

LEADERSHIP, CORRUPTION AND UNDERDEVELOPMENT IN NIGERIA: A POLITICAL ECONOMY ANALYSIS

Mary Juachi Eteng

Federal University, Ndufu-Alike Ikwo, Ebonyi State

Abstract

Nigeria, a country with so much material and natural resource endowments is rated as one of the poorest countries in the world with low ratings in Human Development Index. This paper explains the nexus between poor leadership, corruption and its damaging effects on the socio-economic development of Nigeria, against the backdrop of the political economy of the Nigerian dependent, peripheral underdevelopment status. The paper highlights how the post colonial social formation which constitutes the macro political economy context within which Nigeria's development policies and programmes have been conceived and practised has some adverse implications and consequences for the rapid development of the country. The paper concludes by recommending a restructuring of the economy, in order to redress some major contradictions embedded in the political economy to achieve development.

KEY WORDS: Leadership, Corruption, Development/Underdevelopment, Productive, Forces, Political Economy

Introduction: The Political Economy of Capitalist Development in Nigeria

The incorporation and articulation of Nigeria into the world capitalist system during the 19th and 20th centuries which was accomplished by the British, marked the beginning of capitalist development in Nigeria. Prior to this time the various pre-capitalist social formations in Nigeria were primarily communal and feudal. Measures taken by the British to achieve this incorporation included: the imposition of taxes payable in British currency, forced labour, western education, religion, trade and investments etc. This was a means of re-orienting peasant agriculture towards the production of primary products needed by industrial Europe. Labour became commoditised as there was a systematic destruction of cottage production system through laws and taxes. There was also the effective monetisation of the economy for the commencement of the process of capital accumulation. This process of incorporation and articulation rendered Nigeria's economy for the first time subject to the hegemonic control of the world capitalist system, which thenceforth virtually determined the country's trajectory of development, and hence its expansion, stagnation and crises (see Ake C. 1981).

There was this belief that once independence was attained and Nigerians were allowed to run the affairs of the country, by the proper harnessing and use its resources, Nigeria would quickly attain the level of development already reached by developed countries.

Commenting on this issue, Bangura (1991), drew attention to the fact that colonialism did not create a powerful base for industrial capitalism in Nigeria comparable to the 18th century

industrial revolution in Europe. Rather, it did effectively destroy the centre of gravity of the autochthonous social formations in Nigeria, disarticulated and incorporated them into the world capitalist economic system, which now became the dominant mode of production. Consequently, the contrived pace of development of productive forces in the country was very slow and colonial Nigeria was thus denied the benefit of capitalist development, thereby consigning the Nigerian state to a peripheral dependent status.

The subsequent extraverted colonial political economy which post independent Nigeria ultimately inherited created little room for the rapid development of the necessary productive forces. Accordingly, various regional governments which evolved in the 1950's, were too politically naive and economically weak to grapple with the resultant socio-economic dislocations and their social effects on the people.

Nigeria's Attempt at Development and Industrialisation

Various Nigerian governments and their leaders had embarked upon several development programmes since independence in an effort to achieve development with little or no success. The liberal import policy which the government of Tafawa Balewa tried to operate as observed by Olukoshi (1991), led the country into a great balance of payment crisis between 1962–1964. State revenue became insufficient to meet the needs of local and foreign companies as well as the cost of expanded public expenditure pattern. As a result, several fiscal measures, such as, the stepping up of incentives for foreign capital to establish industries locally, under the import substitution industrialisation scheme, among others were taken to curb the crisis.

The position of agriculture in the economy began to face a decline as its contribution to the Gross Domestic Product (GDP) reduced gradually. In line with this argument, Abbas (1991) noted that agricultural products which constituted about 80% of the total value of the country's export in 1960, dropped to only 6% by 1980. The contribution of this sector to the Gross Domestic Product further dropped from 56% in 1965 to 27% by 1984 (Abbas, *The Democrat*, October 2, 1991).

The increase in crude oil revenue led to the total neglect of food production and agriculture. Nigeria which used to be the largest oil palm producer in the world became an importer of oil from countries like Malaysia and Cote d'Ivoire. Some people claimed that the civil war dislocated agricultural activities both in terms of diversion of able-bodied men and women, including material resources to non-agricultural activities. Others saw the phenomenon of oil boom as being responsible for this. Kungwai (1985) asserted that this group of people claimed that the oil boom provided an "escape route" for the ruling class who now had an alternative and quicker source of revenue to the primary products of the 1950s and early 1960s.

