ECONOMIC AND FINANCIAL CRIMES COMMISSION (EFCC) AND PERFORMANCE OF BANKS IN NIGERIA: AN IMPACT ASSESSMENT

Amaefule, Leonard I.[1*], Okoye, Emma. I.[2] & Umeaka, Ernest C.[3]

[1]Department of Accountancy, Imo State University Owerri, Imo State, Nigeria
[2]Accountancy Department, Nnamdi Azikiwe University Awka, Anambra State, Nigeria
[3]Department of Accountancy, Imo State University Owerri, Imo State - Nigeria
Email: leo4christ2002@yahoo.com;

Abstract: *This study evaluates the impact of EFCC on the performance of the Nigerian banks. Quantitative data were sourced from the publications of the Nigeria Deposit Insurance Corporation (NDIC) and the Central Bank of Nigeria (CBN) for the period covering 1993-2014. Test of Equality of difference between Means was employed in the analysis. Findings show that there is a significant positive difference in the amount involved in bank frauds between the post and pre EFCC establishment eras; that is, that amount lost to fraudsters during the post-EFCC establishment period is greater than (>) amount of bank frauds before the establishment of EFCC. It also reveals that the establishment of EFCC has brought about a positive impact on banks' credit performance in Nigeria and has warranted a positive effect on total banks deposit. The implication being that the prevalence of fraud and fraudulent practices in Nigerian banking sector has been more even after the establishment of the anti-graft agency (EFCC); however, the operations of the agency has improved banks performance in terms of credit to the economy, sequel to more money at the disposal of banks occasioned by improved confidence of depositors on Nigerian banks. The study concludes that the establishment of EFCC as an anti-graft agency of Nigerian government has not made significant impact in curbing financial crimes in Nigerian banks; thus, have not justified the core objective of its establishment. It suggested, inter alia, an urgent need to restructure the legal framework guiding the operations of EFCC in Nigeria.*

Keywords: Fraud, Corruption, Financial Crimes, Banks, Performance

Reference to this paper should be made as follows: Amaefule, Leonard I. et al., (2017), Economic and Financial Crimes Commission (EFCC) and Performance of Banks in Nigeria: An Impact Assessment *J. of Social Sciences and Public Policy,* Vol. 9, Number 1, Pp. 55-90.

ISSN: 2277-0038

INTRODUCTION

Economic and financial crimes are fraudulent and corrupt practices, which take the form of non – violent criminal and illicit activity committed with the objective of earning wealth illegally either individually or in a group or organized manner thereby violating existing legislation governing economic activities of Government and its administration and includes any form of fraud, narcotic drug trafficking, money laundering, embezzlement, bribery, looting, and any form of corrupt malpractices, illegal arms deal, smuggling, human trafficking and child labour, illegal oil bunkering and illegal mining, tax evasion, foreign exchange malpractice including counterfeiting currency, theft of intellectual property and piracy, open market abuse, dumping of toxic wastes and prohibited goods e.t.c." (Ribadu, 2004). Hence, Osisioma (2012) considered these as the strongest weapon ravaging the economic advancement of Nigeria as it has stultified growth and national development, subverted the nation's values, and generated a culture of illegality and impunity in public service among other ethical lapses credited to it. In Nigeria, fraud and corruption are found to be the key subsets of economic and financial crimes. Hence, in this study, the key points of discussion center on fraud and corruption; these are thus used to represent financial crimes, the obvious differences in their scopes notwithstanding. Also, fraud and corruption are commonly used interchangeably by scholars irrespective of their conceptual differences. Therefore, fraud and corruption are taken to imply the same thing in this study.

Nigeria is currently in recession economically; however, economic analysts, scholars and in fact technocrats have argued that this current economic recession is unnecessary and could have been avoided if the managers of the nation's resources (at all segments) have judiciously manage the boom times from oil revenue. In fact, it has been argued that with a quantum of fund from her oil, coupled with huge non-oil revenue at the her disposal the recent past years, Nigeria should have joined the league of advanced economies of the world but for the greed and unfaithfulness of her leaders and public officers which manifest in the various forms of fraudulent activities and corrupt dispositions by these public office holders (Amaefule & Umeaka, 2016).

Economic crimes, no doubt, has rubbed the nation of pretty economic fortunes, strangled the wellbeing of the common man and shortchanged the sacrifice of the patriotic Nigerians. Consequently, the administration of former president Olusegun Obasanjo tried to confront the scourge; hence the establishment of some anti-graft agencies. The Economic and Financial Crimes Commission (EFCC) happened to be one of such agencies established to carryon the anti-graft war.

From the provisions of the legal framework establishing this agency, the EFCC investigates economic and financial crimes in both public and private sector with prominent functions pronounced on private sectors particularly the financial sector. Obviously, banks as a key player in the financial industry and the most dominant financial intermediaries are seen as an important segment in every economy which the Nigerian economy is not an exemption. Their contributions in the economic growth and development of Nigerian economy cannot be overemphasized. They constitute the pillars on which the activities and survival of any economy or nation can be built upon and therefore their efficient and effective performance should be of paramount concern to the government and regulatory bodies of the nation.
However, the performance of the banking sector in recent times has been threatened by strong wave of unprecedented fraud and forgeries. The negative implication of this on the operational performance of banks is obvious. In fact, the demise of many banks in the recent past cannot be unconnected to this; consequently, there have been loss of confidence by the banking public in the banking industry and this results to loss of customers to the banks, depletion of shareholders funds as well as banks capital base, which ultimately leads to insolvency of the banks and eventual liquidation of many banks.

Expectedly, with the existence of EFCC in Nigeria, a stiff contention against all forms of financial crimes in the banking sector in particular and the Nigerian economy in general should be the order of the day but the obvious is that frauds and fraudulent practices still thrive in and within the banking sector of the economy. Hence, the agency has been described as "a toothless barking dog, which barks and never bites (Olurankinse and Bayo, 2014).

This study is therefore developed to evaluate the impact of the EFCC (as an anti-graft agency of government) on combating financial crimes in Nigerian banking sector.

STATEMENT OF PROBLEM

The contributions of banks in the economic growth and development of nations all over the world (Nigeria inclusive) cannot be overemphasized; consequently, government of nations makes concerted effort to protect their operations through making of laws that guide their general operations and establishment of agencies that implement the laws. It is in the light of the above that the Economic and Financial Crimes Commission (EFCC) was established in Nigeria as capsulated in the Act establishing the commission: Act No. 5 of 2002, which highlights that EFCC was established to combat economic and financial crimes in Nigeria; to prevent, investigate, prosecute and sanction economic and financial crimes and is charged with the responsibility of enforcing the provisions of other laws and regulations relating to economic and financial crimes such as The Money Laundering Act 1995, The Advance Fee Fraud and Other Related Offences Act 1995, The Failed Banks (Financial Malpractices in Banks) Act 1994, The Banks and Other Financial Institutions Act 1991, and Miscellaneous Offences Act (ICAN, 2014; Olurankinse and Bayo, 2014).

