etat of 15 January 1966 lasted for only a couple of days in its futile attempt to end the misrule, inepitude and corruption of the preceding five years plus. In spite of its failure it set the agenda of military rule in Nigeria as a ‘corrective’ form of governance committed against corruption and indiscipline and in favour of restoration of democracy and justice. This agenda set by Nzeogwu in his broadcast on Radio Kaduna on 16 January 1966 has been
opportunistically and fraudulently adopted by all subsequent military regimes, including the Aguiyi-Ironsi government of January to July 1966 and the current Abacha government. The truth of the matter, however, is that this original, supposedly revolutionary and patriotic, agenda of Nzeogwu has been observed mainly in its breach by all the successor military regimes.

The Gowon regime resulting from the Northern-sponsored counter-coup of 29 July 1966 was the first substantive military regime that had ample opportunity over a period of nine years to fashion the Nigerian state in the image of the military. Apart from the initial effort of continuing and extending the work of the Ironsi regime in exposing the corrupt activities of the First Republic politicians through various investigating panels into government parastatals and assets of public officers, the Gowon regime quickly settled down to its own project of stripping the state through different forms of primitive and fraudulent accumulation. In addition to all the pre-existing forms of unlawful enrichment for public officers in the civilian and armed services, the Nigerian Civil War (June 1967 to January 1970) provided sensational opportunities for unlawful enrichment: for example, the misappropriation of the salaries and allowances of soldiers killed in action for several months by their commanders; the gross inflation of military procurement contracts; the payment of inflated contract fees several times for the same goods or services, or none at all; the looting of public and private properties in occupied territories by both the Nigerian and Biafran armies. The classic case was the looting of millions of pounds sterling from the Central Bank Benin in 1968, a crime which both armies blamed on each other.

The immediate post-civil war period coincided with the era of petroleum boom when Nigeria’s petroleum production grew phenomenally and the revenue from petroleum sales grew even more dramatically especially after the Yom Kippur War of 1973 when there was a fourfold increase in international petroleum prices. This was the time when the Nigerian treasury was so awash with petro-dollars that Gowon’s Governor of the Central Bank declared publicly that money was not Nigeria’s problem, but how to spend it. Given this apparent over-abundance of cash in the national till, it was not surprising that there was dramatic escalation in the incidence of corruption and unlawful enrichment. Witness the sensational public charges of corruption made in sworn affidavits against J. S. Tarka, Gowon’s Federal Commissioner for Communication, by Godwin Daboh and against Joseph Gomwalk, Gowon’s Benue-Plateau State Military Governor by a school teacher Aper Aku.

An important factor in the phenomenon of corruption during the Gowon regime, and in all subsequent military regimes, attaining its apogee in the Babangida-Abacha regimes, was the total lack of budgetary discipline and financial accountability. For instance, there was no year in Gowon’s nine-year dictatorship when the Ministry of Defence (translate to ‘the armed forces’) did not overshoot its approved estimates of expenditure by several million pounds sterling or naira, without going through the inconvenient process of passing through the Executive Council and/or Supreme Military Council a supplementary appropriation decree. The Ministry of Defence with the connivance, if not the active encouragement of the Government, also consistently ignored the Auditor-General’s queries concerning these vast unauthorised and illegal expenditures every year.

From the foregoing, it would seem that the phenomenon of corruption attained a distinct and higher stage of development during the nine years of Gowon’s administration. For one thing the governments of the First Republic had to observe a minimum level of formal accountability to their elected legislatures, their larger
public and electorate, if they hoped even to be able to rig the next election, as they usually did, with a modicum of credibility. This meant that they had to pay formal attention at least to the institutional arrangements for ensuring accountability, notably: (a) keeping strictly to the provisions of the budget and raising a supplementary appropriation bill in the legislature before overspending the original budgetary appropriations; (b) passing all government accounts of expenditure through the scrutiny, sometimes hostile, of the Public Accounts Committee of the legislature; and (c) observing, as a matter of public policy, the fundamental civic right to freedom of expression, including press freedom, whereby it was legitimate for any member of the public to express critical judgment on any act or policy of government, including the way and manner in which the government managed or mismanaged the wealth of the nation.

