

Effect of Corruption on Economic Growth in Nigeria

Oke Margaret Adebimpe and Onaolapo Oluwatamilore Akin

Department of Economics, Ajayi Crowther University, Oyo, Oyo State, Nigeria.

Corresponding author: ma.oke@acu.edu.ng

Abstract

This study is focused on the effect of corruption on economic growth in Nigeria. Hence, the study examined the historical overview of corruption in Nigeria and conceptual discussion. It also reviewed the causes and effects of corruption, without leaving out the dynamics of corruption in Nigeria. Also, the study looked at the relationship between corruption and the Nigerian economic growth. However, the study introduces a new perspective on the role of corruption in economic growth and provides quantitative estimates of the effect of corruption on the economic growth in Nigeria as well as their causal relationship. This study used the ARDL bound test approach. The study adopts annual time series data from the period of 1988-2018. The stationarity properties of the variables were tested using Augmented Dickey Fuller (ADF) and Phillips-Perron (PP) test. Result from the bound test reveals that corruption exact a negative and significant impact on economic growth in the short run and in the long run. The study therefore recommends among others that the activities of the anticorruption agencies in Nigeria such as the Economic and Financial Crimes Commission (EFCC) and the Independent Corrupt Practices and Related Offences Commission (ICPC) should be strengthened and that our youths need to be re-orientated on moral values.

Keywords: *Corruption, Oil revenue, Agric revenue, Economic growth and Gross domestic product.*

Introduction

Empirical and conceptual literature acknowledged corruption as global phenomenon capable of undermining state authorities' capacity to secure the welfare of all citizens. The United Nations Global Programme Against Corruption (UNGAP) equally describe corruption as an abuse of power for private gain. The history of corruption is as old as the world, because ancient civilizations have traces of widespread "illegality and corruption" (Dike, 2005). However, the concept of corruption transcends national boundaries and frontiers. This doesn't presuppose that the magnitude of corruption activities is the same in every society. Some countries are obviously more corrupt; yet others have better and workable institutions capable of taming the menace.

Of all the elements that threaten development, corruption is the most destructive. Corruption and mismanagement of the economy cripple economic growth and development of any country (Taiwo, 2009). According to Zirnask (2007), corruption stifles and hurts the development and growth of countries whose resources have been stolen or pillaged. Hence, high level corruption is inimical to economic growth and constitutes a major hurdle on the road to social and economic development. Corruption can be classified as grand, petty and political, depending on the amounts of money lost and the sector where it occurs. Transparency International went further to calibrate the concept when it said, "Grand corruption consists of acts committed at a high level of government that distort policies or the expense of the public good. Petty corruption refers to everyday abuse of entrusted power by low and mid-level public officials in their interactions with ordinary citizens, who often are trying to access basic goods or services in places like hospitals, schools, police departments and other agencies.

Globally, a recent survey of 150 high level officials from 60 third world countries revealed that public sector corruption as the most severe obstacle confronting their development process (Pwc, 2017). Countries in Africa, Asia and the Pacific region are very worried about this problem and they are in a bid to pay urgent attention to reducing and eradicating it. According to a World Bank report, corruption at over \$1 trillion per year account for about 12% of the GDP in Nigeria, Kenya and Venezuela (World bank, 1997). In Nigeria today, there are many unresolved problems, but the issue of the upsurge of corruption is alarming. Corruption is endemic in Nigeria. According to the Global Anti-corruption Watchdog's latest index, Nigeria is ranked 154 out of 180 countries; higher than only Guinea Bissau in the entire West African sub-region.

Over the last decade, Nigeria has scored relatively low on corruption indices. Between 2011 till date, Nigeria's score has varied from 24 to 28 per cent and its ranking from 136th to 148th. Corruption in Nigeria appears to be ubiquitous and takes many forms: from massive contract frauds to petty bribery, from straight-up embezzlement to complicated money laundry schemes, from pocketing the salaries of existent and non-existent workers to steering plum jobs to relatives and friends. Corruption has in turn affected public finances, business investment as well as standard of living (Pwc, 2018). Osoba (2007) opined that corruption has been a way of life in Nigeria, one which existing governments neither wish to, nor can control. Ogbeidi (2012) opined that it is an incontrovertible fact that corruption has been the bane of Nigeria's development. The study therefore seeks to examine the effect of corruption prevalence in Nigeria, determine the extent to which corruption has affected the economy and evaluate the relationship between corruption perception index and other variables on Gross domestic product

Statement of Research Problems

The state of corruption in Nigeria has been categorized as endemic. Corruption has also been identified as one major obstacle to national growth and development of the Nigerian economy. Research has shown that corrupt practices have been perpetrated in governance, public and private places since the pre-colonial era to the colonial period and through independence to present. Achebe (1988) wrote that "the Nigerian problem is the unwillingness or inability of its leaders to rise to their responsibility, to the challenge of personal example, which is the hallmark of true leadership". In the same vein, Storey (1953) wrote that "before independence, there have been cases of official misuse of resources for personal enrichment".

Despite the establishment of anti-graft agencies, such as Independent Corrupt Practices and Other Related Offences Commission (ICPC) in 2000, and Economic and Financial Crimes Commission (EFCC) in 2003, the Financial Action Task Force on Money Laundering (FATF) named Nigeria amongst the twenty three non-cooperative countries frustrating the effort of international community to fight money laundering corruption has continued to weaken institutions, discourages investment and retards economic development.

Corruption has also led to diversion of developmental resources of the society to private or personal use. Recent corruption scandals have highlighted the large sums that have been stolen and/or misappropriated. But little has been done to explore the dynamic effects of corruption that affect the long run capacity of the country to achieve its potential. Empirical literature, for instance, the works of Mauro and Carmeci (2007), Nageri, Gunu and Falilat (2013) and Ekundayo et al. (2013) have consistently reported a negative linear relationship between economic growth and economic crimes except the works of Ahmad et al. (2012) and Aidt, Dutta and Sena (2008) who found non-linear relationship between economic growth and economics crimes in a panel of countries. It is, however, not certain if a non-linear relationship exists between economic crimes and economic growth in

Nigeria as no empirical investigation on the relationship between economic growth and economic crimes have come to this conclusion.

Therefore, this study aims at showing the effect of corruption and economic crimes on Nigeria's economy.

Conceptual Framework

Corruption

Corruption, when applied as a technical term, is a general concept describing any organized, interdependent system in which part of the system is either not performing duties it was originally intended to, or performing them in an improper way, to the detriment of the system's original purpose. Corruption has been broadly defined as a perversion or a change from good to bad. Specifically, corruption or corrupt behavior involves the 'violation of established rules for personal gains and profit' (Sen, 1999: 275). Corruption is 'efforts to secure wealth or power through illegal means- private gain at public expense' (Lipset and Lenz, 2000: 112). According to (Stople, 2008), United Nations Convention against Corruption, recognized corruption as a multifaceted, dynamic and flexible phenomenon, and therefore does not define, but describe corrupt practices. Corruption may not be easy to define but, according to Tanzi(1998), it is "generally not difficult to recognize when observed." Corrupt acts required a minimum of two individuals from one or more communities, and either exchange or the promise of an exchange of money.