But the questions on the lips of many Nigerians are, "has the EFCC find its feet in achieving the mandate given to it in the economy, particularly in the banking sector, in view of the rate of frauds and forgeries reported in Nigerian banks"? "How really has the establishment of this agency contributed in the fight against fraudulent dispositions in the banking industry"? It is of concern to observe that despite the huge budgetary allocations for the operations of the anti-graft agencies in Nigeria (with EFCC at the centre stage), huge amount of money is still being lost at the hand of fraudsters within and without the industry leaving the following obvious consequences in the economy: loss of confidence by the banking public in the banking industry cum loss of customers to the banks, depletion of shareholders funds as well as banks capital base, resulting to insolvency of the banks, failures and or eventual liquidation of many banks.

Attempts have been made by some scholars in proffering solution to the above highlighted problems, but it is obvious that many previous studies in this area have focused on *the effect of frauds and related crimes on the economic development of the nation or on the banking industry in Nigerian economy*. Like the studies by Okoye & Gbegi (2013), Kanu & Okoroafor (2013), Chiezey (2013), Owolabi (2010), Ikpefan (2006) among others. Most of the studies found that fraud and other related crimes in the banking industry have negative implication on the survival of the banks in particular and by extension the economic growth and development of Nigeria. Little or no attention has been paid on evaluating the impact of the agency (EFCC) saddle with the responsibility of curbing or combating this deadly cankerworm.

This study is thus undertaken to fill this gap in research, as it seeks to determine the impact of EFCC in combating financial crimes in the Nigeria banking industry.

OBJECTIVES OF THE STUDY

The broad objective of this study is to evaluate the impact of the operations of the Economic and Financial Crimes Commission (EFCC) on combating financial crimes in the Nigerian banking industry. Hence, the specific objectives being pursued by the study include: to;

- ascertain the difference in the reported amount involved in banks fraud in Nigeria between the post-EFCC era and the pre-EFCC era.
- evaluate the significance of EFCC operations on banks credit performance in Nigeria.
- appraise the effect of the anti-graft activities in Nigeria on banks customers' total deposit.
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RESEARCH HYPOTHESES

To clearly approach this study, the following hypotheses have been put forth:

HO_1: There is no significant difference in the reported amount involved in banks' fraud in Nigeria between post-EFCC era and pre-EFCC era.

HO_2: EFCC's operation in Nigeria has no significant impact on Nigerian banks' credit performance.

HO_3: The anti-graft activities in Nigeria by EFCC have not significantly affected banks customers' total deposit.

REVIEW OF RELATED LITERATURE

Overview of Economic and Financial Crimes (Fraud & Corrupt Practices)

Economic and financial crimes generally has been viewed as the non – violent criminal and illicit activity committed with the objective of earning wealth illegally either individually or in a group or organized manner thereby violating existing legislation governing economic activities of Government and its administration and includes any form of fraud, narcotic drug trafficking, money laundering, embezzlement, bribery, looting, and any form of corrupt malpractices, illegal arms deal, smuggling, human trafficking and child labour, illegal oil bunkering and illegal mining, tax evasion, foreign exchange malpractice including counterfeiting currency, theft of intellectual property and piracy, open market abuse, dumping of toxic wastes and prohibited goods etc." (Section 46 of the EFCC Act 2004 in Ribadu, 2004). From the foregoing, fraud and corruption are found to be the subsets of economic and financial crime; hence, the central points of discussion in this study center on fraud and corruption; these are used to represent economic and financial crimes, the obvious differences in their scopes notwithstanding (Okoye, 2006).

Also, fraud and corruption are commonly used interchangeably by scholars irrespective of their conceptual differences. Okunola, Lawal & Kehinde (2014) argue that though the two concepts (fraud and corruption) are often used interchangeably, there is a need to make a distinction between them, at least for the sake of clarity and for better appreciation of their import in the study. They assert that Corruption is mostly associated with public sector and public officials in view of Joubert's definition of corruption as the practice of misuse of public positions (Joubert, 1993 in Okunola, et al 2014). Conversely, Rossouw & Arkhuysn (2000) in Okunola et al (2014) are of the view that fraud is a phenomenon that is not limited to the public sector. They maintained that public officials, any employee or even outsiders, can be perpetrators of fraud. In view of this, the distinction between corruption and fraud is that corruption implies a third party involvement while fraud does not necessarily imply third-party involvement. In the case of corruption, employees violate duty to principals, they abuse their positions by either accepting or demanding a bribe offered by or demanded from a third party (Coleman, 1989 in Okunola et al, 2014).Thus, Fraud is a type of criminal activity, defined as: 'abuse of position, or false representation, or prejudicing someone's rights for personal gain'. Put simply, fraud is an act of deception intended for personal gain or to cause a loss to another party.Duffield & Grabosky (2001) observe that fraud in its broadest term means obtaining something of value or avoiding an obligation by means of deception. This embraces many and varied forms of conduct, ranging from false claims against an insurance policy to some corporate frauds that are meticulously planned and intricate in their execution. Chizea (1991) in Ikpefan (2006) sees fraud as any premeditated act of criminal deceit, trickery or falsification by a person or group of persons with the intention of altering facts in order to obtain undue personal monetary advantage. For Abdullahi and Mansor (2015) fraud is an attempt of subverting the rule of the game using trick to take public funds and using them for one's personal interest.

Distinctly, fraud means 'wrongful or criminal deception intended to result in financial or personal gain' or 'a person or thing intended to deceive others, typically by unjustifiably claiming or being credited with accomplishments or qualities. A more detailed definition of fraud is given as 'an act or course of deception, an intentional concealment, omission, or perversion of truth, to (1) gain unlawful or unfair advantage, (2) include another to part with some valuable item or surrender a legal right, or (3) inflict injury in some manner; where willful fraud is a criminal offense which calls for severe penalties, and its prosecution and punishment (like of a murder) is not bound by statute of limitations (Kalubanga, Kakwezi & Kayiise, 2013).

It is therefore unarguable to note that the concept of fraud covers an array of irregularities and illegal acts characterized by intentional deception. Thus, the North-Western State University of Louisiana asserts that fraud encompasses an array of irregularities and illegal acts characterized by intentional deception. It usually involves the deliberate concealment of facts. Fraud can be defined in a number of ways, including the following:

- Fraud is the intentional misrepresentation or concealment of a material fact that results in financial or other damages to another party.
- Fraud is the use of deception, false suggestions, suppression of the truth, or other unfair means, which is believed and relied upon to deprive another of property or money, resulting in a loss to the party that believed and relied upon such.

- Fraud is an illegal act characterized by deceit, concealment or violation of trust committed by individuals and organizations to obtain money, property or services, avoid payment or loss of services, or to secure personal or business advantage.
- Fraud is the intentional deception perpetrated by individuals or organizations, either internal or external to the organization, which could benefit themselves, others, or the organization or which could cause detriment to others or the organization, including falsifying financial or other records to cover up the theft of money or other assets.

