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Buhari’s credibility is sinking with obscure petrol subsidy

Nigeria continues to grapple with both endemic and self-inflicted challenges in its anti-corruption efforts. As government purportedly prioritises reforms to tackle theft and the wilful mismanagement of resources, stumbling blocks have proliferated. They range from operational ones such as institutional weaknesses, defective personnel, disregard for due-process and a proclivity to create media spectacle to the detriment of serious anti-graft investigations. Then there are the political failings evident in the government’s lack of political will, sincerity, balance and the naked politicisation which has created sacred cows to the detriment of President Buhari’s very credibility. Indeed, analysts are likely to look back in a decade from now and adjudge his floundering anti-corruption drive as a case-study in how not to fight graft.

The absence of an informed and engaged citizenry has also not helped. Nigerians must be more willing to transcend the ethnic and the other distractions better to maintain effective vigilance over public functionaries. The immediate spur for this article is the N1.4tn, which according to Nigeria’s junior oil minister, is now being spent annually on oil subsidy outside the regular budget. Essentially, the difference between the N171 cost of importing petrol per litre and the regulated N145 pump price is being funded from the accounts of the Nigerian National Petroleum Company (NNPC) as “under recovery”.

It is a regrettable move away from a not very transparent subsidy system towards one that is even more opaque in the extreme. The NNPC spends what is effectively billions of dollars on petrol subsidy, without any detailed account being rendered publicly or the underlying mechanisms transparently explained. Little wonder that the NNPC has retraced its steps from its widely commended move in 2016 to publish monthly accounts of its financial position. With much of the earmarked subsidy disappearing into private pockets in years past, Nigeria now has even less of a chance at ensuring accountability with the present arrangement. The extant NNPC subsidy programme and the obfuscation over how it is financed away from legislative oversight is the biggest economic corruption scandal that Nigeria has seen in the past three years. And that is leaving aside the currency subsidy in the form of the N285 concessional rate at which the NNPC accesses dollars from the central bank for fuel importation.

Lacking substance

The logical and procedural flaws bedevilling Nigeria’s battle against graft are legion and threaten to drown the nation. The Buhari government’s lack of consistent attention to strengthening procedural accountability remains all-too-central to the difficulty dogging fiscal administration and reform. Changing this will be vital to improve our perception in the Transparency International ranking. For a government that prides itself on its anticorruption stance, the “invisible” subsidy represents a regrettable step backwards in terms of embedding transparency in the workings of government. What is most pressing is not loot recovery or naming and shaming perpetrators. It is the reshaping of institutions and fine-tuning of processes throughout government to make it difficult to divert or intentionally mismanage public funds in the first place.

Lately, a call has gone out from the anti-corruption agencies to investigate violations of the Public Procurement Act of 2007. Many observers doubt the sincerity or even the political neutrality of this sudden show of interest in regularising procurement. It normally should be a routine, institutionalised process overseen by empowered bodies such as the Auditor-General’s office. The latter though
remains of marginal relevance even as Nigerians agitate unsuccessfully for the public disclosure of the emolument package of national lawmakers. Neither the demand side petitions using Nigeria’s Freedom of Information Act of 2011 nor the supply side relying on the discretion of the Auditor-General’s office have led to this information being published. The Public Complaints Commission (the Ombudsman) remains moribund, which arguably suits errant functionaries.

Meanwhile, the limitations of the Revenue Mobilisation and Fiscal Allocation Commission Board have been exposed with the March 2018 revelation by Senator Shehu Sani of the unappropriated “running expenses” of N13.5m paid to each Nigerian senator monthly and a slightly lesser sum given to those in the lower legislative house. This was just one in a series of revelations that should normally cause outrage among Nigerians. Citizens though have failed consistently to leverage the sort of opportunity for mass action for change that such occasions present. The bar for anti-corruption has been set so low in Nigeria that citizens willingly credit Buhari’s mediocre achievement on graft.

The dominant incentive pattern determines the morality of a society. Alleged mismanagement of Nigeria’s treasury is left unpunished. From the outgone president, Goodluck Jonathan, to his predecessors, all remain immune. It is inconceivable that we could deter would-be offenders when current and past misdeeds are papered over. A bold anti-corruption leader would take risks in seeking exemplary prosecutions that touch errant public office holders from all of Nigeria’s geopolitical zones.

That surely would give the lie to politicians who have always exploited our dysfunctionality and ethnic and religious fractiousness to allege that anti-corruption prosecutions are sectional or biased. Brazil’s former president Lula began a twelve year jail term this week after being convicted for corruption. Jacob Zuma, South Africa’s immediate past president, is being swiftly brought to justice. In Nigeria, meanwhile, those who pocketed multiples of Zuma’s corruption proceeds still walk free.

