CHAPTER ONE

INTRODUCTION

1.1 Background of the Study

Corruption remains an ill wind that blows no country any good. It has assumed the status of a universal problem as it has continued to pose a serious challenge to countries in the world. The only difference is that its prevalence, gravity and persistence differ from country to country (Nwoba and Nwokwu, 2018). In the same vein, Obiwuru (2020) submitted that there is no society without corruption. He added that despite her level of development, United States of America has Foreign Corrupt Practices Act and the Federal Bureau of Investigation. In the United Kingdom, there is Serious Fraud Office (SFO) regardless of her high level of civilization (Obiwuru, 2020).

In 1984, Major General Muhammadu Buhari-Idiagbon launched an anti-corruption scheme codenamed War Against Indiscipline whereas General Sani Abacha in 1996 introduced the War Against Indiscipline and Corruption. One may not be wrong to describe the foregoing measures as scratch on the surface of the menace. This is because regardless of the existence of those anti-corruption programmes, corruption continued to dent the image of the country at the global stage. It was within the period that Nigeria acquired a reputation as one of the most corrupt countries in the world as the Transparency International in her Corruption Perception Index (CPI) in 1996 ranked the country the most corrupt state in the world (Amaechi and Okechukwu, 2015).

Nigeria is abundantly blessed by nature with valuable material and human resources. The country makes billions of dollars from its oil and gas industry in each financial year (Vladimir, 2019). Yet, the country is confronted with several developmental challenges.

There is still extreme poverty, weak economy, dilapidated infrastructure, terrorism and organized crimes which are now the order of the day. Unemployment rate has significantly increased reaching a provisional high of 23.2 percent in the third quarter of 2018 (Akwagyiram, 2018). Other indicators that lay bare the precarious situation in the country include the obvious fact that about 60% of the population is without public power supply, 13.5 million children are not enrolled into school and around 58,000 women die from childbirth each year (WHO, 2019). The country's power supply and educational system are as underdeveloped as its healthcare system and its dilapidated road infrastructure require urgent attention (Vladimir, 2019).

The above bleak situation has been largely blamed on corruption which has denied Nigeria the developmental capital to bring about enduring development. Aluko (2009) views corruption as an anti-social behaviour bestowing improper benefits contrary to legal and moral norms and which vitiates the capacity of authorities to improve the living conditions of the people. Corruption has now become endemic in the country as it is practiced in both the low and high places. Corruption takes the following forms: embezzlement of public funds, fraud, bribery, money laundering at home and abroad, clientalism, favouritism, nepotism etc.

Successive administrations in Nigeria have expended some reasonable efforts to tackle the monster headlong with little or no success. For instance, during his military interregnum, General Murtala Mohammed came up with War against Corruption which no doubt led to the public service purge of 1976. General Obasanjo in 1977 introduced Jaji Declaration as part of measures to tackle the ignoble culture of corruption, bribery and indiscipline in the country (Aluko, 2009).

However, the most ambitious efforts towards the war against corruption in Nigeria were undertaken by President Olusegun Obasanjo via the establishment of the Independent Corrupt Practices and other related offences Commission and the Economic and Financial Crimes Commission (EFCC). The Economic and Financial Crimes Act was enacted in December, 2002 and the Economic and Financial Crimes Commission was subsequently constituted in line with the Act in 2003 (Abdullahi, 2006). In the words of Omyema, Roy, Oredola and Ayinla (2018), the EFCC Act gives the Commission one of the most comprehensive anti-corruption mandates in the country and places it as an agency at the centre of Nigerian anti-corruption eco-system with robust law enforcement powers with regard to all laws proscribing economic and financial crimes.

In spite of the existence of the Commission, there have been incidences of financial crimes. Cases abound of money laundering where development capitals were stashed into foreign banks. There have been cases of projects and programmes abandonment which dot the nooks and crannies of our country perhaps, due mainly to embezzlement of public funds earmarked for them by both the low and high profile political figures. Cybercrimes have continued to hold sway among the youths leading to unprecedented frauds within and outside Nigerian shores.

There is no doubt that the EFCC has made some giant strides in the fight against corruption especially financial crimes through convictions of corrupt elements and recoveries of looted assets in the period under review. According to Akpan and Eyo (2018), the former Acting Chairman of the EFCC, Mr. Ibrahim Magu in presenting his scorecard, revealed that between May 2015 and October 2017, the Commission has recovered the sum of N738.0 billion or 29 billion US Dollars. It has frontally attacked advanced fee frauds and its online version (cybercrimes) and equally beamed its searchlight on money laundering as well as misappropriation and embezzlement of public funds among others.