According to Salisu (2000), the simple definition of corruption is that it is the misapplication of public resources to private ends. For example, public Officials may collect bribes for issuing Passports or Visa, for providing goods at sea/airport for awarding contracts or artificial scarcity. Konie(2003) identified two types of corruption, these are, Vertical corruption, which involves managers and decision makers. This is common in less developed countries and; Horizontal corruption, which involves the entire Officials, informed and laymen groups in the countries. Corruption is a worldwide phenomenon, but prominent in developing countries, particularly in Africa. Johnston and Rose-Ackerman (1997) pointed out that the wide spread of corruption is a symptom of a poorly functioning state, and a poorly functioning state can undermine economic growth. Where corruption is situated in the structural nature of any society, countries with extensive natural resources may fail to develop in a way that benefits ordinary citizens (Edewor and Sokefun, 2002).

For a very long time, corruption has been acknowledged as an obstacle to economic progress in Nigeria. Ogbunwezeh (2005) submits that corruption is the canonization of fraudulence; the brazen celebration of impunity, which pollutes the ethical hygiene of a society. In Nigeria, corruption kick-starts a process of social decadence by enthroning the reign of roguery and unvarnished dishonesty. It allows ethical recklessness, and invites a normative chaos, that erodes every sane social value. It defaces and corrodes social mores, with lavatorial rottenness. It sabotages the common will and enables the embezzlement of the nation's posterity.

There are different vocabularies used to describe corruption in Nigeria. Some of these are bribery, extortion (money and other resources extracted by the use of coercion, violence or threats), embezzlement (theft of public resources by public officials). It is when a state official steals from the public institution in which he/she is employed), betrayal of trust, unfair advantages, financial malpractices, "egunje", dash, gratification, brown envelopes, tips, emoluments, greasing, softening the ground, inducements, sub-payments, side payments, irregular payments, payment under the table, undocumented extra payments, facilitation payments, mobilisation fees, "routine governmental action," revised estimates, padded contracts, over(under)-invoicing, cash commissions, kickbacks, payoffs, covert exchanges, shady deals, cover-ups, collusion, "10% rule"

(bribe surcharge), "50% rule" (sharing bribe within the hierarchy), "let's keep our secret secret," "highly classified" transactions, customary gift-giving, tribute culture, nepotism (a special form of favoritism in which an office holder prefers his/her kinfolk and family members), etc.

The scope and complexity of corruption in Nigeria is immense. Corruption manifests itself in Nigeria in the form of abuse of positions and privileges, low levels of transparency and accountability, inflation of contracts, bribery/kickbacks, misappropriation or diversion of funds, under and over invoicing, false declarations, advance fee fraud and other deceptive schemes known as "419", collection of illegal tolls, commodity hoarding, illicit smuggling of drugs and arms, human trafficking, child labour, illegal oil bunkering, illegal mining, tax evasion, foreign exchange malpractices including counterfeiting of currency, theft of intellectual property and piracy, open market abuse, dumping of toxic wastes, and prohibited goods" just to mention a few. Nigeria remains mired in corruption, crime, poverty, and violence despite the promulgation of several laws like in other countries as the principal mechanism for curbing corruption.

According to Nigeria Extractive Industries Transparency Initiative (2016), petroleum revenues are the lifeblood of official corruption in Nigeria because they constitute over 75 percent of total government receipts and well over 90 percent of export earnings. Nigeria's federal, state, and local government structures essentially function as mechanisms for dividing up and spending what Nigerians refer to as their "national cake": oil and gas revenues. The epicenter of petro-corruption is the state oil company—the Nigerian National Petroleum Corporation (NNPC)—which shapes industry policy and regulations and spends lavishly on itself with minimal oversight in ways that are out of step with international best practices (Gillies, Sayne, and Katsouris, 2015).

Nigeria's industrial and manufacturing sector has declined steadily since the 1970s, hamstrung by infrastructure shortfalls, foreign exchange and credit shortages, misguided fiscal and trade policies, and corruption. Both federal and state governments have nevertheless clung on to loss-making state-owned enterprises, often because they are important mechanisms for distributing patronage and siphoning public funds. Nigeria is littered with these so-called white elephant projects: monuments to industrial corruption that consume large quantities of public funds every year despite incurring huge losses (Robinson and Torvik 2005).

In contemporary Nigeria, corruption in public offices pre-dated Nigeria's independence. Allegations of corrupt practices against civil servants and police officers predate independence (Oliyide and Odeku, 2002). Nigeria's post-independence history has been overshadowed by the depredations of a series of corrupt, abusive, and unaccountable governments. Also, large-scale grand-style electoral fraud and wanton stealing of public funds characterized the First Republic (Osipitan, 2001). No one who has friends, relatives or other associations with Nigeria can deny that the corruption in Nigeria is reaching record proportions. This is consistent with perception surveys as detailed by Transparency International. They have ranked Nigeria over the last few years the worst corrupt nation on the earth, second to Bangladesh (The 2007 Transparency International Corruption Perceptions Index).

Forms of Corruption in Nigeria: Corruption can be seen in many forms, however. In many instances, forms of corruption cut across two or more sectors, resulting in negative synergistic effects. Bureaucratic corruption, Political Corruption (grand), Trade-Related Corruption, Industrial Corruption, Infrastructure Corruption, Financial Corruption, Judicial Corruption, Bribery, Embezzlement and Extortion.

Causes of Corruption in Nigeria: A number of factors have been identified as instrumental to enthrone corrupt practices especially in developing countries.

Low wages: Wages remain piteously low in the country despite occasional salary and wage review. After several years of industrial brick-battling and harangue, alongside largely futile strike actions, the federal government agreed on N30,000 minimum wage for Nigeria civil service almost an insuperable lingering illusion as various state government keep asserting multiple reasons why they cannot afford to pay the new wage increases.

Poverty: According to international standard of poverty, a person is said to be poor when he lives under \$1.25 per day, these are many poor people in Nigeria and poverty pushes them into corruption. According to World Bank Group, in 2004, 63.1% of Nigerians were poor.

Greed: Greed has caused a lot of crises in the world, including Nigeria. It is because of greed that political leader and public servant embezzle from the funds they are supposed to use for national development for their own selfish needs (Levinus, 2015).

Nepotism: This is a highly based method of distribution of state resources where a public officer prefers his or her recruitment, promotion, appointment to public positions, thereby ignoring the merit system; this may lead to the downgrading of the public service.

Election fraud: This refers to buying of votes with money, intimidation of agents of opposition parties at the polling units, obstructing the freedom of election, and engaging in ballot snatching and stuffing (Iidada & uhunmwangbo, 2012). It involves manipulation of voters register, brigandage, and all manner of electoral violence leading to killing and maiming of people. It also involves multiple thumb printing on ballot papers.

The Effect of Corruption on National Development: The consequences of corruption on a nation's socio-political and economic development are myriad. The foremost effect of corruption is that it leads to a reduction in economic growth and development by lowering incentives to invest; it also leads to a divestment in such economies. Serious investors are always wary of offering bribes before being allowed investment rights or operational licenses. This is due to the fact that there is no guarantee that greased officials may keep their side of the agreement, and with no official cover they address in case of contract breach, the fleeced investor is on his own (Epele, 2006). To the above is the fact that foreign investors are also prone to withdraw their capital from a country with high incidence of corruption because the risk involved in doing business in such nations sometimes outweighs the benefits.

Keeper (2010) argued that corruption provides both local and foreign investors the leverage to surmount bureaucratic impediments, yet the number of such successful deals is a far cry from the avalanche of investors that have stripped off their hard-earned money. Corruption also alters the pattern of government expenditure. Experience has shown that in highly corrupt countries, officials throw government funds more into large and hard-to-manage projects, such as airports or highways than on social services like health and education. It has been a stumbling block to people enjoying the social fruits of good governance (Ibrahim, 2003).