**False starts**

Weaknesses, especially procedural ones, have been evident in Buhari’s anti-corruption style from the start. He started well by implementing the treasury single account initiative began by his predecessor. His government then controversially introduced multiple windows for foreign exchange. This remains one of the biggest lure to unearned income and large-scale arbitrage ever seen in Nigeria. The damage is only being partly mitigated by the recently introduced and more transparent investors and exporters segment. In legislative terms, the idea of a special anti-corruption court has been mooted but its lethargic consideration by our lawmakers contrasts sharply with their enthusiastic pursuit of the death sentence for kidnapping and hate speech crimes leading to the loss of victims’ lives.

The duplicity in Buhari’s anti-graft fight are littered all around for objective observers to see. This covers cases such as that of Babachir Lawal, former scribe to the government, and his alleged diversion of N220 million intended for those displaced by Boko Haram in the northeast. Ambassador Ayo Oke, former head of the National Intelligence Agency, allegedly hid $43million of government’s fund in a Lagos apartment. The National Health Insurance Scheme’s boss, Professor Usman Yusuf, was reinstated despite being under investigation for fraud involving N919 million. Abdulrasheed Maina, who escaped being arrested for a N2.7 billion pension scam, was brazenly reinstated into the civil service with a promotion. Although directives have been given by President Buhari that all personalities involved in the cases should be investigated, the delayed action from the top came mostly after public pressure.

For those seeking serious examples in prosecuting graft, the recent announcement of a partial and politicised list of so called treasury looters by Nigeria’s information minister is unlikely to inspire much confidence. By contrast, Ghana’s president set a good example in his surprising appointment of Martin
Amidu, a respected and uncompromising anti-corruption crusader from the rank of the country’s opposition, to head his new anti-graft agency. With this appointment, Ghana’s president won the public over, sending out an unequivocal message about the genuineness of his effort. A few public figures once considered untouchable from both side of Ghana’s great political divide have since been hauled before the special courts for corruption.

Ghana’s achievement here is not a one-off. The revelation in 2015 by a brave investigator, Anas Aremeyaw Anas, who secretly filmed justices receiving bribes, led to the jailing and the premature termination of the career of several judicial functionaries. Nigeria, by contrast, was lethargic in dealing with revelation of justices stashing away corruptly obtained funds, including in a bathroom in one of the cases. The best that Nigerians got was obfuscation and a rare guard action of the sort that has effectively left disciplinary procedures for errant justices in the hand of the National Judicial Council. The body itself is perceived by many to be far from neutral and it can, in any case, only dismiss judicial officers. Its power does not extend to meting out sentences for wrong doers. What incentive patterns are being created when incidents of corruption involving judges cannot be prosecuted in normal courts presided over by one of their own peers but hushed away within disciplinary procedures?

**Accepting the obvious**

After clashing over the EFCC head, Ibrahim Magu, Nigeria’s president and lawmakers began an economically damaging standoff, which prevented the Central Bank’s monetary policy committee from meeting for months as lawmakers refused to conduct confirmation hearings for nominees to a slew of public offices. In the national interest, why didn’t the squabbling political actors save face by requesting the secondment of a top anti-corruption technocrat from the UK to replace Magu?

The UK’s Serious Fraud Office has been almost exclusively in charge of the corruption cases successfully pursued against Nigerian functionaries in the past two decades. British prosecutors helped to nail Nigerian politicians from Alameseigha to Dariye, through Ibori to Deizani Alison-Madueke. The latter’s case is still ongoing in London. A top level international hire to lead the EFCC will inspire younger Nigerian prosecutors to high professionalism. Exposure to a different managerial culture may also encourage them to prioritise professional investigation over the useless media trials.

Defects in the EFCC’s operational culture reflects the background of its heads to date. From Nuhu Ribadu to Farida Waziri all the way to Ibrahim Lamorde and Ibrahim Magu, each has been a career police officer. Leading the EFCC effectively requires skillsets beyond the core policing functions. Serious damages have been incurred as government unwisely side-steps the rule of law. Examples include the continuing detention of Sambo Dasuki, former National Security Advisor, in disregard of court orders. Nothing is more injurious to Nigeria’s bid to instil discipline, probity and accountability than a government which undermines the law in its ill-conceived and incompetent pursuit of justice.

A foreign EFCC head will operate in the full glare of the international community, likely enhancing their immunity from political pressure, manipulation or even blackmail. This is not to suggest that Nigeria lacks suitably qualified citizens who can do the job or that a foreign recruit will approximate a saint. Rather, it is a call for the closing of the circle, to welcome direct and constructive inputs from better-equipped partners that have given Nigeria copious anti-corruption support in recent years. UK prosecutors are especially well-positioned with the unrivalled wealth of financial intelligence they possess on corrupt Nigerian individuals. If Buhari dared, he might have found in a foreign anti-corruption czar an invaluable ally and wise counsel that could boost his ostensible bid to save Nigeria from corruption. That might also strike fear into a few incorrigibly corrupt figures in high places. In the meantime, Nigeria’s future success is increasingly less certain as it self-serving elites make clean anti-corruption sweep nigh impossible.