Testing the Causal Link Between Anti-Graft Agencies Practices and Good Governance in Nigeria Using Autoregressive Distributed Lag Approach (ARDL)

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Abstract
The study examines the causal link between the anti-graft agencies practices and good governance in Nigeria. We employed purposive sampling technique where 400 copies of questionnaires were distributed to professional accountants, bankers, journalists and lawyers. The data collected were analysed using both descriptive and inferential statistics. We seek to find out if there exist, significant or causal relationship between our exogenous variable, antigrant agencies practices, proxied by administrative/professional etiquette (LAPE) and Efficiency on prosecution and obedience to the rule of law (LEPL); and our endogenous variable, good governance (LGGP). By using autoregressive distributed lag approach (ARDL) and Granger causality test, we aim at establishing which of our exogenous variable has significant or causal effect on good governance in Nigeria. The analysis of the outcomes led to the conclusion that none of our exogenous variable has significant relationship with good governance but though, there exist a uni-directional causality from administrative/professional etiquette to good governance practices. The study also revealed the existence of a long run relationship among the variables under study. The study recommends amendment of the extant laws establishing the anti-graft agencies for operational efficiency in prosecution, responsiveness to the constitution and adequate training for officials in order for the Nigerian state to benefit maximally from these agencies.

Keywords: Rule of law, Anti-graft agencies, Government, Corruption, ARDL
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1. Introduction
The consequence of corruption in the society is the erosion of scarce resources earmarked for infrastructural development as the funds are siphoned to private pockets. Efficiency is traded for waste and ethnicity, excellence for mediocrity, hard work for lousiness as a result, in spite of the enormous human and natural resources the country is still grouped under the poorest countries of the world.

The Nigerian state has witnessed exponential increase in corruption right from the Second Republic as that was the excuse given by the military to overthrow the Second Republic government. However, the military administration did not eliminate the cancer of corruption rather the administration inflamed it. The country’s image internationally since then, has been on a downward spiral lane where Transparency International in 2018 ranked Nigeria as 148th most corrupt country in their Corruption Perception Index (CPI). This perception has a negative effect on Nigerians travelling abroad as well as cost of doing business internationally.

As governance is about the process of making and implementing decisions, governance practices are the panacea for politico-economic growth of a nation. The presence of efficient and effective management of resources thus enhances development. Good governance is not all about making ‘correct’ decisions, but about the best possible process for making those decisions in a transparent manner devoid of personal interest.

As corruption is the use of official authority in taking decisions that are for private gains devoid of transparency, successive governments in Nigeria in order to curb corruption and enshrine good decision-making processes and good governance, established various anti-graft agencies to curb the menace which has become a cancer in the fibre of the Nigerian nation. As good governance and operational practice should among others be participatory, effective and efficient in service delivery, equitable, inclusive, responsive, and transparent and following the rule of law, this paper is to evaluate the anti-graft agencies operational effectiveness and their governance practices in comparison with other international anti-graft agencies.

The objective of the paper is to appraise the operational effectiveness of the anti-graft agencies in the prisms of good governance and operational practices mechanism of participatory, effective and efficient service delivery, equitable and inclusive, responsive, transparent and following the rule of law. Ascertain whether board size composition, operational reporting channel, prerequisite qualification for the leadership, inter-agency collaboration and operations methodology influences its efficiency in service delivery and decision making processes in comparison with other international anti-graft agencies. Also check for existence of causal relationship among the variables used for this study.
1.1 Research hypothesis

H₀₁: There is no significant relationship between anti-graft agencies prosecution efficiencies/obedience to the rule of law and good governance practices

H₀₂: There is no significant relationship between anti-graft agencies administrative/professional etiquette and good governance practices

H₀₃: There is no causal relationship between anti-graft agencies prosecution efficiencies/obedience to the rule of law and their administrative/professional etiquette and good governance practices

2. Literature review

2.1. The Code of Conduct Bureau

The Code of Conduct Bureau and its twin sister, the Code of Conduct Tribunal was set up under the Code of Conduct Bureau and Tribunal Act, Cap 56, LFN 1990. The Board was set up against the backdrop of large-scale fraud and corruption which has become prevalent in the public service with an inimical effect on economic and social development of the country. The Commission has as its mandate to establish and maintain a high standard of public morality in the conduct of government businesses and to ensure that the actions and behavior of public officers conform to the highest standards of public morality and accountability. The Commission’s Vision is honesty, transparency and accountability.

2.1. Nigerian Financial Intelligence Unit (NFIU).

The Nigerian Financial Intelligence Unit is the Nigerian arm of the global financial intelligence Units (FIUs). It was initially a unit under the control and direction of the Economic and Financial Crime Commission (EFCC). It has as its vision statement to be amongst the leading financial intelligence organizations in the world with a mission to safeguarding the Nigerian financial system and contributing to the global fight against money laundering, terrorism financing and related crimes through the provision of credible financial intelligence. The core mandate of NFIU is to serve as the national center for the receipt and analysis of suspicious transactions and other information relevant to money laundering, associated predicate offences and terrorist financing and for the dissemination of the results of the analysis to law enforcement and anti-corruption agencies.

