



Independent Journal of Management &  
Production

E-ISSN: 2236-269X

[ijmp@ijmp.jor.br](mailto:ijmp@ijmp.jor.br)

Instituto Federal de Educação, Ciência e  
Tecnologia de São Paulo  
Brasil

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Independent Journal of Management & Production, vol. 8, núm. 2, abril-junio, 2017, pp.  
498-518

Instituto Federal de Educação, Ciência e Tecnologia de São Paulo  
Avaré, Brasil

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## **MISMANAGEMENT AND REFORM FAILURES IN NIGERIA: HISTORICAL PERSPECTIVES**

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*Submission: 25/02/2016*

*Revision: 09/03/2016*

*Accept: 25/12/2016*

### **ABSTRACT**

After a very long period of corruption and mismanagement the Nigerian economy started experiencing economic recession from the early 1980s characterized by high levels of unemployment, poverty, among others. By this time, government discovered that, without exception all public enterprises and agencies were infested with corruption and gross mismanagement. Corruption and mismanagement of national resources contributed largely to the 85 percent failure of 20 selected reform programmers between 1960 and 2000. This situation supports the thesis that reforms hardly survive in a country without the culture of integrity, transparency and accountability which would help in fighting all forms of mismanagement and corruption. The exploratory research design was used for the study, and through descriptive statistical analysis it was found that mismanagement is positively associated with reform failures in Nigeria.

**Keywords:** Accountability, Culture of integrity, Corruption, Mismanagement, Transparency



## 1. INTRODUCTION

According to The New Webster's Dictionary of the English Language (2004) reform means to improve by removing faults and weaknesses, or by strengthening good quality, to put an end to evil, abuse, mismanagement, etc. Also, mismanagement is to manage incompetently, or dishonestly.

In an effort to operationalize the concept of reform, Campos and Bhargava (2007) suggest that the general principles of reform involves to increase transparency, improve accountability, reduce discretion, dilute monopoly powers and to get a solid practical grip on combating corruption in all its ramifications.

Stapenhurst and Sedigh (1999) posit that reforms can also involve the privatization of inefficient parastatals that, because of their monopoly positions consume huge sums from public and private funds. Girishanker, et al (2002) believes that reforms sustainability is important because they have longer gestation periods than policy changes.

They posit that most important for reform sustainability is the link between the design of reforms and the environment in which they must take root if they are to be effective. Reforms in Nigeria have been virtually turned into chaos because of the major contributions of corruption, unethical behaviours and mismanagement (ENI, 2006).

According to Zimmerman (1994) curbing unethical behavior in government and mismanagement are necessary for ensuring reform success and sustainability. Nigeria has always developed policies or programmes targeted at alleviating poverty and food security over the past decades. Some of those policies included the Green Revolution, Operation Feed the Nation (OFN), National Directorate of Employment, (NDE) Directorate of Food, Roads and Rural Infrastructures (DFRRI), Structural Adjustment Programme (SAP), among others.

The major problems against the policy reforms developed over the years were corruption, lack of continuity in policy implementation, instability of the political and social environments and mismanagement. However, there were signals of corruption and mismanagement of public sector resources in Nigeria prior to independence in 1960.



According to Smith (2005) before independence, the British had planned to hand over political power to a corrupt group of politicians, and immediately after independence Nigeria's public money started moving into private Swiss bank accounts.

According to Anyim and Akanwa (2002) mismanagement worsened when in 1960, the democratically elected representatives joined the vicious circle and it became known that the problem of Nigeria was simply and squarely corruption.

According to Adebimpe (2011) corruption became a principal means of private accumulation during the decolonization process. Also the programme of developing a local banking culture was drenched in mismanagement during the decolonization process.

According to Toby (1999) while the policy was elegant on paper, the relationship between the local banks and the people managing the affairs were issues of debate and public inquiry, because the methods of injecting public funds into the banks as well as the use made of such money became questionable. In this regard, tribunals were set up to probe particularly into the affairs of the African Continental Bank Ltd (ACB) and the National Bank of Nigeria Ltd (NBN).

