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The Impact of Corruption on Sustainable Development in Kogi State.

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Abstract

The uninterrupted uproar of the people of Kogi State on the evils of corruption and its effect on national development has motivated this study. The main objective of this research is to study the impact of corruption on the sustainable development of Kogi State. Data were drawn mainly from secondary and primary sources. The modern economy is constantly evolving and becoming more interdependent, especially in the age of globalization. Nevertheless, the phenomenon still has an influence despite the continual strategies for its limitation. Anti-corruption legislation at the global, regional, and national levels is constantly developing. Irrespective of the different legal systems and anti-corruption strategies, it remains a constant in society's life and influences their growth. The findings focused on the weak institutions of government, lack of transparency, high poverty/unemployment rates, political interference in the operations of anti-corruption agencies, and assessing the causes of corruption. The aim of this research is to assess the corruption on the Kogi State economy, reflecting the contemporary reality in which the Kogi State business develops its activities. The main research method is the method of response, and for the procession of the information are used statistical methods - method of observation, method of the group, method of the analysis, and graphic method. The analysis and conclusions on the problem are based on a data survey.

***Keyword**: Corruption, SDGs, Transparent Governance, and Anti-corruption.*

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Introduction

Over the last three decades, the single most menacing issue that has bedeviled society is corruption. Corruption has become so entrenched and infiltrated in Nigeria that it now appears to be a permanent feature of the Nigerian polity. It has become completely institutionalized, entering into the realm of culture and the value system. Corruption is now a normal norm and no longer an anomaly. Our children are born into it, fed with it, grow up in it, socialize with it, live with it, and possibly die from it. This is substantiated by the many corruption cases being investigated by the EFCC and ICPC involving high-ranking government officials, former governors, cronies of the party in power, politicians, representatives of corporate organizations, as well as top business tycoons. Corruption has coexisted with human society for a long time and remains one of the problems confronting both developed and developing economies, with varying degrees in different countries and overwhelming consequences on political and socioeconomic development. In Nigeria, it is shocking to many why a country so endowed with both human and mineral resources is ridden with underdevelopment. Yet, in any analysis of why Nigeria's greatness is being delayed or slowed down, and why the majority of its people have failed to see democracy as a means to development, corruption remains a chief variable (Tunde, 2008). Corruption is endemic and one of the many unresolved problems that have critically skewed and hobbled growth and development. It remains a major political and economic challenge for Nigerians (Sachs, 2007). The existence of Sustainable Development Goals after the Millennium Development Goals has given hope to the people. However, the involvement of corruption is affecting the deep performance of development goals in Kogi State. Therefore, the need to assess the impact of corruption on Sustainable Development Goals becomes imperative.

Although the notion of corruption developed more seriously after 1960 (Leef, 1964; Huntington, 1968). It has always accompanied the development of societies since their inception and had an impact on the development and economic growth of countries. The main concern is that corruption has a negative impact on economic development (Leite, 1999; Ehrlich and Lui, 1999; Mauro, 1995; Rodriguez *et al.,* 2005; Tanzi, 1998), and it should be limited by means of adequate legal mechanisms because it leads to the misallocation of public goods, which undermines public confidence in the impartiality of state institutions, as well as public confidence in legal norms. Another thesis is that corruption can have a positive impact on business, such as on foreign direct investment (Egger and Winner, 2005; Cuervo, 2006) and can increase public investment (Ehrlich and Lui, 1999), which can lead to an increase in productivity and economic growth (Futagami *et al.),* 1993; Barro, 1990).

Literature Review:

A major factor in the restriction of financial execution, which has a negative impact on investment and financial development, hindering the promotion of the public good. Corruption hinders future monetary development, and a controlled course of events by discouraging investment, restricts monetary development and alters the structure of events. Corruption destroys a country's reputation can be destroyed by corruption. Maybe more than most other societies, Nigeria is negatively tarnished internationally due to its incapacity to combat bribery and corruption, more than most other societies. For instance, of the 54 countries on the review, Nigeria was ranked as the worst country by Straightforwardness International and Goettingen University's 1996 research on corruption, with Pakistan coming in second (Moore, 1997). Nigeria was ranked 81st out of 85 countries in the Transparency International Corruption Perception Index (CPI) overview published in 1998 (Lipset and

Lenz 2000). Even more regretfully, Nigeria's ranking dropped even further in the 2001 Defilement Perception Index (CPI) overview of 85 countries. According to The Transparency International Corruption Index, 2001, Nigeria was ranked 90th out of 91 countries considered, making it the second most corrupt country on the planet, with Bangladesh at the top.