The meaning of the concept of fraud and fraudulent activities could further be depicted in some definitions by scholars based on some given distinct disciplines or fields. For instance, in law, fraud is taken to mean all multifarious means which human ingenuity can devise, and which are resorted to by one individual to get an advantage over another by false suggestions or suppression of the truth. It includes all surprises, tricks, cunning or dissembling, and any unfair way which another is cheated. It is deliberate deception to secure unfair or unlawful gain. Fraud is both a civil wrong (that is, a fraud victim may sue the fraud perpetrator to avoid the fraud and/or recover monetary compensation) and a criminal wrong (that is, a fraud perpetrator may be prosecuted and imprisoned by governmental authorities).

From auditing perspective, the International Standard on Auditing (ISA) defines fraud as an intentional act by one or more individuals among management, those charged with governance, employees, or third parties, involving the use of deception to obtain an unjust or illegal advantage.
From the banking point of view, Wikipedia (2008) in Owolabi (2010) defines bank fraud as whenever a person knowingly executes, or attempts to execute, a scheme or artifice (1) to defraud a financial institution; or (2) to obtain any of the moneys, funds, credits, assets, securities, or other property owned by or under the custody or control of, a financial institution, by means of false or fraudulent pretences, representations, or promises. In fact, Okpara (2009) in Chiezey & Onu (2013) asserted that one of the factors that impacted the most on the performance of the banking system in Nigeria was fraudulent practices.

On the other hand, corruption according to Tanzi (1998) is the abuse of public power for private benefit. Olurankinse and Bayo (2014) noted that the word corruption is derived from a Latin word "Corruptus" which means to break or destroy. It literarily means to break away or depart from morality, ethics and civics virtues. Hence, World Bank (1997) and UNDP (1999) in APEC (2006) opined that corruption is most commonly defined as the misuse or the abuse of public office for private gain. It can come in various forms and a wide array of illicit behavior, such as bribery, extortion, fraud, nepotism, graft, speed money, pilferage, theft, embezzlement, falsification of records, kickbacks, influence peddling, and campaign contributions (APEC, 2006).

Section 2 of the Independent Corrupt Practices and other related offences Commission Act 2000 in Olurankinse and Bayo (2014) defines corruption to include bribery, fraud and other related offences. The authors further highlighted that the cause of corruption is multifarious but generally, corruption is caused by Greed, lack of positive values, porous system, weak enforcement and oversight mechanism, excessive materialism, societal pressure, lack of virile welfare structures, insecurity of employment tenure, indiscipline, inordinate desire for welt accumulation, poverty of the mind, nepotism and lack of genuine fear of God. Okoye & Okoye (2014) assert that corruption is a disease, which eats into the cultural, political and economic growth of any country and as well destroys the functioning of various organs of the government.

Corruption has a far reaching negative effect on the national psyche which eventually goes back to undermine the whole system of good governance itself. Systemic corruption breeds a culture of corruption and skews the people's perception of what is right and wrong. For a number of countries where it has been effectively institutionalized, where wealth and power have become the measure of success, corruption has become socially acceptable, sometimes even aspired to. Energies of a large number of people are channeled towards occupying positions in the government to partake of the fruits of a corrupt system (APEC, 2006).

The survey conducted by the Transparency International finds that corruption in the public sector takes the same form, whether one is dealing with a developed or developing country. The areas of government activities most vulnerable to corruption are: Public procurement, rezoning of land, revenue collection, government appointments; and local government (APEC, 2006). It also highlighted that typical features of system prone to corruption are:

- Concentration of powers in the executive and weak or non-existent checks and balances
- Poor transparency surrounding executive decision combined with restricted access to information
- Elaborate regulatory systems allowing for discretionary decision making
- Weak systems of oversight and enforcement
- Soft social control systems/high tolerance for corrupt activities

Characteristics/Causes of Fraud and Corruption

In fraud literature, the key features and causal factors that enable fraudulent practices in organizations have been summarized in the works of Cressey (1950) cited in Kassem & Higson (2012) where three elements are identified as being the root factors why frauds are committed. These include Pressure/motive, Opportunity and Rationalization, which have been referred to as "The Fraud Triangle". This has been amplified by Wolfe & Hermanson (2004) in Kassem & Higson (2012) in their "Fraud Diamond" theory, in which case an additional element of capability has been identified.

However, scholars have given different interpretations to these highlighted elements. For instance, Lister (2007) in Kassem & Higson (2012) sees pressure/motive to commit fraud as "the source of heat for the fire". However, he holds that the presence of these pressures in someone's life does not mean the individual is given to committing fraud. Lister further classified Pressure/Motivation into three types; viz: Personal pressure to pay for lifestyle, employment pressure from continuous compensation structures, or management's financial interest, and external pressure such as threats to the business financial stability, financier covenants, and market expectations. He considers opportunity (the second side of the fraud triangle), as "the fuel that keeps the fire going". Here he holds that a person cannot commit fraud except that he has the opportunity even with the motive to commit fraud. He also gave some examples of opportunities that can lead to fraud like high turnover of management in key roles, lack of segregation of duties, and complex transactions or organizational structures. On "Rationalization", the third component of the fraud triangle, Lister sees it as "the oxygen that keeps the fire burning". He believes that even though auditors and fraud dictators may not be able to assess the personal value systems of each individual in the organization, they can assess the corporate culture.

On their own part, Okoye and Gbegi (2013), while characterizing fraud by the following elements: (i) Intent to commit a wrongful act or to achieve a purpose inconsistent with law or public policy; (ii) Disguise of (purpose): falsifications and misrepresentations employed to accomplish the purpose; (iii) Reliance by the offender on the ignorance or carelessness of the victim (s); (iv) Concealment of the violation; see the fraud triangle as explaining three factors that are present in every situation of fraud and define the elements as: (i) Motive (or pressure) – the need for committing fraud (need for money etc). (ii) Rationalization – the mindset of the fraudsters that justifies them to commit fraud; and (iii) Opportunity-the situation that enables fraud to occur (often when internal controls are weak or nonexistent). Therefore, breaking the fraud triangle is the key to fraud deterrence. Breaking the fraud triangle implies that an organization must remove one of the elements in the fraud triangle in order to reduce the likelihood of fraudulent activities. "Of the three elements, removal of opportunity is most directly affected by the system of internal controls and generally provides the most achievable route to deterrence of fraud". (htt://en.wikipedia.org/wiki/fraud deterrence in Okoye and Gbegi, 2013).
Comer (2008) in Okoye and Gbegi (2013) observed that motivations for corporate fraud include: Personal greed; Possibility of getting away; Low prosecution rate; societal pressures; Opportunity; Staff morale problems and Anti-institutional posture.

