

An investigation of corporate executive fraud by CEOs in the Nigerian banking sector

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Abstract

A number of studies and reports have associated corruption with the misuse of public office for private financial gain, but they have rarely examined the involvement of corporate

executives in fraudulent and corrupt financial practices. This paper argues that the recent banking crisis in Nigeria has exposed the activities of bank executives in corruption and fraudulent practices. The paper locates the role of corporate executives within the institutional anomie theory called 'American dream' theory, whereby the pursuit of monetary success has come to dominate society and non-economic institutions have tended to become subservient to the economy. The paper argues that, given the strong and relentless pressure for everyone to succeed, understood in terms of an inherently elusive monetary goal, people formulate wants and desires that are difficult, if not impossible, to satisfy within the ambit of legally permissible behaviour. The paper uses publicly available data to show that bank executives and directors are involved in corrupt practices in Nigeria which have had negative outcomes. Evidence is provided to show that, in pursuit of their own personal desires to accumulate capital, corporate executives have designed novel schemes to circumvent laws and regulations. The paper encourages reflection on predatory banking practices and offers some suggestions for reform.

Keywords: [banking crisis](#), [corporate executive fraud](#), [financial corruption](#), [Nigeria](#), [bank directors](#)