Corruption makes a great deal of widespread poverty in Nigeria, making people ignorant, which exacerbates the problem of poverty. Nigerians' poverty profile appears to be declining. Out of the 173 countries examined, Nigeria is ranked 148th in the UNDP Development Report 2001.The situation worsens in the 2003 report, which ranked Nigeria 152 out of the 175 countries included in the overview. It is a cliche to say that widespread poverty has served as a breeding ground for radicalism of all kinds in the wake of ethnic strictures that have periodically flared up in a few areas of Nigeria (FRN, 2001 and Obadan, 2001). Debasement led to a crumbling foundation, insufficient therapeutic benefits, declining educational principles, a scramble for foreign credits, soaring import bills and public consumption, a reduction in the creation limit, and a twisting of the economy through waste and misallocation of resources in Nigeria. Nigeria lost almost N23 billion due to debasement in 2001 (Salu and Aremu, 2004).

Nigeria is ranked third in the world for corruption in the 2004 Corruption Perceptions Index, which was published by Transparency International (TI), a watchdog on worldwide corruption. As of June 2007, Nigeria has not been exonerated from the list of the top ten leading countries on corruption. On sectoral distribution, the nationwide corruption survey in the Nigeria Corruption Index (NCI) 2007 revealed that the Nigerian Police was the most corrupt organization in the country, closely followed by the Power Holding Company of Nigeria (PHCN). Corruption in the Education Ministry was found to have increased from 63 percent in 2005 to 74 percent in 2007, as against 96 percent to 99 percent for the Police in the corresponding period. The Independent National Electoral Commission (INEC) was the only new organization identified as corrupt among the 16 corrupt organizations on a list which included the Joint Admission and Matriculation Board, the Presidency, and the Nigerian National Petroleum Commission (NNPC); while the Federal Road Safety Commission (FRSC) and the Nigerian Railway Corporation (NRC) were identified as the least corrupt organizations with respect to bribe-taking from the populace as of June 2007, 2007). Corruption has also manifested itself in Nigeria in the area of project execution. For example, Ajaokuta, a steel mill in Nigeria, has been under construction for the past seventeen years and has consumed seven billion dollars during that time. However, it has not yet produced any steel. The mill is a white monolith of steel and concrete, epitomizing the display of corruption. Another example is Alscon upper block (an aluminum plant in Nigeria) which has consumed three billion dollars over the past five years. The project was intended to produce 190,000 tons of aluminum, but like its predecessor, Ajaokuta, it has not yet produced any aluminum to date (Abayelu, 2007).

According to Vanguard newspaper (2021), the anti-corruption coalition, Transparency International, has rated Nigeria as the second most corrupt nation in West Africa, after Guinea. In the 2021 Corruption Perceptions Index launched by TI on Tuesday, Nigeria dropped five places, scoring 24 out of 100 factors in the index.

This is happening despite the Federal Government's avowed battle against graft. Nigeria’s current 154 rating out of 180 nations in the 2021 Corruption Perceptions Index is a drop of 149 from the 2020 index. According to the ranking, Nigeria is the second most corrupt country in West Africa after Guinea, is ranked 150 on the global index.

Methodology

To achieve the objectives of this research, a quantitative research approach was employed. Therefore, a survey research design was adopted. Unstructured interviews, as well as a designed questionnaire, were used as viable instruments to collect data from the community, government, civil servants, and other stakeholders in selected parts of the state. The reliability of the instrument will be tested using the Cronbach Alpha Coefficient.

The evaluation of the impact of corruption on sustainable development in Kogi State, Nigeria, centers on the outcomes of a survey conducted among 34 business representatives using a response method. The primary reason for selecting this procedure is its acceptability in terms of subject details and expected statistics. However, the response procedure is suitable based on fieldwork through respondents because it provides direct access to respondents through individuals and group associations.