Corruption contributes immensely to inhibition of economic performance; it negatively affects investment and economic growth, which is detrimental to national development. If corruption discourages investment, limits economic growth and alters the composition of government spending, it automatically hinders future economic growth and sustainable development.

Crude Oil and Corruption: Crude oil is the primary engine of Nigeria's economic growth, extensively linked to the level of corruption. However, Udechukwu & Mujtaba (2013), referring to other scholarly publications that analyzed the link of foreign investment and corruption level through regression analysis, confirmed that Nigerian economy is not developed "as fast or as healthy as it should be, given the extent of corruption drawn from the over-reliance on crude oil as a critical source of revenue" (p. 231). In earlier research by Gboyega, Soreide, Le, and Shukla (2011), Nigerian dependence over its petroleum resource has been criticized based on inability to develop broad-based economy, which neglects other sources of revenue, like agricultural sector, to the date producing the largest amount of farm output throughout the African continent. Such self-directional focus over the natural resource assumed to bring the largest revenue is not unique in African context. Mozambique, for instance, having even more steady GDP growth driven by mineral deposits mining comparing to the one in Nigeria faces strong poverty rates as a consequence of global increase for food and fuel prices due to inability of establishing rural infrastructure that would support agricultural development (Cunguara & Hanlon, 2012).

Corruption in Agricultural Sector: Nigeria's agricultural economy reflects the dynamics of its political economy since independence (Eboh, 2011). Prior to attainment of her political independence through the present regime, most government policies have been directed towards accelerating economic growth and development with the ultimate aim of transforming the economy. Development is critical and essential to the sustenance and growth of any nation. In order to successfully enhance meaningful development, effective strategies must be evolved. Gboyega (2003) captures development as an idea that embodies all attempts to improve the conditions of human existence in all ramifications. It implies improvement in material well-being of all citizens, not the most powerful and rich alone, in a sustainable way such that today's consumption does not imperil the future, it also demands that poverty and inequality of access to the good things of life be removed or drastically reduced. It seeks to improve personal physical security and livelihoods and expansion of life chances. Naomi (1995) believes that development is usually taken to involve not only economic growth, but also some notion of equitable distribution, provision of health care, education, housing and other essential services all with a view to improving the individual and collective quality of life (Naomi, 1995).

Nigeria and the Anti-corruption Crusade

There is no gainsaying that corruption is pervasive in Nigeria and has a wide-ranging effect on its growth and development. Fighting corruption became the campaign promises of successive leaders in the country. Accordingly, different legal and institutional measures were introduced to fight corruption. Among these measures are: Jaji Declaration initiated by General Olusegun Obasanjo (retired) in 1977, Ethical Revolution by Alhaji Shehu Shagari administration between 1981-1983, War Against Indiscipline (WAI) by General Muhammadu Buhari (retired) and Late Babatunde Idiagbon in 1984, the National Orientation Movement 1986 and the Mass Mobilization for Social Justice by General Ibrahim Babangida (retired) in 1987. Others include War Against Indiscipline and Corruption (WAIC) by Late General Sanni Abacha in 1996, the present Independent Corrupt Practices and Other Related Offences Commission (ICPC), and the Economic and Financial Crimes Commission (EFCC) introduced by former President Olusegun Obasanjo in 2002 and 2004 respectively (Folarin, 2012; Nwankwo, 2014).

Whistleblowing as an anti-corruption instrument

Like other hidden and illicit activities such as trafficking of drugs and humans, corruption (in its entirety) has become a terrifying phenomenon that defies all kinds of measures (Beare, 2003). Investigating corruption and gathering valuable evidence to prosecute perpetrators are among the major challenges of anti-corruption agencies around the world (Osipian, 2009). The secretive and systemic nature of corruption and the category of individuals involved make the fight against it practically impossible. Perpetrators always make sure that all foot-print traceable to them is cleared or covered up; thus, many of them often go unpunished (Lewis et al, 2010).

Appraisal of Whistleblowing Policy in Nigeria

Despite the fact that there is no law that presently guarantees the protection of whistleblowers in Nigeria, some patriot Nigerians have provided valuable information that led to the recovery of funds, arrest and prosecution of guilty parties. So far, the actual amount of money recovered through whistleblowers' information is not known. However, in 2017, the government disclosed that more than \$160 million (US dollars) have been recovered through whistleblowing policy (Jannah, 2017). In addition, record of recoveries reported in the media revealed that on February 3rd, 2017, the EFCC raided an apartment in Kaduna State, following a whistleblower's information, where a sum of \$9.2 million (US dollars) was found. Similarly, on April 10th 2017, N250 million (Naira) was found in an abandoned shop in Lagos. Also, on April 13th 2017, \$43 million, N23 million and £27,000 was found in a building at Osborne Tower in Ikoyi, Lagos (Vanguard News, 2017, Ibrahim, 2017, Akinkuotu, 2017, Akinkuotu and Godwin, 2017).

Whistleblowing policy appears to be an effective instrument for uncovering and fighting corrupt practices in Nigeria. The recovery of looted resources through whistleblowers' information gives the impression that there is hope in the fight against corrupt practices that have distorted the growth and development of Nigeria. However, there is a need for the policy to have legal support for it to be sustained. Also, the policy could be further strengthened through adherence to the established guidelines for the implementation of whistleblowing and protection of whistleblowers as highlighted in the African Union Convention against Corruption, United Nation Convention against Corruption, and whistleblowing policy instructions of the Transparency International.

Classical Growth Theory

This theory sought to determine the sources and composition of growth and what can hinder growth. The proponents of this theory posit that the way income is distributed among classes in the society determines whether growth occurs or how growth proceeds. It also determines the saving behavior of classes in the society which is critical for growth. Therefore, growth flows from the distribution of income. High level of corruption distorts the allocation of public resources and leads to a more unequal distribution of income. Gupta et al (2000) in a study on corruption, inequality and poverty observed that high levels of economic crimes produce a more unequal distribution of income under some conditions, but the mechanism may be complex—operating through lower investments in education and lower per capita incomes. Rotimi et al. (2013) assert that there are strong indications that the changes in income distribution that have occurred in recent years in previously centrally planned economies have been partly the result of corrupt actions.

Policy-Oriented Theory

Teveik, Albert and Charles in 1986, propounded the Policy-Oriented theory probing and clarifying the role of government in the fight against corruption. The theory thus state that; the recurrent

incident of corruption in government and private sectors in both developing and developed economies has a resultant effect on economic and financial growth of a nation and for the war against administrative corruption to embrace a theoretical and less descriptive method, models, framework and methodology ought to be developed to measure its effect on economic growth.

Economic Growth Theory

This theory was propounded in reactions to the deficiencies in the Solow-Swan growth theory or model by Arrow (1962); Lucas (1988); and Romer (1990). This theory as propounded lay more emphasis on the long-run growth rate of an economy and on the basis of endogenous factors rather than exogenous factors of the neoclassical growth theory. The Solow-Swan model explains that the long-run growth rate of output is based on two basic exogenous variables such as population growth rate and level of corruption in the country. The growth theory emphasizes on technical progress resulting from the rate of capital stock, human capital development, reduction in corruption and investment rate.

Empirical Literature Review

Previous empirical studies conducted in this area of study are explored with a view to discovering the gap in literature, which formed the basis of this research. To this end, a number of works were reviewed both foreign and local.