Petroleum export which made a contribution of 10% of export earnings in 1962 increased to 82.7% in 1973 and even up to 90-93% later, thus taking over as the major foreign exchange earner for the country till date. These earnings at this period were used partly for the expansion of the industrial sector and to finance the massive importation of food, consumer goods, raw materials, etc. Olukoshi (1991), observed that in spite of the increased earnings from the export of crude oil, the contradiction between social production and consumption could not be redressed, especially in terms of the import-dependence nature of the local industries.

Nigeria has embarked on several development plans and programmes since attaining political independence. The first national development plan lasted from 1962-1968, the second from 1970-1974, the third from 1975-1980 and the fourth from 1981-1985 (Moghalu 1987). These and several other development programmes were launched for the purpose of attaining national development.

The Indigenization Policy of 1972, which came into effect in 1974, was a historical culmination of the efforts by the Nigerian ruling class to participate in the country's prevailing political economy. Regardless of this policy, there was also the official interest to allow Nigerians increasing control of the National economy. This policy failed at the level of implementation as Nigerian businessmen employed several devices, such as "fronting" for expatriates to circumvent the provisions of the policy.

With the increasing awareness by African leaders of the enormity and intensity of the underdevelopment problem in Africa, and the realization of the failure of orthodox capitalist development strategies in Africa as well as the increasing yawning gap between the continent and the industrialized world, leaders of African countries tried to formulate a strategy for development as an alternative to their status of dependency. This was known as the "Lagos Plan of Action" which sought to overcome dependency and underdevelopment in Africa through the strategy of self-reliance (Anikpo 1986 29-30). One major contradiction of this plan was that Nigeria and other big-time sponsors of the self-reliance movement in Africa later became the chief promoters of the IMF/World Bank and its conditionalities.

By 1985, when Ibrahim Babangida took over power, Nigeria was at the brink of collapse. The developed countries of (G7), refused to grant Nigeria trade credits for her exports. The government then embarked on an economic recovery programme, the Structural Adjustment Programme (SAP), which was to last for two years (1986-1988). It was believed that this would make it possible for loans to be secured from the IMF and World Bank, to drastically restructure the economy and its productive base diversified to reduce the country's sole dependence on oil and imports (Williams G 1981). Balance of payments viability was to be achieved with a solid foundation laid to sustain minimum inflationary growth. The economy was also to be subjected to the imperatives of market forces, uninhibited by government intervention. However, with all the conditionalities attached to SAP, coupled with the manner of its implementation and contrary to all stipulations, the programme went off-course, with far reaching and adverse implications and consequences on the lives and wellbeing of Nigerians. The main objective of the programme was never achieved, although it lasted till 1989, which was beyond the stipulated period.

Nigerian government had also launched the vision 2010 when it was expected that the challenging issues of Nigeria's underdevelopment would have been tackled. It had also established the National Economic Empowerment and Development Strategy (NEEDS), and the State Economic Empowerment and Development Strategy (SEEDS) as weapons to reduce poverty and underdevelopment in the country. This economic reform process encompassed strategies to achieve the Millennium Development Goals (MDGs). By 2015. (NEEDS, 2004).

The Transformation Agenda of President Goodluck Jonathan's administration focused on transforming the healthcare, education, power, housing, transport, agricultural sectors, women and youth empowerment, infrastructural development among others. The aim was for Nigeria to achieve a certain level of food sufficiency in the area of agriculture, end the importation of

certain food items such as rice, make education available to the teeming youth population and equip them for self employment, increase power generation and improve the level of infrastructural development in Nigeria among others. There was also the Petroleum Subsidy RE-investment Programme, (SURE-P), whose mandate included the provision of infrastructure and skill acquisition for the unemployed youths. Nigerians have been told that giant strides have been taken in the agricultural and a few other sectors, but the reality on ground is that people are yet to feel the full and positive impact of these programmes.

Nigeria has been described as having a lot of potentials enough to compete favourably with the developed countries of the world, and to become Africa's largest economy and a major player in the global economy by virtue of its rich human and material resource endowment. This view has been strongly supported by Nigeria's former CBN governor, Soludo (2007) and reports from NEEDS (2004), yet Nigeria has the least performance in terms of human and social development indicators. A 2003 United Nations Development Programme (UNDP) report indicated that with an annual per capita income of barely \$300, Nigeria is one of the 20 poorest countries in the world. It is said that Nigeria's debt overhang is considered severe in the context of its development challenges. It should be recalled that when President Obasanjo assumed office in 1999, he mounted a campaign for debt forgiveness. This move was largely rejected by western countries on the grounds that oil-rich Nigeria was buoyant enough to repay its debts.