In the case of ACB, the Foster Sutton Tribunal (1962) found that the manner of injecting public funds into the bank was shrouded in mystery because no witness chose to tell the truth. In the case of NBN, the Coker Commission (1962) stated that the finances of the bank did not present a very happy picture because: (a) the huge loans outstanding in the names of the erstwhile directors of the bank, and or persons, or companies in which they were interested, and (b) loans to the Action Group which were operated in various names were not secured in any shape or form.

The mismanagement galore continued unabated from 1960 through 1966 when the military demanded for sound management and accountability of the natural resources. According to the coup makers: "Our enemies are the political profiteers, swindlers, the men in high and low places that seek bribes and demand ten percent, those that keep the country divided so that they can remain in office as ministers and VIPs of waste" (AGWUNOBI, 2005).



The military could not even stop the mismanagement and swindling of the economy that made it to takeover political power. Rather, mismanagement waxed stronger through the Gowonian era in the 1970s when government thought that money was never the problem, but how to spend it. With huge wealth, the FESTAC jamboree and other white elephant projects, the nation kept its seat among the poorest nations in the world.

The monumental mismanagement of the economy did not amuse General Mohammed and his group who took over power in a bloodless coup in 1975 on the basis of “misgovernment” and immediately conducted a massive purge in both the civil and public services, in an attempt to return sanity to public governance.

Mismanagement overpowered the succeeding civilian government with allegations of missing billions of oil revenue through the inefficiency of the Nigerian National Petroleum Corporation (NNPC). The Shagari government thought that the allegations of missing huge sums of money from the oil revenue were very critical and set up the Irekife Crude Oil Sales Tribunal of Inquiry over the problem.

The Tribunal duly reported and showed that while NNPC accounting was in a deplorable state; the missing money was not simply mismanagement, but money which had gone to oil companies under the “interpretation of their agreement with NNPC” (TIJJANI; WILLIAMS, 1981).

Such stories of “interpretation of their agreement” did not go down well with General Buhari and his colleagues who took over government in the wee hours of December 31, 1983 accusing the Shagari administration of mismanagement, incompetence, and abuse of public funds amounting to billions of naira. Even though General Buhari and his gang were quickly swept away by General Babangida and his boys in 1985, mismanagement of the common wealth of Nigeria continued (AGWUNOBI, 2005).

By 2001 there was a serious issue of N400billion of Nigeria’s looted funds in 19 United Kingdom banks and also that \$200billion made from oil between 1970 and 1990 was mismanage and could not be accounted for. In addition, the late Pius Okigbo Probe Panel found that the Nation’s N1.2trillion oil windfall from the Gulf War was mismanaged and could not be accounted for.



According to Anyim and Akanwa (2002) the leadership of the country represented by Obasanjo admitted that “the government and all its agencies were thoroughly corrupt and reckless. Members of the public bribe their way through in ministries and parastatals to get attention and one government agency had to bribe another government agency to obtain release of their statutory allocation of funds.

The impact of official corruption and mismanagement became so rampant and distorted and retrogressed development”. Distortion or retrogression of development is epitomized by reform failure in all aspects as is the case in Nigeria today. The mismanagement train moved from 1999 through 2015 when people would gather to share public money, even in cash of different currencies (ADEYEMI, 2015; DASUKI, 2015).

According to Zayyad (1998) since independence in 1960 and particularly in the decades of the 1970s, Nigeria developed a large public sector involving social programmes, banking, insurance, oil marketing and refining, cement plants, paper and steel mills, hotels and tourism, textile plants, motor assembly plants, sea and air transportation, sugar estates, among others.

However, throughout this period, mismanagement was the bane of public enterprises and programmes in Nigeria. As a way out of the woods, the idea of privatization and commercialization was introduced with the promulgation of Privatization and Commercialization Decree N. 25 of 1988.