Paulo et al (2022) investigate the effect of corruption on the economic development of the Latin American and Caribbean countries. Using panel data covering the period from 2000 to 2018 and leveraging on two-way fixed-effect and system generalized method of moments estimators, they show that a one standard deviation increase in corruption, as measured by the reversed Transparency International's corruption perception index, is associated with a decrease of 12.2% in gross domestic product per capita and a decrease of 3.05% in economic growth. This supports the view that corruption "sands the wheels" of the development of Latin American and Caribbean countries rather than "grease the wheels" perspective that corruption may help compensate for bad governance. They also assess the potential mechanisms through which corruption affects economic performance, providing evidence that corruption is associated with lower investment in physical capital and lower foreign investment flow. A panel Granger causality test indicates a bidirectional causality between higher corruption and lower economic development.

Malanski et al (2021) analyze the effects of corruption on economic growth for different levels of economic freedom. The effects of corruption on the economy, which can increase or decrease growth, were tested in emerging countries in Latin America and Pacific Asia, between 2000 and 2017, through one-step System-GMM estimation panel data regressions. The results showed that economic freedom works as a moderator in the relationship between corruption and economic growth. On both continents, greater economic freedom, on average, supports the growth of GDP *per capita*. In Latin America, it was possible to corroborate the hypothesis that corruption damages countries with greater economic freedom but favors economic growth in countries with lower economic freedom levels. Regarding the Asian countries studied, there was only a negative effect of corruption on economic growth in countries with less economic freedom. When comparing this reality with the one in Latin America, it was observed that in terms of development, the countries in this continent are in earlier stages compared to the Asian countries, even though both country groups are called "emerging."

Erum et al (2019) analyze the impact of corruption and natural resources on economic growth by incorporating the role of per capita income and Information Communication Technologies (ICT). They use panel time series data from 1984 to 2016 for 43-member countries of Organization of

Islamic Corporation (OIC). They apply Cross Sectional Autoregressive Distributed Lags (CS-ARDL) approach for estimation of results. The finding shows that corruption impedes economic growth. Natural resources have positive and significant effect on economic growth. Moreover, the combine effect of corruption and natural resources is positive. They split sample size according to low and high ICT diffusion economies and found that natural resources are inversely related with economic growth in low ICT diffusion economies. Their finding affirms the existing hypothesis that corruption impedes economic growth in OIC countries. The analysis also corroborates that ICT plays significant contribution in nexus between corruption and economic growth within OIC countries.

Ekundayo et al., (2013) analyze Corruption and Economic Growth in Nigeria using GDP as the dependent variable and corruption, previous degrees of corruption and corruption perception index for Nigeria as explanatory variables and adopting OLS concluded that corruption impairs economic growth. This study failed to identify any scope or even identify the sources of data and so the reliability of data and result drawn there from are put in doubt. Moreover, corruption perception index is just the perception of individuals with regard to corruption and this perception is largely subjective with minimal time points. Adewale (2011) investigated the crowding out effects of corruption in Nigeria using parsimonious error correction mechanism and employed experimental research design approach for the data analysis and revealed that there is a negative relationship between corruption and output growth in Nigeria. The implication of this is that Nigeria government should introduce a national re-orientation program to educate people on the crucial need to eradicate corruption in all sectors of Nigeria economy and socio-political system.

Muhuda (2013) investigating the relationship between corruption, poverty and economic growth in Nigeria. The study employed regression analysis and granger causality test, it was discovered that there is an existence of co integration chance tangling a long run causality relationship between corruption, poverty and economic growth in Nigeria. Fabayo, Posu and Obisanya (2011) analyzed the consequences of economic crime on investment in Nigeria using the Ordinary Least Square technique. They used the annual corruption perception index between the period 1996 and 2010 as proxy for economic crimes. Their study revealed that low Corruption Perception Index ranking on Nigeria, which implies high level of corruption, leads to low investment and thus low economic growth in Nigeria. The time points are small to allow for generalizations of this nature. Again, the use of corruption perception index as a proxy for economic crime may hide other characteristics of economic crime and so hamper robust econometric analysis.

Adenike (2013) investigates the impact of corruption on economic growth in Nigeria on an annual time series data from 1980-2009 using regression analysis. Also, the Granger causality test and impulse response function was carried out. The empirical results reveal that corruption per worker exerts a negative influence on output per worker directly and also indirectly on foreign private investment, expenditure on education and capital expenditure per worker. Furthermore, the study revealed that there is a one-sided causality where the direction of influence runs from output per worker to corruption per worker. This study therefore recommended a strategy that depends excessively on actions in various sectors in combating corruption in the Nigerian economy as against a single action (establishment of anti – corrupt agencies).

Sunkanmi and Isola (2014) investigates the causality between corruption and economic growth in Nigeria. Johansen co-integration test, ADF unit root test, Granger causality test and Ordinary Least Square methods were employed on time series (secondary) data, covering 1990 and 2010. FDI inflow, Corruption Index, Gross Domestic Product, gross fixed capital formation, openness/globalization of the economy and government expenditure were the variables employed. Five models were specified; the first four models examined the relationship between corruption and various economic

growth determinants, while the last model examined the relationship between corruption and economic growth. The result revealed that there was no significant relationship between corruption and the Economic Growth (GDP) determinant, openness of the economy and globalization (OEG). While economic growth and the other variables such as government expenditure (GOV), foreign direct investment (FDI), Gross capital formation (GCF) has significant relationship with corruption, thus indicating that corruption exhibited a positive relationship with economic growth (GDP). The study therefore recommends among others that the activities of the anticorruption agencies in Nigeria such as the Economic and Financial Crimes Commission (EFCC) and the Independent Corrupt Practices and Related Offences Commission (ICPC) should be strengthened and that our youths need to be re-orientated on moral values

Ben et al. (2018) scrutinize the extent upon which corruption have undermine economic growth provide by (GDP) as its prime objective. The study adopts the Classical Linear Regression Model (CLRM) by means of secondary data from 1999-2016 with an array of other universal/customary and analytical tests. There is therefore a strong recommendation and advocacy for all-round review of anticorruption agencies modus operandi, revitalization of citizens via attitudinal re-orientation, economic diversification and true federalism should be embrace as a key realistic attainment of vital and sustainable development in the face of the current sectorial struggle for growth and development which corruption has dent over time.

Ademu (2013) explore the Singapore model of dealing with acts of corruption to serve as a model for Nigeria. Corruption is inimical to socio-economic development of any country where it is practiced on any scale. This explains why all nations make efforts to minimize or eradicate corruption in their economies. Nigeria has been ranked among the most corrupt nations of the World by many international anti-corruption agencies. To deal with corruption in Nigeria, various anti-corruption agencies were set up but the problem remains. This paper therefore recommends the Singapore model as a method of dealing with corruption in Nigeria. This model holds each sectional head responsible for any act of corruption in his/her unit if established.

Aliyu and Elijah (2008) investigate the impact of corruption on economic growth in Nigeria from 1986 to 2007. A Baro-type endogenous growth model was adopted and reconditioned to suit the purpose of the paper. The Engle-Granger (1987) co-integration and error correction mechanism (ECM) techniques were employed to unit root properties of the variables, their long run relationship and to determine values of long run parameters. The results show that corruption exerts significant direct effect on economic growth and indirectly via some critical variables examined by the paper which include Government Capital Expenditure, Human Capital Development and Total employment

Ajie and Wokekoro (2012) examine the impact of corruption on sustainable economic growth and development of Nigeria. Data were drawn chiefly from secondary sources and subjected to econometrics tool of ordinary least square techniques. The major finding among others are weak institution of government; dysfunctional legal system; lack of transparency, high poverty/unemployment rate and political interference on the operations of anti-corruption agencies constitute the major causes of systemic corruption in Nigeria.