Several works have been done on leadership, corruption and underdevelopment in Nigeria. Investigations done by the media and other commissioned NGOs and agencies, merely document their findings to create awareness and possibly mobilize public opinion for action. Attention is hardly given to the need for a rigorous, in-depth, scientific analysis to explain causative factors. However, a few development scholars have situated their works within Nigeria's political economy in the attempt to explain this phenomenon. This paper explains the nexus between poor leadership, corruption and its damaging effects on the socio-economic development of Nigeria, against the backdrop of the political economy of the Nigerian dependent peripheral underdevelopment status. This is the aim of this paper. This theoretical study contributes to the existing literature on leadership, corruption and their damaging effects on the development of Nigeria, despite the country's huge minerals and material resource endowments.

Study Methodology

Leadership, Corruption and Underdevelopment in Nigeria: A Political Economy Analysis, is a descriptive research which attempts to unravel the nexus between leadership, corruption and underdevelopment of Nigeria as observed since independence. Analysis is based on data collected from academic journals, books, Nigerian Newspapers, magazines, internet-based documentations and participant observation. Other sources include reports of Transparency International, the UNDP, NEEDS and MDGs materials. For the purpose of conceptual clarification, we shall at this point examine some of the key concepts employed in this study. These are: Development / underdevelopment, leadership and corruption.

Conceptual Definitions

Development

It is important to throw some light on the concept 'development' in order to really understand the phenomenon of underdevelopment in Nigeria. Development as a concept has been defined in various ways by scholars from different schools of thought and various social science disciplines. It has ranged from a narrow perspective in terms of a rise in per capita income to broader perspectives which include high performance in human and social development index in a given country. For instance, Eteng, in Nnoli (1981) conceptualized authentic development as based on self reliance where people's creative energy and labour are released in the attempt to emancipate the entire population from all natural and man-made obstacles.

Development has also been conceptualized as a process that leads to increased capacity of a people to have control over material assets, intellectual resources and ideology, as well as the ability to obtain physical necessities of life, participation in government, political and economic independence, adequate education, gender equality, sustainable development and peace. Nowadays, Development is seen in more concrete and qualitative terms as an ongoing democratic and liberating process that ensures the satisfaction of basic human needs, social cohesion, equity and social justice, protection and optimum utilization of the environment as well as the empowerment of rural and vulnerable groups and communities (Jacobs, and Munroe 1987). A country is classified as developed, developing or underdeveloped based on the extent to which it is able to meet these criteria. It could be seen that these various definitions capture the multi-dimensional character of development, indicative of the fact that there is inherent potential for development in all human societies.

Leadership

Throughout history, leadership has been a factor of great significance in human cooperation. It has continued to exist in all human affairs. Many social scientists believe that no effective or successful group or community exists without leadership. Thus leadership is a ubiquitous historical phenomenon whenever and wherever human beings come together to form a group or community. Leadership, therefore, is an essential feature of all governments and governance. It is a truism that the success or failure of any government lies in the degree of its strengths and weaknesses. Leadership as a concept has been defined in various ways by many social scientists, each emphasizing one aspect of the concept or the other. However, we provide hereunder a few definitions of the concept 'leadership', which are of relevance to this paper. Northhouse (2010), defines leadership as a process whereby an individual influences a group of individuals to achieve a common goal. For Haiman (1951), leadership refers to that direct or indirect, planned or unplanned, conscious or unconscious group process, whereby an individual guides and influences the thoughts, feelings or behaviours of others for the purpose of achieving group goals and objectives. Thus a leader occupies a position of responsibility in coordinating the activities of members of the group in their task of attaining a common goal. . From the foregoing, therefore, a leader is expected to demonstrate good character, vision, good sense of direction, prudence and above all ability to lead by good example because of the confidence the generality of the people impose on him.

For Zaleznick (1966), leaders with bright ideas and the capacity to inspire thought and actions in others are the main generators of energy. Accordingly, the role of the leader is to strengthen and uplift, to integrate everybody into the socio-political system and not to leave any section of the country with the feeling of marginalization either through his words or actions.

Leadership, according to Adenaike (1985), in the modern nation-state is coterminous with government leadership and he defines national leadership as “any act of influence in matters that are germane to the attainment of agreed national goals and objectives”. This paper conceptualizes leadership from the standpoint of political leadership in Nigeria. These are members of the ruling class who have been in the business of governance in Nigeria since independence, whose responsibility it has been to manage the affairs and resources of this country, making and influencing policies that directly or indirectly affect the lives of the generality of the populace, for the purpose of national integration and development of the country.

