Effect of Probity and Accountability on the Development in Nigeria

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Abstract
In the global world setting, Probity and Accountability is one of the major words that Accountants in particular and world in general consider very important. Nigeria as a country is highly ranked by international communities as corrupt. This has contributed to low level of infrastructural development. The present government in Nigeria is trying to recover from all corrupt past leaders the funds that will be put back into development. The research was conducted to determine the use of probity as a development for sustainable recovery from corrupt system in the past few years in Nigeria. The researcher used both quantitative and qualitative secondary data for the write up. Correlation Analysis and Multiple Linear Regression models were used to determine independent associations between Probity, Looted Funds Recovered and GDP growth in Nigeria. Based on the findings, there is no relationship between probity and government efforts to recover stolen funds. Also there is no relationship between the amounts of recovered fund (Probity) and the level of economic development in Nigeria. The researcher recommend that the country should check on corruption, improve integrity, political and societal will before appointing and electing any political officer.

Keywords: Probity; Accountability, Corruption; Integrity; SPSS, and General public.

1. Introduction
For decades now the word probity has been in the mouth of many people all over the world, especially Nigeria. These have been because of the important of the word probity for countries. So the word Probity means integrity and uprightness or honesty. It is synonymous to rectitude but antonymous to dishonesty. Probity is the evidence of ethical behavior in particular process. For Accountants, maintaining probity should involve more than simply avoiding corrupt and dishonesty conduct. It involves applying values such as impartiality, accountability and transparency. In Government, probity is ensuring that every national officers duty adopt processes, practices and behavior that enhance and promote values and interests. The presence of probity in the present government of President Mohammad Buhari in the performance of government officials duties raises hope of orderliness, corrupt free transactions and high rate of performance in public service. The present government in Nigeria is trying to recover from all corrupt past leaders the funds that will be put back into development.

The main objective of this study is to determine the effect of probity and accountability on the socio, economic development of Nigeria.

Other objectives are:
(i) To determine the effect of probity on the amount of recovered stolen funds in Nigeria.
(ii) To ascertain the effect of the amount of government losses to corruption and present socio, economic situation in Nigeria.

2. Conceptual Framework
2.1 Factors Militating Against Proper Probity and Accountability in Nigeria
i) Inadequate Statutory Provisions: - The enabling instruments of most Government Parastatals contain provisions on Accountability but omit to provide sanctions for non-compliance.
a) Apart from provisions contained in CBN Act, Banks and other financial Institutions Act and few other public enterprises, the provisions of the statutes of most other public agencies do not contain enough guidelines on the nature of financial statements and audit to be carried out. It has been observed (Asugha 1996) that:
... the main trust of audit of parastatals, Agencies and Commissions is on financial and compliance audit for the purpose of expressing an opinion on the financial statements. Such comments and information as to the operation and financial condition of the parastatals are lacking. There are no reports of any impairment of capital. In rare cases, do the management letters include comments on the propriety of the transactions, management decisions that lead
To my mind, proper accountability goes beyond the prevalent financial and compliance audit but the law in most cases has not given guide with respect to most parastatals. For e.g. is there any difference or sanctions for Auditors who restrict themselves to financial audits and those who go beyond such into values for money audits?

b) Our present constitution does not contain any provisions on the accounts and audit of the Local Government. There is no provision for the Appointment of Auditor-General of Local Governments as was the case for Federal and State Government.

c) There are no constitutional provisions on public declaration of assets by elected or public officials to enable the citizenry make meaningful input into the whole exercise.

d) While there are specific constitutional provisions for the audit of public Accounts, there are no similar provisions specifically mandating the Head of State or Chief Executive of Federal and State Government to prepare and present annual financial statement of the Federation, State or Local Government to the National Assembly etc.

e) The present constitutional provision requiring Boards of Directors of parastatals to appoint External Auditors reporting to them is open to a lot of questions. If we consider parastatals councils to be similar to Board of Directors in private sector organizations, then the issue of proper accountability seems impaired and defective here.

ii) Corruption: - We are all aware of the decay in Nigeria society today which has arisen because of our corruptive tendencies. Example theDasuki arms deal fraud which have involved many public officers both in uniform and civil. The situation is so bad that no one seen to know where to run to. Our former President, Chief OlusegunObasanjo (1999) has rightly observed that; "A major problem in the process of economic development of this nation has been corruption, mismanagement and abuse of trust by many of those saddled with the task of leadership in the nation's checkered history. There is no doubt that our ability as a nation to create wealth has increasingly been hampered by the lack of prudence, transparency and honesty in the management of resources by those entrusted with the duty of public governance at all levels in the past. Evidence of these abound in many abandoned projects nation-wide, the intractable energy production as exemplified by the erratic power supply by NEPA, the poor state of health facilities, low life expectancy of the citizens, the decadence in the education systems .... High crime rates, poor state of infrastructural facilities .... These scenarios, which are not pleasant, bring to the fore the weaknesses of the government's internal control measures, and poor project implementation capabilities of public officials ...” according to the former President “Never again will these be allowed to happen.