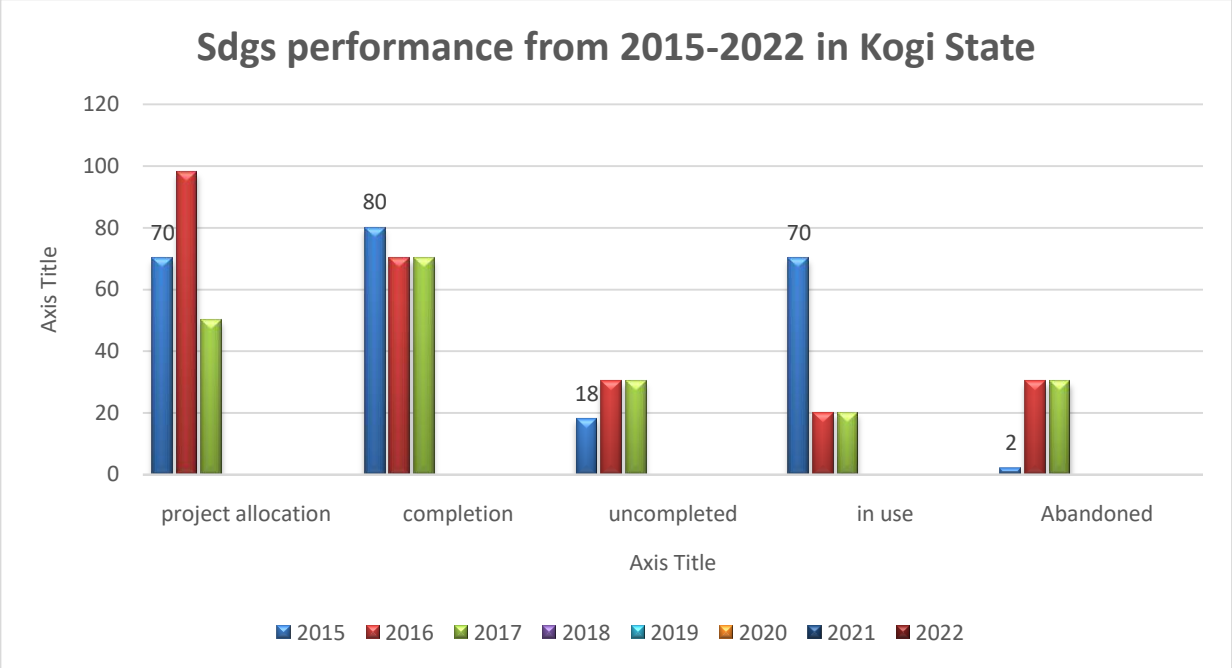
This study was conducted from July to November 2023.

To demonstrate the trend of information, statistical methods such as observation, group, analysis, and graphical analysis and graphical method were employed.

Assessment of corruption on the sustainable development goal

To provide a complete and precise understanding of the issue, it is believed that it is important to list the sustainable development goals in Kogi State, Nigeria.

The outcomes of the statistical analysis of the performance of sustainable development goals, based on the form of registration, are shown below.



The table above represents the state's performance in implementing and executing projects from 2015 to 2022. According to the table, the project allocations were 70%, 98%, and 50% respectively.