As laudable as the above measures and achievements appear, opinions are still divided that financial crimes are still prevalent in the country and that the Buhari's administration has demonstrated lopsidedness in the fight against the monster as only opposition members or those who appear to be very critical of the regime who are within the All Progressives Congress (APC) fold are singled out for prosecution by the anti-graft agency (EFCC). This study seeks to review the history of the Economic Financial Crimes Commission (EFCC) in a case study of the Buhari adminstration from 2015 to 2022. This will study further seeks to understand the duties and functions of EFCC in Nigeria; examine the extent to which the EFCC has reduced pertinent financial crimes such as money laundering, embezzlement of public funds and cybercrime in the Buhari's adminstration; and finally, examine the support and influence of the Buhari adminstration to EFCC in fighting financial crimes in Nigeria.

1.2 Statement of the Problem

The problem which led to this study is that corruption remains a cankerworm that has continued to hinder genuine efforts towards development in Nigeria. With the EFCC being one of the relevant bodies fighting against corruption and crime in Nigeria, several efforts have been put in place to curb the menace but it still manifests in various forms. When President Buhari, who pledged to take decisive actions against corruption, was elected as the Nigerian president in 2015, a large segment of the population saw his emergence as a dawn of a new era. The administration hit the ground running by introducing some policy measures to curb corruption and instill transparency and accountability in public financial management. It is worthy of note that in every forum President Buhari attended, he was seen to always condemn acts of corruption in strong terms and his body language was equally suggestive of his anti-corruption posture. However, the rate of crime seems to have skyrocketed ever since his adminstration from what it used to be. Therefore, this study seeks to examine the concept of the history of the Economic and Financial Crime Commission (EFCC) in a case study of the Buhari adminstration from 2015 to 2022.

1.3 Objective of the Study

The main objective of the study is to review the history of the Economic Financial Crime Commission (EFCC) in Nigeria during the Buhari administration (2015-2022); while the specific objectives of the study are to:

1. understand the duties and functions of EFCC in Nigeria.
2. examine the extent to which the EFCC has reduced pertinent financial crimes such as money laundering, embezzlement of public funds and cybercrime in the Buhari's adminstration.
3. examine the support and influence of the Buhari adminstration to EFCC in fighting financial crimes in Nigeria.

1.4 Research Questions

1. What are the duties and functions of EFCC in Nigeria?
2. To what extent has EFCC reduced pertinent financial crimes such as money laundering, embezzlement of public funds and cybercrime in the Buhari adminstration?
3. How has the Buhari adminstration influenced and supported the EFCC in the fight against financial crimes in Nigeria?

1.5 Research Methodology

A qualitative descriptive research methodology was used for this study. It utilizes the historical research method with secondary sources of data collection relied upon. The study also explores relatively recent publications in newspapers, books, journals and articles relevant to the sources as secondary sources of data collection.

1.6 Scope of the Study

This study will focus on the review of the history of the Economic Financial Crime Commission (EFCC) in Nigeria during the Buhari administration, specifically from 2015 to 2022. It will further concentrate at understanding the duties and functions of EFCC in Nigeria, examining the extent to which the EFCC has reduced pertinent financial crimes such as money laundering, embezzlement of public funds and cybercrime in the Buhari’s adminstration and examining the support and influence of the Buhari adminstration to EFCC in fighting financial crimes in Nigeria.

1.7 Significance of the Study

The study is relevant to Nigerians as it will help them understand the impact of the Buhari adminstration towards the curbing of corruption and crime through the EFCC. It will enlighten Nigerians on the functions and legal duties of the Economic Financial Crimes Commission. It is also relevant to students and academia of history and international studies as this will add to their knowledge of the history of EFCC in the case study of the Buhari adminstration from 2015 to 2022. Similarly, this study will serve as an addition to already existing literature and can be used to advance further studies on history and international studies by scholars, students, etc.

1.8 Literature Review

The pervasiveness of corruption in Nigeria has become a common thing over the years as declared by Transparency International (Barnes and Tsuwa, 2011; p.202). Adeyemi (1991) argued that for a very long time in the Nigeria, corruption has become a canker worm, delving deep into the dimensions of an epidemic. Fadaka (2002) states that the incidence of corruptions, as we all know is ubiquitous in Nigeria and has increased exponentially since independence.