However, we will leave it to you to judge the morale standard, probity and integrity of the different public officials who make up the present legislature, executive and judiciary arms of Government including members of the various professional bodies who act as consultants, professional advisers, Auditors etc to public institutions etc. Do we really operate the existing provisions on checks and balances or do we only go for the rules and sanctions when we are not settled? It is only in this country that most corrupt officials and those who fall fowl of the provisions on Accountability and probity are appointed or elected into high public offices. In few cases they are just retired and not prosecuted to enable them go and enjoy their loots.

iii) Societal and Governmental Attitude Towards Accountability and Probity: Our moral values have gone down to the extent that many of us are now wondering and getting confused as to the difference between good and bad behavior. An act is morally bad only if the society condones it. Nepotism and Favoritism is said to be grave offence in most developed countries but in our environment, providing jobs for the members of our families or ethic group earns one a lot of respect from his kinsmen. A large part of the citizenry in need of public services and good are illiterate and therefore not in position to demand for their rights. This includes even those who can write and read but who are not fully aware of the wages, unemployment, and poverty are factors, which impel men to tolerate corruption and lack of accountability. As long as a public official takes care of my interest or is from my family or ethic group, there is nothing wrong in his lack of accountability. The same applies to government authorities who refuse to sanction other public officials due to lack of probity. Those who insist on Accountability have gotten their hands burnt, frustrated through various means or even killed. The society condemns the police, customs etc. for taking bribes or being corrupt and yet we offer bribes to these officials where we are caught up with the law. Again, no organization can do without an Accountant and yet an honest Accountant finds it difficult to relate with his colleagues and is he even sidelined by a corrupt Chief Executive who regard him as a necessary evil. In Government, numerous circulars and provisions are made without enforcement or the will to impose sanctions. In most cases, those who flout the provisions on accountability and probity are the ones that get promoted or rewarded.
iv) Lack of Proper Moral Training and Upbringing of our Children: There is a saying that everyone will earn or reap what he sows. A society in which school authorities engage in examination malpractices with their students to enable the school score high overall pass in public examinations, where officials take bribes before giving children admissions, where success in society is measured mainly through the exhibition of ill gotten wealth, where children are constantly being exposed to corruptive tendencies will surely bring up future public officials not groomed in the culture and principles of accountability and probity.

v) Lack of Proper Planning and Budgeting: Proper Accountability generally presupposes the existence of pre-determined criteria with which to judge performance. In the private sector for example, the profit motive appear to be the overriding factor apart from other social responsibilities. A profit oriented set up that is making losses for a long time is likely not to survive for long and the management may be sacked. In the public sector this performance criteria seem to be lacking. Even where there are targets, they are fixed at very high cost and unrealistic for e.g. Assuming that Government intends to provide certain structures within a budgeted amount of N10b in most cases, the N10B provided will be far more than it will cost to provide similar structures in other countries and that is, if the provision is not adjusted upwards later to the detriment of other competing social welfare demands. There is often lack of performance criteria and properly developed monitoring and evaluation system. Any so called annual budget of an organization (whether in public or private sector) which has no set target or basis of measuring performance, is to my mind worthless and a mere paper statement and lacks the basic element of accountability. For e.g. there is so much investment now on security of lives and property and improvement of power generation and supplies but no one knows when and how the dividends will start coming out. Are we going to obtain real value for all money being invested?

vi) Laxity on Supervision and Monitoring: Ministries and various government agencies are supposed to be supervising the huge public investments in public enterprises. But not many Ministries etc. have insisted or called for the annual financial statements and Annual reports of these parastatals. Funds are allocated yearly without getting the accountability reports of previous years. Officials sent out to monitor public institutions end up pursuing their selfish and personal interests thereby leaving the rot to continue. Even when such annual reports are received, there are no serious studies of the reports with a view to ensuring proper accountability. Such duties are normally left for the Auditor-General who only goes through the audited accounts but not the annual report. There is complete lack of administrative sanctions not to talk of legal sanctions.