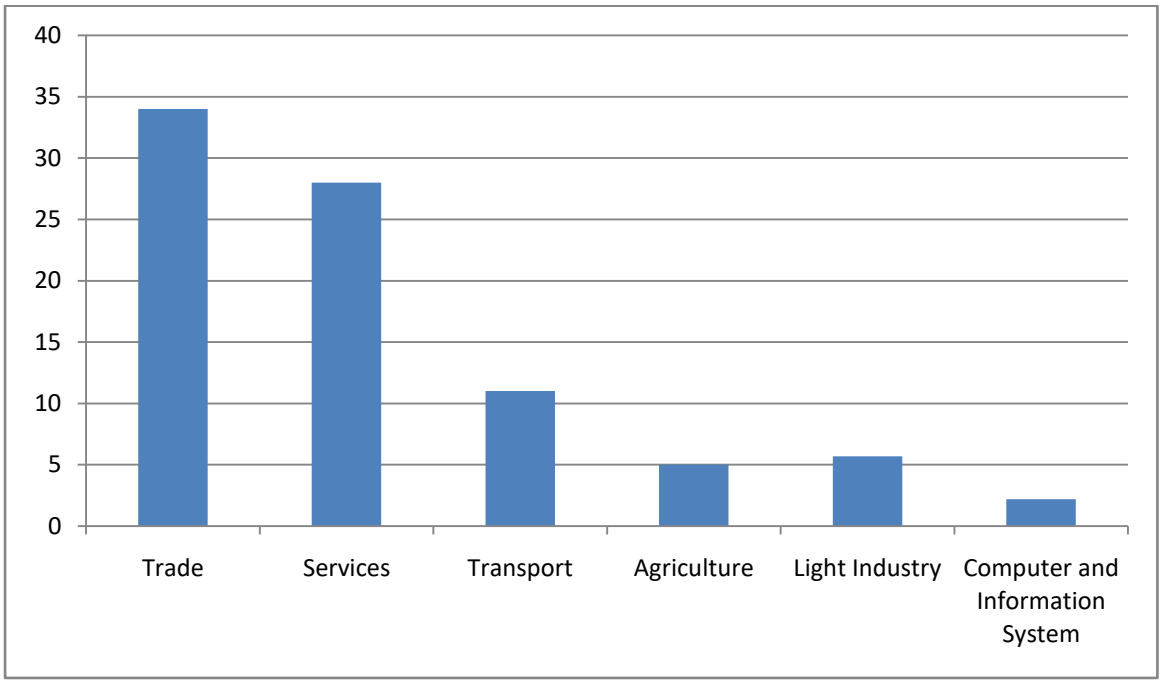


Figure 2: Distribution of enterprises according to the sphere of economic activity - %

The achieved outcomes regarding the distribution of companies based on their sizes are shown in Figure 3. The highest share was observed in Micro enterprises with up to 9 employees, at 74.23%, while the least value was recorded from 50 to 249 employees, at 3.4%. However, 50 to 49 employees had 11.5% and 250 employees had 9.2% respectively.

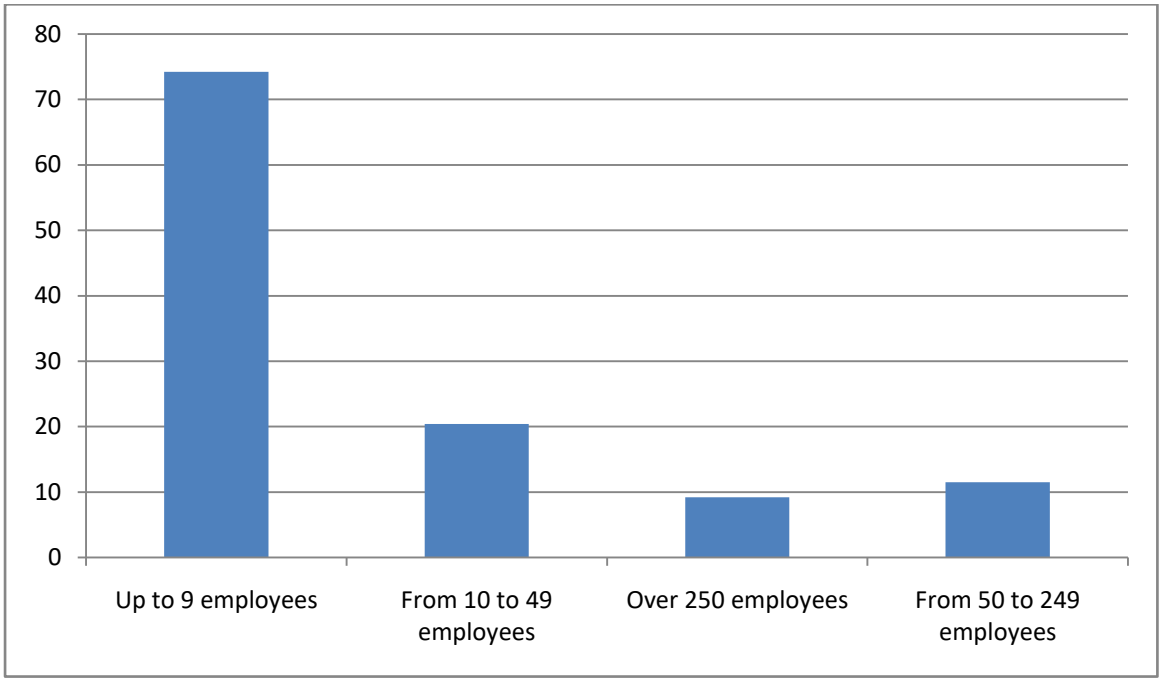


Figure 3: Distribution of companies according to their size - %

An essential aspect of the study relies on the view of those companies on whether corruption poses a risk to their activity, as shown in Figure 4. The assessment outcomes revealed that the highest portion of respondents showed the answer ‘yes' (43.7%) and followed by those who feel that corruption is a danger to their activities (37.42%). Comparatively low is the portion of respondents whose reply was 'rather no’ (15.35%) and ‘no’ (6.18%). Only 3.14% of the respondents replied ‘they don’t know’.