For Kalubanga, et al (2013), there are five basic elements which are required for something to be termed fraudulent: (1) a representation about a material fact, (2) that is false or misleading, (3) made intentionally, knowingly or recklessly, (4) which is believed and acted upon by the victim, (5) to the victim's damage. Albrecht et al. (2008, 2010) in Kassem & Higson (2012), however, maintained that pressure/motive can be financial or non-financial and they gave examples of perceived financial pressures that can motivate fraud like; personal financial losses, falling sales, inability to compete with other companies, greed, living beyond one's means, personal debt, poor credit, the need to meet short-term credit crises, inability to meet financial forecasts, and unexpected financial needs. They also gave examples of non-financial pressure, such as; the need to report results better than actual performance, frustration with work, or even a challenge to beat the system. They believed that even with very strong perceived pressures, executives who believe they will be caught and punished rarely commit fraud. They also mentioned some examples of rationalizations that executives can use to commit fraud, like; "we need to keep the stock price high", all companies use aggressive accounting practices, or it is for the good of the company. As for perceived opportunities to commit fraud examples include; a weak board of directors, a lack of or circumvention of controls that prevent/detect fraudulent behavior, failure to discipline fraud perpetrators, lack of access to information, and the lack of an audit trail.

Murdock (2008) in Kassem & Higson (2012) also argued that pressure can be a financial pressure, non financial, or political and social pressure. Non-financial pressure can be derived from a lack of personal discipline or other weaknesses such as gambling habit, drug addiction. While, political and social pressure occurs when people feel they cannot appear to fail due to their status or reputation. Hur-Yagba (2003) in Ikpefan (2006) opined that there is a general consensus among criminologists that fraud is caused by three elements called: Will, Opportunity, Exit (WOE) i.e. the will to commit frauds by the individual, the opportunity to execute the fraud and the exit which is the escape from sanctions against successful or attempted fraud or deviant behavior.

More elaborately, Ikpefan (2006) presents the following as the core causes of fraudulent practices in organizations with particular reference to the banking industry: (i) Lack of Experienced and Adequate Personnel (ii) Internal Audit and Control (iii) Inadequate Book Keeping/Accounting Procedure (iv) Poor Credit Administration (v) Inadequate Job Rotation/ Segregation of Duties (vi) Ineffective Bank Management (vii) Poor Knowledge of the Job (viii) Clearing Fraud (ix) Society Expectation (x) Delay Justice (xi) Other Miscellaneous Issues

Olurankinse & Bayo (2014) highlighted that the cause of corruption is multifarious but that generally, corruption is caused by Greed, lack of positive values, porous system, weak enforcement and oversight mechanism, excessive materialism, societal pressure, lack of virile welfare structures, insecurity of employment tenure, indiscipline, inordinate

The Economic and Financial Crimes Commission (EFCC)

The EFCC was established by Act No. 5 of 2002, effective from 14 December, to combat economic and financial crimes in Nigeria. The Commission is empowered to prevent, investigate, prosecute and sanction economic and financial crimes and is charged with the responsibility of enforcing the provisions of other laws and regulations relating to economic and financial crimes such as The Money Laundering Act 1995, The Advance Fee Fraud and Other Related Offences Act 1995, The Failed Banks (Financial Malpractices in Banks) Act 1994, The Banks and Other Financial Institutions Act 1991, and Miscellaneous Offences Act. (ICAN, 2014; Olurankinse & Bayo, 2014)

Composition of EFCC

According to the EFCC Act (2002), the Commission shall consist of the following members:

(a) 1. A Chairman, who shall be the Chief Executive and Accounting Officer of the Commission.
   2. A serving or retired member of any Government security or law enforcement agency.

(b) A Director-General who shall be the Head of Administration.

(c) The Governor of the Central Bank or his representative.

(d) A representative each of the following Federal Ministries, not below the rank of a Director:- (i) Foreign Affairs, (ii) Finance and (iii) Justice.

(e) The Chairman, National Drug Law Enforcement Agency.

(f) The Director-General, National Intelligence Agency.

(g) The Director-General, Department of State Security Service.

(h) The Director-General, Securities and Exchange Commission.

(i) The Commissioner for Insurance.

(j) The Postmaster-General, Nigerian Postal Services.

(k) The Chairman, Nigerian Communications Commission.

(l) The Comptroller-General, Nigeria Custom Services

(m) The Comptroller-General, Nigeria Immigration Services.
(n) A representative of the Nigeria Police Force, not below the rank, of Assistant Inspector-General.
(o) Four eminent Nigerians with cognate experience in finance, banking or accounting. (ICAN, 2014)

Duties of the Commission

According to Part II of the Act, the Commission is responsible for:

a) The enforcement and the due administration of the provisions of the Act.
b) The investigation of all financial crimes which include advance fee fraud, money laundering, counterfeiting, illegal charge transfers, futures market fraud, fraudulent encashment of negotiable instruments, computer credit card fraud, contract scam, etc.
c) The co-ordination and enforcement of all economic and financial crime laws and enforcement functions conferred on any other person or authority.
d) The adoption of measures to eradicate the commission of economic and financial crimes.
e) The adoption of measures to identify, trace, freeze, confiscate or seize proceeds derived from terrorist activities, economic and financial crime related offences or the properties, the value of which corresponds to such proceeds.
f) The adoption of measures which include coordinated preventive and regulatory actions, introduction and maintenance of investigative and control techniques on the prevention of economic and financial related crimes.
g) The facilitation of rapid exchange of scientific and technical information and the conduct of joint operations geared towards the eradication of economic and financial crimes.
h) The examination and investigation of all reported cases of economic and financial crimes with a view to identifying individuals, corporate bodies or groups involved.
i) The determination of the extent of financial loss and such other losses by Government, private individuals or organisations.

j) Collaboration with Government bodies both within and outside Nigeria, carrying on functions wholly or in part analogous with those of the commission concerning:-
   - The identification, determination, of the whereabouts and activities of persons suspected of being involved in economic and financial crimes.
   - The movement of proceeds or properties derived from the commission of economic and financial and other related crimes.
   - The exchange of personnel or other experts.
   - The establishment and maintenance of a system for monitoring international economic and financial crimes in order to identify suspicious transactions and persons involved.
   - Maintaining data, statistics, records and reports on persons, organisations, proceeds, properties, documents or other items or assets involved in economic and financial crimes.
   - Undertaking research and similar works with a view to determining the manifestation, extent, magnitude and effects of economic and financial crimes and advising Government on appropriate intervention measures for combating same.

k) Taking charge of, supervising, controlling, coordinating all the responsibilities, functions, activities relating to the current investigation and prosecution of all offences connected with or relating to economic and financial crimes, in consultation with the Attorney-General of the Federation.

Powers of EFCC

According to ICAN (2014), under paragraph 6 of the Act, the Commission has power to:

a) Cause investigations to be conducted as to whether any person has committed an offence under the Act.
b) Cause investigations to be conducted into the properties of any person, if it appears to the Commission that the person's lifestyle and extent of his properties are not justified by his source of income.
c) Enforce the provisions of:
   i. The Money Laundering Act 1995.
   ii. The Advance Fee Fraud and Other Related Offences Act 1995.
   iii. The Failed Banks (Recovery of Debts) Financial Malpractices in Banks, Act 1994 (as amended).

iv. The Banks and Other Financial Institutions Act 1991 (as amended).
v. Miscellaneous Offences Act.
vi. Any other law or regulations relating to economic and financial crimes.