We are also aware that it takes so much long time for Auditor-Generals query to come or for one to appear before the Public Account Committee.

vii) Incompetence of Staff in Management/Supervisory Position: The same societal ill had led to putting incompetent officials into sensitive positions. Lack of competent staff in appropriate positions puts accountability in jeopardy. By competent staff we mean those who are qualified in terms of professional and academic qualifications, exposure, experience and who possess integrity and transparency in outlook. I guess that some people might be wondering whether we can still get these people from our present day society but I believe that it is a question of providing the right environment to operate. Ejiofor (1987) tried to give an insight into the effect of meritocracy and objectively by stating that they ....cannot thrive side by side with corruption one must give way. He observed that “if there is any one single factor responsible for the difference in the meritocracy factor”.

It was observed that while production and performance public sector those who work hard wait for indolent ones for the across-the-board annual and tri-annual promotions. There is also no doubt that if reward is based on contribution, productivity will simply soar. By production is meant not only producing goods and services but compliance with all the requirements of accountability, transparency and probity in the pursuit of organizational and national objectives. It is only those who value accountability, probity and good conscience that can practice it. It is presently happening in the leadership Nigerian President Muhammadu Buhari.

viii) Some Technicalities in the Practice of Accountability: The accountability profession or its members seem to believe that all stakeholders in the audited financial statements are also Accountants and Accounts including the many accounting jargons usually contained therein. Public accounts are not meant for Accountants but for the consumption of the public who in most cases are not Accountants. A lot of professionally compiled annual financial statements do not meet the purpose for which they are required i.e. to enable public officials and society assess of resources entrusted on them. The deficiency in accountability here hinges on quality of submission rather than usage.

There are also technicalities arising from bureaucracies and technicalities of prosecution of fraudulent officials. The nasty situation in which we have found ourselves today was caused by both public and private sector officials yet how many were held accountable for such lack of probity and accountability.
People have stolen funds even after going through the laid down rules and yet such public institutions were not rendering the services for which they were set up. Audited financial statements, as we know, hide far more than it tends to present. We are yet to forget the cases of the failed banks. Court cases bothering on probity and integrity take so much time and money to dispose off, i.e. if public officials do not eventually mess up the prosecution to the detriment of the public when settle.

ix) The Integrity Question in Accountancy Profession: With respect to the Accountancy profession, it should be stated that some Accountants have failed the society in various areas by engaging or getting involved in actions bothering on “comprises of integrity”. It has been said that there have been cases of an accounting entity having two or three audited financial statements for a particular year. Even where there is one audited accounts the contents not be in agreement with the actual records of the Accounting entity or showing the true and fair” position of its state of affairs at a particular time. There have been cases where professional accountants head accounting department or become Accountant-General but fail to produce appropriate annual accounts as and when due and for year. Even when the accounts are produced and signed by them the Accountants signatory finds it difficult to defend the content of the audited accounts and blaming it on the External Auditors. Some Professional Accountants acting in various capacities are known to only point out serious defects in transaction mainly when they have not been “settled”. We have various cases where many compromises have been made either in sympathy of the client, as a survival strategy (including to be able to retain ones employment) or just where the Accountant is a person of doubtful character. We have had cases bothering on professional liability of Accountants and Auditors, even though we have been a bit lucky in Nigeria.

3. Theoretical Framework

3.1 Probity in Governance

Probity and Accountability in governance is basic requirement for successful operation of governance and for socio-economic growth of a country. It is defined as a risk management approach ensuring procedural integrity. It is concerned with procedures, processes and systems rather than outcomes. The best probity and accountability processes do not however guarantee a Board will be immune from problems or criticism. It requires that Boards act ethically, impartially, honestly and with fairness. To make probity in governance effective, government must have to eliminate corruption. The other requirements of probity are effective laws, rules and regulations governing every feature of public life and an effective and reasonable implementation of those laws. Undeniably, a proper, fair and effective implementation of law is aspect of discipline.

It has been defined by intellectuals that Probity is the indication of ethical behavior in a particular process. The term probity entails integrity, uprightness and honesty. For Government workers and agencies, maintaining probity and accountability involves more than simply avoiding dishonest conduct. It involves applying public sector values such as impartiality, accountability and transparency. Probity is also considered as being incorruptible. However, probity goes beyond the avoidance of being dishonest because it is determined by intangibles like personal and societal values. It is also regarded as strict obedience to a code of ethics based on undeviating honesty, especially in commercial (monetary) matters and beyond legal requirements. Ensuring probity in public sector activities is part of every public official’s duty to adopt processes, practices and behavior that enhance and promote public sector values and interests.

Probity in Governance also elucidates that apart from the traditional civil service values of efficiency, integrity, accountability and patriotism, it is essential for civil officers to instruct and adopt ethical and moral values including probity in public life, respect for human rights and compassion for the downtrodden and commitment to their welfare.

The requirement for accountability necessitates the provision of information about government program and service. Public officials, legislators and the entire citizenry want and need to know not only whether public funds are handled properly and in compliance with the laws and regulations but also whether organizations, programs and services are achieving the purpose for which they were authorized and funded and whether they are doing so economically and efficiently. (Etuk, 1993).