2.3. Economic and Financial Crime Commission

The Economic and Financial Crime Commission is established under the Economic and Financial Crime Commission (Establishment) Act 2002. The Commission’s responsibilities include the investigation, coordination and enforcement of all financial crimes including advance fee fraud, money laundering, contract scam etc and the adoption of measures to identify, trace, freeze, confiscate or seize proceeds derived from terrorists activities, economic and financial crimes related offences or the properties the value of which corresponds to such proceeds. The Act stipulates the Chairman who is the Chief Executive and Accounting Officer to be either a serving or retired member of any government security or law enforcement agency and 20 other members drawn from various security agencies.

2.4. Corrupt Practices and Other Related Offences Act (2004)

The Independent Corrupt Practices Commission (ICPC) is established through the Corrupt Practices and Other Related Offences Act (2004). The objective of its establishment is to prohibit and prescribe punishment for corrupt practices and other related offences and is saddled with the responsibility of investigating and prosecuting offences which are listed in the Act. The Board composition consist of the Chairman who would have held or is qualified to hold office as a judge of a superior court of record in Nigeria and twelve (12) other members. The Act empowers the Commission to receive and investigate complaints and prosecute offenders. Also the Act empowers the Commission to in addition educate the general public on and against bribery, corruption and related offences; and enlist and foster public support in combating corruption.

2.5. The Federal Bureau of Investigation (FBI)

The Agency is one of the investigative agencies in the United States. It reports to the Department of Justice and operate independently from the Presidency. The Agency is headed by a Director who is a legal practitioner appointed by the President and confirmed by the US Senate from outside the service. The Agency’s Mission Statement as its culture is the; rigorous obedience to the constitution of the United States, respect for the dignity of those it protects, compassion, fairness, uncompromising personal integrity and institutional integrity, accountability by accepting responsibility for the actions or decisions of its employees and leadership both personal and professional. The culture statement thus captures the governance framework upon which the agency operates. It has as its motto: Fidelity, Bravery and Integrity. To achieve its vision and mission, the agency’s area of investigation includes; terrorism, counter intelligence, cyber-crime, public corruption, civil rights, organized crimes, white-collar crimes, violent crimes and weapons of mass destruction (WMD). To accomplish the mission
of integrity, fidelity and bravery, the agency renders Criminal Justice Information Service (CJIS), Critical Incident Response Group (CIRG), Laboratory Service, Training academy, operational technology and information management. The agency maintains a robust uniform crime reporting program (UCR) with primary objective of generating reliable information for use in law enforcement administration, operation and management. This program facilitates retrieval of information on crime in the US for law enforcement executives, students of criminal justice, researchers, members of the media and the public at large. This facility enhances quality of crime data collected by law enforcement thus improves inter-agency synergy, data sharing and co-operation.

Serious Fraud Office

Due to considerable public dissatisfaction with the UK system for investigating and prosecuting serious or complex fraud, the Serious Fraud Office was established in 1988 following the Roskill Report (Fraud Trials Committee) recommendation. The office as part of UK criminal justice system is a specialist prosecuting authority tackling the top level of serious or complex fraud, bribery and corruption cases in the UK. It undertakes large economic crime cases by investigating any suspected offence which appears to her on reasonable grounds to involve serious or complex fraud. Also investigates criminals for the financial benefits they may have made from their crimes and assist overseas jurisdiction with their investigations into serious and complex fraud, bribery and corruption cases as additions to investigating and prosecuting offences of corporate failure to prevent the facilitation of overseas tax evasion. Unlike other agencies, the agency both investigate and prosecute its cases because of the complexity of the cases assigned to it. The agency is headed by a Director who is responsible for overall responsibility for the SFO’s strategic direction, case decisions and organisational management. While the Chief Operating Officer is responsible for the day to day running of the business and deputies for the DSFO, the General Counsel role is to provide oversight advice and quality control on the agency’s case development and trial preparation.

The three non-executive directors in the board contribute to the agency’s strategic development and providing constructive challenge. The Agency reports to the Attorney General’s office and work in collaboration with other UK law enforcement agencies like the National Crime Agency’s Economic command, international corruption unit and bribery and corruption intelligence unit. Also the City of London Police, the UK Police forces and regional organised crime units, the HM Revenue and Customs and the Financial Conduct Authority. Over 80% of staff are specialist caseworkers and where the director believes there are reasonable grounds to suspect complex or serious fraud, bribery or corruption, she opens an investigation which is taken on by a multidisciplinary case team. If sufficient evidence of criminal behaviour is uncovered during the investigation and a prosecution is found to be in the public interest, charges will be brought. This methodology has greatly enhanced the efficiency and effectiveness of the agency’s cases prosecutions.