By freeing the rulers from these restraints imposed on them under the principle of accountability, military rule transformed itself, as it did in many Latin American countries in the 1960s and subsequently, into a ‘kleptocracy’, or ‘thievery as a system of government’, or what Stanislav Andreski (1966) terms ‘institutionalised robbery of the state by its very custodians’. Andreski’s list of the variety of graft sustaining a Latin American Kleptocracy of the 1960s or 1970s corresponds almost on a one-to-one basis with observable facts in Nigeria at the end of the Gowon era: the widespread speculation and bribery indulged in by petty state officials, the ruthless and heavy financial exactions of the police from the ordinary people, the racketeering surrounding the collection of customs duties, the fraud appertaining to the award of government contracts and licenses of various kinds, the fraudulent transactions involved in government sales and purchases and, of course, ‘the simplest form of graft [which] is the straightforward transfer of funds from state treasury to the private accounts of the principal members of the ruling clique’ (Ibid:62-67).

In view of the ramified nature of corruption and its great profitability to the members of the ruling cabal, it was hardly surprising that, from 1973 to 1975, corruption was the single most significant issue on which the Gowon regime became seriously embattled with the Nigerian public. It was also hardly surprising that Gowon and his cronies reneged in 1974 on their promise, made in 1970, to hand over power to an elected civilian government by 1976, declaring that 1976 was ‘no longer realistic’. In effect this declaration by Gowon sealed the fate of his regime and provoked the Murtala Mohammed-Obasanjo palace coup against him on 29 July 1975 on the grounds of the unacceptable level of corruption in the government and the grave dishonour done to the armed forces by Gowon’s setting aside of the 1976 handing-over date.

The Murtala-Obasanjo regime that succeeded Gowon on 29 July 1975 learnt some lessons from the circumstances of Gowon’s fall from power. In the first instance, it waged a very noisy war against corruption and indiscipline. A whole rash of assets probes of top public officers were set up by the regime at the federal and state levels which revealed many scandalous cases of fraudulent and unlawful enrichment on the part of many high-ranking officers, and resulted in the dismissal from office of ten out of twelve state governors, many federal and state permanent secretaries, chairmen and board members of federal and state public corporations, and hundreds of lesser functionaries. As a consequence of these asset probes those found guilty of unlawful enrichment (like state governors, federal and state commissioners, permanent secretaries, board members of public corporations, and other top public functionaries) were made to forfeit to the state monies, landed properties, stocks and shares and other assets adjudged by the assets probes and the government to have been acquired
in excess of their legitimate earnings during the relevant period. The regime also promptly promulgated a four-year transition to civil rule programme, which it kept to meticulously, in spite of the abortive Dimka-led military coup resulting in Murtala Mohammed’s death six months after the regime came to power. The war against the twin vices of corruption and indiscipline was more noisy than effective and there are quite a few knowledgeable people who considered it a phoney war, drummed up more for the regime’s self-promotion than out of concern for the public morality and morale of the Nigerian state. Among the factors contributing to this dim view of the regime’s war against corruption and indiscipline were the following:

1) About a month before Murtala’s assassination on 13 February 1976, one Obarogie Ohanbam, former Senior Lecturer in law at the University of Lagos and, at that time, Editor-in-Chief and publisher of a monthly news magazine, The African Spark, published a story concerning a rumour in circulation about the row of houses owned by Murtala Mohammed in Kano. Ohanbam wondered whether Murtala could confirm or refute the rumour, and, if it was true, whether he could explain how a public servant could mobilise the capital for such an acquisition. Ohanbam was promptly arrested thereafter and detained incommunicado until a few days after Murtala’s death when he was produced in a Lagos court by the Attorney-General of the Federation who accused him in the open court of slandering the late Head of State, but requested the court to caution and discharge him since he had seen the error of his judgement and had apologised for it. The error, according to the Attorney-General arose because he was unaware that Murtala had declared his assets to him (the AG) on his accession to office and had deposed that he had made over all his houses in Kano to the state. However, I have not seen, nor do I know anybody who has seen, the document with which this deed of transfer was consummated.