Corruption

Corruption has been defined in various ways depending on the social situation, its magnitude and method. However, what these definitions share in common, is that corruption is the illegitimate use or abuse of public power to benefit a private interest. The Merriam Webster’s Collegiate Dictionary (2000), defined corruption as the “impairment of integrity, virtue or moral principle, decay, decomposition, inducement to wrong by improper or unlawful means, (such as bribery), a departure from the original or from what is pure or correct”. Corruption consists of depravity. Political corruption is said to occur when an office holder or any other government employee acts in official capacity for personal gains. It is the abuse of public power, office or resources by elected or appointed officials for personal gains through extortion, exaction, soliciting or offering of bribes. Toyo (2001), observed that public discussions of corruption in the state or civil society, most popularly refer to such acts as embezzlement, fraud, falsification, perversion designed to gain some benefits for self or favourites, bribery and nepotism.

In discussing the scales of corruption, a distinction is made between ‘grand’ and ‘systemic’ corruption. Grand corruption is defined as corruption which occurs at the highest levels of government in a way that requires significant subversion of the political, legal and economic systems (see Wikipedia 2015). This is found in countries without adequate policing of corruption such as Nigeria. Systemic or endemic corruption primarily occurs due to the weaknesses of an organisation, institution or process. This can be contrasted with individual officials or agents who act corruptly within the system. Factors which encourage this include, lack of transparency, no accountability as well as culture of impunity exhibited by officials within the system (ibid). It should be noted that Nigeria exhibits a combination of the various kinds of corruption discussed in this section. This will be examined in greater details subsequently.

So far, we have traced the origins, mechanisms and dimensions of the incorporation of Nigeria into the world capitalist system, noting particularly how colonial Nigeria was denied the benefit of capitalist development and its negative consequences for the development of productive forces in the country. We have also traced how various Nigeria’s post colonial governments have launched several development policies and programmes to attain development without success. The major consideration for adopting the Marxist political economy approach in this paper is its recourse to history as a method of gaining insight into the dynamic elements of any

social phenomenon. This approach has enabled us gain an insight into the origins and antecedents of the problem of underdevelopment in Nigeria. The next section of this paper discusses some of the theories explaining underdevelopment in Third World countries of which Nigeria is a part.

Contemporary theories of Development and Underdevelopment **Western Capitalist Modernization Theory of Underdevelopment**

The Modernization or linear theory of development is an attempt by Euro-American scholars to explain Third World underdevelopment as a consequence of Third World countries inability to attain the industrial and technological levels of modernity found in Europe and America. Using the 'index-gap approach', modernization theory assumes that disparities or gaps exist between the industrialized countries of Euro-America and the poor colonized countries of the Third World. Diffusionism, a subset of the Modernization theory poses the question- How are these gaps to be filled? - by diffusing modernizing elements from developed to underdeveloped countries like Nigeria. What then are these modernizing elements that ought to be diffused into underdeveloped countries? These include: foreign finance capital, foreign technology, (this explains the policy of transfer of technology), foreign educational, religious, political institutions including the mass media, foreign values, as well as foreign philosophies and ideologies. These are supposedly modernizing catalysts which will enable underdeveloped countries to develop. The Psychological/Psychodynamic approach, of the modernization theory, recommends that to ensure a high degree of assimilation of these diffused elements into the socio-culture and production organs of Third World countries, there should be a change in the socio-culture and personality features of these underdeveloped countries. This is why the middle class was created where it was non-existent. Members of this class are usually sponsored and consolidated wherever they exist, because they are assumed to foster modernization more than other classes. The modernization theory sees development as given by Euro-American countries and should be adopted and assimilated by Third World countries for them to develop.

Thus, by implication, Third World countries can only develop by adopting policies and practices which will enable them to recreate themselves in the image of the developed countries. What this also means is that all countries of the world should move along the same linear path of development irrespective of their different historical colonial experiences and worldviews. Critics however, believe that the more Third World countries adopt and implement these modernizing prescriptions from their western Atlantic mentors, the more dependent, they have become. The un-tenability of its assumptions as well as its insinuations forced the modernization theory into an early retreat.

The dependency theory which, in the judgement of some scholars from Third World countries is comparatively theoretically adequate, empirically valid and policy effective in emancipating these countries from domination emerged in response to this insinuation. The dependency theory of underdevelopment is hereunder briefly profiled.