3.2 Objectives of Probity and Accountability in Governance:

There are several objectives of probity in governance according to Kaufman, D. (2005), that are mentioned below:

(i) To ensure accountability in governance;
(ii) To maintain integrity in public services;
(iii) To ensure compliance with processes;
(iv) To preserve public confidence in Government processes; and
(v) To avoid the potential for misconduct, fraud and corruption.
4. Corruption:
This is an act of immorality, depraved or dishonesty through taking of bribes, offering and accepting bribes, and other acts of being corrupt.

It has been clearly established by international agencies and Nigerians themselves that corruption is the greatest challenge posed to economic and financial stability in the country. It is therefore no news that corruption is endemic and systemic in Nigeria. It is a piece of very bitter truth that should turn the stomach of any decent Nigerian that this country once occupied the second position of the most corrupt nation in the world. The 2009 Transparency International (TI) rating indicates that corruption is on the increase in Nigeria, ranking 130th out of 180 countries.

Given its pernicious impact on social, economic efforts, it is not too difficult to appreciate that corruption has caused Nigerian great set-backs because it has stunted national development.

5. How does the world currently perceive Nigeria?
Ease of doing business. Nigeria is 125 out of 183 countries. Ghana is 95th.

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Source: World Bank doing Business Survey 2010

Nigeria is perceived as having a very large informal economy due to inefficient bureaucracies. For example, a company dealing with construction permits – the Nigerian costs of permits is 573% of the income per capita. Registering property – the Nigeria property registration costs are 21% of the property value. Paying taxes – Nigeria companies have 35 different tax payments per year. Trading across borders – requires 10 different documents to export from Nigeria.

In 2009, the World Economic Forum ranked Nigeria as 99th out of 133 countries on their Global Competitiveness rankings.

The Economist (2009) stated:

….Nigeria is a country where so much money is wasted, greasing the wheels of a corrupt political system that despite its oil wealth about 70% people live on the equivalent of less than $1 per day". While other countries such as Ghana, Mali, Mozambique and Rwanda have been improving in the past decade Nigeria has in many ways gone backwards.

Anti-Corruption Agencies
Prior to the enactment of the Anti-Corruption Act, certain Laws had been and are still in existence as legal instruments meant to combat corruption in our society. A list of these laws includes:

i) The Criminal Code
ii) The Penal Code
iii) The recovery of public property (Special Military Tribunal Act Cap 389, LFN 1990 (as amended in 1999)
v) The code of Conduct Bureau and Tribunal Act (Cap 56 LFN 1990)
vii) Corrupt practices and other related offences Act, 2000
viii) The Independent Corrupt Practices and Other Related Offences Commission (ICPC)

Even at the face of all these Anti-corruption Agencies; most people in Nigeria merely pay lip service to the corruption malaise, often glorifying ill-gotten wealth and unnecessary showmanship. Unbeknownst to them, the long-run impact of this cankerworm that has eaten so deep into the fabrics of society is not simply alarming but reflected in the deplorable live standard. Corruption is not only pervasive but destructive in Nigeria.
The crux of the matter is that:-

i) And entrenched culture of glorifying wealth at all cost in Nigeria has systemically resulted to the current demise as civilian and military politicians take advantage of the poor masses and 419 kingpins became “new kings on the block.”

ii) High-level financial malpractices have lead to unprecedented capital flight and exacerbated external debt burden.

iii) Lack of trust in political and financial structures and non compliance with financial covenants is the direct result of widespread embezzlement, acting as a serious deterrent to domestic capital mobilization and foreign investment flow. Less than 5% of the population invests in the stock market in Nigeria, as huge cash deposits are stashed under mattresses or frivolously spent rather than saved in the banks.

iv) Falsification of invoices and inflation of public sector contract award have helped institutionalize inefficiency and poor resource management in public enterprises.

v) Large-scale misappropriation of government revenue has not allowed for a fair distribution or utilization of export earnings to improve quality of life for the bulk of the population.

vi) The country has been deprived of political stability due to the urgent to gain access to the nation’s coffers. The ease with which that has been achieved by a few miscreants is just unconscionable.

vii) Rampant advanced fee fraud (so-called 419) and duping of unsuspecting foreigners have only succeeded in tarnishing the international reputation of Nigeria and its citizens. The mere presence of the green passport instantly raises an alert anywhere in the world.

viii) Corruption and influence peddling stifles the urge to work hard and honestly or to serve public interest well. It encourages people to cut corners rather than follow due process.

