

WHISTLE BLOWING POLICY AND THE FIGHT AGAINST CORRUPTION: IMPLICATIONS FOR SOCIO-ECONOMIC DEVELOPMENT IN NIGERIA

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ABSTRACT: This study investigated the impact of the whistle blowing policy on corruption and the extent to which this has affected Nigeria's development. While whistle blowers are not encouraged to blow the whistle, the money recovered from looters seems not to have been properly accounted for or reinvested into the country. Thus, this study tried to answer three research questions. The routine activity theory was adopted for this study because; it effectively explains the adoption of the whistle blowing policy as a mechanism to combat crime in Nigeria. The data for this study was collected through the use of internet materials, textbooks, journals and key person interviews. Four key persons were interviewed from the Independent Corrupt Practices Commission (ICPC) and one from the Ministry of Finance. All respondents were within level 10 to 20 of the civil service. Findings revealed that the whistle blowing policy was an effective tool in the fight against corruption but, it has not affected the development of Nigeria positively because, the money recovered from loots are not reinvested into the economy. It was also found out that low submission of tips and lack of fund for proper investigation of corruption cases are the major challenges which the programme suffers. Therefore, it was recommended that those who give information that leads to the recovery of loots be given incentives. It was also recommended that loots be accounted for properly and reinvested into Nigeria's economy to enhance socio-economic development.

Key words: Whistle Blowing Policy, Corruption, Socio-economic Development.

Introduction

Nigeria has been bedevilled with the menace of corruption over the years. This has dealt a very strong blow on the state of development in the country especially as money meant for national projects and development are diverted into personal purses. It is estimated that Nigeria may have lost over \$500 billion to graft and the looting of public treasury by government officials since independence (Taiwo, 2015). Being a developing country, Nigeria's economy may be grossly affected by the rate at which its resources are being looted and this may negate positive development.

Transparency international (2013) revealed the Corruption Perception Index (CPI). The CPI measures the perceived level of public sector corruption in countries and territories around the world. It however indicated that many African nations, including Nigeria, have persistently assumed a worrisome level on the list of most corrupt countries in the world.

In view of this, the Nigerian government through the Federal Ministry of Finance introduced the whistle blower policy as a tool to complement the existing anti-corruption measures in 2016. This policy aimed at incorporating the public in the fight against corruption and was tagged “if you see something, say something”. It encouraged the public to report any form of corrupt practices to the appropriate body.

The 2017 Bill section 3, defined whistle blowing as an act of disclosure made in relation to the performance of improper conduct by a public authority, a public officer, or a public sector contractor. This could be a miscarriage of justice, an act or omission that constitutes an offence under a written law or an act or omission that involves the risk of injury to the public health, prejudices public safety, or harm to the environment (Anya & Iwanger, 2019).

The essence of whistle blowing policy is geared towards recovering looted funds without prosecuting those who looted the funds. However, the extent to which the whistle blowing policy has been able to effectively fight corruption in the country and the extent to which these looted funds has been invested back into the economy calls for empirical investigation.

Statement of the Problem

Whistle blowing policy may have been a positive step to mitigate corruption in the country. However, it may have been welcomed with mixed feelings from the public as regards to the protection of whistle blowers by the government. The public seem not to have trusted the government that they were going to protect them after blowing the whistle.

While this may have discouraged whistle blowers from blowing the whistle and thus, reduced the rate of whistle blowers, the money derived from whistle blowing or looters seems not to have been properly accounted for. This may have accounted for the insufficient fund by the government to execute national project even when these money is being recovered from looters. Therefore, even when the country may have sought to enforce the whistle blowing policy to recover money from corrupt government officials, the inability of the government to reinvest these money looted back into the economy seem not to have caused improvement in job creation and the general living condition of citizenry in the country.

Objective of the Study

The primary objective of this study is to find out the social and economic impact of the whistle blowing policy in its fight against corruption.

Research Question

This study tried to give answers to the following questions. They are:

- Has the whistle blowing policy effectively fought corruption in the country?
- Has whistle blowing in its fight for corruption contributed to development in the country?

- How best can future anticorruption policies and programmes be properly utilized to effectively fight corruption and enable development in the country?

Research Methodology

This study focused on assessing the impact of the whistle blowing policy on corruption and its implications on development in Nigeria. Data were collected using secondary sources like; text books, journals and internet materials and key persons interview. These key persons comprised five personnel of the Independent Corrupt Practices Commission (ICPC) and five persons from the federal ministry of finance. Thus, the researcher interviewed ten (10) persons. These agencies were purposively chosen when the Economic and Financial Crimes Commission was inaccessible.