Dependency Theory of Underdevelopment

This theory seeks to explain the causes of dependency and underdevelopment among Third World countries in general and in Latin America in particular. Using a Marxian-type historical approach, its proponents from Latin America and Africa highlight the negative consequences of

capitalism and neo-colonialism on the development of Third World countries. Their argument was that in the world capitalist system, development at the metropolis (centre) creates a corresponding underdevelopment in the satellite countries (periphery). Walter Rodney (1972) placed the underdevelopment of Africa squarely on the shoulders of Europe. He argued that this was achieved through unequal exchanges that occurred during the colonial encounter and continues to occur through neo-colonialism.

Gunder Frank (1966) argued that the assumption that underdevelopment of Third World countries was as a result of their inability to develop was faulty. He stressed that people should not lose sight of the history of the inter-relationships between the developed and Third World countries. In his view the trade and exchange relations between Europe and Third World countries had been lopsided in favour of the developed countries. He further argued that there has been a permanent flow and siphoning of resources and capital of the Third World to the developed countries, that the same process has produced development in Europe and underdevelopment in Third World countries. What this means is that the same historical processes of expansion and development of capitalism throughout the world have simultaneously generated and continues to generate both economic development and structural underdevelopment. Thus development and underdevelopment are seen as two sides of the same coin.

Just as expected, the dependency theory attracted criticisms from those who were made uncomfortable by its insinuations. Naanen (1984) noted “the failure of some dependency theorists to stress the interplay of both internal and external variables in the perpetration of underdevelopment is responsible for much of the criticisms directed towards this supposedly simplistic analysis”. He further stressed that this emphasis on the external variables tends to underplay the critical role of social forces and class configurations that contend internally within the underdeveloped countries. The third major theory to explain underdevelopment in Third world countries thus emerged from these criticisms, that is, the Modes of Production Analysis or Beyond Dependency. This will be discussed briefly.

Modes of Production Analysis or Beyond Dependency Theory

In his contribution to the debate, Eteng (1987) underscored the objectivity of the modes of production analysis in its attempt to remedy the methodological contributions of the modernization and dependency theories. The modes of production analysts proposed that an accurate and the best way of understanding underdevelopment is to consider all the factors, both internal and external, that are involved in the phenomenon of underdevelopment of the countries concerned. They are of the view that the underdevelopment of Third World countries could be attributed to the inadequacies in the internal structures of these countries and Euro-American Neo-colonialism. Mode of production is the combination of the forces of production and the social relations of production existing in any given society. The theory argues that to understand why such countries are underdeveloped, we should look at the forces of production and the social relations of production existing in these countries. When this becomes the case we begin to examine issues such as the role of the state, level of infrastructural and technological development, human development index and internal class relations within the countries concerned.

Coporaso and Zare (1981) added a different dimension to the mode of production argument. In their view, external alliances of local dominant classes with metropolitan capitalists are assumedly more effective where the local economy is disjointed, its regions loosely connected and its sectoral links weakly established as in Nigeria. This is the situation described as “disarticulation”. This brief review has outlined the attempts made by development scholars to proffer theoretical explanations to the phenomenon of underdevelopment in Third World countries. The review also underscores the need to trace Nigeria’s underdevelopment to both internal and external sources.

Activities of the Multi National Corporations and the Nigerian Compradors

On the eve of their departure after Nigeria’s independence, the colonialists ensured that a class of local modernizing elite, the compradors, was raised to take care of their economic interests, the multi-national corporations. Sunkel (1969), made the submission that MNCs have been recognized as a major and veritable instrument of contemporary neo-colonialism and underdevelopment in Third World countries. Accordingly, they constitute instruments that perpetrate and reinforce dependency and underdevelopment in countries where they have penetrated. The key to the power of the multi-nationals lies in their dominant control of the productive forces, finance capital as well as their control over commercial and industrial technology. Thus local industrialists have to link up with the trans-national corporations for the barest minimum production.

To effectively control and dominate the commanding heights of the Nigerian economy, and to further stifle the development of productive forces within Nigeria, the MNCs with the connivance of the local compradors employ such devices as; repatriation of profits back to their home countries; colluding with the dominant classes in Nigeria in order to evade regulations designed to curb corrupt practices, including fronting for expatriates by Nigerian businessmen to circumvent provisions of laws; the acceptance of money looted by corrupt Nigerian state officials for safe-keeping outside the country. Others are the financing of trade deficits incurred by dependent economies through stringed-aids with their debt burden implications and the ultimate superintendence over the economies of under-developed countries including Nigeria.