6. Empirical Review

Towards Enhancing Probity and Accountability in Democratic Nigeria

i) Role of the People: In a democracy, power reside with the people i.e. the electorate. The electorate which is the alpha and omega of any Government in a truly democratic setting, votes a Party into Government at stipulated intervals and may vote the same Party out of governments. In developed environments where the electorate if fully aware of their power, political and public officials give them a lot of respect by ensuring that they fulfill most of their campaign promises including good governance. In Nigeria, the electorate is yet to attain that status as to be able to effectively check politicians. The corrupt environmental makes the politician believe that he can manipulate elections to his advantage. This situation arose from the deliberate policies of our previous leaders to keep the society poor towards making them open to manipulation and exploitation. The populace is also yet to imbibe the democratic tradition and enduring voting culture.

Accordingly, it was possible, in our inherent defective social system, for politicians to work on the gullibility of the electorate to their advantages. The electorate is made to vote “on the basis of ethnic, sentimental and emotive considerations”. He is made to think first of his survival before considering the consequences of his voting even for the wrong candidate. The problem of Nigerian electorate being able to make judicious use of their vote needs to be handled from the roots. It is the general feeling that if the degree of poverty and corruptive tendencies are drastically reduced it would be difficult for a corrupt politician to influence the electorate for his own selfish interests. If the electorate is politically educated and conscious enough to use his vote wisely it will be possible to eject bad leadership easily at the polls or to impeach on if in power.

While Government had the responsibility to ensure positive political consciousness in our body polity, the most important and effective organ for achieving political education of our people is through the mass media. In fact it has been observed that “it is the duty of the press and the people to determine which candidate wins or loses elections”. The press, as the fourth estate of the realm has the constitutional duty and as the mirror of the society to harness public opinion towards putting the right candidates into our public offices. It is only when the electorate begins to find his feet in the nation’s political terrain that some improvements can be seen in the process of accountability and probity in our public life.

ii) Check on Corruption, Improving Integrity and Improving Political and Societal Will: It has been generally accepted that “corruption is the biggest killer of our organizations” and national life. Furthermore, it is not necessarily the detailed rules, just laws, sound plans and well-mapped out programmes that make for good management and proper accountability. According to Ejiofor (1987);

a. No rule no matter how well-drafted cannot be twisted
b. No law no matter well drafted cannot be circumvented
c. No tradition no matter how hoary cannot be broken
d. No plan no matter how sound cannot be thwarted
e. No programme no matter how grand cannot be grounded and
f. No organization not matter how feasible and viable cannot be run down

g. By well-placed men of questionable integrity.

The bulkiness of our constitution is caused by the eagerness to have provisions aimed at elevating the level of integrity, accountability and probity in the society. We have had the ethical revolution of many regimes, the War against Indiscipline and other similar programmes even of recent. The height of it all is the enactment of the Anti-Corruption and Other Related Offences Acts. Yet we are still to see any improvement in the level of bribery, corruption, abuse of power, concentration of wealth in few hands and stealing public funds by those who swore to uphold the tenets of our noble constitution.

It then appears that the problem lies with the implementation of our laws and programmes. Ejiofor (1987) again put it clearly when he said that

...Greater wars than “War Against Indiscipline” have been declared verbally in Nigeria but putting it allegorically, the troops refused to fight. The troops refused to fight because their commanders who were supposed to be leading the attack were found to be colluding with the enemy ... But if Nigerians begin to see corrupt people being forced to shed their ill-gotten gains and suffer disgrace, then they would see that the battle for real development has begun. Nigerians expect action not talks. People’s acceptance of corruption as a way of life and their general attitude needs to be tackled first.

While the recent enactment of anti-corruption Act is worthwhile the society seems to actually require surgical operation or what the religious people call “deliverance”. An act is really corrupt if the society in which the act occurs condemns it and if the doer is afflicted with a sense of guilt when he does it. The present democratic government has started well by the last increase in the pay of public servants. There is room for improvement in this area, which in my view will help to divert people’s mind from negative and corruptive thoughts. We are also watching to see the effects of the Anti-Corruption war by President Muhammadu Buhari and other policies of Government in this direction.

iii. Institutionalization of Proper Planning, Budgeting and Performance Evaluation:

There is need to set clear and unambiguous operational objectives that must specify targets and measurement standard for the performance of these targets for all public agencies. The performance of the targets will be clearly monitored through periodic reporting by the specified Agencies. The reports will be reviewed by appropriate authorities by comparing the set targets with the actual performance, identifying achievements, or non-performance, of the targets and reasons or non-achievement. This will help identify areas needing improvement and taking prompt corrective action. The enactment of the Public Enterprises Regulatory Commission Act in 1996 was intended to achieve the above recommendations but Government up to date seem to lack the will to make this become effective operational.

iv. The Annual Financial Statements and Audit of Public Agencies:

Public accountability requires that government agencies should demonstrate that they have used resources at their disposal with due regard to economy, efficiency and effectiveness. In addition to the above recommendations on performance assessment, there should be published relevant information on performance. They are supposed to provide fully informative financial statement including sufficient additional information on performance and results to ensure proper accountability. The current thinking is that the audit of public bodies has to go beyond the present financial and compliance audit to ensure proper accountability and probity in our present democratic dispensation.