Methodology

Types and sources of data

Secondary data for this study sources time series data from the World Bank's database 2018. The period of study covers from 1988 to 2018. This study contributes to research by attempting to; develop an open economy model which shows the possible economic expectations of corruption on economic growth and economic development. Data availability determines the number of variables as well as the sample period used in the study.

The main objective of this study is to examine the effect of Corruption on the Nigeria Economy (1988-2018). In order to achieve this objective, the study utilized data on Gross domestic product growth (GDP) as the dependent variable while CORRUPTION PERCEPTION INDEX (CPI), OIL REVENUE and AGRIC REVENUE are the independent variables. The data used for the study is basically time series data from 1988-2018 which relates to both the dependent and explanatory variables. Thus, the data was sourced from the yearly reports of the World Development Index.

Model Specification

Basic Expositions and Underlying Assumptions of the Model for the Study

ARDL-bounds testing to co-integration

Given that the series are $I(0)$ and $I(1)$, the ARDL bounds testing method to co-integration (Pesaran & Shin, 1999; Pesaran, Shin, & Smith, 2001) was employed to check if there is co-integration or long-run relationship between corruption and its determinants. The ARDL method has several advantages over other co-integration techniques including the residual-based technique (Engle & Granger, 1987) and the maximum likelihood test (Johansen, 1988; 1991; Johansen & Juselius, 1990). These advantages have been discussed in details (Abu, 2017, 2019). First, the ARDL technique can be used to investigate the existence of co-integration between variables whether the order of integration is $I(0)$, $I(1)$, or a combination of both. Second, whereas the residual-based technique such as the Johansen co-integration approach requires a large sample for validity, the ARDL method is superior when investigating co-integration using small samples. Third, the ARDL method permits the variables to have different lags, but this is not often the case when using the conventional co-integration methods. Last, the ARDL method employs a single reduced-form equation to estimate the short-run and long-run parameters of the model simultaneously, while the conventional co-integration techniques use a system of equations.

The ARDL model is specified as follows:

$$\Delta GDP_t = \alpha_0 + \sum_{i=0}^n \alpha_{1i} \Delta GDP_{t-i} + \sum_{i=1}^n \alpha_{2i} \Delta CPI_{t-i} + \sum_{i=1}^n \alpha_{3i} \Delta OIL_{t-i} + \sum_{i=1}^n \alpha_{4i} \Delta AGRIC_{t-i} + \varepsilon_{1t}$$

The procedure of the ARDL approach starts with the conduct of bounds test for the null hypothesis of no co integration (H_0) against the alternative hypothesis (H_1) for the individual equation stated as follows:

$$H_0 = \delta_1 = \delta_2 = \delta_3 = \delta_4 = 0,$$

$$H_1 = \delta_1 \neq \delta_2 \neq \delta_3 \neq \delta_4 \neq 0$$

In deciding whether there is co-integration between/among the series, the computed F-statistic is compared with upper critical bounds value [$I(1)$] or lower critical bounds value [$I(0)$]. If the computed F-statistic is greater than the [$I(1)$], we conclude that the series are co-integrated. But if the computed F-statistic is smaller than the [$I(0)$], we conclude that there is no co-integrating relationship between the series. In addition, if the F-statistic falls between the [$I(1)$] and [$I(0)$], then our inference would be inconclusive.

If it is established that a co-integrating or long-run relationship exists between the variables, then the long-run coefficients can be estimated using the long-run model that is expressed as follows:

$$GDP_t = \beta_0 + \beta_1 GDP_{t-1} + \beta_2 CPI_{t-1} + \beta_3 OIL_{t-1} + \beta_4 AGRIC_{t-1} + \varepsilon_{2t}$$

Additionally, if it is confirmed that a long-run relationship exists between the variables, then the short-run coefficients can be estimated by using the error correction model that is specified as follows:

$$\Delta GDP_t = \beta_0 + \sum_{i=1}^n \beta_{1i} \Delta GDP_{t-i} + \sum_{i=0}^n \beta_{2i} \Delta CPI_{t-i} + \sum_{i=0}^n \beta_{3i} \Delta OIL_{t-i} + \sum_{i=0}^n \beta_{4i} \Delta AGRIC_{t-i} + \phi_1 ECT_{t-1} + \varepsilon_{3t}$$

Analysis of Results

In this study, bound testing approach based on the estimation of Auto regressive distributed lag model (ARDL) is used to test the long run relationship between our dependent variable which is Gross Domestic Product growth ($\ln GDP_t$) and independent variables which are Corruption Perception index ($\ln CPI_t$), Oil and Gas GDP ($\ln O_t$) and Agricultural GDP ($\ln A_t$). The advantage of Bound testing approach to co-integration analysis compare to other tests is that the long run and the short run dynamics of the model can be estimated separately. Moreover, before the unit root testing, it will be clearly seen from the table 1 in result section that the variables do not provide the co-integration with same levels of stationary. This condition (whether the series are $I(0)$ or $I(1)$) provides feasibility for bound test co-integration approach based on ARDL model. Eventually, this condition puts away the feasibility of other co-integration tests.

Test for Unit Root

Unit root is carried out to determine if the variables are stationary and if not, to determine their order of integration (i.e. number of times they are to be differenced to achieve stationary). In standard econometric analysis of the data used in research, a stationary test was carried out; this is due to the fact that most time series data are non-stationary. The Augmented Dickey Fuller test (ADF) test for unit roots and the Phillips Perron (PP) test were conducted for the time series employed in the study. The Augmented Dickey Fuller (ADF) result and the Phillips Perron (PP) test show that GDP, CPI, OIL, and AGRIC are all integrated series at Level and order one. The results are shown in the table below

S/No	VARIABLE	ADF Stat	Critical Values			Prob	Order of integration
			1%	5%	10%		
1	GDP	-10.04535	-3.68	-2.98	-2.62	0.0000	$I(0)$
2	CPI	-4.230176	-3.68	-2.97	-2.62	0.0026	$I(1)$
3	OIL	-5.158401	-3.68	-2.98	-2.62	0.0002	$I(1)$
4	AGRIC	-5.010337	-3.68	-2.98	-2.62	0.0003	$I(1)$

Source: Computed using E-view 9

The stationarity test result presented in Table 4.1 shows that at various levels of significance (1%, 5% and 10%), the variables were stationary. Thus, all the variables became stationary at level (integrated at level $I(0)$) and first difference $I(1)$. Hence, the entire variables in this study are stationary. The accompanying probability estimates are all less than 0.1, the preferred significance level therefore, acceptable. The result of the unit root output shows that all the variables are integrated at order $I(0)$, $I(1)$ and it is also significant because all the probability value are less than 0.1.