2) By M. K. O. Abiola’s testimony, he and Mohammed became friends in the early 1970s after a stormy meeting between them when he went on behalf of ITT to collect a multi-million naira debt owed to his company by Nigerian Army Signals under Murtala’s leadership. As a result of that friendship Abiola was able to reap a rich harvest of government contracts for his company and himself worth many hundreds of millions of US dollars while Murtala was Inspector of Army Signals, later Federal Commissioner for Communication and then Head of State, and for a long time after Murtala had been removed from the scene. It is also significant that the Director-General of the Post and Telegraph Department in the Ministry of Communication, who was opposed to the initial Government-ITT contract on technical and professional grounds as a telecommunications engineer, was suspended from his post during Murtala’s short tenure as Commissioner and was top of the list of about 10,000 public servants compulsorily retired by Murtala’s regime for any and no reasons within its first three months.

3) The Murtala-Obasanjo government appointed a judicial commission of enquiry headed by Justice Belgore to investigate the circumstances that caused, under Gowon’s rulership, the cement ships armada that was choking off the free passage of other ships into and out of the Lagos port at Apapa, thus strangulating Nigeria’s external trade and threatening to bankrupt the Nigerian economy as a result of the huge demurrage fees which the cement ships queuing to be unloaded were accumulating against Nigeria with each passing day. It is interesting that the report of the Commission was printed but never made available to the public. The only evidence made available to the public was the Government’s white paper on the report in which it was sanctimoniously stated that the Commission had cleared Obasanjo of any wrongdoing. This was in spite of the fact that not only was Obasanjo
Murtala's second-in-command at the time, but he was also the Director of Army Engineering Corps and later Federal Commissioner for Works throughout the cement armada scandal - caused by the Ministry of Defence's grossly inflated order for cement meant for implementing the country-wide military barracks project with which Obasanjo must have been concerned in both positions. The white paper did not reveal the evidence on the basis of which he was cleared by the panel of inquiry of any wrongdoing.

4) In 1978, when it was revealed that the US-based Lockheed Corporation had bribed political and military decision-makers worldwide in order to induce them to buy its planes, Nigeria (where the culprit was never apprehended, let alone punished) was about the only country named as a victim by the US Congress. In a cover-up inquiry conducted by the government, one faceless Greek businessman, allegedly formerly resident in Nigeria, was fingered as the culprit, but nobody could locate him. This was in spite of the fact that Lockheed's target was the Nigerian government through the Nigerian Air Force as possible end-user.

5) Soon after 1 October 1979, following the handing over of power to the civilian government of Shehu Shagari, many of the regime's generals retired into multi-million naira farms, industries, commercial enterprises and real estate businesses at home and abroad. Nobody has been able to explain satisfactorily how that generation of army officers many of whom served for twenty years or less came by such gargantuan fortunes.

6) For no explicable reason from 1977 the Obasanjo government started borrowing heavily on the Euro-dollar market at exorbitant interest rates and at a time when Nigeria's crude petroleum production was in excess of 2 million barrels per day and petroleum sales revenue was more than US$20 billion per annum. In this way the Obasanjo government succeeded in inflating Nigeria's external debt stock from the modest level of US$560 million in 1975 when Gowon was overthrown (CBN, 1975:89) to $6.8 billion in 1979 'prior to the change of government' (Okigbo, 1986:12). Even though, on leaving office, Obasanjo claimed that he left over 5 billion naira in the nations reserve, he kept mum about the over 5 billion naira debt owed by the Federal and state governments to domestic and foreign contractors, a contingency that rendered the governments of the Second Republic extremely cash-strapped from the beginning of their tenure in 1979 and pushed them into heavy foreign borrowing which they in turn abused for dubious and selfish purposes.