The Independent Corrupt Practices Commission (2000) website states that: "Corruption is profound situated and complex in Nigeria. It is inescapable to such an extent that both the public and private sectors are influenced. Corruption presently penetrates each part of Nigerian life, particularly in the transactions of government at different levels."

Corruption is a steady subject of discussion, everyone discusses it, and everyone gives off an impression of being included. Alemika (2004) in his words stated: Corruption in the nation appears to have procured invulnerability against different political and legitimate measures focused on its control. The issue is smothering economic developments, disintegrating public bureaucratic adequacy, enlarging imbalance, and sabotaging the production of chances and conveyance of social administrations for the residents, particularly the individuals who are socially, financially and politically distraught.

Modern Corruption in true sense of it was alien to traditional African societies in general and Nigeria in particular. Some Scholars were of the opinion that colonial rule in Africa and Nigeria in particular gave room for the origin of corruption.

It is worth mentioning that colonial rule in Nigeria was not in the interest of the colonized rather the colonizer, it created conditions favourable to them. With the attainment of independence, the post independence leadership still towed the exploitative nature of the colonial states suppressing the yearning and aspirations of the people. This in itself paved way for the people to devise other means of livelihood including illegal ways, thereby creating a more favourable ground for the growth of corruption.

The Economic and Financial Crimes Commission (EFCC) was established precisely in April 2003 following the enactment of the EFCC Act (2002). It is the sole responsibility of the EFCC to combat economic and financial crimes in Nigeria. EFCC publication unit, according to Nsirim and Onyige (2020), defines economic and financial crimes as non-violent criminal and illicit acts engaged in with the objective of earning wealth illegally either individually or in a group or in an organized manner thereby contravening existing legislation regulating the economic activities of government and its administration. Emechele (2009) submitted that economic and financial crimes take the following forms – money laundering, manipulation of records, abuse of office, misappropriation and diversion of funds, over-invoicing, smuggling, illegal arms deals, foreign exchange malpractice, counterfeiting of currencies, theft of intellectual property, open market abuse, false declaration, bribery, embezzlement, tax evasion, fraudulent trade practice.

President Buhari exhibited his commitment to battle corruption on assumption of office; he announced his assets before the code of conduct Bureau (The Guardian, 2016).

The administration initiated the whistle blower policy. A step in right direction of fighting corruption. It has actually helped in the Recovery of reasonable sums of money stacked or hidden in various places in the country. The administration quickly adopted some financial management institutions, systems and processes of the previous regime such as the Integrated Payroll and Personnel Information System (IPPIS) and Government Integrated Financial Management Information System (GIFMIS). These helped the federal government fight corruption and financial mismanagement.

The Buhari administration ordered for the enforcement of Treasury Single Account. The early reinstitution/enforcement of the treasury single account, (TSA), to stifle corruption in MDAs by blocking that corrupt avenue, reduction of a number of federal ministries to reduce cost of governance by ensuring proper coordination of duties and reducing avenue for corruption, recovery of assets, increased public awareness of the enormity and deleterious effects of corruption perpetuated by government and public officials and other individuals and even a certain observable restraints on the part of the judiciary in granting “useless” injunctions and justice destructive adjournments (Odekunle, 2017).

Also, it ordered the enforcement of payment and salaries of National Assembly members to be done through TSA. Furthermore, the administration ordered for enforcement of Bank Verification Number in the banking industry. The effective implementation of Banks verification number (BVN) has hindered multiple running of account both private and public officials thereby checkmating the fraud perpetrated by them. Another welcomed development, in the administration’s efforts towards the fight against corruption was the executive order that secured travel ban on well over fifty high profile Nigerians alleged to have looted the public treasury. In August 2015, the president initiated a presidential advisory panel against corruption to advise his government on the most proficient method to change Nigeria's criminal equity framework, and steps expected to battle corruption. Additionally, in support of the administration's endeavours, US $5million Anti-corruption and criminal justice reform finance was set up by the Ford foundation, MacArthur foundation and Open society foundation to help the work of the panel (Ezeamalu, 2016). Immediately Buhari's administration came on board in 2015, it redirected the battle against corruption under Ibrahim Magu and the beat has changed to a higher speed (Premium times, 2018). It has done creditably well in tracing and recovery of looted assets. "EFCC Monetary recoveries from May 2015 to October 20, 2017" were in overabundance of N738.9 billion which is comparable to over $2.9 billion. This does exclude monetary standards like Durham, CRA and British pounds. In 2017 alone, the commission recovered looted resources running into a few a large number of US dollars and billions in Naira (Thisday, 2017).