2.6. Governance practice and Graft.
Governance is the medium of administering a people for the overall good of the society. There are various means of governance in both the public and private sectors. Governance ranges from dictatorial autocratic to participatory governance. Governance can be adjudged good or bad governance. Accountability is bedrock of good governance and in the public sector, government agencies officials have an obligation to report, explain and be answerable for the consequences of decisions they make on behalf of the citizenry. Good governance therefore should exhibit openness, participatory, effective and efficient, equitable and inclusive, responsive, transparent and compliance to the rule of law.

Board effectiveness and efficiency has also been attributed to board composition and quality of board members. Studies have attributed the effectiveness of a group decision making process decreases as the size of the group get larger. The opined the optimum size for a decision-making group to be seven people and that for each person added above this, the group decision making effectiveness is reduced by 10% (Blenko, Mankins and Rogers). Margolis & Sheila (2011) posit that other studies found that the most effective number in the board to be five but noted that the most effective of the group decision making is between five and eight, (Margolis & Sheila, 2011).

The public sector plays a major role in society as public sector expenditure forms a significant part of nation’s Gross Domestic Product (GDP) and public sector entities are major employers of labour, its operations significantly influences socio-economic growth and development. To promote a robust governance structure, the International Public Sector Governance Framework was developed jointly by the Chartered Institute of Public Finance and Accountancy (CIPFA) and the International Federation of Accountants (IFAC).

2.7. Aim of the International Public Sector Governance Framework
The aim of the framework is to promote the development of robust governance by establishing a benchmark for good governance in the public sector thus encouraging better service delivery and improved accountability. The framework is anchored on six key principles of good governance of ensuring agencies act in the public interest at all times. These include; Strong commitment to integrity, ethical values and the rule of laws, openness and
comprehensive stakeholder engagement, defining outcomes in terms of sustainable economic, social and environmental benefits, determining the interventions necessary to optimise the achievement of intended outcomes, developing the capacity of the agencies which include the capability of its leadership and the individuals within it through training, managing risks and performance through robust internal control and strong public financial management and implementing good practices in transparency and reporting to deliver effective accountability.

Demonstrating integrity involves the leadership promoting a culture of acting in the public interest at all times by taking the lead in establishing and living up to specific values for the agencies and their staff. These values include objectivity, selflessness and honesty. They reflect the public expectations about the conduct and behaviour of agencies and people who manage public services and spend public funds. Similarly, strong commitment to ethical values involves embedding ethical values and standards throughout the agencies and ensuring the values form the basis for all its policies, procedures and actions as well as the personal behaviour of the agencies management and staff. This is through the establishment of code of conduct policy for management and staff and ensuring that steps are taken to avoid or deal with any conflict of interest whether real or perceived. Also, the framework requires anti-graft agencies as public sector entities and its staff to demonstrate a strong commitment to the rule of law as well as compliance with all relevant laws. This is important as fair legal process, rooted on an impartial as well as an independent judicial system assist in building societies where individuals and organisations feel safe. This informed the crafting of the United States FBI Mission statement.

2.8. Corruption in Nigeria
Corruption has grown in leaps and bounds since the Ibrahim Badamosi Babagida’s era as military President of Nigeria when the expression, “settlement” was coined as a synonym for corrupt practices by the general public. The country’s image since then has been on a downward spiral lane. In their ranking in 2018, Transparency International Nigeria ranked Nigeria as 148th most corrupt country in the Corruption Perception Index (CPI).

Various scholars have defined corruption in different ways with overlapping emphasis ranging from unethical behaviour to political misconduct, bribe-taking and sale of government assets for personal gain (Shleifer and Vishny, 1993 & Svensson, 2005) as cited in Ewa, Adesola and Kankpang(2019). World Bank and Transparency International (TI) defined corruption as “the misuse of public office for private gain. Thus it is the misapplication of entrusted power for personal gain by dishonest official either appointed or elected official, (The World Bank, 1997A). In their contribution, Banerjee, Hanna and Mullainathan (2011) define corruption as “an incident where a bureaucrat (or an elected official) breaks a rule for private gain”. Tanzi (1998) opined that it may not be easy to define corruption but is “generally not difficult to recognize corruption when observed”. According to Ewa, Kechi, Adu and Agida,(2017), the misuse of entrusted authority comes in form of bribery, misappropriation, misapplication of entrusted funds and property of the organisation or the public for personal use and suppressing the rule of law for selfish reasons. Ewa et al (2017) posited that corruption is the “abuse of public power for pecuniary gain or for the benefit of a group to which an individual owes allegiance”. While premeditating factors rooted in a country’s peculiar social and cultural history, political and economic development, bureaucratic traditions and policies enhances corruption, it flourishes when institutions are either weak or non-existent and economic policies distort the marketplace (World Bank, 1997b). Klitgaard (1996) developed a model which explained that the extent of corruption is determined by the amount of monopolistic and discretionary powers (ability to take responsibility solely without external check) that officials exercises without recourse to accountability.

\[ C (\text{Corruption}) = M (\text{Monopoly power}) + D(\text{Discretion}) - A(\text{Accountability}) \]

In explaining the model, he stated that monopolistic and discretionary powers are prevalent where administrative rules and regulations are poorly defined. That is, poorly defined ethical standards, weak administrative and financial systems and ineffective watchdog agencies.