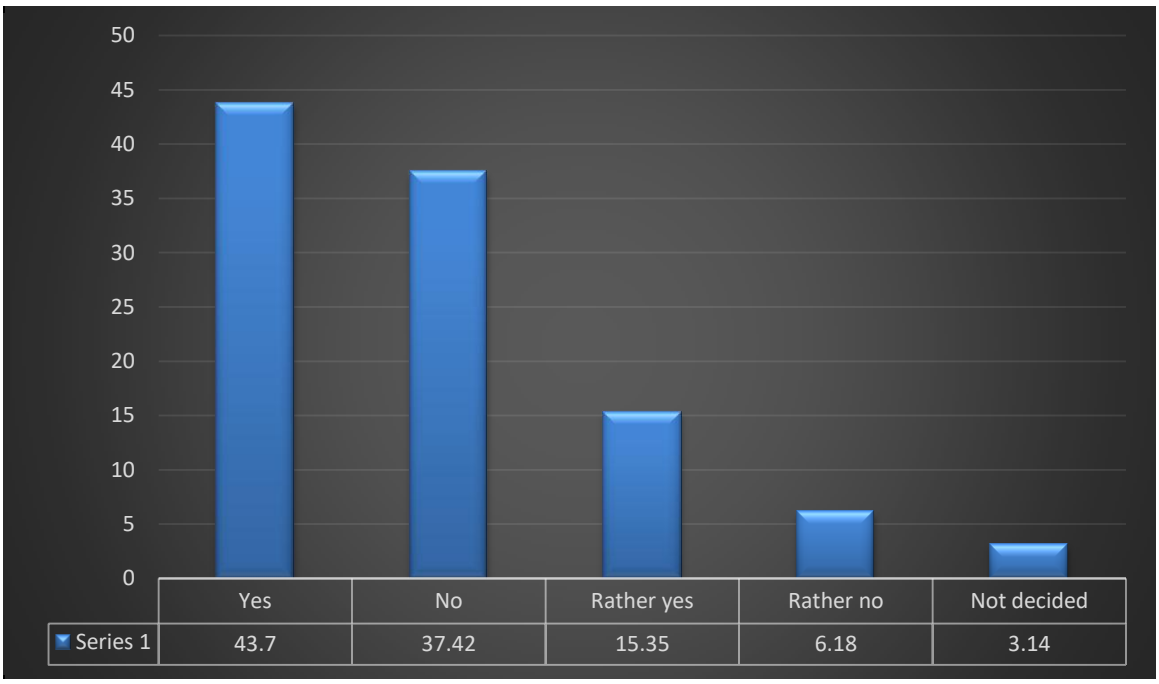


Figure 4: Distribution based on the presence of corruption as a threat to business activity in Kogi State.

Fascinating is the view of the respondents' views regarding a scenario where a state or government official requests bribes or gratifications, as shown in Figure 5.

It can be observed that the majority of respondents did not encounter such a situation (63.84%). However, a smaller portion of those who suffered the situation (27.16%). Only 13.23% of respondents chose the answer ‘I do not want to answer’.