Zayyad (1998) posits that by 1998, Nigeria had over two thousand (2000) public enterprises (PEs) at the federal and state levels which could be categorized as public utilities, strategic industries, economic and commercial enterprises as well as departmental and statutory boards, agencies and programmes.

However, the government decided to privatize, commercialize or even sell the economic commercial, and some strategic PEs because, without exception, they were found to be infested with problems such as general inefficiency, confused and conflicting missions, political interference in operating decisions, misuse of monopoly powers, defective capital structures, bureaucratic hiccups in their relations with supervising ministries, nepotism, corruption and mismanagement.

Socio-economic as well as political reforms is essential for the development of any nation. And to achieve reform success requires the commitment of



government. According to Obasanjo (2005) “As you all know, we have put in place a holistic economic reform agenda covering accelerated privatization, public and civil service reforms and a war against corruption.

The socio-economic reforms would achieve little without appropriate people-driven and people-centred political reforms. A bad and undemocratic environment can undermine, damage and destroy a buoyant economy and vice-versa”. In pursuing reforms, he posits that: “Our current political arrangement has some identical distortions, defects and limitations that call for urgent, focused and realistic attention, hence this initiative on political reforms”.

Despite his personal commitment to reforms, they failed largely due to corruption and mismanagement in public life. Also, on the framework of National Economic Empowerment and Development Strategy (NEEDS), the National Poverty Eradication Programme, popularly known as The Keke Napep programme, was introduced.

The Keke Napep programme which was the initiative of President Olusegun Obasanjo’s administration was designed with the objectives of wealth creation, employment generation, poverty reduction and value re-orientation, because the president was particularly worried at the levels of poverty and unemployment in Nigeria.

According to Okonkwo (2005) Keke Napep was a cardinal programme of the Obasanjo administration aimed largely at eradicating poverty by providing employment to thousands of unemployed youths around the country. The reform programme was initiated in the hope that it would ameliorate the acute transportation problems in Nigeria, and also help in converting the enormous wasting national human capital, popularly known as “area boys” to a productive workforce.

This national reform policy was started with the distribution of 4000 kekes (tricycle) by Mr. President. Shortly after that, the budgetary allocation for the programme was mismanaged and it died a natural death at the national level. Sound public sector management is necessary for reform success because even if an economy is buoyant it can be destroyed by mismanagement.

For example, despite the growth in GDP from about N34 trillion in 2010, to N37 trillion in 2011, and N41 trillion in 2012, there was no significant economic



development due largely to gross mismanagement (OKAFOR, 2014). This portrays a classic situation of growth without development as youth unemployment and mass poverty remained at the highest levels in the country (FAFOWORA, 2016; EHIKIOYA, 2015; ADEYEORU, 2015).

According to Levi, et al (2007) reforms hardly survive in a country without the culture of integrity, transparency and accountability, which will help in fighting all forms of corruption. They posit that large-scale impunity in a country results in and reflects the rule of law which in turn encourages mismanagement and undermines reforms.

Corruption and mismanagement are inimical to reforms because about 85 percent of reforms have failed since the 1960s because of such unwholesome factors. At present various programmes and projects worth over N15trillion that would improve the living standards of the people are abandoned largely due to mismanagement (AGBAKURUM, 2015; OMOTOSHO, 2011; UDOKA, 2014; UMANIKOGBO, 2007; AGBOGU, et al., 2015; ESSEN, 2016; WORLD BANK, 2000; 1996; WDR, 2015; OKWE, 2013).

### **1.1. Statement of the Problem**

For years, mismanagement, and undue political interference tended to frustrate the success of socio-economic reforms in Nigeria. For example, Iroanya (1998) blames the failure of past small-scale industry support programmes of government on lack of proper focusing by both the government and the beneficiaries.

According to him, the NDE, People Bank, Better-Life, “were good on paper but when they got on the ground, they were hijacked”. Some of the beneficiaries had no genuine intention of setting up the business they proposed and were only interested in getting the money while the benefactors (the government) allowed political and non-economic factors to determine who got the loans.