A combination of the poor leadership in Nigeria, the negative activities of the ruling class and the multi-nationals, has continued to bring about deleterious consequences on Nigeria’s economy. These are the forces perpetrating underdevelopment and deepening the crisis of Nigeria’s inability to develop its productive forces in order to expand its economic and productive base. The fuel subsidy investigation revealed that the Nigerian government and its agencies are unable to account for the number of barrels of crude oil that the MNCs lift off the shores of the country every day, and have not effectively dealt with the issue of oil theft in the country. Recently, a Forensic Audit Report indicted the NNPC and asked the agency to refund the sum of 1.48 billion dollars to the federation account. But NNPC refuted this and said it was not indicted (see The Punch Newspaper of 6th Feb. 2015). Situations such as these have an adverse effect on the economy of a country that depends solely on oil as its major source of foreign exchange earnings.

The policy of privatisation of public enterprises, which some human rights activists see as a lazy approach to solutions by the Nigerian government for sectors that are not performing up to expectation is another case in point. Many Nigerians had vehemently kicked against this policy, which they see as tantamount to selling off the patrimony belonging to all Nigerians to a few super rich Nigerian capitalists, the businessmen and their foreign collaborators. Similarly, some analysts believe that considering the level of development in the country, it would be suicidal handing over Nigeria's economy to be driven by the private sector alone, knowing that the main aim of private business owners, the capitalists, is exploitation for profit maximization. Nigerian government has almost concluded the privatisation of all public enterprises including the ones whose responsibility it is to provide social services. Some analysts see this situation as having severe consequences for the well-being of the poor masses which are coerced into paying high tariffs and taxes for services not provided, as in the power sector. Even the privatised power sector is not working out as expected because Nigerian compradors collude with the MNCs to continue exporting power generating sets into the country. The policy of privatisation of public enterprises is believed to widen even the more, the gap between the rich and the poor, as well as worsening the situation of inequality in the country. Already, there is pervasive unemployment, misery and crime, as many Nigerians have lost their jobs through retrenchments and downsizing carried out by the new owners of capital in these enterprises.

Having outlined the continued subversive activities of the MNCs and their local Nigerian allies, on the Nigerian economy, the main features of Nigeria's peripheral, dependent and underdeveloped social formation will be briefly profiled. Our thesis in this paper holds that this post-colonial social formation which constitutes the macro-political economy context within which Nigeria's development policies and programmes have been conceived and practised has some adverse implications and consequences for the rapid development of the country.

The Nature of the Nigerian Peripheral, Dependent and Underdeveloped Post-Colonial Social Formation

The fact that contemporary Nigeria is socio-economically peripheralized, dependent and underdeveloped should by now be common knowledge. The implication is the inability of the Nigerian state to pursue a self-determined and self reliant socio-economic development independent of the promptings of foreign and local capitalists. This means that by reason of its extraverted socio-economy, the nation is constantly subject to the logic and effects of foreign monopoly capital. It also means that the Nigerian state in alliance with foreign interests is forever truckling to the economic interests, socio-cultural dictates, political and ideological whims of the country's ruling class and its cohorts, who are essentially inclined toward private primitive accumulation than production. Nigeria's dependent, pseudo-capitalism is structurally characterized by:

Dependence of the national economy on foreign productive forces. These include foreign technology, raw materials, finance-capital, human and material resources etc.;

A system of low and inefficient capacity utilization as evidenced in the oil and gas sector of the economy;

Weak inter-sectoral linkages existing between education, industry, agriculture and other sectors of the economy;

Low levels of technological and infrastructural development and narrow production base resulting in permanent scarcities, inflation, unemployment, mass poverty and crime;

Acute financial, material and human resource mismanagement and waste;

Deeply ingrained corruption and conspicuous consumption;

A system and process of inequitable and discriminatory distribution and allocation of wealth, income, material resources, rewards and opportunities leading to socio-economic, political and cultural marginalization, and acute deprivation of the masses, amidst enormous national wealth;

Permanent socio-economic and political instabilities, as well as intense intra and inter-class rancorous communal ethnic and religious competitions, and the resultant violent conflicts (see Eteng, M. 1998).

Given this state of affairs, it becomes very glaring why the Nigerian state has been very unsuccessful in its attempt to develop along capitalist lines since independence. In explaining this phenomenon, Amin (1974), stressed that like all satellites of the metropolitan capitalist system, Nigeria's multilateral integration to this system increases her underdevelopment, not development.

Leadership and Development in Nigeria

The Nigerian state has been described in some quarters as a failed state, characterized by failure of leadership, poor governance, with a deepening crises of leadership over the decades as evidenced in political instabilities in the country, where law and order have become difficult to maintain. Leadership is a major problem of development at all levels in the Nigerian society. More importantly, the lack of a national ideology has created a situation in which there is no clear sense of direction in ordering the affairs of the country. It is believed that Nigerian leaders suffer from a lack of credibility syndrome arising from their failure to lead by example (Ukwu 1985; Udo 1985). This is a country where the selfish interests of the leadership are equated with national interests. Indeed, events happening in the country presently create doubts in people's minds as to whether Nigeria is capable of producing a credible political leadership that can salvage the country from its present state of decay.