Asugha (1996), “there is the urgent need to supplement the present auditing guidelines in use by firms of Chartered Accountants required by law to audit the accounts of the public bodies in order to address the unique public accountability requirements of these bodies. The audit has to shift to comprehensive audit covering consideration of economy, efficiency and effectiveness. The audit should consider the effectiveness with which the bodies objectives are being carried out, whether the intended results are being achieved with due regard to economy and efficiency. Audit of paratartals must go beyond the traditional financial and compliance audit and extend to determining the efficiency, economy and effectiveness with which the organizations operate and fulfill their objectives and goals that is value for money audit”. The introduction of the International Financial Reporting Standard (IFRS) and International Public Sector Accounting Standard (IPSAS) is already handling this point.

v. Improving on the Provision of Relevant Statutes:

- There is the need to look at the various deficiencies in the statutes with a view to taking corrective measures.

- Perhaps it may be worth-while commending the observations of Ajiboye (1997) when he said that “in developed countries, particularly the USA, Canada, every aspect of government financial management is covered by law … accounting (including systems and concepts) auditing (internal and external) etc. the officers charged with responsibility of certain sensitive duties are protected and with that protection they are free to discharge their duties without fear, favour ….. The US Inspector-
General Act gave her Internal Audit specific powers and insulated him from executive control by keeping officers, away from the professional coverage, they enjoyed when they were under his authority, to report accounting officers direct to congress if he finds it necessary”.

vi. Enhancement of the Position of Accountants in the Public Sector:

- Conscious effort should be made towards enhancing the status of especially the professional Accountant in the Public sector or government financial management. The generalist officers appear to have made it a rule that the position of Permanent Secretaries and Directorships cadres are their exclusive preserves. An attempt to correct this abnormally at the early stages of the 1998 civil service now is Accountant-General and Deputy Director Accounts if deployed to the Ministry. Although they may also rise to become Auditor-Generals also, they cannot be sure in the area of tax matters. The position of Directors of Finance and Supplies to my mind is too technical that it is supposed to be occupied by an Accountant who appears to be the only officer will trained technically to effectively occupy that position. But this is not the present situation. In the private sector professional Accountants are highly prized in view of the nature of duty they perform.

- The Accountant is the key accountability and probity officer in the private sector and he can perform that feat in the public sector if the enabling environment is provided. This is because in the present era, social demands and in which all other sectors look up to the public sector for leadership in steering properly the ship of the economy, the public sector has to do far more than making decisions by rule of thumb. The Accounting officer and Chief Executive of ministries and Government agencies must carry out a self examination of their background and adequacy in management and financial resources, which must be given its pride of place. The accounting officer is usually entrusted with vast human and material resources and therefore requires a financial expert as his right hand man and not a generalist. This is to enable him maximize the citizens social welfare status with the resources available and at minimum cost.

vii. Reporting Corruption:

i) It has strongly been advocated (Ojaide, 2000) that Professional Accountants should consider taking on the additional responsibility of reporting corruption and corrupt practices in organizations as a separate professional engagement. Of course it was observed that ...this responsibility cannot be effectively handled without a commensurable legal backing ..... There was also an indication (Ojaide 2000) that Professional Accountants have crucial roles to play in the eradication of corruption in any nation. Furthermore, the kind of professional services they render have direct relationship with integrity, honesty, accuracy, transparency, probity and accountability and therefore the society expects nothing less than these qualities in the performances of their duties. While I do not contest the nature of Accountants duties as indicated above; some people may have strong reservations in asking professional Accountants to report corrupt practices in organizations as part of their normal duties.

ii) But it is necessary to emphasize that Professional Accountants acting as External Auditors are required by Law (e.g. NDIC and BOFD) to report cases of fraud and corrupt practice in Banks. Also the prevailing public sector auditing standards requires External Auditors to report on significant irregularities whether perceived or potential on inconsistency of application of regulations or on fraud and corrupt practices.

iii) One other problem area is where a professional Accountant serves as part of corrupt management team and he did nothing to absolve himself or any corrupt practice, for e.g. did he advise against corrupt tendencies or practices before it blew open and can he obtain proper evidence to that effect?

iv) It is however very important to call the attention of Accountants that any person who;

v) Participates as a member of a committee, board or council in awarding a shoddy contract or taking any decision that run contrary to the principle of accountability, probity and integrity or

vi) Endorses a document or takes any action bothering on corruption.

vii) I am not too sure on how most of us can escape the above provisions especially where we find ourselves in positions of authorities and decision makers. Perhaps as advisers, we might be a bit safe if we advise against certain corruptive acts and we are over ruled.