A primary challenge to socio-economic development is entrenched political and bureaucratic corruption. These are tightly organized and internally stable, creating and being sustained by conditions of weak political competition, slow and uneven economic growth, weak political will, and a weak civil society that foster corruption (STAPENHURST; KPUNDEH, 1999).



Mauro (1997) states that extensive corruption tends to depress investment and economic growth. Keefer and Knack (1995) argue that corruption is part of a syndrome of poor-quality institutions linked to slow economic growth (DIA, 1993; LIGHT, 1993).

The deregulation of the Nigerian economy under the SAP framework resulted to the introduction of different reforms. But due to unpredictable, poor implementation and mismanagement the full gains of such reforms were not realized. Consequently the Nigerian economy started experiencing economic recession from 1981, as characterized by low capacity utilization, low incomes, low consumption, and low profits as well as depressed economic activities (NZOTTA, 2002).

Many stakeholders in the Nigerian project believe that the nation has the misfortune of bad governance. For example according to Ozekhome (2016) misgovernance in Nigeria is epitomized by ethno-religious crisis, mutual suspicion, nepotism, cronyism, tribalism, social crimes and others that have heightened mass retrenchment, unemployment, geometrical inflation, hunger, squalor, despair and disillusionment, as well as despondency, hopelessness, haplessness, pauperization, among other evils.

The issue of corruption and mismanagement needs more reporting now than ever before, because of the damage it has done to Nigeria. Before now public resources were mismanaged with blatant impunity and among the result is the present economic hardship.

According to Nna, et al (2010) in the recent past governors in Nigeria was notorious for diverting their statutory monthly allocations to private foreign bank accounts. According to them the UN had estimated that out of \$400bn hidden in foreign banks by Africans, Nigeria contributed \$100bn. Reform programmes in Nigeria were bound to fail because the money preposterously budgeted to fund them were usually embezzled.

## **1.2. Objective of the Study**

This study was designed to explore the role of mismanagement and its impact on government reforms and socio-economic development in Nigeria and make necessary recommendations for implementation.



### **1.3. Significance of the Study**

The study would enable students, academics, governments', donor agencies, and others interested in public sector management and sustainable development to appreciate the need to fight against corruption and mismanagement in Nigeria.

### **1.4. Research Questions**

- a) Is there any evidence of reform failures in Nigeria?
- b) Is there any evidence that corruption and mismanagement lead to reform failures in Nigeria?
- c) Is there any evidence of corruption in Nigeria?
- d) Is there any evidence of mismanagement Nigeria?

### **1.5. Restatement of Research Questions**

- a) There is evidence of reform failures in Nigeria.
- b) There is evidence that corruption and mismanagement lead to reform failures in Nigeria.
- c) There is evidence of corruption in Nigeria.
- d) There is evidence of mismanagement in Nigeria.

## **2. LITERATURE REVIEW**

The impact of mismanagement of public financial resources has often frustrated reform programmes. According to Stasinopoulous (2006) alleged mismanagement of EU finances, was responsible for unsuccessful institutional reforms by the EU in the 1990s. He believes that because of mismanagement and maladministration the EU could not carry out its reform agenda to: "fight fraud, corruption, and any other irregular activity, including misconduct within the European Institutions".

From this account, ultimately, mismanagement led to the resignation of the Santer Commission in 1999. Mismanagement and corruption are issues that have negatively affected the progress of reform initiatives in Nigeria since the colonial period in the 1950s through the years.



According to Smith (2005) the British perpetuated treachery in Nigeria at Independence in 1960. He believed that the British wanted to hand over power to a group of corrupt politicians. Obiozor (2015) posit that leadership and nation-building have consistently been Nigeria's most constant priority agenda before and since independence in 1960.

This problem of leadership and nation-building characterized by mismanagement and corruption led to the military takeover of government in Nigeria on 15<sup>th</sup> January 1966. The soldiers could not afford to join the "watching game" as the nation's common resources were being mismanaged by a handful of corrupt politicians. Such corrupt activities also took place in other African countries like Kenya.