The Deepening Crisis of the Nigerian Kleptocracy (1979-83)

The circumstances and conditions under which the politicians of the Second Republic acceded to power on 1 October 1979 ensured that they would put corrupt enrichment at the very top of their political agenda. Among these circumstances and conditions was the peculiar constitutional order, mid-wived by the Murtala-Obasanjo regime, and governing such aspects of political life as registration of national political parties and election to various offices at all levels of government. The constitutional provisions governing the formation and registration of political parties, and election to public offices on the platform of the registered parties were such that nobody could hope to be elected to any public office without a huge financial outlay, which was often several times larger than the total legitimate remuneration which a successful candidate could reasonably expect to earn in his or her four-year tenure in office. Since most members of the Nigerian political elite were not known to be motivated by anything but the crudest business considerations of how to maximise their profit from
holding public offices, it became a matter of urgent necessity for them rapidly to recoup the capital outlay on their elections and show substantial profit on their investment. The strategy used by the politicians of the Second Republic to recoup their losses, while extending and consolidating their accumulative base, amounted to the refurbishing, combining and enlarging of all the known techniques of primitive accumulation previously practised in Nigeria. These ranged from spurious and grossly inflated contracts and consultancies, import licence racketeering, the presidential task force on rice importation, a multi-billion pound sterling commodity scam with the Johnson-Matthey Bank (JMB) of London, and the huge National Youth Service (NYSC) rip-off, to the unabashed looting by National and State Assemblymen in the form of grossly inflated salaries and allowances for maintaining non-existent aides and constituency offices, or irrelevant and irresponsible travelling expenses to exotic and far-flung parts of the globe.

A brand new addition to the politician’s formidable arsenal for looting the resources of Nigeria was the pervasive practice whereby the executive arm of government at the state or federal level appointed liaison officers specifically to lobby members of the legislative arm, irrespective of party affiliation, to support legislative projects sponsored by the executive arm in the legislative assembly. Each legislative project was negotiated in turn between the executive’s lobbyists and the legislators and the latter’s consent for supporting the project was secured either with the payment of a substantial cash settlement to the legislator concerned or the award of a substantial government contract, including contracts to lift crude petroleum. As a consequence of this squandermania of epic proportions, which coincided with a sharp decline in Nigeria’s oil revenue from 1981, the governments of the Second Republic found the somewhat reduced national income inadequate for their own private accumulative project. Consequently, they borrowed a leaf from their immediate predecessor, the Obasanjo government, and proceeded to boost the external debt stock of Nigeria from the 1979 level of $6.8 billion, to about $15 billion when the military under Buhari, Idiagbon and Babangida seized power again on 31 December 1983 (CBN, 1983:81-2).

This heavy borrowing on the Euro-dollar market facilitated the spending extravaganza for which the governments of the Second Republic became notorious. This in turn boosted dramatically the capacity of influential individual politicians to embark on corrupt, even criminal enrichment. Witness the rise of an unprecedented large number of emergency Nigerian millionaires with their profusion of private jet planes, stately homes at home, in Britain, Europe and North America, extremely expensive limousines and regular lavish and bacchanalian parties. The essential corruption of Second Republic politicians could be gauged by the fact that, while all this was going on, some of the state governments claimed that they had no money to pay salaries and wages to civil servants, teachers and other public service workers for months on end.

In view of the foregoing, it was not surprising that the governments of the Second Republic rapidly lost public credibility and support, or that the Nigerian people received with relief, even joy, news of the Buhari-Idiagbon-Babangida coup that toppled the Second Republic on 31 December 1983. No less a person than Sani Abacha, acting on that occasion as the ‘public orator of the Nigerian Armed Forces’, justified the military intervention on several grounds of acts of omission and commission, including the fact that

*our leaders revel in squandermania, corruption and indiscipline; and, continue to proliferate public appointments in complete disregard of our stark economic realities (Falola & Ihonvbere, 1985:229-30).*
The Second Coming of the Military and the Development of Corruption to its Highest Possible Level (1984 to the Present)

The twenty-month Buhari-Idiagbon-Babangida regime which succeeded the Second Republic was distinguished by its stern, even harsh response to the twin ills of corruption and indiscipline among the public officers of the Second Republic. Several top functionaries at Federal and State levels were incarcerated for almost the whole tenure of the regime without being charged or tried for any offence, while some were tried secretly by special military tribunals and sentenced to long terms of imprisonment, including life, for crimes ranging from ‘unlawful enrichment’ to ‘contributing to the economic adversity of the country’. Furthermore, the regime mounted a public propaganda war against corruption and indiscipline (WAI) complete with a special paramilitary squad for its execution known as the WAI brigade.