3. Research methodology
This study adopted both exploratory and survey design to collect the data on the study’s variables, analyse and testing.

3.1. Characteristics of participants
A combination of inductive and survey research paradigm was employed in this research. The questionnaire used in this study consisted of two sections. The first section collected demographic data. The second section contained twelve (12) semantic differential belief statements culled from good governance framework variables. Two performance indices were measured by these belief statements – (1) obedience to the rule of law, (2) efficiency in prosecution and decision usefulness. The statements were structured as bipolar adjectival statements which were separated by five – point likert scales aimed at ensuring that respondents would choose a number from the scale which identified their level of agreement with one or the other of the statements. The population of the study comprised professional accountants, bankers, journalists and lawyers in Cross River State, Akwa Ibom State, Edo
State, Bayelsa State, Delta State and Rivers State representing the South-South geopolitical region of Nigeria.

3.2 Sample procedure/sampling size
The purposive sampling technique was employed in the study as 400 copies of questionnaires were distributed to 100 professional accountants, 100 bankers, 100 journalist and 100 lawyers. The belief statements (variables) were individually evaluated in order of significance to ascertain the anti-graft agencies governance practices and their success rate in curbing corruption in Nigeria. The data collected were analyzed using both descriptive and inferential statistics. Four hundred questionnaires were administered to the respondents in the study. Three hundred and fifty questionnaires were returned completed constituting 80% (eighty per cent) success rate. This return rate of 80% is considered adequate following the assertion by Moser and Kalton (1971) that the result of a survey could be considered as biased and of little value if the return rate was lower than 30 – 40%. Here the return rate of 80% is far in excess of 40%.

3.3 Model Specification
The functional relationship between the variables using their log transformation is expressed thus:

\[ LGGP = f(LAPE, LEPL) \]

\[ LGGP = \beta_0 + \alpha_1 LAPE + \alpha_2 LEPL + \epsilon_t \]

Where;
- \( LGGP = \) Good Governance Practices
- \( LEPL = \) Efficiency on prosecution and Obedience to the rule of law
- \( LAPE = \) Admin/Professional etiquette

\( \beta_0, \alpha_1, \alpha_2, \epsilon_t = \) Coefficient of the variables

4. Results and findings
4.1 Demographics of respondents
The survey document was sent to 400 subjects containing of 10 belief statements from each of respondent groups. An overall response rate of 88% was recorded from the survey as per. This rate is considered a creditable result for this type of data collection method.

Table 1: Responses of the Respondents on the belief Statements:

| S/N | Statements                                                                 | SA    | A     | U     | D     | SD    |
|-----|-----------------------------------------------------------------------------|-------|-------|-------|-------|-------|
|     | SECTION A: DEPENDENT VARIABLE Good Governance Practices (GGP)               |       |       |       |       |       |
| 1   | The agencies are not responsive to the yearnings of the public in the discharge of their responsibilities | 165(47%) | 115(33%) | 51(15%) | 19(5%) |       |
| 2   | The agencies activities are open to the public and interact with the public often | 91(26%) |       | 159(45%) |       | 100(28%) |
| 3   | The agencies carry out their assignment not in a transparent manner          | 155(44%) | 157(45%) | 26(7%) |       | 12(3%) |
| 4   | The agencies do not treat every suspect equally no matter your political affiliation and status(i.e equitable and inclusive) | 116(33%) | 180(51%) | 31(9%) |       | 23(7%) |
| 5   | The agencies line of reporting do not influence their decision making       | 111(32%) |       | 190(54%) |       | 49(14%) |
|     | SECTION B: B1 Administrative/Professional Etiquette (APE)                    |       |       |       |       |       |
| 6   | The agencies staff are not well trained and they are effective and efficient in the discharge of their duty | 127(36%) | 89(25%) | 74(21%) | 54(15%) | 6(2%) |
| 7   | The laws setting up the agencies are not standard and operatives are not fully aware of the laws | 102(29%) | 107(30%) | 79(22%) |       | 62(18%) |
| 8   | The composition of the agency boards is not moderate                         | 115(33%) | 75(21%) | 76(22%) | 62(18%) | 22(6%) |
| 9   | No knowledge of good governance criteria                                     | 102(29%) | 81(23%) | 110(31%) |       | 57(16%) |
From our findings in table 1 above: The notion of Anti-graft none responsiveness to the yearnings of the public in the discharge of their responsibilities revealed 280 (80 per cent) respondents affirm the view of not responsive to the public yearnings. This is in agreement with (Adedokun, 2018; Yakubu, 2018).