For example, according to Matiangi (2006) corruption is one of the socioeconomic and political challenges of independent Kenya. According to him, corruption is pervasive in Kenya, and it affects the country's public and private life. Many institutions of its government, including parliament, the judiciary, and especially the executive arm, have been affected by corruption.

According to Kpundeh and Dininio (2006) "once people feel that they personally have a stake in the elimination or control of corruption and that they have the power to do something about it, they can demand action from the leadership. Their support is crucial in forming constituencies and galvanizing the political will to pursue reform.

According to Kaufmann (1999) Botswana owes its reform success to sound public sector management it had earlier instituted. He posits that for any reform to succeed it must go hand in hand with credible leadership that is free from political interference, because where bureaucrats and politicians intervene at will to apply regulatory restrictions, reform success is often impeded.

Combating mismanagement and corruption is not an end in itself, but it is incidental and instrumental to the broader goal of more effective, fair, and efficient government which in turn is associated with greater economic development (Pope, 1999).

For example, as a way to enforce reforms and to win economic independence, the government of Uganda in the 1970s took over the major means



of production and distribution with all import and export businesses placed in the hands of state corporations and 60 percent holding taken in oil companies, banks credit institutions, insurance firms, transport companies, and every important manufacturing industry and plantation. However, such attempts were undermined by discrepancies and rampant corruption and mismanagement of national resources (MARTIN, 1978).

Experts now agree that good governance can be used to reduce fraud and mismanagement, so as to ensure reform success. Speaking on “Good Governance: A Veritable Tool for Fighting Fraud During Economic Recession”.

Oyedokun (2016) posits that: “We are in a recession because what we have cannot sustain us. It is not because we cannot produce or that we lack the capacity to produce. But it is because of mismanagement and lack of focus”. Instilling the principles of sound management and good governance is essential to effective fraud detection, reducing corruption, poverty, unemployment, and mismanagement in Nigeria, without which reform implementation and success will be difficult to achieve.

### **3. METHODOLOGY**

#### **3.1. Research Design**

The exploratory research design was used for the study. The researcher using this technique may not engage in hypothesis testing. Exploratory field study is as scientific as hypothesis testing field study (NWORUH, 2004; OBODOEZE, 2008). Exploratory study is evolutionary and historical in nature and it rarely involves the employment of large samples or use of structured questionnaire (ASIKA, 2004).

#### **3.2. Sources of Data**

Data for the study were generated through books, journals, government gazettes, newspapers, among others.

#### **3.3. Data Analysis Procedure**

Data were analyzed through descriptive statistics with absolute numbers and percentages, and result presented in tables.

**4. PRESENTATION OF RESULTS**

**Table 1: 20 Selected Reform Programmes in Nigeria – 1960s - 2000**

S/N	Year	Description	Objectives	Status
1	1960s	Operation Back to Land	To support the establishment of Farm Settlement Schemes	Failed
2	1967 – 1970	Land Army	To encourage agricultural activities	Failed
3	1976	Operation Feed the Nation (OFN)	To make food more abundant and reduce poverty	Failed
4	1979	Green Revolution	To enhance food production	Failed
5	1977	National Accelerated Food Production Programme (NAFPP)	To increase agricultural activities and food production	Failed
6	1977	Rural Banking Programme	To encourage banking credit to rural dwellers for productive activities	Failed
7	1977	River Basin and Rural Development Authorities	To speed up rural development and food production	Epileptic
8	1978	Land use Reform	To make land easily available for agric activities	Failed
9	1998	Petroleum Trust Fund (PTF)	To reconstruct federal roads, hospitals and decayed infrastructures	Failed
10	1984	War Against Indiscipline (WAI)	To fight corruption and indiscipline in the polity	Failed
11	1986	Structural Adjustment Programme (SAP)	To reengineer the Nigerian economy	Failed
12	1986	Second Tier Foreign Exchange Market	To enhance the allocative efficiency of forex	Failed
13	1986	National Directorate of Employment (NDE)	To deal with the problem of youth unemployment	Epileptic
14	1986	Directorate of Food, Roads and Rural Infrastructure (DFRRI)	To reconstruct rural infrastructure and alleviate poverty in rural areas	Failed
15	1986	Directorate for Mass Mobilization (MAMSER)	To reduce mass illiteracy in Nigeria	Failed
16	1986	National Economic Reconstruction Fund (NERFUND)	To provide funds in support of SMEs	Mismanaged
17	1988	Privatization and commercialization programme	To reduce wastages and losses in public enterprises	Failed
18	1990	Peoples Bank of Nigeria	To provide banking facilities and credit mobilization in the rural areas	Failed
19	1990	Community banking	To provide banking facilities in the rural areas	Failed
20	1997	Family Economic Advancement Programme (FEAP)	To provide credit facilities to the active poor for economic activities	Failed