Dependent Variable: GDP_GROWTH
 Method: ARDL
 Date: 09/22/20 Time: 09:23
 Sample (adjusted): 1991 2018
 Included observations: 28 after adjustments
 Maximum dependent lags: 4 (Automatic selection)
 Model selection method: Akaike info criterion (AIC)
 Dynamic regressors (4 lags, automatic): CPI OIL_GAS AGRIC
 Fixed regressors: C
 Number of models evaluated: 500
 Selected Model: ARDL(3, 0, 2, 3)
 Note: final equation sample is larger than selection sample

Variable	Coefficient	Std. Error	t-Statistic	Prob.*
GDP_GROWTH(-1)	0.326872	0.162373	2.013091	0.0612
GDP_GROWTH(-2)	-0.124962	0.134176	-0.931328	0.3655
GDP_GROWTH(-3)	-0.359667	0.113049	-3.181518	0.0058
CPI	6.335352	3.204676	1.976908	0.0655
OIL_GAS	20.40400	6.184366	3.299287	0.0045
OIL_GAS(-1)	-12.50631	8.565623	-1.460058	0.1636
OIL_GAS(-2)	19.80557	7.066439	2.802766	0.0128
AGRIC	20.53778	5.338981	3.846760	0.0014
AGRIC(-1)	-40.09776	8.402378	-4.772191	0.0002
AGRIC(-2)	22.02855	10.20392	2.158833	0.0464
AGRIC(-3)	-16.96252	7.587418	-2.235611	0.0400
C	-214.8434	58.39293	-3.679271	0.0020
R-squared	0.898983	Mean dependent var	4.367857	
Adjusted R-squared	0.829533	S.D. dependent var	3.854968	
S.E. of regression	1.591625	Akaike info criterion	4.064916	
Sum squared resid	40.53234	Schwarz criterion	4.635860	
Log likelihood	-44.90882	Hannan-Quinn criter.	4.239459	
F-statistic	12.94441	Durbin-Watson stat	2.179040	
Prob(F-statistic)	0.000006			

Source: Output from E-views 9

Short run

The model is best fit at 89.8983% R-squared and 83.9533% Adjusted R-squared. The probability of (F-statistic) is 0.000006 below 5%. It means our model is Significant.

The results demonstrate that Corruption perception index (CPI) has a positive and significant effect on the GDP at 1%, in the short run. A 1% increase in Corruption perception index leads to an increase in the GDP by 6.3%. Similarly, Corruption perception index has a positive and significant effect on the GDP at 1%, in the long run. A 1% increase in Corruption perception index leads to an increase in GDP (an increase in Economic Growth) by 6.3%.

Oil expenditure has a positive and significant effect on the GDP at 1%, in the short run. A 1% increase in oil expenditure leads to an improvement in the GDP (a reduction in corruption) by 20.4%. But oil Revenue has a Positive and significant effect on the GDP at 1%, in the long run. A 1% increase in oil Revenue leads to an increase in the GDP (an increase in Economic growth) by 20.4%

Agric has a positive and significant effect on the GDP at 1%, in the short run. A 1% increase in Agric leads to an increase in the GDP by 20.5%. Similarly, Agric has a positive and significant effect on the GDP 5%, in the short-run. A 1% increase in agric revenue leads to an increase in the GDP (an increase in corruption) by 20.5%.

F-statistic	6.333314	Asymptotic: n=1000		
		10%	5%	2.5%
k	3	2.37	2.79	3.15
				3.65
Actual Sample Size	28	Finite Sample: n=35		
		10%	5%	2.5%
		2.618	3.164	3.614
				4.428
		Finite Sample: n=30		
		10%	5%	2.5%
		2.676	3.272	3.676
				4.614

Source: Computed using E-view 9

Results of bounds testing to co-integration

In the table above, there is F-statistics for the long run relation test of the Gross Domestic Product. In the first phase of the bounds testing, result of the F-statistics will be compared with the critical values which are given in the study of Pesaran et al. (2001). Consequently, F-statistics (6.5) which is calculated at $k = 3$ (number of independent variable) exceeds the upper critical value at 10% significance level. Thereby, the null hypothesis that there is no long run relationship among the variables will be rejected without taking into account that variables are $I(0)$ or $I(1)$. As a conclusion, it is found that there is long run relationship in Gross Domestic Product with Corruption Perception Index, Oil & Gas and Agriculture.

The results of the bound testing to co-integration reveal that the F-statistic (6.5) is larger than the $[I(1)]$. This finding implies that the variables are co-integrated. Thus, there is a long-run relationship between corruption and its determinants

Summary and Conclusion

Of several elements that threaten the development of the Nigeria economy, corruption has been adjudged to be the most potent and destructive of them all. Corruption stifles and hurts the development and growth of the country's economy. Essentially, corruption leads to a reduction in economic growth and development because it negatively affect all the facet of the economy. The adverse effect of corruption in Nigeria has led to the creation of institutions and policies by successive government in Nigeria. Howbeit anti-graft policies and institutions have performed poorly at combating the epidemic.

Data collected were mainly secondary data which were obtained through time series data from the World Bank's database. The data collected and analysis done on the subject matter helped in achieving the objectives.

The model is best fit at 89.8983% R-squared and 83.9533% Adjusted R-squared. The probability of (F-statistic) is 0.000006 below 5%. It means our model is Significant.

The results of the bound testing to co-integration reveal that the F-statistic (7.825) is larger than the $[I(1)]$. This finding implies that the variables are co-integrated. Thus, there is a long-run relationship between corruption and its determinants.

The Result from the bound test reveals that corruption exact a negative and significant impact on economic growth in the short run and in the long run also the study reveal that increase in oil revenue and agric revenue affect economic growth negatively, finally corruption is prevalent in Nigeria Economy

This study has established the fact that corruption has seriously effect on the polity of Nigeria and it is seriously affecting the economic growth of the country. The study revealed that corruption impacts negatively on economic growth as evidenced from our analysis. Hence, this cost the economy so much that development will be slowed down if not restricted. The causal relationship of the variables also shows that corruption impairs economic growth and its consequences and effects are also on the increase. Therefore, it is obvious that in a bid to minimize corruption in order to restore rapid economic growth, the identified issues and problems of corruption must be seriously identified and tackled.

Recommendations

Based on the result from the bound test which reveals that corruption exact a negative and significant impact on economic growth in the short run and in the long run, the following recommendations are made:

- Existing reforms and policies on corruption should be sincerely reviewed and strengthened to ruthlessly address the causes of corruption rather than its effects. In doing this, the roles of the agencies and commissions saddled with monitoring corrupt practices must be motivated and encouraged. This will amount to strictly enforcing due process and the rule of law in the public administration where corruption is at the highest level.
- The activities of the anticorruption agencies in Nigeria such as the Economic and Financial Crimes Commission (EFCC) and the Independent Corrupt Practices and Related Offences Commission (ICPC) should be strengthened
- Nigerian populace needs to be re-orientated on moral values. This will create a long-lasting impression in the minds of those that may further want to engage in corruption and with time, this will gradually correct damages caused to the economy in such a way that those effects on the economy will be insignificantly noticeable. Besides this, it will make corruption further hard and more hazardous to engage in.
- Punitive measures should be put in place to ensure transparency, monitoring, and accountability through a working fair and just system. This is because some people will engage in corrupt practice simply because of the belief and understanding that they can go scot free.
- The political arena should develop a firm and uncorrupt legal monitoring system that will establish and ensure that corruption will not occur in the planning and execution of public sector budgets while social and internal control mechanisms are required for civil society and autonomous state auditing agencies.