Those interviewed were high ranking officers of managerial cadre who had good information on whistle blowing policy. These officers were within level 10 to 20 of the civil service structure and were purposively selected for this study. The interview guide comprised open-ended questions that gave the interviewer room to probe further. Findings were further discussed.

Theoretical Framework

This study adopted routine activities theory that was developed by Cohen and Felson. Cohen and Felson (1979) opined that three elements must converge for a crime to occur. These elements are; a motivated offender with criminal intentions who has the ability to act on these inclinations, a suitable victim or target and the absence of a capable guardian who can prevent the crime from happening.

Therefore, whistle blowing as a technique to combat corruption seek to ensure that everyone becomes a guardian that tries to prevent crime. The nature of the civil service is such that it allows public officials access to funds earmarked for national developmental projects. Thus, public officials are likely to have the inclination of diverting the monies for these projects to their personal purse due to the staggering sums allocated for some of these projects.

In light of this level of temptation as public office holders, the whistle blowing policy seeks to be a constraint, thereby, militating against all forms of corrupt practices in the system. This theory however fails to explain the impact of the whistle blowing policy on development. But it effectively explains the adoption of the whistle blowing policy as an anticorruption technique in Nigeria.

Conceptual Clarification

Whistle Blowing Policy: this is an anti-corruption programme that encourages people to voluntarily disclose information about fraud, bribery, looted government funds, financial misconduct and any other form of corruption or theft to the federal ministry of finance or anti-corruption agencies.

Whistle Blower: this is a person who discloses information about fraud, bribery, looted government funds, financial misconduct, and any other form of corruption of theft to the federal ministry of finance or anti-corruption agencies.

Corruption: these are fraudulent and dishonest conducts which could including looting and bribery.

Socio-economic Development: this is an improvement in the income and living condition of citizenry in Nigeria.

Motivated offenders: a motivated offender is an offender or someone who commits a crime because, they are encourage to commit the crime by certain factors around them.

Review of Literatures

The Whistle Blowing Policy in Nigeria

Whistleblowing is a term largely associated with raising alarm (as when the referee blows the whistle to alert the participants in a game that a foul is committed) (Schultz & Harutyunyan, 2015). Similarly, blowing a whistle is also likened to how people or groups are alerted about something dangerous or a potential threat (Rachagan & Kuppusamy, 2013; Onodugo, 2015; Rehg, Miceli, Near & Van Scotter, 2008; Bjorkelo, 2013).

Whistleblowing is an age-long method of revealing information or passing message of warning to the public. Its origin or when it started is not clear (Johnson, 2003) however; it is different from making complaints and submitting a written petition to the authority in reaction to grievances ensuing from quarrel or misunderstanding among members of an organization.

As a tool for fighting corruption, whistle blowing has proven to be effective in many parts of the world. Within the first six months, the Whistle Blowing Policy in Nigeria, officially launched by the Federal Ministry of Finance on December 22, 2016, attracted thousands of tips, some of which led to opening of over 3,000 investigations and the recovery of several billions of naira. However, while the Minister of Information of the Buhari administration, Alhaji Lai Mohammed, applauded the gains from the policy in different forums as evident of the progress being made in the 'war against corruption', controversy has continued to trail the conceptual, ethical and implementation frameworks of the policy so far (Onuora, & Umemezilem, 2018).

It is achieved when people in positions of authority are informed about a wrong doing so as to prevent harm, investigate and possibly, take action against those responsible for the wrongdoing. Whistle blowing generally entails four key characteristics:

- it involves an act done by a person who reveals information to the public,
- the information is revealed to a party who is an outsider to the organization and who often will take action on it.
- the information is related to unlawful activity within an organization, and

- the person disclosing the information is an employee/member or had been an employee/member of the organization (Johnson, 2003).

Typically, whistle blowing involves two major channels to disclose information. They are; internal and external channels. Internal whistleblowing is when a person (usually an employee) reports the misbehaviour of a fellow employee to the superior officer, while external whistleblowing is when an individual reports wrongdoing of a fellow employee, superior officers or a group within a place of work to the outside authority, usually the law enforcement agencies (Patheja, 2015).