Source: Various Reports, Books, Gazettes, Newspaper, Decrees, Etc. (2016)

Table 1 showed 20 selected reform programmes out of which about 76 percent failed due mostly to mismanagement.

**Table 2: Some Examples of Mismanagement Issues between 1960s/2015**

S/N	Brief Details	Specific Amount	Primary Source
1	In the 1960s there were signs of mismanagement and corruption in Nigeria.	Not specified	Smith (2005)
2	The 1972 National accelerated food production programme became a colossal waste due to high profile corruption and mismanagement	Not specified	Nna, et al, (2010)



3	In 1979 N2billion tax payers money was mismanaged through Green Revolution Programme	N2bn	Nna, et al, (2010)
4	In 1979 there were serious allegation that the NNPC mismanaged N2.8b that would have been used to provide public services	N28bn	Tijjani and Williams (1981)
5	In 2001 there was allegation that N400billion Nigeria's looted funds were in 19 UK banks	N400bn	Anyim and Akanwa (2002)
6	In 2001 there was serious allegation that \$200 billion metre from oil between 1970 and 1980 was bluntly mismanaged	\$200bn	Anyim and Akanwa (2002)
7	Over the years, there has been reports that the Late Pius Okigbo Probe Panel found that the Nations N1.2trillion oil windfall from the Gulf war was mismanaged and could not be accounted for.	N1.2trn	Anyim and Akanwa (2002)
8	Over N80billion pumped into DFRRRI was mismanaged	Over N80bn	Nna, et al, (2010)
9	Funds for MAMSER, PBN, CBP, BLP, FSP, FEAP, were thoroughly mismanaged	Over N10bn	Nna, et al, (2010)
10	PTF wasted over N135 billion through over invoicing, corruption, mismanagement, etc.	N135bn	Nna, et al, (2010)
11	The Abacha misgovernance/mismanagement case (a) \$4billion through property crimes etc (b) \$100million cash in 38 suit cases (c) \$660 million in 19 Swiss banks (d) \$39 million Citibank deal (e) \$1.3 billion in 23 Uk banks	\$4billion \$100million \$660 million \$39 million \$1.3 billion	Levi, et al, (2007)
12	The 2015 armsgate scandal involving the National Security Adviser (NSA)	\$2.2billion	Dasuki, (2015)
13	Estimated amount stolen or mismanaged by previous administrations as at 2016	\$150billion	Laccino (2015)
14	Coker Commission (1962) mismanagement of the Western Region's Finances by the government through NBN	Millions of pounds	Toby (1999)
15	Foster Sutton Tribunal (1962) Mismanagement of the Eastern Region's Finances by the government through ACB	Millions of pounds	Toby (1999)

Sources: Field Work (2016) Adapted from various reports

Table 2 Proved the serious case of mismanagement corruption and financial recklessness in Nigeria. Even though other macroeconomic factors may contribute to the failure of reforms, the issues under investigation play very important role in undermining good governance process.

According to Nna, et al (2010) There were several cases of embezzlement of funds meant to assist rural farmers in boosting agriculture, but mismanagement and corruption facilitated the government programmes.