Initially, the regime seemed to have raised the moral tone of the country, partly because its anti-corruption campaign coincided with the inner wishes of most Nigerians and partly because the minority agents of corruption were intimidated into lying low by the regime’s reputation for exacting harsh and exemplary penalties. By the end of its first year, however, the Buhari administration’s anti-corruption campaign seemed to have run out of steam, partly because of the subversive activities of ‘fifth columnists’ within the regime – I. B. Babangida (IBB), the number three man in the regime being the leading ‘fifth columnist’. For the twenty months of the regime’s stay in power, and for his own subsequent eight years of unmitigated autocratic rule, Babangida never took a public stand against corruption. On the contrary, IBB’s primary target of verbal and physical attack was what he identified early in 1984 as ‘undue radicalism’ or ‘extremism’. But the main reason for the loss of steam of the Buhari regime’s campaign against corruption and indiscipline was the regime’s inability to deal effectively with the problem of economic and social decline inherited from the preceding regime. The regime also shot itself in the foot by trying to arrest the country’s economic and social decline by doctrinaire and anti-people policies like massive retrenchment of workers in the public service, the introduction of many new taxes, levies and fees on citizens, drastic reduction in public expenditure, especially on social welfare and agricultural subsidies, and the widespread destruction of the means of livelihood of small privately employed persons like motor mechanics, food vendors and petty traders by pulling down their makeshift sheds, kiosks and bukas in the name of urban environmental sanitation.

Consequently, no eyebrows were raised when the Buhari regime was toppled on 27 August 1985 in a palace coup led and masterminded by Babangida who by all accounts was about to be indicted by his toppled colleagues of multitudinous acts of corruption and indiscipline. It is a measure of the extent to which the Buhari regime had failed to fulfil its own self-declared objectives that Abacha who, in his 31 December 1983 broadcast to the nation on behalf of Buhari, had accused the Shagari regime of reducing our hospitals to ‘mere consulting clinics’, was able to say on 27 August 1985 in justification of Babangida’s coup that ‘our hospitals are still mere consulting clinics’.

The Babangida coup d’état was received with a marked indifference and the regime was cold-shouldered by the public when it announced itself on the 27 August 1985, in spite of the widespread disappointment with the Buhari regime’s hair-brained economic and social policies and its deplorable human rights record. However, Babangida, having set the record as the first military dictator in Nigeria to declare himself ‘President and Commander-in-Chief of the Armed Forces’, proceeded to insinuate himself into the people’s sympathy by pushing a liberal human rights agenda in the first days of his regime: he released most of the Second Republic
politicians incarcerated by Buhari-Idiagbon, set up two judicial panels to review the cases of the detainees, both tried and yet to be tried, abrogated the notorious anti-press freedom Decree No. 4 of 1984, and threw open the National Security Organisation’s detention centres, styled ‘Rafindadi’s chambers of horror’, after its Director, Alhaji Rafindadi.

Behind this smoke-screen of promoting the people’s human rights and the rule of law, Babangida and his acolytes, drawn from all sectors of the Nigerian elite (the armed forces, civil service, academia, the professions, the business community etc.), were able to establish an original kind of military autocracy, grounded on cronyism (Osoba, 1993), blatant corruption of high-profile individuals and groups in society and ruthless and systematic suppression of so-called ‘radicals’, ‘extremists’ and other real or imagined opponents of the regime. It would appear that the widespread and systematic use of corrupt means by IBB to ‘settle’ many actual and potential critics rested on the impeccable presupposition that if he corrupted enough Nigerians there would be nobody to speak out on the issue of corruption or public accountability and so the matter would disappear conveniently from the national agenda. To some extent the strategy worked as many university professors and other academics, leaders of the main professions, leading trade unionists, top clergies and evangelists and the shakers and movers of the ‘organised private sector’ of the national economy scrambled to jump on the Babangida regime’s gravy train. Babangida established innumerable commissions, directorates, centres, bureaux, task forces, committees etc. with open-ended budgets, woolly and indeterminate agendas and arbitrary powers to accommodate his multitudinous army of cronies, lackeys and opportunists.