References

- Achebe Chinua, 1988. *The Trouble with Nigeria*, Enugu, Fourth Dimension Publishers.
- Ademu, W. A. (2013). Eradicating corruption in public office in Nigeria. *Interpersona: An International Journal on Personal Relationships*, 7(2), 311-322.
- Adenike E. T. (2013). An econometric analysis of the impact of Corruption on economic growth in Nigeria. *Journal of Business Management and Economics*, 4(3), 054-065.
- Ades, A. and DiTella, R. (1996). The Causes and Consequences of Corruption: A Review of Recent Empirical Contributions. *Institute of Development Studies Bulletin*, 27(2): 6-10
- Adsera, A., Boix, C. and Payne, M. (2003). Are You Being Served? Political Accountability and Quality of Government. *Journal of Law Economics and Organization*. 19(2): 445-490
- Ajie, H. A., & Wokekoro, O. E. (2012). The impact of corruption on sustainable economic growth and development in Nigeria. *International Journal of Economic Development Research and Investment*, 3(1), 91-109.
- Akinkuotu, E. (2017). EFCC recovers N449m in abandoned Lagos shop. Lagos, Nigeria. Retrieved April 26, 2017 from <http://punchng.com/efcc-recovers-n449m-in-abandoned-lagos-shop/>.
- Akinkuotu, E. (2017). How EFCC recovered \$43m, £27,000, N23m during house raid. *The Punch*, available at <http://punchng.com/efcc-recovers-43m-27000-n23m-during-house-raid/>. Accessed on 26 April, 2021.
- Akinkuotu, E., and Godwin, I. (2017). EFCC impounds N49m at Kaduna airport. Retrieved April 25, 2017 from <http://punchng.com/efcc-impounds-n49m-at-kaduna-airport/>.
- Aliyu, S.U.R. (2007). *Democracy, Corruption and Economic Development: Evidence from Nigeria*, being a paper presented at that Nigerian Political Science Conference held at the Centre for Democratic Research and Documentation, Bayero University, Kano.
- Aliyu, S. U. R., & Elijah, A. O. (2008). *Corruption and economic growth in Nigeria: 1986-2007*.
- Amundsen, I. (2000). *Corruption: Definitions and Concepts*. Norway: Norwegian Agency for Development Cooperation (NORAD), Michelson Institute (CMI)

- Anoruo, E. and Braha, H. (2004). Corruption and Economic Growth: The African Experience. http://www.jsd_africa.com/jsda/spring2005/articlepdf/arc_corruption%20and%20economic%20growth.pdf.
- Arrow, K. (1962). Economic welfare and the allocation of resources for invention. In *The rate and direction of inventive activity: Economic and social factors* (pp. 609-626). Princeton University Press.
- Beare, M., E. (2003). *Critical reflections on transnational organized crime, money laundering and corruption* (Ed). Toronto: University of Toronto Press.
- Ben, E. U., Udo, E. S., Abner, I. P., & Ibekwe, U. J. (2018). The effect of corruption on economic sustainability and growth in Nigeria. *International Journal of Economics, Commerce and Management*, 6(4), 657-669.
- Cunguara, B., and Hanlon, J. (2012). Whose wealth is it anyway? Mozambique's outstanding economic growth with worsening rural poverty. *Development and change*, 43(3), 623-647.
- Dike, V. E. (2005). Corruption in Nigeria: A new paradigm for effective control. *Africa economic analysis*, 24(08), 1-22.
- Edewor, P. and Sokefun, E. (2002), "Corruption in Nigeria: A Socio-Cultural Perspective", in Sokefun J.A. (ed.), *Issues in Corruption and the Law in Nigeria*, Ago - Iwoye: Faculty of Law, O.O.U., pp. 77- 91.
- EFCC Reports (2005). Effect of Corruption on Nigeria's Economy. Nigeria EFCC Information Communication Technology Department. Abuja.
- Ekundayo, R. M., Obasaju, B., AdedoyinIsola, L., & Ise Olorunkanmi, J. (2013). Analysis of corruption and economic growth in Nigeria. *Afro Asian Journal of Social Sciences*, 4(4), 2.
- Engle, R.F. and C.W.J. Granger (1987), "Co-Integration and Error Correction: Representation, Estimation and Testing," *Econometrica*, 55: 251-276.
- Epele, A. (2006). Corruption and the Nigerian Society: Causes, Effects and the Futility of Solutions. The Politics Magazine. University of Benin. Benin City.
- Erum, N., & Hussain, S. (2019). Corruption, natural resources and economic growth: Evidence from OIC countries. *Resources Policy*, 63, 101429.
- Fabayo, J. A., Posu, S., & Obisanya, A. A. (2011). Economic crime and the investment climate in Nigeria. *Journal of Economic and Sustainable Development*, 2(4).
- Folarin, S. (2012). *Corruption, Politics and Governance in Nigeria*. Ibadan: Ibadan: Press.
- Gbenga L., (2007). Corruption and Development in Africa: Challenges for Political and Economic Change. *Humanity & Social Sciences Journal* 2 (1): 01-07
- Gillies, A. (2020). Corruption trends during Africa's oil boom, 2005 to 2014. *The Extractive Industries and Society*, 7(4), 1171-1181.
- Gupta S. Davoodi H. and Alonso Jerme R. (2000), 'Does Corruption Affect Income Inequality and Poverty?' IMF Working paper 98/76, Washington DC, IMF
- Granger C.W. (1986). *Development in the study of cointegrated economic variables*, Oxford Bulletin of Economics and Statistics. Vol 48 (3) 213-228
- Hadi, H. (1999). The Detrimental Effects of Corruption in Developing Countries. *Journal of Social Science* 410.
- Huntington, S.P (1968). Political order in changing Societies. New Heaven: Yale University Press.
- Ibrahim, J. (2003). Corruption in Nigeria: Transition, Persistence and Continuity. *The Nigerian Social Scientist*, Vol. 6, No. 2.
- Ibrahim, M. (2017). The 'fresh loot' recovered by EFCC. The Cable, Retrieved April 26, 2017 from available at <https://www.thecable.ng/photos-fresh-loot-recovered-efc>.
- Imohe, E. E. (2005). Nigeria's Progress in Curbing Economic Corruption. A Paper Presented at a forum organized by the Society of Government Economists. Washington, DC 27th September 2005.
- International Center for Economic Growth (1999). ICEG Information Brief 6, Causes and Effects of Corruption, Nairobi, 1999.
- Jannah, C. (2017). Whistle-Blower: FG recovers another \$151m, N8bn loot. Daily Post. Retrieved April 21, 2017 from available at <http://dailypost.ng/2017/02/12/whistle-blower-fg-recovers-another-151m-n8bn-loot/>
- Johansen, S. (1988), "Statistical Analysis of Cointegrating Vectors," *Journal of Economic Dynamics and Control*, 12: 231-254.