7. Summary of Review

The conceptual summary of the literature review, the paper identified nine factors militating against proper probity and accountability in Nigeria. These factors range from inadequate statutory provisions in the three tiers of government, corruption and other negative societal vices.

Theoretically, probity and accountability in governance is a requirement for successful governance and
for socio economic growth of any nation. The paper identified some objectives of probity and accountability in governance and all centered on corruption.

Empirical review of other related works suggest ways of enhancing probity and accountability in our democratic Nigeria. The role of the people, checking corruption, proper budget planning annual, improving the statutes and whistle blowing are some of the recommendations.

8. Methodology
The study explored a mixed model approach. Secondary data was sourced from text books, Journal articles, government policy records, seminar papers and the internet. Data sourced were both quantitative and qualitative in nature. Quantitative data involved extracting values of recovered looted funds and their sources. Weights of “1” was allocated to voluntary returned looted funds and weights of “3” allocated to probed cases of returned looted funds. GDP values of between May 2015 and May 2016 were also extracted and matched.

Correlation analysis was the method used to determine independent relationships between Probity, Looted funds recovered and GDP growth in Nigeria. A Multiple Linear Regression Model was developed to further determine the relationships and strength of the influence of independent variables (Probity), recovered looted funds on the dependent variable (GDP growth).

9. Findings and Discussions
Determining Association between Stolen Funds, Level of Probity and GDP (Economic Status of Nigeria)

<table>
<thead>
<tr>
<th>Stolen Funds Recovered</th>
<th>Pearson Correlation</th>
<th>P-Value</th>
<th>GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>Probity</td>
<td>Pearson Correlation</td>
<td>P-Value</td>
<td>GDP</td>
</tr>
<tr>
<td>0.223</td>
<td>0.374</td>
<td>0.380</td>
<td></td>
</tr>
<tr>
<td>0.220</td>
<td>0.374</td>
<td>0.126</td>
<td></td>
</tr>
</tbody>
</table>

The above correlation analysis is determining the correlation (independent association) between stolen funds and the level probity by government structures. There is no statistically significant correlation between effort being made to probe cases of stolen funds (probity) and stolen funds recovered as proven by the correlation coefficient of 0.223 and probability value of 0.378 > 0.05. This was also graphically demonstrated in figure 1.0. It was also interesting to note that the level of stolen funds recovered does not seem to have any impact on the current level of GDP which is a determinant for economic growth. This was demonstrated by the correlation coefficient of -0.220 and a P-Value of 0.380 > 0.05. This was also demonstrated on figure 2.0

It was pertinent to also determine the association between the current gravity of efforts been made to probe stolen funds (probity) and the level of economic growth using Gross Domestic Product (GDP) as a determinant. It was found in the above table 1.0 and figure 3.0 that there is no correlation between probity and GDP as indicated by the correlation coefficient of -0.374 and P-Value = 0.126 > 0.05.
Figure 1.0 Correlation between GDP and Stolen Funds in Billions

\[ y = -0.0944x - 0.9254 \]
\[ R^2 = -0.220 \]

Figure 2.0 Correlations between Level of Probity and Stolen Funds in Billions

\[ y = 0.0117x + 2.4222 \]
\[ R^2 = -0.374 \]
The above multiple linear regression models on the table is determining the influence of the current efforts by the Nigerian Authorities to probe looted funds (probity) and the economic performance of the country observed via GDP growth. There seems to be no relationship between the probity and the country’s GDP as indicated by the probability value of 0.179 > 0.05. There is also no relationship between the amount of stolen funds recovered in billions and the current level of GDP (P=0.562). It is interesting to note that though not significant, the amount of recovered stolen funds in billions is a stronger predictor on the country’s GDP that the current level of probity being experienced.

Table 3: Model Summary

<table>
<thead>
<tr>
<th>Model</th>
<th>R</th>
<th>R Square</th>
<th>Adjusted R Square</th>
<th>Std. Error of the Estimate</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0.40</td>
<td>0.160</td>
<td>0.048</td>
<td>6.81</td>
</tr>
</tbody>
</table>

Predictors: (Constant), Stolen Funds Recovered in Billions, Probity
Dependent Variable: GDP

The above Model summary demonstrates that the 40% of the variation experienced by the Gross Domestic Product is explained by the Independent variables (Recovered Stolen Funds in Billions and the level of Probity).