This perceived doubts derive from a number of factors such as: the inability of the leadership to pursue a self-reliant economy, at least to a certain extent, the inability to redress the contradiction between social production and consumption, to expand the productive base, create wealth and empower the majority of Nigerians to minimize poverty. Others are the lack of political will to fight corruption until recently, reduce unemployment, provide minimum security and other basic necessities of life in order to stabilize the Nigerian political economy.

In explaining this phenomenon, Ake (1985), argued that the Nigerian state is a non-autonomized, dependent, pseudo and peripheralized capitalist state, which differs remarkably from the mature capitalist state, even though it has the trappings of the mature western capitalist state. Therefore, as long as the Nigerian state with all its imperfections continue to play a dominant role in the distribution of wealth, social amenities, income, opportunities and other resources, the result would always be a system of inequity, inequality, discrimination, lopsidedness in allocation of resources, marginalization etc, and development would elude this country for a very long time. Professor Osinbanjo for instance stated at a town hall meeting at Enugu on 16th February 2015 during the campaigns for the presidential election, that the 465 members of the political class at the two federal houses of Assembly, receive a higher monthly allocation than Ebonyi state with approximately 2.1 million people. This is a case of lopsidedness in resource allocation.

Leadership, Corruption and National Development

The Nigerian state has been described as an instrument of corruption. Similarly, some analysts describe corruption as the 37th state of Nigeria and the wealthiest state for that matter, even richer than the oil producing states in the country. Nigeria has consistently been ranked among the most corrupt nations of the world. The Transparency International's Corruption Perception Index rated Nigeria 136th out of 175 countries. (The Vanguard Newspaper of 17th December, 2014).

Corruption is seen as the bane of Nigeria's development. Indeed, there are concerns from Nigerians and the international community about the seriousness, commitment and sincerity of the Nigerian government in fighting corruption. Several reasons could be attributed to this. Until recently, politicians and public office holders who were found to be corrupt were easily let-off the hook even when there are proven cases of corruption such as bribery, embezzlement and misuse of public funds, abuse of public office, converting official property to personal use etc., against them. At times those who were prosecuted were not given adequate punishments commensurate with the enormity of crime committed. Anybody following events happening in the country would conclude that it does appear the government and indeed Nigerians condone corruption.

Nowadays it has become the fashion to see governors who have cases to answer for running down the states they governed, comfortably occupying their seats at the upper chambers of the law making bodies as senators and honourable members in Nigeria, because they find a safe haven in the immunity clause of the 1999 constitution which exempts them from being prosecuted while in office.

It has been argued that corruption undermines the national economy, erodes public confidence in state institutions, and even in the institutions established to fight corruption. Corruption scares away investors, deters trade and investments and even distorts privatisation exercise. Corruption destroys the country's capacity to build infrastructure, provide basic healthcare, quality education and reduces the living standards of the generality of Nigerians. This is because the money meant for the provision of these basic necessities of life are siphoned away into foreign banks by corrupt politicians and public office holders. It is pertinent to state that corruption is not just peculiar to Nigeria it occurs in both the underdeveloped and developed nations of the world, perhaps the difference is that these countries tackle cases of corruption seriously because they recognize the damaging effect it could have on their economy and national development.

The Independent Corrupt Practices Commission (ICPC) was established in 2000 by president, Olusegun Obasanjo, to tackle corruption in the public sector, especially cases of bribery, embezzlement, abuse or misuse of office, public office holders were also required to declare their assets while in office and out of office (The Corrupt Practices and other Related Offence Acts 2000). The Economic and Financial Crime Commission (EFCC) was established in 2003. These two anti-graft bodies were established to strengthen the existing corruption laws. The EFCC in particular was established in response to pressure from the Financial Action Task Force which named Nigeria among twenty one countries frustrating the efforts of the international community to fight money laundering (EFCC Establishment Act, 2002). The EFCC investigates people in all sectors who appear to be living above their means. Although these two bodies have helped immensely in the fight against corruption, their efforts have yielded little results as corruption appears to be the norm in the country. Nigerians hear of fuel subsidy scam, police pensions scam, cases against some honourable members of the House of Representatives who demand for bribes and gratification to perform their oversight functions, money laundering, abuse and misuse of office by public office holders etc. Hopes of prosecuting the culprits are raised but quickly dashed as soon as these issues are made public. Government meddlesomeness, the 'plea bargaining' clause, the shoddy nature of investigating cases which usually creates avenues of escape for culprits at the courts of law, granting of state pardon for culprits, have all contributed to the erosion of confidence in Nigerian government and in these anti-graft bodies.