Offences and Convictions

A summary of the various offences committed and the penalties stipulated under part IV, of the Act is:

a. Offences which relate to financial malpractices .....5 years imprisonment or a fine of fifty thousand naira (N50,000) or both imprisonment and fine.
b. Offences associated with terrorism.........Imprisonment for life.
c. Offences committed by public officers ..... Between 15 and 25 years imprisonment.
d. Retaining the proceeds of a criminal conduct.....Not less than 5 years imprisonment or to a fine equivalent to 5 times the value of the proceeds of the criminal conduct or to both fine and imprisonment.
e. Offences in relation to economic and financial crimes......Imprisonment for a term not less than 15 years and not exceeding 25 years.

Paragraph 20 of the Act says 'for the avoidance of doubt and without any further assurance than this Act, all the properties of a person convicted of an offence under this Act and shows to be derived or acquired from such illegal act and already the subject of an interim order shall be forfeited to the Federal Government.' (ICAN, 2014).

Banks Performance in Nigeria

The overall performance of any bank is majorly measured in consideration of the following parameters: (1) operational performance in the form of total deposit received from customers, total credit granted to the economy, market value, etc. (2) financial performance in terms of profit performance, Earnings Per Share (EPS), Return on Asset (ROA), Return on Equity (ROE), etc. A prominent role played by banks in an economy is to encourage redistribution of financial resources from surplus hands to deficit hands to spur investment and production, which in turn results to economic development. Yakubu & Affoi (2013), highlight that the money deposit banks, otherwise known as the commercial banks, render financial services in term of intermediation. This involves channeling funds from the surplus spending to the deficient spending units of the economy, therefore, transforming bank deposits into credits.

Bank credits represent the amount of loan and advances to individuals and organizations from banking system (Fapetu & Obalade, 2015). Bank credit is the borrowing capacity provided to an individual, government, firm or organization by the banking system in the form of loans. Credit channels savings into productive investment thereby encouraging economic growth. Thus, the availability of credit allows the role of intermediation to be carried out, which is important for the growth of the economy.

Empirical Review

Literature provides empirical evidence on effect of fraud and corruption on economic development. It also highlights empirically the impact of frauds on the performance of Nigerian banks. Few other studies (as evidenced by our review) had focused on the activities of the anti-graft agencies on the development of Nigerian economy. There is no study within our reach that considered the implications of EFCC establishment on the operational performance of Nigerian banking industry; this study thus is developed to fill this gap. For instance, Okoye & Gbegi (2013) in their study evaluated the effect of fraud and other related financial crimes on the Nigerian economy employing regression analysis, ascertained that fraud and related financial crimes have significant effect on the Nigerian economy while fraud and financial crime have no significant effect on inflation.

On their part, Rotimi, et al (2013) carried out an analysis of Corruption and Economic Growth in Nigeria. This study used the ordinary least squares (OLS) to determine the relationship between corruption and economy growth. Applying the granger causality method to measure the causal relationship that exists between corruption and the gross domestic product (GDP), the results revealed that corruption impairs and impacts economic growth. Thus, the authors concluded and suggested that Private Anti-Corruption Initiatives, Public anti-corruption initiatives and Public education campaign/programmes should be strengthened and motivated in to address the cause of corruption rather than its effects.

Similarly, Nageri et al (2013) investigated the impact of corruption on economic development in Nigeria. They used Ordinary Least Square (OLS) regression technique to analyze the data collected in the study. Finding of the study reveals that corruption has a significant negative effect on economic growth and development. Mbah (2010) studied on the role and challenges of anti-corruption agencies in enhancing prudent financial management in Nigeria, with particular reference to ICPC and EFCC. Employing the frequency tables and percentages in the study's analysis and chi-square in testing the third hypothesis of the study, the author found that there are more effective operational strategies in fighting corruption by EFCC than ICPC in Nigeria. In a similar vein, Aibieyi (2007) studied anti-corruption strategies and development in Nigeria, laying focus on the Independent Corrupt Practices Commission (ICPC) and Economic and Financial Corruption Commission (EFCC). Employing the historical and observational method, the study found that the existing anti-corruption agencies are trying their best to curb corruption in Nigeria but that greediness and political instability are some of the primary causes of corruption. Government's lack of will to indict some past and present public office holders, inadequate and ineffective legislation on corruption is responsible for the high level of corruption in Nigeria today.

Adewale (2011) using parsimonious error correction mechanism in studying crowding out effects of corruption and its destabilizing implications on the economic growth of Nigeria, employed experimental research design approach for the data analysis, which combined theoretical consideration (a priori criteria) with empirical observations and extracted maximum information from the available data. Using Regression Analysis the study showed that there is a negative relationship between corruption and output growth in Nigeria. He recommended that the government should strengthen the previous efforts in programs like Code of Conduct Bureau, ICPC, EFCC, etc. in attempting to eradicate corruption.

Inokoba & Ibegu (2011) studied about Economic and Financial Crime Commission (EFCC) and Political Corruption: Implication for the Consolidation of Democracy in Nigeria. Adopting a theoretical approach, the paper revealed that the institution of the anti-graft agency, EFCC, to tackle the evil of political corruption has even made the issue more complex.

A careful examination of the nature of operations and activities of the agency reveals that the EFCC instead of lawfully addressing the menace of political corruption in Nigeria has become a very powerful and vital weapon in the hands of the presidency and the ruling party to blackmail, harass and intimidate political foes. It concluded that the anti-corruption agency has become a patient of the very disease it had set out to cure; thus, it is glaring that EFCC as an instrument of corruption, has become a major threat to the sustainability of democracy in Nigeria. In his study, Nwagwu (2011) carried out an appraisal of Economic and Financial Crimes Commission (EFCC) and the War against Corruption in Nigeria (1999 – 2007). The study which is predicated on structural functionalism as a theoretical framework that helped to establish the structural functions of the anti-graft agency revealed that there is no genuine commitment of government or its agencies to fight corruption. Undue influence of the government hindered the effectiveness and efficiency of the agency. The implication of this is that the anti graft agency has not demonstrated outstanding effect in curbing corruption, which thus implies that its existence has not served any remarkable purpose in Nigeria economic development.

Amadi & Alapiki (2012) in their study considered the usefulness of the concept of anti-corruption strategy—both as an analytical construct and a policy tool. They examined the prevailing anti- corruption strategies in Nigeria in a period of nascent democracy namely; Independent Corrupt Practices Commission (ICPC), Economic & Financial Crimes Commission (EFCC) and Nigeria's commitment to three international anti- corruption conventions- the United Nations Convention Against Corruption, the African Union Convention on Preventing and Combating Corruption; and the Economic Community of West African States Protocol on the fight against Corruption. They asserted that the persistence of corruption, points to the failures of the strategies; the effects of which have been a clog to sustainable democracy and development. The study recognizes that corruption exists both in the public and private sectors with correlates such as high poverty rate, rich/poor gap, unemployment, low Gross Domestic Product (GDP) etc.

Shuaib, Ekeria & Ogedengbe (2015) examined the impact of corruption on the growth of Nigerian economy using time series data from 1960 to 2012.