The examination of the agencies interactions with the public, 259 (74 per cent) respondents either strongly disagreed or merely disagreed that the agencies are interactive with the public. However, 91 (26 per cent) of the respondents were undecided on the notion. They believe the agencies are not telling the people the correct situation of things and they are not communicating to the general public as it is in developed countries. This non-communication (89 per cent) of the respondents either merely or strongly agreed that the agencies do not carry out their assignment in a transparent manner. This is in agreement with the position of Justice Gabriel Kolawole, (Madukwe, 2018; Nnochiri, 2018; Adedokun, 2018). This is reaffirmed as 296 (84 per cent) of the respondents believe the agencies do not treat suspects equally but influenced by political affiliations. This assertion is in agreement to Fabiyi & Akinkuotu (2018) who cited opposition People Democratic Party (PDP) secretary, Mr Kola Ologbodiony as saying it is a grave concern that while corruption and corrupt persons abound in APC and walking freely, the EFCC prefers to chase after innocent members of the opposition. Writing on “Kemi Adeosun and the opportunity lost”, Adedokun (2018) observed that the message that the anti-graft agencies passed across to the public in Nigerians is that they only serve the interest of the government in power and not that of the people and a “partisanship that ignores the log in the eye of a family member but identifies the speck in the neighbor’s eye as the policy is not only faulty but whimsical and selective”. This is in contrast to the attitude of intelligence agencies in other parts of the world like Israel, America or Europe.

On the line of reporting influencing agencies decision making processes, while 32 per cent respondents were undecided, 68 per cent belief the agencies line of reporting to the presidency greatly influences their decision making processes. This is in agreement with (Adedokun, 2018; Olatunji (2018b); Akinkuotu & Olugbemi, 2018). The overbearing control of anti-graft agencies by government especially the executive arm is considered a corruption impediment to their effectiveness, (Okeshola, F. B., 2012).

On training, while 61 per cent respondents belief the staff are not well trained, 21 per cent were unable to comment on the relevance and adequacy of training given to the agency staff. This is in agreement with Nnochiri (2018) citing a prosecution team lawyer in a case between Mr. Ibrahim Tumsah and the Federal government stating the government was withdrawing the case against Tumsah for re-filing after “proper and thorough investigation” is conducted in the case. Also Olatunji (2018a) citing Justice Olatokunbo Majekodunmi stated that the EFCC failed woefully by relying on third party evidence that lacks in merit when they should have known better.

On standardize laws in operation, 59 per cent belief the current laws of the agencies are not standard and the operatives are not fully aware of the laws. This collaborates Adeleye Bamidele cited by Jibueze (2018) who stated that Nigeria lacks strong institutions and there is absence of the rule of law in Nigeria.

On the issue of boards’ size affecting service delivery; while 54 per cent belief the composition of the agencies boards is not moderate to guarantee service delivery, 22 per cent are undecided. Here, while some studies have shown that optimum size for a decision-making group to be seven people and for each person added above this, the group decision making effectiveness is reduced by 10% (Blenko, Mankins and Rogers), others found that the most effective number as five but noted that the most effective of the group decision making is between five and eight, (Margolis, 2011).

While the survey revealed 31 per cent of respondents being undecided as to the agencies officials lack of knowledge of good governance awareness, 52 per cent belief officials have no knowledge of good governance awareness thereby affecting their mode of operations and therefore while 72 per cent belief the agencies do not operate in obedience to the rule of law, only 5 per cent think otherwise in the discharge of their responsibilities. This is in agreement with Unachukwu (2018) citing Chief Emeka Obegolu who in a lecture organized by the NBA Eket branch stated that the rule of law was a hallmark of democracy and that there is a connection between democracy and good governance. This is also in line with the works of Ojiakor, Anisiuba & Nnam (2017) and Adegbie & Fakile (2012) that revealed poor governance, favoritism, tribalism, poor remuneration, ineffective and wrong judgements as factors mitigating the performance of the agencies. Olaniyan (2018) on anti-corruption fight and the rule of law, posited that part of the problem of fighting corruption is the authority’s disdain for the rule of

| S/N | Statements                                                                 | SA     | A       | U       | D       | SD       |
|-----|---------------------------------------------------------------------------|--------|---------|---------|---------|----------|
| 10  | The agencies performances in obedience to the rule of law is not outstanding | 100(28%) | 155(44%) | 76(22%) | 19(5%)  |          |
| 11  | The agencies management is loyal to the Constitution than the President    |        |         |         |         |          |
|     |                                                                           | 283(80%) | 67(19%) |         |         |          |
| 12  | The agencies performance creditably is questionable by the public          | 112(32%) | 105(30%) | 87(25%) | 46(13%) |          |

Source: Analysis of Survey Data, Authors computation (2018)
law as “illustrated by the tendency to pick and choose which court orders it complies with” and opined that real progress is yet to be made with respect to the prosecution of cases of grand corruption as high ranking corrupt officials rarely end up in jail. Therefor the assertion as to whether the managements of the agencies are loyal to the Constitution as against the President, majority of the respondents (99 per cent) disagreed to agencies officials’ loyalty to the Constitution as against the Presidency. This is in agreement to Adedokun (2018) who opined that the average public officer in Nigeria does not understand that “they owe their allegiance to the cause of the country because politics has become a major source of survival in Nigeria and so they defer to their appointer because of the power to hire and fire by the chief executive”. This is in agreement with (Olaniyi, 2018; Unachukwu, 2018; Jibueze, 2018B).