- Johnston, M. and Rose-Ackerman, S. (1997), "Corruption: Catalysts and Constraints", Paper presented at the Ninth Annual World Bank Conference on Development Economics, Washington, D.C.
- Jones, L. and Manuelli, R. (1990). A Convex Model of Equilibrium Growth: Theory and Policy Implications." *Journal of Political Economy* 98(5): 1008-1038.
- Keeper (2010): Systemic Corruption in Nigeria: A Threat to Sustainable Development. Proceedings of the 1st International Technology, Education and Environment Conference (c) African Society for Scientific Research (ASSR), Co-Published By: Human Resource Management Academic Research Society. www.hrmars.com/admin/pics/224.pdf
- Khan, M. H. (1996): "A Typology of Corrupt Transactions in Developing Countries" IDS Bulletin.
- Konie, G. (2003). "National Reconciliation." The Post, a Zambian Newspaper July 23.No.2471, pp: 11.
- Lawal, G. (2007): Corruption and Development in Africa: Challenges for Political and Economic Change. *Humanity & Social Sciences Journal* 2 (1): 01-07, 2007.
- Lewis, David B. and Indira, C. (2010). Combating corruption through employment law and whistleblower protection. *Industrial Law Journal*, 39(1), 1-30.
- Lipset, S. M. and Lenz, G. S. (2000): Corruption, Culture, and Markets, in *Culture Matters*, Lawrence E. Harrison, and Samuel P. Huntington, eds., (New York: Basic Books, 2000), p.112.
- Lucas Jr, R. E. (1988). On the mechanics of economic development. *Journal of monetary economics*, 22(1), 3-42.
- Maduagwe, M. O. (1996): Nigeria in Search of Political Culture. The Political Class, Corruption and Democratization. In *Corruption and Democratization Nigeria*, 13. 18-19 (Alex Gboyega ed., 1996).
- Malanski, L. K., & Póvoa, A. C. S. (2021). Economic growth and corruption in emerging markets: Does economic freedom matter?. *International Economics*, 166, 58-70.
- Mauro, L., & Carmeci, G. (2007). A poverty trap of crime and unemployment. *Review of Development Economics*, 11(3), 450-462.
- Muhuda, P. (2013). Investigating the relationship among corruption, Poverty and economic growth in Nigeria. *Journal of Banking*, 4(2): 15-30
- Nageri, K. I., Gunu U., & Abdul, F. A. (2013). Corruption and economic development: Evidence from Nigeria. *Kuwait Chapter of Arabian Journal of Business and Management Review*, 3(2), 25-28.
- Ogbeidi, M. M. (2012). "Political Leadership and Corruption in Nigeria Since 1960: A Socioeconomic Analysis". *Journal of Nigeria Studies*. 1,(2) : 1- 25.
- Ogbunwezeh, E.F. (2005), "Nigeria's War on Corruption and Prevailing Ontologies", *Nigeria World Feature Article*, March 31, (<http://nigeriaworld.com/articles/2005/-mar/311.html>).
- Oliyide, O. and Odeku, K. (2002), "Legal Perspective of Corruption in Nigeria", in Sokefun J.A. (ed.), *Issues in Corruption and the Law in Nigeria*, Ago - Iwoye: Faculty of Law, O.O.U., pp. 1-76.
- Oludele, A., and A. S. Rano. "Corruption and Economic Growth in Nigeria: 1986-2007." *MPRA Paper* 12504 (2008).
- Osipian, A. (2009). Investigating Corruption in American Higher Education: The Methodology. *Fed. Uni. Journal of Higher Education*, 4(2), 49-81.
- Osipitan, T. (2001), "The Corruption Practice and Other Related Offence Act, 2000, The Role of N.Y.S.C and Effect on National Development", Paper presented at the conference organized by the National Youth Service Corps, Airport Hotel Ikeja, Lagos State, July 31.
- Osoba, S.O. (1996), "Corruption in Nigeria: Historical Perspectives", *Review of African Political Economy*, Vol. 23, n° 69, A Tribute to A.M. Babu, pp. 371-86.
- Osoba, S.O. (2007). Corruption in Nigeria: historical perspectives [Internet]. Retrieved 18 June 2018 from <https://www.tandtonline.com>.
- Paldam, M. (1999a): *The big pattern of corruption: Economics, culture and the seesaw*
- Paldam, M. (1999b): "Corruption and religion. Adding to the economic model", Department of Economics, University of Aarhus, unpublished mimeo.
- Paulo, L. D. D., Lima, R. C. D. A., & Tigre, R. (2022). Corruption and economic growth in Latin America and the Caribbean. *Review of Development Economics*.

- Pesaran, M. H., Shin, Y., & Smith, R. J. (2001). Bounds testing approaches to the analysis of level relationships. *Journal of applied econometrics*, 16(3), 289-326.
- Pesaran, M. H., Shin, Y., & Smith, R. P. (1999). Pooled mean group estimation of dynamic heterogeneous panels. *Journal of the American statistical Association*, 94(446), 621-634.
- Powell, B., Manish, G. P., & Nair, M. (2010). *Corruption, crime and economic growth. Handbook on economics of crime*. New York: Benson Print .Indd.
- PWC (2017) Nigeria Transparency report 2017. PricewaterhouseCoopers Nigeria.
- PWC (2018) Nigeria Transparency report 2018. PricewaterhouseCoopers Nigeria.
- Rajab, S. (2011). *A study of cointegration models with applications* (Unpublished Ph. D. Thesis). University of South Africa, Johannesburg, South Africa.
- Ribadu, M. N (2003). Economic Crime and Corruption in Nigeria: the Causes, Effects, and efforts aimed at combating these vices in Nigeria. Paper presented at the Monaco World Summit 5th International Summit on Transnational Crime Monte Carlo 23rd and 24th October 2003
- Ribadu, M.N. (2006) Nigeria's Struggle with Corruption. Paper presented to US Congressional House Committee on International Development, Washington, DC on May 18. Retrieved on November 25, 2013 from <http://ippanigeria.org/efcc.pdf>.
- Romer, P. M. (1990). Endogenous technological change. *Journal of political Economy*, 98(5, Part 2), S71-S102.
- Rotimi, E. M., & Obasaju, B. L. (2013). Analysis of corruption and economic growth in Nigeria. *Afro Asian Journal of Social Sciences*, 4(4), 2.
- Storey Jr, Robert G. "History of State Junior Bar of Texas." *ABAJ* 39 (1953): 841
- Swank, D. (2002). *Global capital, political institutions and policy change in developed welfare states* Cambridge: Cambridge University Press.
- Tanzi V, Davoodi H (1997). Corruption, Public Investment and Growth. IMF Working Paper: WP/97/139. Washington, International Monetary Fund. Retrieved from: <http://www.imf.org/external/pubs/ft/wp/wp97139.pdf>
- Tanzi V (1998). Corruption Around the World: Causes, Consequences, Scope and Cures. IMF Working Papers 45(4), 559-594.
- Tirole, J. (1996). "A Theory of Collective Reputations." *Review of Economic Studies* 63:1-22. The Guardian (1999). The Guardian Online, January 2, 1999
- Todaro M (2003). *Economic Development*. Singapore: Pearson Education Ltd.
- Todaro MP, Stephen CS (2009). *Economic Development* 10th Edition. Singapore: Pearson Education Limited.
- Transparency International Corruption Index. Various series
- United Nations (2001). UN Global Programme Against Corruption. Anti-Corruption toolkit. www.odcep.org/pdf/crime/toolkit/fitof7.pdf 19
- UNDP, (1997) "Corruption and Good Governance United Nations Development Programme
- Usman M. (2013) Corruption in Nigeria: A Challenge to Sustainable Development in the Fourth Republic *European Scientific Journal* February 2013 edition vol.9, No.4 ISSN: 1857 – 7881 (Print) e - ISSN 1857-7431
- Voskanyan, F. (2000). A study of the Effects of Corruption on Economic and Political Development of Armenia. A published M. Sc. Thesis of the Graduate School of Political Science and International Affairs November 2000.
- Wei, S. J. (1997). Corruption in Economic Development. Beneficial Grease, Minor Annoyance, or major obstacle? Harvard University and the National Bureau of Economic Research, Working Paper, the World Bank.
- World Bank Indicator (2021), World Bank Indicator for Development. <http://data.worldbank.org/data-catalog/world-development-indicator>, accessed: April 25, 2016. Unauthenticated.