The study explored unit root, Cointegration analysis to test for the Nigeria's time series data and used an error correction mechanism to determine the long-run relationship among the variables examined. From the results of the findings, it was discovered that corruption has an inverse relationship with growth of an economy.

Samuel, Aju & Elaigwu (2014) evaluated the implication of Economic and Financial Crimes Commission and Corruption on the Consolidation of Democracy and Sustainable Development and Growth in Nigeria from 2004-2008. Frequency Distribution tables and Percentages were utilized as the data analysis tool. Findings showed that EFCC can curb corruption in Nigeria; and that Economic and Financial Crime Commission has saved billions of Naira for the government through monies retrieved from its culprits. Odubunmi & Agbelade (2014) investigated the causality between corruption and economic growth in Nigeria. Johansen cointegration test, ADF unit root test, Granger causality test and Ordinary Least Square methods were employed on time series (secondary) data, covering 1990 and 2010. The results of their analyses indicated that corruption exhibited a significant positive relationship with economic growth (GDP). The result of Granger causality tests shows that corruption Granger cause FDI inflow, government expenditure, gross capital formation, openness and globalization of the economy. Also, there is uni-directional causality from corruption to Economic growth (GDP). This confirms the existing arguments that the level of corruption in a country is a relevant determinant of the level of economic growth.

Olurankinse & Bayo (2014) assessed the effectiveness of External Control Institutions on Public Funds Management, taking evidence from Ondo State Nigeria. The empirical analysis carried out in the study employed the Censored Logistic Regression of the Maximum Likelihood Technique. The result of the study shows that there is mismanagement of funds in our public sectors identified by fraud and corruption. Igbokwe-Ibeto & Okoye (2014) examined the structural basis of corruption in the country and efforts' being made by anti-graft agencies to combat the scourge. The authors employed a contextual and theoretical approach in the study and affirmed that corruption has become a way of life in Nigeria; and that this explains why it has been difficult to combat its rising profile even with the existence of the anti-graft agencies. The simple implication of this position by the authors is that so far the operations of the anti-graft institutions in Nigeria has not made any remarkable (significant) impact in curbing corruption in the nation. Ogbodo & Mieseigha (2013) examined the economic implication of money laundering in Nigeria. They utilized simple percentages, chi-square and ANOVA statistical methods in conducting their analysis. The study revealed that money laundering activities do have significant effect on Nigeria's economy while Anti Money Laundering policies in Nigeria has not significantly reduce money laundering in economy. They recommended more effective coordination of all institutions on the fight against money laundering by the EFCC, and a full, effective and efficient investigation of corruption reports by the ICPC.

Oladapo (2014) studied the impact of Economic and Financial Crime commission on the Economic Development of Nigeria ranging from various financial crimes. The author employed the use of tables and pie charts as a statistical approach in analyzing the responses collected from his survey study. From the analysis the author asserted that the establishment of anti-graft agencies in Nigeria like the EFCC is relevant even though they perform their function diligently by tackling corruption but they still contain some kind of sentiment such as nepotism. Uthman, et al (2015) in their study "Curbing financial crimes with anti-graft bureaus in Nigeria: The accountants' perception" using ANOVA as statistical analysis tool, found that respondents group perceived the anti-graft agencies as highly effective but could not establish that accountants in various walks of life differ significantly in their perception of the efficacy of the Nigerian Anti-graft bureaus.

Ikpefan (2006) studied on "Growth of Bank Frauds and the Impact on the Nigerian Banking Industry", using Ordinary Least Square (OLS) regression analysis, the study showed that fraud has inverse effect on deposits in Nigerian banks and that money laundering act has direct and positive relationship with deposits; the implication being that the higher the fraud cases, the lower the amount of deposits and thus the lower the banking industry performance. On the other hand, the introduction of money laundering act boosts deposits considerably and by implication boosts banks performance. In a similar study by Kanu & Okoroafor (2013), attention was paid on the nature, extent and economic impact of fraud on bank deposits in Nigeria. While using Linear Regression Analysis, the study reveals a significant relationship between fraud and bank deposits in Nigeria. The implication of this is similar to the findings of Ikpefan (Op cit). This finding is in agreement with that of Owolabi (2010), whose study on fraud and fraudulent practices in Nigeria banking industry used tables and percentages for its analysis and revealed that fraud and fraudulent practices by various bank staff affects the performance of those banks and by implication the general economy.

Also, Chiezey & Onu (2013) analyzed the impact of fraud and fraudulent practices on the performance of banks in Nigeria. Employing Multiple Regression technique for the analysis, the study concluded that fraud and fraudulent activities inflict severe financial difficulties on banks and their customers, thereby stiffening economic growth.
In her study, Onwujiuba (2013) x-rayed bank fraud and its effect on bank performance in Nigeria. She employed simple percentages and chi-square in the analysis and testing of the study's hypothesis. The result of her analysis showed that lack of adequate motivation is not a major cause of fraud in banks rather, looting of fund by bank managers and directors constitutes the major form of fraud in Nigeria; government effort and its agencies have negatively impacted on combating fraud in Nigeria and environmental or social factors have negative impact on bank fraud.

Idaewor (2010) analyzed the roles and responsibilities of Banks in the implementation of money laundering, Economic and Financial Crimes in Nigeria. While seeking to find out the strategies for combating money laundering, terrorist financing, Economic and Financial Crimes, he based his data analysis on statistical frequency (percentage distribution) tables, and employed Pearson product moment coefficient of correlation and t-test statistical tool to test the hypotheses formulated for the study. He found that the challenges posed by Economic and Financial Crime to banks are enormous and that government has demonstrated strong political will to fight corruption and other economic and financial crimes in Nigeria, through the establishment of agencies like the EFCC; and that this agency is the financial watch dog of Nigerian business environment. Noah (2009) evaluated the financial fraud control in Nigerian Universities, using the

University of Ilorin as a reference point; applying the two-tailed Z-test in testing the hypothesis, established that control measures have significant impact in curbing financial fraud in the university system.
In the study on "Forensic Accounting a Panacea to Alleviation of Fraudulent Practices in Nigeria", Dada et al (2013) employed Multiple Regression Technique in their analysis and ascertained that fraud reduction is significantly and positively related to fraud investigation and detection through forensic accounting, implying that forensic accounting can be employed by fraud control agents (anti-graft agencies) in detecting and controlling frauds in the country.

Wurim (2013) carried out a non-empirical assessment of the legal provisions of some of the prominent fraud prevention legislations in Nigeria using some selected examples from the Nigeria's fraud case file with the view to ascertaining the impact of these legislations in the achievement of zero – tolerance fraud in Nigeria. The study reveals that corruption has eaten so deep into the fabric of the society and that the battle against corruption is being prosecuted by men who are not morally qualified to lead the crusade. It further asserted that the anti-corruption agencies are only allowed to operate within visible boundaries imposed by the government of the day. Hence, it was the conclusion of the study that corruption has an inherent capacity within its operational framework that sustains it and gives it life in perpetuity; anticorruption (anti-graft) laws and agencies have not been allowed to take their cause as a result of deeply rooted socio-economic collapse of the system.