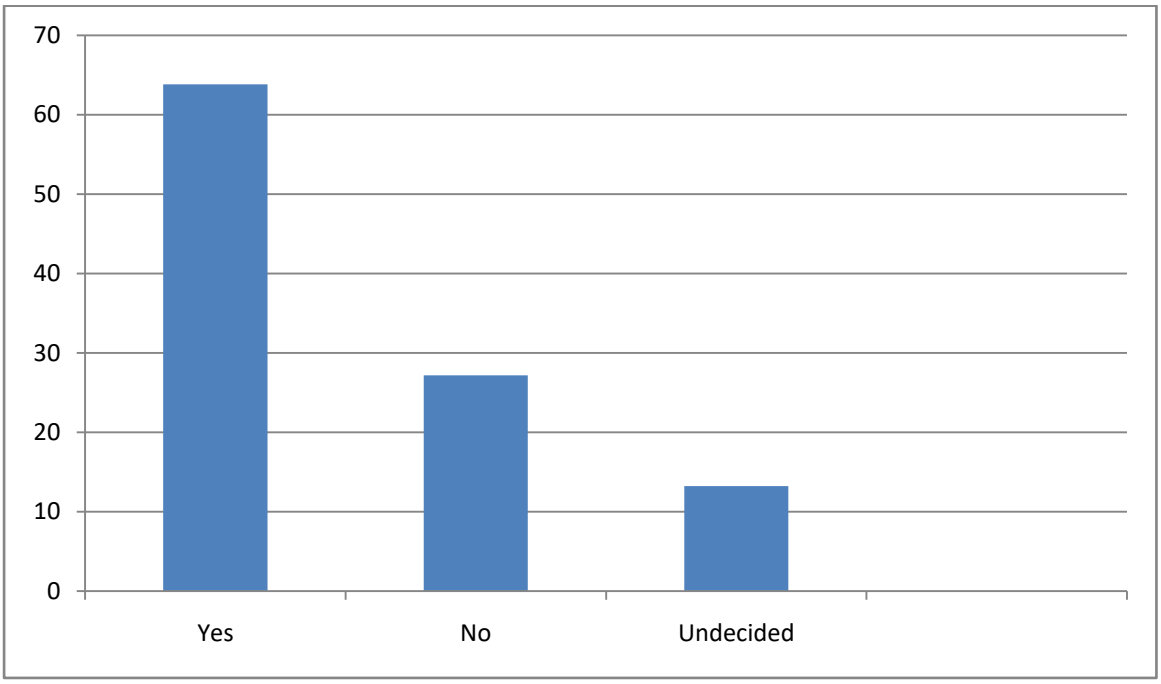


Figure 5 shows the distribution of companies based on whether a state or government official requested a bribe.

Pertaining the question 'If you have ever given a bribe since the start of your business up to date' 78.17% of business agents said the question was unnecessary.

Similar results have been observed in other developing economies with high corruption, where not all businesses state that they need to pay bribes, and there is considerable variation in reported graft across firms facing similar institutions.

Identical results were observed in other developing economies with high corruption. However,

Of equal importance are the opinions of respondents regarding the giving of requested bribes, as well as the effects on business (Figure 6). The majority of respondents believe that not giving a bribe will affect their business (61.89%).

However, there are situations where bribery may help innovators in these markets tointroduce new products by overcoming bureaucratic obstacles. A smaller portion of respondents (21.14%) said it was an appreciation and encouragement for the staff to hasten their job. Only 7.49% of business representatives chose 'I do not want to answer.'