The success so far recorded in the area of the anti-corruption war in financial dealings seems limited to national government agencies at the moment (Lawal, 2016). Fight against financial corruption is yet to receive attention at the state and local government levels. The state governors behave like over lords whilst the local government leaders only appear in offices to share and collect monthly allocations. Before the election, Buhari pledged to encourage all his appointees to declare publicly their assets and liabilities as a precondition for appointment. And that all political appointees will only earn the salaries and allowances determined by the RMFAC. This pledge is yet to see the light of the day (lawal, 2016).

EFCC under Buhari's regime was more or less interested in corruption cases bordering on opposition members ignoring those in the mainstream ruling party, All Progressives Congress (APC). This exposition is a pointer to the obvious fact that Buhari's administration was not committed to comprehensive fight against corruption involving politically exposed persons from both the ruling and opposition parties. We may safely argue that politics has continued to influence the activities of EFCC in Nigeria even under Buhari's civilian administration. Little wonder, high ranking and strategically important politicians moved in droves to the ruling party, (APC) immediately it got hold of power at the centre. This move, according to Onyema et al (2018), was to ensure reduction in the rigour or criminal investigations against them by anti-graft agencies especially the EFCC. For instance, there have been limited reports with regards to the investigations of Mr. Musiliu Obanikoro (former minister under the PDP), Mr. Godswill Akpabio (former Governor of Akwa Ibom State under the PDP) (Ejekwonyilo, 2015) and Mr. Martin Elechi (former Governor of Ebonyi State under the PDP) simply because they are now members of the ruling party (APC). Essien (2017) revealed that PDP senators have argued that the anti-corruption war was targeted at PDP members. They maintained that the unlawful arrests and detention were aimed at silencing main opposition party in the country and, to compel their members to defect to APC so as to enjoy relative peace and freedom from any form of prosecution. The foregoing allegation could be affirmed by the pronouncements credited to former APC chairman, Mr. Adams Oshiomhole who publicly and very obviously offered PDP members willing to join his party immunity from prosecution for crimes committed (Nwafor, 2019).

Therefore, the EFCC has not been effective in the fight against cases of grand corruption involving politically exposed persons. Isuwa and Olasanmi (2018) lamented that almost all former state governors are presently under investigation and/or facing prosecution for gross misappropriation of public funds by the anti-graft agencies including the EFCC. They added that most of the prosecutions against former governors are pending at interlocutory stages with little or no progress with regards to conclusion of the substantive corruption charges. Specifically, out of about 31 former governors only two, Dariye and Nyame have been recently concluded with convictions which have been affirmed by the court of Appeal (Isuwa and Olasanmi, 2018).

In the areas of Advance Fee Fraud as well as cybercrimes, the agency has been applauded in several quarters for their effectiveness. It was revealed that EFCC arrested about 263 suspects for cybercrime-related offences in 2019 while 111 of them had been convicted and were serving various jail terms (Agboluaje, Ogune and Osuji, 2019). In another report, Oladayo (2019) said that the Ibadan Zonal Office of the EFCC could be re-christened Anti-cybercrimes Commission as it has continued to smoke out cybercriminals from their hiding places across the zone. He maintained that the zonal head of EFCC, Ibadan, Friday Bello revealed that the Commission within a year secured 171 convictions, 167 of which are cybercrime offenders. In addition, according to the zonal head, the Commission impounded 56 automobiles and 14 houses and recovered N211,134,927; US $136,289; £2000 and £765 from the offenders.

1.9 Operational Definition of Terms

Crime: A crime is an illegal act that someone can be legally punished for. According to Attenborough (1922), crime is an unlawful act punishable by a state or other authority.

Adminstration: Administration in this study simply means the term of a particular executive, or leader of a particular society.

Corruption: Corruption is the abuse of entrusted power for private gain. Corruption erodes trust, weakens democracy, hampers economic development and further exacerbates inequality, poverty, social division and the environmental crisis.

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