On the effectiveness and credibility of the agencies performances, while the survey revealed 61 per cent respondents think the agencies have not performed to internationally acceptable standard, only 13 per cent think otherwise. This is in agreement with the judgement delivered in a case EFCC versus Prof. Olusola Oyewole where the presiding judge declared that all the evidence presented by the prosecution had been “manifestly discredited through cross-examination such that the court could not rely on them and thus declared that EFCC failed woefully in establishing a prima facie case against the accused persons”. Also in agreement with the report presented by the Corruption Cases Trial Monitoring Committee (COTRIMO) which stated that offenders were charged to court before proper investigation of charges was done and that prosecuting agencies “lacked adequate personnel, duplicate charges and multiplication of cases and while some prosecutors lacked the requisite experience to prosecute corruption cases there is lack of commitment and collusion between defense counsel and some prosecutors to pervert justice by either stalling trial or by achieving pre-determined results”, (Jibueze, 2018A).

This study is in line with the studies of (Amaefule & Umeaka, 2016; Ojiakor, Anisiuba & Nnam, 2017 and Dania, 2017) that opined that the activities of the anti-graft agencies are not effective in curbing corruption and financial crimes in Nigeria cases are lost due to lack of painstaking investigation, lack of adequate and requisite trained personnel and lack of strategic preparations.

Table 2: Unit root test for stationarity of our data

| Variables | ADF Statistics | 5% Critical Value | Order of Integration |
|-----------|----------------|-------------------|---------------------|
| LGGP      | -3.199640      | -2.869605         | I(0)                |
| LAPE      | -18.42064      | -2.869629         | I(1)                |
| LEPL      | -3.049782      | -2.869605         | I(0)                |

Source: Researcher’s Computation from E-view 10, 2019

The researcher subjected each of the variables to unit root test using ADF test to check for stationarity, this is because there is growing consensus about stationarity status of data used for research in order to determine the appropriate model to use for the study. Table 2 shows that not all the variables are stationary at levels I(0) i.e two of the variables are stationary at levels while LAPE was found to be stationary at first difference. Based on this unit root test result, it implies that the appropriate statistical technique for data analysis for this study is Autoregressive distributed lag (ARDL) bounds test approach to cointegration proposed by Pesaran, Shin and Smith (2001) to estimate the above relationship. The ARDL approach offers some desirable statistical advantages over other cointegration techniques. While other co-integration techniques requires all the variables to be integrated of the same order, ARDL test procedure provides valid results whether the variables are I(0) or I(1) or mutually cointegrated and provides very efficient and consistent estimates in small and large sample sizes(Pesaran, Shin & Smith(2001).

The ARDL can be specified as this if there is NO cointegration

\[
\Delta LGGP = \beta_0 + \sum_{k=1}^d \beta_1 LGGP_{t-k} + \sum_{k=1}^d \beta_2 \Delta LAPE_{t-k} - \dots + \sum_{k=1}^d \beta_i \Delta LEPL_{t-i} + \varepsilon_t
\]

And as this if there is cointegration, the error correction model(ECM) representation is specified as

\[
\Delta LGGP = \beta_0 + \sum_{k=1}^d \beta_1 \Delta LGGP_{t-k} + \sum_{k=1}^d \beta_2 \Delta LAPE_{t-k} - \dots + \sum_{k=1}^d \beta_i \Delta LEPL_{t-i} + \lambda \Delta ECM_{t-1} + \varepsilon_t
\]

Where

\[
\lambda = (1 - \sum_{k=1}^d \beta_k), \text{ Speed of adjustment parameter with a negative sign.}
\]

A negative and significant ECM coefficient implies that any short term disequilibrium between the dependent and explanatory variables will converge back to the long-run equilibrium relationship.

To validate the stability of the estimates, the CUSUM test were applied. Furthermore, the study applied the Breusch-Godfrey serial correlation LM test to test whether or not the estimates of the model are interdependent. We also check for existence of causal relationship among our variables.
Table 3: VAR Lag Order Selection Criteria

| Lag | LogL   | LR       | FPE         | AIC         | SC          | HQ          |
|-----|--------|----------|-------------|-------------|-------------|-------------|
| 0   | 381.1436 | NA  | 0.006580 | -2.185801 | -2.152450 | -2.172521 |
| 1   | 488.0225 | 211.2866* | 0.003568* | -2.797818* | -2.753350* | -2.780111* |
| 2   | 488.5306 | 1.001669 | 0.003578 | -2.794975 | -2.739390 | -2.772841 |
| 3   | 489.8969 | 2.685115 | 0.003571 | -2.797092 | -2.730391 | -2.770531 |
| 4   | 489.9994 | 0.200796 | 0.003589 | -2.791904 | -2.714086 | -2.760916 |