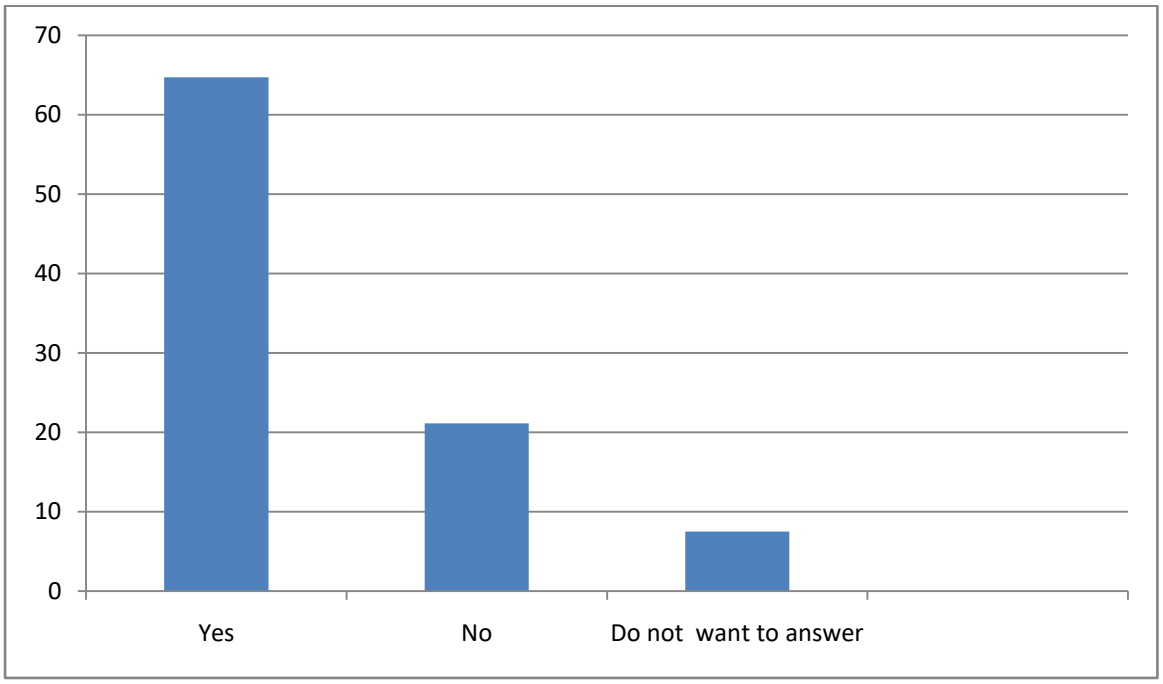


Figure 6: Distribution of companies according to how bribery will affect the business - %

A significant feature of the research is the respondents' opinions regarding where they can criticize or give an indication, if they are victims of corrupt practices. However, the survey data recommends that a major portion of respondents know where they can complain in case of corrupt practices, and they mention institutions such as the police, prosecution, and the Commission for Counteracting Corruption and for Seizure of illegally acquired property.

Conclusion

Based on the results on the Impact of Corruption on Sustainable Development in Kogi State, Nigeria, the following conclusions have been drawn:

I. Most respondents believe that corruption exists, which is a threat to their business.
II. The portion of respondents who are in a situation where state officials requested bribes from them is significant.
III. There is a significant proportion of respondents who believe that if they do not give the requested bribe, it will adversely affect their business.
IV. The portion of business representatives that gave bribes from the start of business is not large, but such situations still exist.
V. There have been no projects from 2017 to 2022 due to mismanagement of funds and projects by government officials. This mismanagement has grossly affected the performance of SDGs.
VI. The performance of SDGs in the state from 2015 to 2017 was satisfactory.

Recommendation:

Fighting corruption is a complex task that requires a comprehensive and concerted effort from various stakeholders, including government institutions, civil society, and the public. Here are some recommendations to help combat corruption in the context of the Kogi State Sustainable Development Goals (SDGs):

1. **Transparent Governance:**
    - Encourage transparency in government activities, procurement, and project implementation.
    - Make government data easily accessible to the public to promote accountability.
2. **Strengthen anti-corruption agencies.**
    - Ensure that anti-corruption agencies are well-funded, independent, and have sufficient resources to carry out their mandate.
    - Support the training and professional development of anti-corruption officials.
3. **Whistleblower Protection:**
    - Establish and enforce strong whistleblower protection laws to encourage individuals to come forward with information on corrupt practices.
    - Create mechanisms to ensure the confidentiality and safety of whistleblowers.
4. **Public Awareness and Education:**
    - Implement public awareness campaigns to educate citizens about the negative impact of corruption on development and society.
    - Foster a culture of integrity and ethical behavior through educational programs.
5. **Citizen Engagement:**
    - Encourage citizen participation in decision-making processes, particularly those related to development projects.
    - Use technology to engage citizens and collect feedback on government initiatives.
6. **Digitalization and Automation:**
    - Implement technology-driven solutions to minimize human intervention in administrative processes, reducing the scope for corruption.
    - Use electronic platforms for government services and transactions to improve transparency.
7. **Independent Audits:**
    - Conduct regular, independent audits of government finances, projects, and programs to identify and address corruption risks.
    - Ensure that audit reports are made public and acted upon promptly.
8. **Judicial Reforms:**
    - Strengthen the judicial system to ensure swift and fair adjudication of corruption cases.
    - Establish specialized anti-corruption courts to expedite the resolution of corruption-related cases.
9. **International Cooperation:**
    - Collaborate with international organizations and neighboring states to share best practices and coordinate efforts in the fight against corruption.
10. **Political Will:**
    - Demonstrate strong political will at all levels of government to eradicate corruption.
    - Implement and enforce strict consequences for corrupt practices, regardless of the individual's position or status.

It's essential to note that these recommendations should be adapted to the specific context of Kogi State and may require ongoing evaluation and adjustments. The commitment of all stakeholders, including government officials, civil society, and the public, is crucial for the success of anti-corruption initiatives.

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