The main distinguishing feature of corruption in the Babangida regime was the pervasive culture of impunity: any of his acolytes, however high or low in status, could loot the treasury to their heart’s content with impunity, provided they remained absolutely loyal and committed to the leader. Those who backslide or waver in their loyalty and commitment, like Professor Tam David-West, were terrorised with all the coercive instruments of state power, even when they had done no wrong. Since the Babangida junta operated like a mafia with a strict code of omertà (or silence), they were able to broaden and deepen the scope of corruption in Nigeria’s public life almost to a limitless extent, and without fear of detection or punishment. Within this mafia context of public decision-making, the Central Bank of Nigeria (CBN), the country’s bank with a legally guaranteed independent board of directors and power to issue the country’s legal tender currency and to monitor and regulate the country’s banking system, was turned into an instrument for the private and primitive accumulation of Babangida and his cronies. Under the administrative and structural changes in the CBN announced in the 1988 budget, the Bank was transferred to the office of the President and the CBN governor was obliged to report directly to the President. Furthermore, by the CBN Decree of 1991 the president’s control of CBN became complete. According to a former top official:

In practical terms the 1991 CBN Decree made the President the sole authority for deciding the nation’s monetary and banking policy, and for issuing directives for its implementation. The Central Bank of Nigeria (CBN) had become the ‘Central Bank of the President’ (CBP), a unit or department in the office of the president carrying out the president’s binding directives on monetary and banking policy (Enuenwosu, 1994).

It was in these and other ways that Babangida was able to fund his multitudinous corrupt and corrupting projects by using the CBN Ways and Means Advances to underwrite his regular budget overruns: N8.3 billion in 1988; N14.6 billion in 1989;
N18.6 billion in 1990; N24.6 billion in 1991 and N41.5 billion in 1992. Since the whole period of Babangida’s dictatorship witnessed a progressive shrinkage of the national economy, these advances were not funded from excess of national revenue over expenditure, but by the simple and prodigal expedient of printing the requisite amount of currency notes. Between IBB’s accession to power in August 1985, and his exit in 1993, Nigeria’s money supply (or money in circulation) jumped from N11.8 billion to N100.5 billion, thus injecting an intolerably high level of cumulative devaluation and inflation into the national currency and economy (Ibid.). In this way IBB withdrew vast sums of money from the public treasuries to promote the private accumulation venture of members of his regime, and thereby dramatically lowered the level of income and living standard of the vast majority of Nigerians.

As the recent Pius Okigbo Panel of Inquiry into the Central Bank’s Accounts during the Babangida era revealed, it was this unscrupulous subjugation of the CBN to the president’s will that made it possible for Babangida to siphon some $12.4 billion of Nigeria’s oil revenue from the CBN account into a so-called dedication account, money from which he was able to use without being accountable to anyone.

When you add to all this the measures adopted under IBB’s structural adjustment program (SAP) – like regular auctioning of foreign exchange under SFEM (Second-tier Foreign Exchange Market), AFEM, etc; the selling off of publicly owned enterprises to cronies of the regime and their foreign friends at ridiculously low prices; the debt-equity swap – to transfer public assets into the private coffers of members of the regime and their supporters, it is obvious that those who have characterised the IBB regime as ‘army robbery – the highest stage of armed robbery’ – have not exaggerated the reality of our situation.

The tragedy of the Nigerian predicament is that since Babangida double-crossed himself by annulling the 12 June presidential election and was forced to ‘step aside’ on 26 August 1993, nothing in our national reality has changed for the better. On the contrary, corruption has remained a cardinal and directive principle of state and national policy and continues to sap the vitality of our national economy and the creativity of our people.