10. Conclusion and Recommendations

We have seen that transparency, probity and accountability are good measures of any credible government who must get out of the shackles of corruption. For sustainable development and growth in any country like Nigeria, the factors enumerated in the text militating against probity and accountability must be carefully taken care of.
Despite the establishment of the so many anti-corruption agencies and enactment of many Acts, the nation appears to be helpless in its fight against corruption. It is however hopeful that with the on-going fight against corruption, more looted funds will be recovered and paid back into the system and used for the development of the country. Hope is rising in the present government of President Muhammadu Buhari who is waging a holistic war against corruption.

Based on this findings, we recommended as follows:

Probity and accountability have no significant effect on national development in Nigeria. To enhance probity and accountability in Nigeria, there is the need to

i) Upgrade our laws and review the constitution of the federal Republic of Nigeria.

ii) Reform the judiciary to make them relevant to the local needs in public resources governance.

iii) Empower the various anti-corruption agencies to make them more effective.

Nigeria maybe on the right path of recovery for a sustainable development towards vision 20:20:20.

References


## Appendix

### Data Presentation of Stolen funds, Probity and GDP.

<table>
<thead>
<tr>
<th>SN</th>
<th>Items</th>
<th>Stolen Funds</th>
<th>Probity</th>
<th>GDP</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>EFCC Cash at hand</td>
<td>39,169,911,023.00</td>
<td>3</td>
<td>5.94</td>
</tr>
<tr>
<td>2</td>
<td>Royalty/tax/payment to FGN account in JP Morgan account New York</td>
<td>4,642,958,711.48</td>
<td>1</td>
<td>3.96</td>
</tr>
<tr>
<td>3</td>
<td>ONSA Funds Recovery Account in CBN</td>
<td>5,665,305,527.41</td>
<td>1</td>
<td>2.35</td>
</tr>
<tr>
<td>4</td>
<td>VAT recovered from companies by ONSA</td>
<td>529,588,293.47</td>
<td>1</td>
<td>2.84</td>
</tr>
<tr>
<td>5</td>
<td>EFCC Recovered Funds Account in CBN</td>
<td>19,267,730,359.36</td>
<td>3</td>
<td>2.11</td>
</tr>
<tr>
<td>6</td>
<td>ICPC Revenue Collection Recovery in CBN</td>
<td>869,957,444.89</td>
<td>3</td>
<td>-0.4</td>
</tr>
<tr>
<td>7</td>
<td>Office of the Attorney General</td>
<td>5,500,000,000</td>
<td>3</td>
<td>5.68</td>
</tr>
<tr>
<td>8</td>
<td>DSS Recoveries</td>
<td>47,707,000.50</td>
<td>3</td>
<td>-0.4</td>
</tr>
<tr>
<td>9</td>
<td>ICPC Cash Asset Recovery</td>
<td>2,632,196,271.71</td>
<td>3</td>
<td>-6.53</td>
</tr>
<tr>
<td>10</td>
<td>Cash in bank under interim forfeiture</td>
<td>8,281,577,243.92</td>
<td>1</td>
<td>2.11</td>
</tr>
<tr>
<td>11</td>
<td>Amount frozen in bank</td>
<td>48,159,179,518.90</td>
<td>3</td>
<td>-11.57</td>
</tr>
<tr>
<td>12</td>
<td>Value of properties under interim forfeiture</td>
<td>41,534,605,998.00</td>
<td>3</td>
<td>-13.7</td>
</tr>
<tr>
<td>13</td>
<td>Value of cars under interim forfeiture</td>
<td>52,500,000.00</td>
<td>3</td>
<td>2.84</td>
</tr>
<tr>
<td>14</td>
<td>ONSA Funds under interim forfeiture</td>
<td>27,001,464,125.20</td>
<td>3</td>
<td>-0.4</td>
</tr>
<tr>
<td>15</td>
<td>Value of Assets Recovered by ONSA</td>
<td>512,000,000.00</td>
<td>3</td>
<td>-6.53</td>
</tr>
<tr>
<td>16</td>
<td>ONSA Assets under interim forfeiture</td>
<td>260,000,000.00</td>
<td>3</td>
<td>2.11</td>
</tr>
<tr>
<td>17</td>
<td>DSS Recoveries Frozen in Banks</td>
<td>658,929,000.00</td>
<td>3</td>
<td>-11.57</td>
</tr>
<tr>
<td>18</td>
<td>EFCC Cash in Bank under final forfeiture</td>
<td>103,225,209.41</td>
<td>3</td>
<td>-13.7</td>
</tr>
</tbody>
</table>

Source: Premium Times, 6th June, 2016