The growth rate in Figure 1 did not translate into development largely due to corruption and mismanagement.

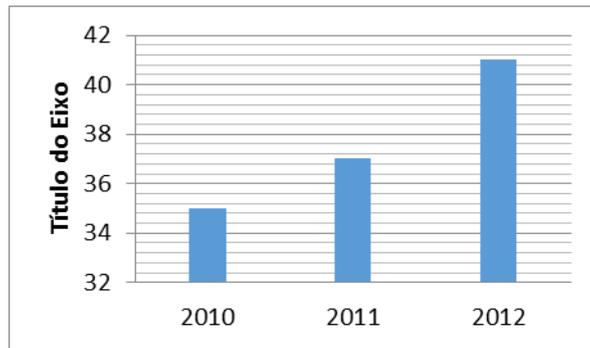


Figure 1: Annual Growth Rates in GDP 2010 - 2012  
 Source: Field work 2016 adapted from Okafor (2014)

Figure 2 showed unemployment levels in Nigeria up to 2011. This showed that the numerous reform programmes failed to achieve their objectives (OSEHOB0, 2012).

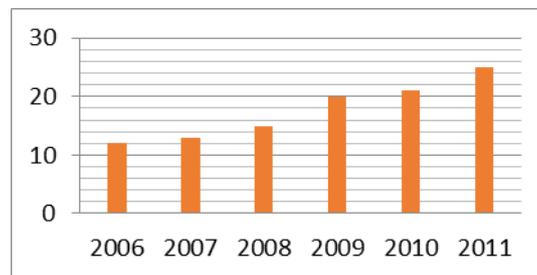


Figure 2: Unemployment Rate in Nigeria (%) 2006 – 2011  
 Source: Field work 2016 adapted from Ugoani and Ibeenwo (2015)

As in table 5, the absolute poverty rate remains high, which confirms the failure of reform programmes in Nigeria over the years.

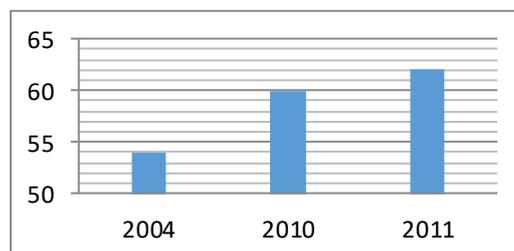


Figure 3: Absolute Poverty Rate (%) in Nigeria – 2004 – 2011  
 Source: Field work 2016 adapted from Okafor (2014)

#### 4.1. Discussion of Results

Although there may be other factors responsible for reform failure, as a contribution to knowledge, this investigation provided important verifiable evidence of a robust positive evidence of the association of mismanagement and reform failure. As catalogued in table 1, it would appear that the Nigerian sovereign state became a child of corruption and mismanagement.

The colonial masters entrenched corruption and mismanagement before 1960, and from then Nigerians took over, and continued with impunity to perpetuate corruption and mismanagement. This can explain why despite the periods of oil boom, about 85 percent of reform programmes failed between 1960 and 2000.

With Nigerians contributing about 25 percent of the \$400 billion stolen by Africans and kept away in foreign bank accounts, it would have been a miracle for reform programmes to succeed without matching funds. Mushrooming of programmes for poverty alleviation became highly preposterous and a powerful conduit for embezzlement of public funds and gross mismanagement.

Corruption which involves the use of public funds for private gains is another way of describing mismanagement or maladministration. Beginning from the last days of the colonial overlords, through the 1960s and 1970s, up till today, Nigeria has no respite from the stronghold of Mr. Corruption.

Mr. Corruption seems to have the upper hand from the presidential villa, through the 36 state houses, FCT head quarters, and the 774 local government headquarters throughout Nigeria. Table 2 was used to demonstrate few examples of mismanagement and corruption, and there may not be any need for an econometric analysis to prove that there is positive correlation between corruption, mismanagement and reform failure in Nigeria.