The Cumulative Impact of Corruption on the Nigerian State

The fraudulent accumulation process has resulted, over time, in the progressive and phenomenal enrichment of Nigerian rulers (both civilian and military), the emptying of the national treasury and the indebtedness of the country almost to the point of bankruptcy: hence the critical dearth of resources for investment on the social, economic and overall cultural development of the masses of our people. Nigeria is, therefore, in a paradoxical situation in which the scandalous, almost legendary, wealth of key ruling class members exists to mock the unspeakable mass poverty, misery and degradation of the Nigerian people. This has, in turn brought about a situation of potential and actual violent confrontation between the minority plutocrats and the majority paupers and destitutes; within which context the current urban phenomenon of ‘area boys’ is just a minor manifestation. This situation is also highly productive, at the attitudinal level, of mass cynicism about, and distrust of the political elite, and constitutes a major factor in the persistence of inter- and intra-communal disunity, antipathy and strife, as well as the progressively worsening problem of political and social instability since independence. Since the public treasury has been the primary and ultimate source of rapid and sensational private accumulation by the Nigerian political elite, the struggle to capture state power (and,
therefore, the national treasury) among factions of the ruling class has become progressively acrimonious and bitter. This is because in this kind of struggle which ends in a winner-take-all resolution, the losing factions tend to be rigorously excluded from sharing in the loot. Hence, the invariable tendency among elite factions to use the poor masses from their areas of origin (village, town, local government, state or ethnic group) as cannon fodder and battering rams against their rivals and competitors from other areas, thus further dividing the people and undermining the stability of a Nigerian state and society that is already profoundly unstable.

Rampant corruption among the ruling class cabal has, over time, taught a dangerously disruptive lesson to the generality of the people: being honest and law-abiding does not pay. Consequently some of the ordinary people who have learnt this lesson from the top then try to replicate the corrupt practices of their leaders at their own lowly levels in the form of petty acts of bribery, peculation and embezzlement of public funds. It is in this way that corruption as a way of life has become pervasive and popularised in the Nigerian polity, especially in the context of IBB’s structural adjustment program (SAP), where the working people’s real incomes have become so devalued that it is impossible for most salary and wage earners and those on marginal and inelastic incomes to survive on their legitimate earnings.

The obsession of many elite members with primitive private accumulation at the expense of the public means that they tend to divert resources earmarked for running and maintaining public institutions in their charge (institutions like hospitals, schools, universities, public utilities, the judiciary, the police and even the armed forces) to corrupt private purposes. By so doing, they subvert these institutions and their capacity to perform their assigned tasks efficiently, thereby damaging the substantive interests and endangering the lives of citizens whom these public institutions are meant to serve. Through the systematic pillage of the nation’s wealth by its supposed custodians over several decades, many young Nigerians of lowly origins, after successfully passing out of schools, universities and other institutions of learning, cannot find gainful employment. This is because resources, which could have been used for job creation, have been looted by the leaders. As a consequence many of these educated young people are either ‘brain drained’ to other lands in search of greener pastures, or get diverted into various criminal ways of making a livelihood like armed robbery, prostitution, drug peddling and trafficking and all manner of racketeering. In this and other ways, greedy Nigerian leaders have squandered the future of their country and its children, and reduced Nigeria to its present status of a pariah in the comity of nations.

The Way Forward to a Relatively Corruption-free Society

It is my considered judgement that the primary reason why all attempts at curbing corruption in Nigeria have so far failed is that, while corruption has been deeply entrenched in the structures of the Nigerian state and society, all the advertised measures for combating it are conceived and operated at the level of form and symbolism. As long as the inequitable structures of a dependent neo-colonial state are allowed to reproduce in every generation a rampaging bourgeoisie of army officers, politicians, bureaucrats, businessmen, academics and touts whose raison d’etre is primitive accumulation and maximum consumption of imported luxuries, so long will all the formal institutions and measures for combating corruption (like judicial commissions of enquiry, Code of Conduct Bureau, Public Complaints Commission, MAMSER (Mass Mobilisation for Social Justice and Economic Recovery), NOA (National Open Apprenticeship), WAIC (War Against Indiscipline Council), fail to
make any significant impact on the problem. This is because, by the structural logic of the monopoly of state power in Nigeria by the bourgeoisie or power elite, all these institutions set up to deal with the problem of corruption are inevitably manned, controlled and operated by, and in the interest of, members of this ruling class who have a vested and entrenched interest in sustaining and even extending corrupt practices.