* indicates lag order selected by the criterion
LR: sequential modified LR test statistic (each test at 5% level)
FPE: Final prediction error
AIC: Akaike information criterion
SC: Schwarz information criterion
HQ: Hannan-Quinn information criterion

Table 4: Long Run ARDL Cointegration Analysis

ARDL Long Run Form and Bounds Test

| Variable | Coefficient | Std. Error | t-Statistic | Prob. |
|----------|-------------|------------|-------------|-------|
| C        | 0.071522    | 0.032002   | 2.234927    | 0.0261 |
| LGGP(-1)*| -0.107470   | 0.025255   | -4.255403   | 0.0000 |
| LAPE(-1) | 0.050309    | 0.015113   | 3.328784    | 0.0010 |
| LEPL(-1) | 0.042933    | 0.014283   | 3.005830    | 0.0028 |
| D(LAPE)  | 0.513935    | 0.030651   | 16.76734    | 0.0000 |
| D(LEPL)  | 0.338792    | 0.044249   | 7.656443    | 0.0000 |

* p-value incompatible with t-Bounds distribution.

F-Bounds Test

| Test Statistic | Value | Signif. | I(0) | I(1) |
|----------------|-------|---------|------|------|
| F-statistic    | 6.590805 | 10%     | 3.17 | 4.14 |
|                |        | 5%      | 3.79 | 4.85 |
|                |        | 2.5%    | 4.41 | 5.52 |
|                |        | 1%      | 5.15 | 6.36 |
| K               | 2     |         |      |      |
| Actual Sample Size | 349   | 10%     | 3.26 | 4.247 |
|                 |       | 5%      | 3.94 | 5.043 |
|                 |       | 1%      | 5.407| 6.783 |

Asymptotic: n=1000
Finite Sample: n=80
Table 5: Outcome of the Bound test in table 4 above

| Dependent Variable | F_Statistics | Cointegration | Whats Next |
|--------------------|--------------|--------------|------------|
| LGGP               | F_Stats = 6.590805 | YES          | Estimate ECM (Error Correction Model) |

We therefore estimate the error correction model specification, using lag 1 selected as suggested in table 3 above.

We regress: D(LGGP) C D(LGGP(-1)) D(LAPE(-1)) D(LEPL(-1)) ECM(-1) to get our error correction model in table 5 below which shows both the short run long run dynamics of our model.

Table 6: Error Correction Model Result

| Variable          | Coefficient | Std. Error | t-Statistic | Prob.   |
|-------------------|-------------|------------|-------------|---------|
| C                 | 0.000148    | 0.004187   | 0.035277    | 0.9719  |
| D(LGGP(-1))       | 0.982466    | 0.252361   | 3.893103    | 0.0001  |
| D(LAPE(-1))       | 0.035676    | 0.084075   | 0.424340    | 0.6716  |
| D(LEPL(-1))       | 0.001875    | 0.097853   | 0.019160    | 0.9847  |
| ECM(-1)           | -1.070777   | 0.246175   | -4.349653   | 0.0000  |

R-squared: 0.052437 Mean dependent var -0.002132
Adjusted R-squared: 0.041387 S.D. dependent var 0.079119
S.E. of regression: 0.077465 Akaike info criterion -2.263728
Sum squared resid: 2.058263 Schwarz criterion -2.208380
Log likelihood: 398.8886 Hannan-Quinn criterion -2.241693
F-statistic: 4.745311 Durbin-Watson stat 2.015996
Prob(F-statistic): 0.000973

Source: Researcher’s Computation from E-views 10,, 2019

Log of D(LGGP(-)) is the only significant variable at less than 5 percent. Our error correction term (ECM) is correctly signed (negative) and significant which implies that our model converges in the long run to equilibrium with a speed of adjustment of 107.07 percent. This means there exist a long run association ship running from D(LAPE(-1)) and D(LEPL(-1)) to D(LGGP).

This result shows that only 4.13 percent of total variation in good governance practices is explained by anti grafts agencies practices. Our F-Statistics of 4.745311 with Prob_value of 0.000972 shows that it is statistically significant at less than 5 per cent, implies that our model is well fitted.

We check for serial correlation using Breuch -Godfrey Serial Correlation test as depicted below
Table 7: Breusch-Godfrey Serial Correlation LM Test:

|                  | F-statistic | Prob. F(1,342) | Obs*R-squared | Prob. Chi-Square(1) |
|------------------|-------------|----------------|---------------|--------------------|
|                  | 6.714316    | 0.0100         | 6.700563      | 0.0096             |

Source: Researcher’s Computation from E-views 10, 2019

From the result in Table 6 above, the prob. Chi square is below 5 percent, it is 0.0001 percent, meaning that the null hypothesis, no serial correlation cannot be accepted. It therefore means that the model is not free from serial correlation.

![CUSUM](image1)

Figure 1: Test for stability of our ECM model

Source: Researcher’s Computation from E-views 10, 2019

The figure 1 above shows that our model lies between the 5% boundary and therefore means that our model is stable.