Other channels that have been adopted by whistle blowers include personal whistleblowing; when an individual discloses information about misconduct that personally affects him/her, usually at work; and impersonal whistleblowing; is when a member of an organization reports wrongdoing that is harmful to other members or the organization (De George, 2010).

There are two types of whistle blowers known as government and cooperate whistle blowers. Government whistle blowers are public servants who reveal malpractices committed by their colleagues or superior officers, while cooperate whistle blowers are members of corporate bodies or private enterprises who disclose information about the violation of the statutory regulations by their employer (Lewis, 2001).

Banisar (2011) asserts that whistle blowers are exposed to a number of risks ranging from death threats to loss of lives and job, and other forms of retaliations from wrongdoers. The government took cognizance of the fact that those who report wrong doings may suffer ostracism, harassment, punishment, punitive transfers, discrimination, reprimands and dismissal. Therefore, the 2017 Bill section 5 provides that a person may make a protected disclosure whether or not the person is able to identify a particular person to whom the disclosure relates and that successful whistle blower receives monetary compensation from the Government (Anya & Iwanger, 2019).

In order to qualify for the monetary reward, the whistle-blower should provide government with information it does not already have, and could not otherwise obtain such information from any other publicly available source.

Offenses may include; violation of government's financial regulations, such as failure to comply with the Financial Regulations Act, Public Procurement Act and other extant laws, mismanagement/misappropriation of public funds, assets, vehicles, information on stolen public funds, information on concealed public funds, financial malpractice, fraud, theft, collecting/soliciting bribes, corruption, diversion of revenues, under-reporting of revenues, conversion of funds for personal use, fraudulent and unapproved payments. The actual recovery must be on account of the information provided by the whistle-blower (Bulusson, 2017).

However, whistle blowers are liable for every disclosure they make and are discouraged from making malicious, false and misleading disclosure. Anya and Iwanger (2019) stated that the

2017 Bill section 38 makes it an offence punishable with a fine of five hundred thousand naira or three years imprisonment or both for malicious or reckless disclosure.

The whistle blowing policy is made up of three key components: the information channels and the type of information required the rewards, and protection of whistle blowers.

The information required includes authentic evidence on financial misconducts such as misuse and embezzlement of public resource, fraud, bribery, pilfering, procurement and contract frauds, kickbacks and money laundering. Anyone with genuine and reliable information on any of these misconducts is encouraged to report to the appropriate authority (EFCC) through 24 hours mobile hotlines channel, email channel and a whistle blower website channel (Daniel, 2017).

An individual whistle blower whose information led to the recovery of money up to N1 billion (Naira) is eligible to 5 per cent reward. In addition, whistle blowers will be protected against any reprisals (Gabriel, 2017).

Challenges of the Whistle Blowing Policy

One of the challenges facing the whistle blowing policy is that, there are rumbled issues associated with the policy. Oladele (2018) asserts that the absence of statute prescribing protection to the whistle blower is a challenge. To this end, the National Assembly enacted the Whistle Blower Protection Bill 2017 (the 2017 Bill), which is yet to become law.

Another problem facing the policy is that, the whistle blowing policy seems to be more interested in recovering looted funds than persecuting those involved in the act of looting. Also, whether the proposed reward payable to a whistle blower is automatic once the fund is recovered is still debatable (Anya & Iwanger, 2019)

Data Presentation and Analysis

Was the whistle blowing policy an effective tool in the fight against corruption?

All the interviewees stated that the whistle blowing policy was an effective tool against corruption. They also added that anyone who discloses any wrong doing or makes public interest disclosure on corruption to the president, governor, FIRS, a member of the National Assembly, National Human Rights Commission, public complaint commission, NDLEA, NBC, ICPC, EFCC, the Auditor general, the Attorney general, police and the whistle blower act complaint officer in the organization where they work is a whistle blower.

An interviewee at the federal ministry of finance added that they have received 1,983 tips, 918 of the tips are under investigation, 623 were already completed, 12 are being persecuted by the EFCC, 4 have been convicted by the EFCC and 40 have been referred to EFCC/ICPC/DSS. 211 tips were received through calls, 245 tips were received through SMS, 209 tips were received through their website and 270 tips were received through e-mails in 2017 while 83 tips were

received through calls, 201 were received through SMS, 59 were received through their website and 35 were received through e-mail in 2018.

While 38 tips received in 2017 were classified, 935 were unclassified. In 2018, the tips that were classified were 3 while 384 were unclassified. He further stated that the total money that have been recovered include N7.8 billion, 378 million US dollars and 27,800 pounds.