The billions of dollars and trillions of naira squandered over poverty alleviation programmes those hidden in suite cases, and more put, away in foreign bank accounts, represent the money needed to provide social amenities, employment and reduce poverty. The report of Levi, et al (2007) over the Abacha looted funds goes to support the UN report according to Nna, et al (2010) that Nigeria owns over \$100billion of \$400 billion stolen by Africans and hidden away in foreign lands.

The mismanagement and inefficiency of crude oil money at NNPC over the years remains “deplorable” as stated by the Irekife Crude Oil Sales Tribunal (1981). This is a corporation responsible for managing the revenue source of the nation, yet it remains the highest source of leakage of natural resources.

The \$2.2b arms deal of 2015 is among the cases of public sector mismanagement, and nobody can be in doubt about why poverty, hunger, anger, militancy and Boko Haram remain in Nigeria. Despite modest growth in GDP



between 2010 and 2012 there was no corresponding development largely due to mismanagement.

At present about 60 percent of the 64 percent youth population is unemployed. This situation could have been arrested if strategic industries like the Ajaokuta Steel Mills among others are working. But today the “demons” are being blamed for abandoning such huge projects. But the “demons” do not share money, rather corrupt political leaders, business people and sundry others do.

When huge sums like N1.2trn disappears among other billions of petrodollars, there is no way the “demons” would not be made the scapegoats, and there is no way poverty will not persist in the land. With 67 million youths unemployed and absolute poverty rate hovering around 62 percent in 2011 and the high level of corruption it may be safe to state that mismanagement is the bane of reform failures in Nigeria.

This contribution supports the thesis of Levi, et al (2007) that reforms hardly survive in a country without the culture of integrity, transparency and accountability, which will help in fighting all forms of corruption.

#### **4.2. Recommendations**

- i. Good policies should be retained by successive governments instead of scrapping them and announcing new ones. This would make for continuity and arrest huge financial wastages.
- ii. Duplication of reforms often renders them ineffective. There was no distinctive difference between the objective of OFN and Green Revolution. Policy makers' need to rethink issues before making announcement of programmes that would not see the light of the day.
- iii. High profile reform programmes like PTF should attract legislative backing to avoid being easily discontinued by a new government that does not like the old one as is often the case in Nigeria.
- iv. Heavy Industrial Projects like the Steel Rolling Mills should be revived to create more employment and enhance the GDP growth rate now at a very low level.

- v. The estimated number of 67 million unemployed youths in Nigeria is too high. Government should pay attention to heavy agricultural development that would provide permanent jobs for the teeming youths instead of dishing out commercial tricycles (Keke) to the youths as a form of youth empowerment.

#### **4.3. Scope for further study**

Further study should attempt to explore the relationship between corruption and reform failure to see if a solution could be found to the syndrome in Nigeria.

### **5. CONCLUSION**

This study explored qualitative data that provided leading evidence to suggest that Nigeria is rich in pronouncing reforms that are merely elegant on paper but weak through implementation strategies.

Table 1 showed numerous programmes for socio-economic development that failed to achieve the objectives for which they were established, largely due to corruption and mismanagement.

Table 2 provided verifiable evidence of corruption and mismanagement in Nigeria, thereby clearly answering the research questions about the incidence of corruption and mismanagement in Nigeria. Despite modest growth in GDP between 2010 and 2012 unemployment and absolute poverty levels remain high due largely to corruption and blatant mismanagement of huge public resources.

In furtherance of research on public sector management, this study found robust positive relationship between mismanagement and reform failures in Nigeria. This finding is not an exaggeration because it finds favour with the views of Zimmerman (1994) that curbing unethical behavior in government and mismanagement are necessary for ensuring reform success and sustainability.

It also supports Levi, et al (2007) that reforms cannot survive in a country well drenched in corruption and mismanagement. The finding is also in tandem with the opinion of Campos and Bhargava (2007) that reform success requires increased transparency and accountability and a practical grip on combating corruption in all its ramifications. This is the achievement of this critical investigation.

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