![CUSUM of Squares](image2)

Figure 2: Test for structural Breaks

Source: Researcher’s Computation from E-views 10, 2019
Figure 2 shows that our model is suffering from some structural breaks since there are some deviations from the 5% boundary.

Table 8: Granger causality test

**Pairwise Granger Causality Tests**

| Date: 12/25/19 | Time: 07:56 |
|----------------|-------------|
| Sample: 1 360  | Lags: 1      |

| Null Hypothesis | Obs | F-Statistic | Prob. |
|-----------------|-----|-------------|-------|
| LAPE does not Granger Cause LGGP | 349 | 7.00849 | 0.0085 |
| LGGP does not Granger Cause LAPE | | 3.28612 | 0.0707 |
| LEPL does not Granger Cause LGGP | 349 | 0.14795 | 0.7007 |
| LGGP does not Granger Cause LEPL | | 0.46699 | 0.4948 |
| LEPL does not Granger Cause LAPE | 349 | 2.14096 | 0.1443 |
| LAPE does not Granger Cause LEPL | | 0.62200 | 0.4308 |

Source: Researcher’s Computation from E-views 10, 2019.

From this causality result above, there is a uni-directional causality between LAPE and LGGP. There is no causality among the other variables.

Table 9: Short term dynamics using Wald Test

| Variables Tested | Null Hypothesis | F-statistics | Prob. | Remark |
|------------------|-----------------|--------------|-------|--------|
| LAPE             | C (3) = 0       | 0.180065     | 0.6716| Accepted |
| LEPL             | C (4) = 0       | 0.000367     | 0.9847| Accepted |

* Represents Rejection of Null hypothesis @ 5 % level

Source: Eview 9.1 Computation, 2019.

Test of Hypotheses

- **H₀₁**: There is no significant relationship between anti-graft agencies administrative/professional etiquette and good governance practices.
- **H₁₁**: There is significant relationship between anti-graft agencies administrative/professional etiquette and good governance practices.

Decision Rule

Accept H₀: if calculated f-statistics value < table f-statistics value.
Reject H₀: if calculated f-statistics value > table f-statistics value.

From the regression result,
- Calculated f-statistics value = 0.180065
- Table f-statistics value = 3.00

Since the calculated f-statistics value of 0.707 is less than the table f-statistics value of 3.00 at 5 percent level of significance, we accept the null hypothesis and reject the alternative hypothesis. It therefore implies that there is no significant relationship between anti-graft agencies administrative/professional etiquette and good governance practices.

- **H₀₂**: There is no significant relationship between anti-graft agencies prosecution efficiencies/obedience to the rule of law and good governance practices.
- **H₁₂**: There is significant relationship between anti-graft agencies prosecution efficiencies/obedience to the rule of law and good governance practices.

Decision Rule

Accept H₀: if calculated f-statistics value < table f-statistics value.
Reject H₀: if calculated f-statistics value > table f-statistics value.

From the regression result,
- Calculated f-statistics value = 0.000367
- Table f-statistics value = 3.00

Since the calculated f-statistics value of 0.000367 is less than the table f-statistics value of 3.00 at 5 percent level of significance, we accept the null hypothesis and reject the alternative hypothesis. It therefore implies that there is no significant relationship between anti-graft agencies prosecution efficiencies/obedience to the rule of law and good governance practices.
good governance practices.

H03: There is no significant causal relationship between anti-graft agencies prosecution efficiencies/obedience to the rule of law and their administrative/professional etiquette and good governance practices.

H13: There is a significant causal relationship between anti-graft agencies prosecution efficiencies/obedience to the rule of law and their administrative/professional etiquette and good governance practices.

Decision Rule: Accept Ho, if there is no causality among the variables at all, otherwise reject H0. From our Granger causality table result in table 7, there is a uni-directional causality running from LAPE to LGGP. This means that, the null hypothesis cannot be accepted. It therefore implies there exist causal relationship among the variables under consideration even though uni-directional and weak. This reaffirms the study of Ewa, Adebisi & Kankpang (2019).

5. Conclusion/recommendation
The study revealed among others
i. There is a long run relationship among the variables under study
ii. There is no significant relationship in the short run between administrative/professional etiquette practices (LAPE) and good governance (LGGP) in Nigeria.
iii. There is no significant short run relationship between efficiency on prosecution and obedience to the rule of law (LEPL) and good governance (LGGP) in Nigeria.
iv. There is a uni-directional causality from administrative/professional etiquette practices (LAPE) to good governance (LGGP) in Nigeria.

This result of the study further revealed lack of capacity, inefficiency and ineffectiveness in the discharge of their responsibilities as well as unresponsiveness to the general public, transparency deficiency and outright disobedience to the rule of law as well as unequal treatment of accused citizenry. Also, the study further revealed that the agencies boards’ composition affects their level of efficiency and effectiveness. This result is in agreement with the study by Ewa, Adebisi & Kankpang (2019).

The study thus recommends, the review of the extant laws establishing the agencies to make them independent from the executive arm of government as well as improved funding, training and retraining of field staff of the agencies to sharpen their investigative skills and prosecution efficiency.

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