METHODOLOGY

This study adopted the quasi-experimental design. The choice of this design lies on the explanation of quasi-experimental design which is considered appropriate to measure impact or causality tends to be characterized by having ***before*** and ***after*** measures and a robust comparison group. This explanation suits the core objective of this study as it assesses the impact which the establishment of EFCC as an anti-graft agency has made on combating financial crimes in the Nigerian banks. Secondary data drawn from the Nigeria Deposit Insurance Corporation (NDIC) Annual Reports & Statement of Accounts and the Central Bank of Nigeria (CBN) Statistics bulletin of various years covering the period of 1993 – 2012 were utilized.

Test of Equality or test of difference in mean was employed in analyzing the study models as presented below:

$$\mu_{fca} = \mu_{fcb} \quad - \quad - \quad - \quad - \qquad (1)$$

Where: μ_{fca}= mean of fraud (Amount) after the establishment of EFCC (Post-EFCC frauds)

μ_{fcb} = mean of fraud (Amount) before the establishment of EFCC (i.e. Pre-EFCC frauds)

$$\mu_{bca} = \mu_{bcb} \quad - \quad - \quad - \quad - \qquad (2)$$

Where: μ_{bca} = mean of total bank credit after the establishment of EFCC (Post-EFCC bank credits)

μ_{bcb} = mean of total bank credit before the establishment of EFCC (i.e. Pre-EFCC bank credits)

$$\mu_{bda} = \mu_{bdb} \quad - \quad - \quad - \quad - \qquad (3)$$

Where: μ_{bda} = mean of total bank customers' deposits after the establishment of EFCC (i.e. Post-EFCC bank deposits)

μ_{bdb} = mean of total bank customers' deposits before the establishment of EFCC (i.e. Pre-EFCC bank deposits)

Decisions on the acceptance or rejection of the null or alternative hypotheses of the study are premised on 5% level of significance.

DATA PRESENTATION & ANALYSIS

The quantitative data collected are presented on table 1.

<u>Insert Table 1 Here</u>

Model Analysis & Hypothesis Tests

Model (Equation) 1: The result of the data analysis in respect of model 1 of this study is captured on table 2.

<u>Insert Table 2 Here</u>

From the *Category Statistics* section of the analysis of the first model as presented on table 2 (Appendix), the mean of the post-EFCC Amount involved in Fraud is 21375.9 while that of the pre-EFCC is 4882.42. Substituting these values to the model we would have: 21375.9 ≠ 4882.42

The result of this analysis shows a case of difference between the two periods. For the hypothesis tests, the t-test, Satterthwaite-Welch t-test and F-test all showed significance at 5%. Therefore, it follows that a significant difference exists in the reported amount involved bank frauds between post-EFCC era and pre-EFCC era. On that note, the alternative hypothesis of the study is accepted and the null abandoned. Also the positive signs of the results show a positive significant difference between the two periods. This indicates that the establishment of the anti-graft agency (EFCC) has brought about a significant increase in fraud perpetration in the Nigerian banking sector.

Model (Equation) 2: The result of the data analysis in respect of model 2 of this study is captured on table 3.

Insert Table 3 Here

The *Category Statistics* section of the analysis of the second model as presented on table 3 (Appendix) revealed that the mean of the post-EFCC Total Bank Credit is 5819826 while that of the pre-EFCC is 416295.0. This results to 5819826 ≠ 416295.0. The result shows a case of difference between the two periods.

The hypothesis tests evidenced by the t-test, Satterthwaite-Welch t-test and F-test all showed significance at 5%. It follows therefore that the null hypothesis of the study is rejected and the alternative accepted.This thus implies that the establishment of EFCC in Nigeria has created a positive impact on total banks credit performance.

Model (Equation) 3: The result of the data analysis in respect of model 3 of this study is captured on table 4.

Insert Table 4 Here

The *Category Statistics* section of the analysis of the third model as presented on table 4 (Appendix) revealed that the mean of the post-EFCC Bank Deposit is 8790753 while that of the pre-EFCC is 513191.2. Substituting this result to third model, we would have 8790753 ≠ 513191.2. Like in the two other models above, the result shows a case of difference between the two periods.

The hypothesis test results of t-test, Satterthwaite-Welch t-test and F-test all showed significance at 5%. Therefore, the null hypothesis that the anti-graft activities in Nigeria by EFCC have not significantly affected banks customers' total deposit stands rejected and the alternative accepted.

DISCUSSION OF FINDINGS

The findings of the above analysis with respect to the results of the three study hypotheses are discussed as follows:

1. The finding from the test of the first hypothesis of shows a positive significant difference between fraud cases during post-EFCC era and fraud cases during pre-EFCC era. It reveals that amount involved in bank frauds during the post-EFCC establishment period is greater than (>) the amount involved in bank frauds before the establishment of EFCC. This simply means that the prevalence of fraud and fraudulent practices in Nigerian banking sector has been more even after the establishment of the anti-graft agency (EFCC). It thus spells out that the establishment of EFCC to curb frauds is unnecessary (evidence from the banking sector) as it has so far failed from curbing the rate of fraudulent occurrences in the sector. This finding is in consonance with the findings of Inokoba & Ibegu (2011) who found that the institution of the anti-graft agency, EFCC, to tackle the evil of political corruption has even made the issue more complex. The study also agrees with Nwagwu (2011) whose study revealed that there is no genuine commitment of government or its agencies to fight corruption. It is also in consonance with the findings of scholars like Amadi & Alapiki (2012), Mohammed (2013), Igbokwe-Ibeto & Okoye (2014) and Olurankinse & Bayo (2014). However, it runs contrary to the finding of Mbah (2010) who found that more effective operational strategies in fighting corruption by EFCC in Nigeria is highly needed. There is also a disagreement between what the finding of this study holds and the findings of scholars like Samuel, et al (2014), Oladapo (2014), Idaewor, (2010) and Uthman, et al (2015).
2. The test conducted in favour of the second hypothesis as highlighted above (table 3 refers) shows that the establishment of EFCC in Nigeria has positively and significantly affected total bank credit; which in turn denotes that the dawn of EFCC in Nigeria has improved banks credit to the economy, sequel to more money at the disposal of banks to be given as credit, occasioned by improved confidence of depositors. Given that the more credit provided by banks for economic activities, the more better the economy becomes, it could thus be affirmed that the establishment of

EFCC which has resulted to increase in total bank credit to the economy has invariably encouraged economic growth in Nigeria. This finding lays credence to the finding by Oladapo (2014) and Samuel, et al (2014). However, it somewhat counters the affirmation of Inokoba & Ibegu (2011) and Mohammed (2013).

3. The test result for the third hypothesis as shown above (table 4 refers) shares the same finding as in the foregoing discussion on hypothesis 2. It reveals a positive effect of EFFC establishment on Nigerian banks customers' total deposit. It affirms that the existence of this EFCC as an anti-graft agency in Nigeria has engendered trust in the banking public that their deposits with the banks is safe, as such, significant improvement in banks customers' deposit has been witnessed since the inception of the anti-graft agency (EFCC). It is notable to state that improved deposit would result to increase in available money at the disposal of banks to be given as credit to the economy, which in turn results to improvement in the economic performance of the economy. By implication, this finding agrees with Oladapo (2014).