Consequently these putative warriors against corruption perform their task in such a way that they end up covering up rather than exposing corruption, thus helping to consolidate and perpetuate its hold on the society. One clever methodology for covering up the deeds of corrupt public officers probed by judicial commissions of enquiry was invented during the Obasanjo regime and developed to the status of an art during the Babangida regime and subsequently. By this methodology the government appoints a supposedly high-powered judicial commission to investigate a notorious case of public corruption or misconduct and, after the commission has completed its work and submitted its report, the government either completely suppresses it, or, in a few cases, merely publishes its own views on the report in form of a government ‘white paper’. This so-called ‘white paper’ usually ignores all the serious and weighty findings and recommendations of the commission while highlighting only the trivial and innocuous ones which cannot in any way hurt government’s cronies and agents who are the subjects of the probe.

This was what happened to the innumerable panels of enquiry, (including the visitation panels into Federal Universities) set up by Babangida in his eight years of thieving and corrupt dictatorship. The same thing has also happened to the report of the Pius Okigbo panel of enquiry into the accounts of the Central Bank of Nigeria under IBB. This report, submitted to Abacha more than a year ago, is still being actively covered up from the Nigerian people in spite of Okigbo’s revelation during the presentation ceremony that $12.4 billion of Nigeria’s revenue from crude petroleum sales disappeared into the black hole of Babangida’s ‘dedication accounts’ and was not reflected in the official government accounts kept by the CBN.

The critical challenge which the stubborn persistence and growing virulence of corruption poses to all Nigerians of integrity and conscience is, therefore, how to roll back the escalating phenomenon of corruption in our public life and terminate the culture of impunity that underpins it. Meeting this challenge will involve the mounting of a determined and robust struggle to change the constitutional and legal order and the power configuration in the Nigerian society such that the vast majority of marginalised Nigerian men and women are empowered to participate freely, actively and maximally in the politics, economy and overall culture of the society. This would mean an end to the ‘cash and carry’ mode of politics, started with the majority African governments set up in Nigeria in 1952, and carried to its absurd limit during the spurious transition politics of Babangida. The institutionalisation of such an ethos of popular participatory democracy is absolutely essential because the broad masses of our working people, whose interests and well-being are the principal casualties of elite corruption, are the only class of people who can be both objectively and subjectively committed to combating corruption. With this kind of active and committed mass participation, representatives of the working people will be able to monitor closely the behaviour of those who are in charge of the state and its treasury and hold them accountable for any crimes against Nigerian humanity, including crimes of corruption and larceny against the wealth of the nation. This necessary expedient of empowering the Nigerian working people vis-à-vis the corrupt and subversive political elite can be facilitated by pursuing the following minimum
political agenda of democratic governance:

1) The institutionalisation of a multi-party political system in which parties must be genuinely mass-based, national in outlook and exclusively funded by its members' financial contributions, which must be limited to what an ordinary working person can afford. This will safeguard the parties from being hijacked and turned into the political instruments of money bags against the people.

2) The constitutional entrenchment of the principle that the Nigerian people in their respective constituencies have the power to recall at any point in time any elected official who has been found by due process to abuse or betray the people's mandate.

3) The constitutional requirement that only men and women with proven ability and integrity should be appointed to the governing boards of public institutions, corporations and businesses to ensure that the public resources and assets therein will be safeguarded and enhanced rather than looted and squandered by their official custodians as has hitherto been the case.

4) Freedom of information as an entrenched legal norm to include (a) the requirement of open declaration of assets by all public officers, on entering and leaving office and irrespective of rank or status. Such asset declaration should be available for verification and monitoring by any interested citizen; (b) open and uninhibited access by interested citizens to all documents relating to, or dealing with any aspect of public policy. (This will mean, effectively, the death of all secrecy laws, behind which past and present governments have covered up all manner of crimes against the people).

5) The constitutional entrenchment of freedom of the press as the watchdog of the people's interest, subject only to the limitations imposed by the laws of libel and defamation.

6) The constitutional entrenchment of the principle of independence of the judiciary and the insulation of the appointment and tenure of judges from interference by political decision makers whose conducts might be subjects of adjudication by the courts.

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