



Nigeria; Poverty, Violence: Wages of Cash & Carry Governance

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Last Thursday, Transparency International released its yearly global corruption report in London. In it, the international anti-corruption watchdog details how plundering politicians and bribing multinationals undermine economic development.

The report's main message is that political corruption is a crime against humanity. It hurts the poor far more than the rich. It mortgages the prospects of the future of millions. Funds that could boost health care and education are diverted into private purses. Thus, national economies suffer, breeding despair. And, as is the case in Nigeria, despair in turn breeds violence.

This view collaborates the position of THISDAY Development cover last week on how endemic corruption in Nigeria can dim the bright prospects of the new National Economic Empowerment and Development Strategy (NEEDS).

In previous years, TI focused on the presence or absence of corrupt practices in government and business, when it rated Nigeria the second most corrupt country in the world, after Bangladesh. This year, the focus is political corruption, where Nigeria is ranked among the highest in the world.

Made available to THISDAY Development, the report classifies countries along the grades of low, medium and high political corruption. They are not, as in previous years, given numerical standing or positions.

One of the major criteria used by the report is political finance-related corruption, which it says is both a major and a common problem in Nigeria.

Money is useful in a democracy, the report says. Without it, democratic activities that money supports would suffer. But when the focus of politics becomes cash for personal enrichment, the abuse of money in politics creates major problems for democracies, "not least because it threatens democratic principles of equal justice and fair representation."

For example, as the report details about Nigeria, organs of governance are perverted for special interests.

Released two days to the local government elections in Nigeria, which finally held last weekend, TI's view of political corruption prefaced the irregularities and violence reported in the run up to, and outcomes of, the long-delayed elections into the country's third tier of government.

In the report, politically corrupt countries are seen as cultures where political parties

or candidates bribe voters or election officials. Directly or indirectly, the electorate are offered gifts, food, alcohol and even short-term jobs.

Illegal political donations are accepted without question. These could come from organised crimes such as drug trafficking, terrorist organisations or foreign governments.

Political appointments and honours are also sold and bought. Ministerial and ambassadorial positions are secured as rewards for political contributions. State resources such as money and infrastructure are used by office holders to advance their electioneering goals. In other cases, candidates are required to contribute large sums to party coffers, or to finance their own election campaigns.

More often than not, political parties impose fees on office public holders and elected members.

"Politics then becomes a rich man's game and elected representatives accumulate necessary funds to pay for the next elections by taking a percentage on secret commissions and accepting bribes," the report said.

And under a patrimonial economic system, an authoritarian government can use its position to limit funds available to opposition parties.

Also, private companies that make political contributions would likely do so for pay off in the form of contracts or government licenses, says the report. Other advantages gained may be policy change or legislation that favours special interests.

Other countries cited along with Nigeria as highly politically corrupt are Panama, Angola, Argentina, Bolivia, Mali, Chad, Haiti, Bangladesh, Dominican Republic, Ecuador, Paraguay and Philippines. Romania is the only European country in this category.

Countries with low political corruption are Austria, Australia, Belgium, Canada, Denmark, Hong Kong, Finland, Germany, Israel, Iceland, Malaysia, Malta, Netherlands, New Zealand, Norway, Portugal, Singapore and Taiwan, among others. Tunisia and Botswana are the only African countries in this category.

In between are the medium politically corrupt countries. These include China, Ethiopia, Ghana, Kenya, Senegal, Cameroon, Gambia, El Salvador, South Africa, Namibia, Tanzania, Uganda, Zambia, Zimbabwe, etc.

Inevitably, the report documents cases of stupendous enrichment through political corruption. This is where it chronicles the Nigerian government's fight to recover public funds looted by General Abacha. It says government "has the political will to deal with the legacy of past corruption."

It is estimated that Abacha looted between US\$2 billion and US \$5 billion during his five years of dictatorship. The upper limit is about 10 per cent of Nigeria's annual income from oil for over five years, the report says.

The run after the Abacha loots began with General Abdulsalami Abubakar, who recovered about US \$ 825 million before returning the country to civil rule in 1999. But a further US\$1.3 billion remains frozen in Switzerland, Luxembourg and

Liechtenstein. The current administration of Olusegun Obasanjo is trying to repatriate the money, the report says.

However, it does not say why it is only a dead Nigerian head of state, Abacha, who cannot defend himself, that has been found to have corruptly enriched himself in Nigeria.

But the Democratic Republic of Congo is presented as a contrast to the Nigerian situation. In the 32 years in which Mobutu Sese Seko ruled former Zaire, it is estimated to have received more than US \$12 billion in aid. "Much of that money vanished, but Mobuto himself claimed to be worth less than US \$50 million."

Much of the funds, a large chunk from the World Bank, are believed to have been put secretly in Swiss banks. President Laurent Kabila who succeeded Mobuto in 1997 failed to respond to a request by Swiss authorities to clarify who owned the missing funds. The report concludes that "to this day the money has not been repatriated."

How is political corruption of this nature to be dealt with? Hopefully, says the report, two regional and international instrument will curb corrupt elites stashing away stolen asset in foreign accounts.

These are African Union's Convention on the Prevention and Combating of Corruption, and the UN Convention against Transnational Organized Crime. Nigeria has ratified the second. It has signed the first, but is yet to ratify it.

But ratified or not, governments have to be committed to make them work. This is not presently the case in Nigeria.

After five years in office fighting corruption, and three years of ICPC, President Obsasnjó's government is yet to make one conviction over political corruption.