It has been observed that the level of corruption in the country today, the inability of the country to produce what it consumes, the activities of the MNCs, as well as the intervention of world powers in

Nigeria's political economy are threats to Nigeria's development. It is also widely agreed that development will elude Nigeria unless the issues of corruption, unemployment, and poverty are addressed. The UNDP 2012 ranking placed Nigeria low in Human Development Index (HDI). Similarly, the 2013 World Bank report rated Nigeria as an extremely poor country with about 70% of Nigerians, representing 84 million people living in absolute poverty. In reaction to this, Nigeria's immediate past finance minister, Dr Okonjo Iweala released a rebuttal to the effect that Nigeria is now Africa's largest economy, with a GDP showing of 26th largest in the world, and with a per capita income of \$2688.

Recent World Bank statement that economic growth does not end world poverty lends credence to the position taken by some delegates of the just concluded National Conference, to the effect that Nigeria's position as the biggest economy in Africa, which is as a result of the improved GDP, is at variance with the living conditions of the Nigerians and the general reality on ground, since corruption, poverty and unemployment were yet to be addressed.

Just recently the former Vice-President of the World Bank for Africa Dr. Oby Ezekwesili declared in Abuja that a staggering \$400 billion dollars of Nigeria's oil revenue has been stolen or misused since the country's independence in 1960, and that while oil accounted for about 90 percent of the value of Nigeria's exports, over 80 percent of that money ended up in the hands of one percent of the population (see African Development for the Progress of Africa). In the same vein, (The Nation Newspaper of 2nd February 2015), stated that the former governor of central Bank Soludo alleged that the sum of #30 trillion Naira has been missing under the finance Ministry in the country. With Nigeria's track record in corruption, the situation has sent jitters among Nigerians and the international community as to the possibility of ever achieving the Millennium Development Goals or the Sustainable Development Goals.

Conclusion and Recommendations

It is obvious from the above analysis that poor leadership and corruption are related factors that have done a damaging effect on Nigeria's economy, hence the inability of Nigeria to develop to take its rightful position in the world. The situation could be worse with the fallen oil prices, the depreciation of the Naira, and the depleting of Nigeria's foreign reserves. Political leadership in Nigeria is about self-service not service to the people. The most lucrative business today in Nigeria is politics and the craze is to aspire to get elective or appointive positions to join in looting the treasury. With the kind of money-politics operative in the political system today, the first business of politicians as soon as they get to office is usually to recoup even beyond what they spent in campaigns, to compensate their godfathers. For many politicians, the fear of 'status deflation' makes them see politics as a do-or-die business. Appointments are made to satisfy cronies thereby promoting mediocrity at the expense of merit. Nigeria makes so much money from the sale of crude oil that political office holders are unable to resist the temptation to steal.

On the other hand Nigerians do not hold their leaders accountable. It appears corruption has gradually sipped into the Nigerian psyche which has been manipulated by politicians to the point of accepting it as the norm. Time was when it was difficult for anyone to embezzle community money entrusted in his custody. Today, Nigerians deify corrupt men who steal from public coffers, and reward them with chieftaincy titles for money. The level of poverty among the Nigerian masses has resulted in the culture of acquiescence, sycophancy and hero worship for little drops from the master's table, giving the impression that corruption is directly or indirectly being legitimized as part of our culture.

This paper therefore recommends as follows:

- A restructuring of the economy in order to redress the contradiction between social production and consumption patterns of Nigerians. In this regard, Nigeria should operate a relatively self-reliant and articulated system of production, especially in the oil sector, where production process will be completed internally. Diversification of the economy, especially now that proceeds from oil are

dwindling and expand the production base. This will create employment, raise the living standard of Nigerians and curb crimes.

- The contradiction of increasing poverty among the masses and affluence of a few amidst so much resources in the country should also be redressed. Nigerian government should fashion out a more equitable method of distribution of the resources of the country, through the provision of some social welfare for the unemployed and vulnerable groups in the society and subsidize some social services for Nigerians. The economy should not be dominated by the private sector alone whose motive is profit maximization.
- Nigerian government should discourage money politics which breeds corruption and make political positions less attractive than what it is today. Leadership should lead by example, have the political will to fight corruption, strengthen the institutions that fight corruption and strengthen the oversight process and accountability in the use of public resources.

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