COMBATING FRAUD AND THE CHALLENGE OF POLITICAL WILLINGNESS: EVIDENCE FROM NIGERIAN PUBLIC SECTOR

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Abstract

The purpose of this paper is to explore the lack of political willingness in Nigeria as a challenge to combating fraud among public employees. This study is a qualitative approach. The sources of data collection involve government reports, newspapers and interviews. In all, 12 participants were employed for the study. The study found that a lack of political willingness in Nigeria shows a persistent challenge to combat fraud. Our findings suggest that (1) political intervention, (2) party system or political party and (3) lack of commitment from the government make fraudulent practices in Nigerian public sector (NPS) perennial. Thus, it has hindered the effort to combat fraud in NPS. This study has practical implications for regulators (like CBN), and anti-corruption bodies such as EFCC, ICPC, AMCON, and CCB. The study could perhaps redirect their efforts and eases the way of mitigating fraudulent practices in Nigeria's public sector. The study also has an academic contribution to the body of knowledge and insight to the literature. This paper is original and unique in its form and has the value on fraud prevention, detection of corruption, combating the contemporary fraud cases in the Nigerian public sector, and useful to those who might cherish its standing.

Research Highlights

1. Political system or party system contributes to the failure of the attempt by the government to address the problem of public misappropriation and pave ways for unethical behavior. Most of the executive officers or anybody holding a public office misappropriate fund and then move to the ruling party and get his litigation file swept under the carpet or the case close and it is very obvious in Nigeria. These affect the units, department and the entire system that supposed function efficiently to address the situation ineffective" (AUD1).
2. Politicians intervene in the affairs of the EFCC and ICPC to direct what should be done be it is right or not and this is called political intervention, they will not allow the work to go smoothly or the laws to work by the provision of the constitution. Therefore, political intervention is one of the bottlenecks that rendered the attempt to combat fraud unsuccessful" (AUD3).
3. Some of the laws meant to prevent the occurrence of unethical behavior or safeguard public assets in Nigerian Public Sector are not operative, so being not operative definitely renders the attempt to curtail fraudulent activities not realizable as most of these attempts are just shadow attempts not real attempts from the side of government. Thus, shadow attempt remains a challenge in curtailing fraud in the Nigerian public sector. Moreover, the success or failure of the attempts to curtail fraudulent practices lies in the soundness and effectiveness of the judicial system and the rate of conviction" (AUD1).

Research Objectives

The objectives of this paper is to explore the lack of political willingness in Nigeria as a challenge to combating fraud among public employees. With the view to know why despite the number of effort by government and anti-graft bodies in combating the fraudulent practices but the menace still remain to exist.

Methodology

Due to the massive upsurge in fraudulent practices in the Nigerian public sector and this phenomenon is extremely important and very complex that cannot just be condensed by formulating hypotheses that can be quantitatively tested. Therefore, the explorative approach is necessary (Bowen, 2005; Buckler, 2008; Creswell & Creswell, 2017). An in-depth interview was conducted with 12 participants including (3) accountants, (3) auditors, (2) legal practitioners, (2) staff of EFCC and (2) staff of FIRS. This is aimed to answer the following research question: RQ1. What are the challenges facing combating fraud in the Nigerian public sector? RQ2. Why the problem of fraud in NPS is still incessant in Nigeria despite extensive effort to address the matter? The interview is carefully recorded with a good recording instrument after which the researchers transcribed the audio into text. The researchers used the transcribing software by listening to the audio slowly and repeatedly to ensure that all the respondents' views are captured accurately. This process promotes the reliability and validity of the finding (Healy & Perry, 2000; Ritchie, Lewis, Nicholls, & Ormston, 2013)

Results

The view of the respondents (ACC3, ACC4, AUD2, EFCC2, LLB1, and FIRS2) disclosed that lack of political interest by the Nigerian government to fight financial crime is the major challenge faced in preventing fraud. For instance, AUD2 noted that;

"...the government is not serious at all in addressing the fraudulent matters, the government just announces publicly that we are, or we have taken a war against corruption, bribery, fraudulent and unethical act, all these must be stopped but the fraud and misappropriation are still ongoing. That is to say, all media information is just a mere saying to deceive the public and the entire world that the government is serious in fighting mismanagement while in real sense they are not" (AUD2).

The interview data also attributed the challenge to combat the mismanagement of public funds among the Nigerian public employees to the political intervention. Which is coercive interference by one state in the affairs of another or interference of a particular group of people into the affairs of the state. AUD3 opined that:

“politicians intervene in the affairs of the EFCC and ICPC to direct what should be done be it is right or not and this is called political intervention, they will not allow the work to go smoothly or the laws to work by the provision of the constitution. Therefore, political intervention is one of the bottlenecks that rendered the attempt to combat fraud unsuccessful” (AUD3)

Findings

The study found that a lack of political willingness in Nigeria shows a persistent challenge to combat fraud. Our findings suggest that (1) political intervention, (2) party system or political party and (3) lack of commitment from the government make fraudulent practices in Nigerian public sector (NPS) perennial. Thus, it has hindered the effort to combat fraud in NPS.

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