CONCLUSION

Based on the findings of the study as highlighted and discussed in the preceding chapter, coupled with strategic evidences from the literature review, the following conclusions are made in this study: The establishment of EFCC as an anti-graft agency of Nigerian government has not made significant impact in curbing financial crimes in Nigerian banks; thus, have not justified the core objective of their establishment. This conclusion goes in line with the affirmation of Ogbodo and Mieseigha (2013) and Adewale (2011). The creation of EFCC has the potential to positively affect the performance of Nigerian economy generally, and the banking sector in particular, in view of its positive effect on banks total credit and deposits, however, the present structural and legal framework of the agency is ineffective and cannot enable the achievement of the goals for establishing the agency which is fighting financial crimes to a standstill in the Nigerian economy.

RECOMMENDATIONS

Based on the findings and conclusion above, the following recommendations are made:

- ☑ There is urgent need to restructure the legal framework guiding the operations of EFCC in Nigeria.
- ☑ Weak penalties for the perpetration of graft activities in Nigerian banks in particular and the economy in general should be abrogated from the law and replaced with stiff punishments.
- ☑ The leadership of the agency should not be appointive rather should be attained to by handwork and experience. In other words, it should be the most senior officer in the agency with clean slate (like the post of permanent secretary of ministries and Chief Justice of Nigeria).
- ☑ Adequate funding by government and reasonable cooperation from other agencies of government like the police, the judiciary, etc. should be provided for the effective operations of the anti-graft agency.
- ☑ Banks should upgrade their internal control systems to measure up with current dynamic global operations and threats.

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APPENDICES

Table 1: Amount involved in Fraud, Total Bank Credit and Bank Deposits (pre & post EFCC establishment eras)

Year	Amount Involved in Bank Fraud (pre-EFCC)	Total Bank Credit (pre-EFCC) ₦' Million	Bank Deposits (pre-EFCC) ₦' Million	Year	Amount Involved in Bank Fraud (post-FCC)	Total Bank Credit (post-EFCC) ₦' Million	Bank Deposits (post-EFCC) ₦' Million
1993	1,419.07	144,971.60	125,750.00	2003	9,384	1,753,412.30	1,415,785.86
1994	3,399.39	150,860.00	177,373.80	2004	11,754	1,870,216.60	1,814,745.44
1995	1,011.36	178,940.00	210,945.60	2005	10,606	2,351,216.60	2,469,069.71
1996	1,600.68	302,320.00	258,968.10	2006	4,832	2,069,956.70	3,412,273.30
1997	3,777.90	379,090.00	314,185.50	2007	10,006	2,688,236.60	5,337,174.33
1998	3,196.91	518,156.70	392,478.24	2008	53,523	4,951,887.50	8,702,996.20
1999	7,404.28	522,714.20	569,798.52	2009	41,265.50	8,912,140.00	9,989,843.00
2000	2,851.11	742,883.80	838,592.56	2010	21,291.41	7,166,780.00	10,837,144.06
2001	11,243.94	1,072,153.40	1,017,195.72	2011	28,400.86	7,273,750.00	12,330,000.00
2002	12,919.55	150,860.00	1,226,624.12	2012	18,045.00	8,150,030.00	14,390,000.00
				2013	21,795.00	10,042,740.00	16,770,000.00
				2014	25,608.00	12,607,550.00	18,020,000.00

Source: *CBN Statistical Bulletin & NDIC Report for various years*

Table 2: Result of Test for Equality of Means of Amount Involved in Fraud for post-EFCC & pre-EFCC eras (Model 1)

Test for Equality of Means Between Series
Date: 03/09/17 Time: 15:14
Sample: 1 12
Included observations: 12

Method	df	Value	Probability
t-test	20	3.500065	0.0023
Satterthwaite-Welch t-test*	13.21999	3.792230	0.0022
Anova F-test	(1, 20)	12.25046	0.0023
Welch F-test*	(1, 13.22)	14.38101	0.0022

*Test allows for unequal cell variances

Analysis of Variance

Source of Variation	df	Sum of Sq.	Mean Sq.
Between	1	1.48E+09	1.48E+09
Within	20	2.42E+09	1.21E+08
Total	21	3.91E+09	1.86E+08

Category Statistics

Variable	Count	Mean	Std. Dev.	Std. Err. of Mean
Amount_Involved_In_Fraud (Post-EFCC Era)	12	21375.90	14342.95	4140.454
Amount_Involved_In_Fraud (Pre-EFCC Era)	10	4882.419	4210.574	1331.500
All	22	13878.86	13638.72	2907.785

Source: E-views 7.1 Analysis output, 2017.

Table 3: Result of Test for Equality of Means of Total Bank Credit for post-EFCC & pre-EFCC Eras (Model 2)

Test for Equality of Means Between Series
Date: 03/09/17 Time: 21:12
Sample: 1 12
Included observations: 12

Method	df	Value	Probability
t-test	20	4.570842	0.0002
Satterthwaite-Welch t-test*	11.17939	5.021446	0.0004
Anova F-test	(1, 20)	20.89259	0.0002
Welch F-test*	(1, 11.1794)	25.21492	0.0004

*Test allows for unequal cell variances

Analysis of Variance

Source of Variation	df	Sum of Sq.	Mean Sq.
Between	1	1.59E+14	1.59E+14
Within	20	1.52E+14	7.62E+12
Total	21	3.12E+14	1.48E+13

Category Statistics

Variable	Count	Mean	Std. Dev.	Std. Err. of Mean
Total_Bank_Credit (Post-EFCC Era)	12	5819826.	3712567.	1071726.
Total_Bank_Credit (Pre-EFCC Era)	10	416295.0	306186.4	96824.65
All	22	3363676.	3852773.	821414.0

Source: *E-views 7.1 Analysis output, 2017.*

Table 4: Result of Test for Equality of Means of Bank Deposits for post-EFCC & pre-EFCC Eras (Model 3)

Test for Equality of Means Between Series
Date: 03/09/17 Time: 21:21
Sample: 1 12
Included observations: 12

Method	df	Value	Probability
t-test	20	4.414385	0.0003
Satterthwaite-Welch t-test*	11.11348	4.851855	0.0005
Anova F-test	(1, 20)	19.48680	0.0003
Welch F-test*	(1, 11.1135)	23.54050	0.0005

*Test allows for unequal cell variances

Analysis of Variance

Source of Variation	df	Sum of Sq.	Mean Sq.
Between	1	3.74E+14	3.74E+14
Within	20	3.84E+14	1.92E+13
Total	21	7.57E+14	3.61E+13

Category Statistics

Variable	Count	Mean	Std. Dev.	Std. Err. of Mean
Bank_Deposits (Post-EFCC Era)	12	8790753.	5894776.	1701675.
Bank_Deposits (Pre-EFCC Era)_	10	513191.2	386600.3	122253.8
All	22	5028225.	6005204.	1280314.

Source: E-views 7.1 Analysis output, 2017.