He added that corrupt practices that could be blown whistle on include; a breach of government's financial regulations and other extant laws like stolen public funds, fraud, theft, collecting/soliciting for bribes, improper conduct or unethical behaviour, mismanagement or misappropriation of public funds and assets etc.

Has the fight against corruption impacted the country's socio-economic development?

70% of the interviewees stated that the fight against corruption has not impacted development positively while 30% states that it has impacted development positively. While those who stated that it has impacted socio-economic development positively stated that public officers are being discouraged from all forms of corrupt practices, those who said it has not impacted socio-economic development positively opined that, they money recovered have not been properly accounted for or invested into the economy.

What were the challenges of the whistle blowing policy?

All the interviewee stated that they suffered challenges but the major challenge encountered the low rate of submission of tips. 20% however added that, they also lack funds in which to carry out quick and proper investigation.

Were the monies recovered from corrupt government official reinvested into the country?

While 70% of the interviewees stated that they were not sure funds were reinvested into the economy as it is not part of their job, they strongly doubt that money recovered where reinvested into the economy. 30% categorically stated that the money recovered was not reinvested into the economy. 10% added that most of the whistle blowers were not given the reward money and maximum protection as was promised to them by the government. They further added that there was no law that guarantees their protection in Nigeria.

What can be done to improve on the future anticorruption programmes?

All the interviewees recommended that future anticorruption programmes should be targeted at recovering the money derived through corrupt means and punishing the person if found guilty of corruption. 60% added that incentives are provided for those with relevant information on corruption and maximum security given to them. 40% stated that enough fund be provided to enable them do their work effectively and efficiently.

Discussion of Research Findings

Whistle blowing is an effective tool in the fight against corruption and has effectively complemented efforts against corruption. However, it has not achieved similar feat in ensure development in the country. The money recovered from public office holders has not been reinvested into the country's economy and there seem to have been no significant account made concerning the funds.

Though it was opined that whistle blowing policy has so far discouraged public officers from looting further, the money recovered from these corrupt officials may have been looted by other corrupt officials.

Secondly, the whistle blowing policy seems more interested in recovering loot without punishing offenders. This may have paved way for future corrupt practices that are detrimental to the country because, public officeholders may believe that they will not be punished for corrupt practices when they are caught.

One of the major challenges encountered by the whistleblowing policy was the low rate in the submission of tips. This may be because of the lack of incentive and protection for whistle blowers; contrary to the 2017 Bill section 5 as stated by Anya and Iwanger (2019) which states that which blowers will be given some percentage of the money recovered and that the government would protect them. Another challenge that was found out was that law enforcement agencies lack the much needed fund investigate corrupt practices and carry out their duties effectively.

The interviewees advised that corrupt persons who are found guilty be persecuted. Secondly, the advised that incentives and protection be provided for anyone who provides useful information on corruption. Furthermore, they advised that funds be provided for law enforcement agencies to effectively carryout their duties.

Conclusion

The whistle blowing policy seems to have effectively recovered loots from public office holders without fighting corruption in itself. While corrupt public officeholders are not persecuted when found guilty, the money recovered seem to have been looted by other public office holders.

This has made it almost impossible to account for the money recovered or even reward whistle blowers whose information led to the recovery of these loots. Thus, it has become almost impossible to reinvest the money recovered from these loots into national projects that will cause development in the country.

The federal government may have sought other means like borrowing to tend to the country's national needs however, in the face of the numerous corrupt practices in the country; the country may face worst implications for development.

Recommendations

- There should be a provision for the protection of whistle blowers in the constitution to encourage whistle blowers to blow the whistle.
- Whistle blowers should be rewarded adequately and protected from all forms of harm by keeping them anonymous and relocating them if the need arise.
- Anyone who is found guilty of corruption should return the money stolen and be persecuted in accordance to the law.
- Law enforcement agencies should be properly funded and provided with infrastructure that will help them carry out their duties effectively.
- There should be transparency and proper accountability of the money recovered from corrupt public officers.
- The money recovered from corrupt public office holders should be reinvested into the economy to develop the country.

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Appendix

Interview guide

- Was the whistle blowing policy an effective tool in the fight against corruption?
- Has the fight against corruption impacted the country’s socio-economic development? Please give reasons for your answer.
- What were the challenges of the whistle blowing policy?
- Were the monies recovered from corrupt government official reinvested into the country? Why do you think so?
- What can be done to improve on the future anticorruption programmes?