Financial Crimes And National Development: The Role Of Forensicaccounting

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ABSTRACT

The study examines the effect of financial crimes on Nigeria's development, ascertains the relationship between forensic accounting and financial crimes and determines the extent to which forensic accounting can be used to curb corruption.The study used primary and secondary data. The primary data were collected with the help of a well-structured questionnaire administered to 124 respondents,or 89% of the population of 140. In addition, secondary data were obtained from the Central Bank of Nigeria and other international agencies for twenty years. Descriptive analysis, Ordinary Least Square (OLS) technique, Spearman's rank correlation and analysis of variance were used to test the data. The researcher applied Statistical Package for Social Sciences (SPSS) to compute the data. The findings show that financial crimes adversely affect national development; forensic accounting can bring fraudsters to book and reduce financial crimes in Nigeria. The study concludes that forensic accounting will minimise financial crimes and ensure that offenders are convicted and punished accordingly. It recommends aggressive awareness campaigns by the Government andProfessionals on financial crimes and their consequences on the economy and development of the country. Forensic accounting should be embraced in the private and public sectors.

Keywords: Financial crimes, Forensic Accounting, Development, OLS, SPSS

I.   INTRODUCTION

Financial crimes have been one of the most prevalent challenges to the world economy and development. Corruption is a complex and multifaceted phenomenon which characterises the global economy (Emmanuel, 2010). Nigeria, in particular, has had it so bad because there is little or nothing to show for huge earnings from oil over the years; instead, it is a cause for a frequent recession of the economy, as witnessed in 2017 and 2020. Economic and financial crimes are believed in most intellectual discourse to be one of the fundamental problems of the Nigerian economy that has negatively impacted its economic growth and development as a nation (Dada &Jimoh, 2020). The common or public wealth is being personalised, most Nigerians have lost their values, and corruption is the order of the day in both private and public sectors. Religious organisations/bodies and non-governmental organisations are not left out, everywhere has been infected.

Financial crime is a fundamental problem in the Nigerian economy as it has hindered Nigeria's economic growth and development (Oworojori&Asaolu, 2009).

The former United States Secretary of State, Mr John Kerry, on Tuesday, 23 August 2016, in Nigeria, during an official visit to the country, described the war against corruption as a global security priority. He stated that corruption costs the global economy an estimated $2.6tn a year, which could have been invested in infrastructures, health care, education, food security and other initiatives. He emphasised that corruption is not just a disgrace and a crime; it is also dangerous.

Although fraud is a worldwide phenomenon, it is a severe problem in Nigeria. As a result, the Nation has suffered severe losses financially. It is disheartening to note that fraudulent activities have placed Nigeria in the unhealthy group of Non-Cooperative Countries and Territories (Dagaci, 2011).

Statement of Research Problem

Despite Nigeria's status as the biggest economy in Africa and the 27 in the world, the countryranked as one of the world's least prosperous countries in 2021 and one of Africa's poorest nations. According to Legatum Prosperity Index for 2021, Nigeria was ranked 148th out of

165 countries. Botswana is 76, Cape Verde is 77, and South Africa is 83.

The present government, led by President Muhammad Buhari, insisted that corruption was responsible for some of the problems faced by Nigeria. Many researchers have found that forensic accounting can assist in curbing corruption in Nigeria, but the government and private organisations have not adopted its use. As a result, financial crimes still thrive in the country despite the President's so-called political will to fight the menace.

Adequate studies have also not been conducted to establish the impact of financial crimes on development in Nigeria. This is a significant gap that this research aims to fill.

Objectives of the Study
The broad objective of the study is to examine the impact of financial crimes on Nigeria's development and the role of forensic accounting in curbing financial crimes. The specific objectives are:

i. To determine the effect of financial crimes on development in Nigeria.

ii. To ascertain the relationship between forensic accounting and financial crimes.

iii. To determine the extent to which forensic accounting will help deter the incidences of corrupt practices in Nigeria.

Research Questions
i. What is the effect of financial crimes on development in Nigeria?

ii. What is the relationship between forensic accounting and financial crimes?

iii. To what extent will forensic accounting help to punish the fraudster and deter fraudulent practices in Nigeria?

Hypotheses
The following hypotheses were formulated for the study:

H01: Financial crimes have no significant effect on development in Nigeria.

H02: Forensic accounting has no significant relationship with financial crimes.

H03: Forensic accounting has no significant effect on the punishment of fraudsters.

Scope of the Study
This research focuses on determining the relationship between financial crimes and Nigeria's development, assessing the relationship between financial crimes and forensic accounting, and assessing the role of forensic accounting in combating financial crimes.

Through a survey, the study was conducted in Nigeria using data obtained from personnel in the public and private sectors, investigators, and personnel involved in the fight against grafts in Nigeria. The study also used secondary data obtained for the country from the Central Bank of Nigeria and other international agencies to ascertain the effect of financial crimes on national development.

Significance of the Study
Nigeria is the most populous country in Africa, with over 200 million in 2021. The Nigerian economy requires massive infrastructure investment, social services, and other interventions to grow despite dwindling and volatile revenue from crude oil. In addition, there is an acute foreign exchange shortage which adversely affects firms' performance. Therefore, it is time to look inward and institute policies to protect Nigerian assets and attract foreign direct investment.

i. The study will bring to the public's attention the effect of financial crimes on Nigeria's development.

ii. The study is very relevant to ensure the diligent prosecution of fraudsters.

iii. Infrastructures such as roads, power and housing, education and health care require more funds in 2022 than the amount allocated in the budget to fast-track the country's economic recovery. Therefore, increased capital expenditure is key to revamping the economy.

iv. It will expose the relevance of forensic accounting to fighting financial crimes and assist anti-graft agencies in achieving better results and making them more effective.

v. It will contribute to the limited literature on financial crimes and forensic accounting.

vi. The research will be an academic contribution to the development of Nigeria.

II.   REVIEW OF RELATED LITERATURE
Here, the researchers reviewed literature relevant to the study to understand the variables thoroughly. The variables in this study are forensic accounting, financial crimes and national development. References are made to work done by other authors or researchers. Finally, hypotheses are formulated based on the literature reviewed.

Conceptual Review
The Concept of Financial Crime

Emeh and Obi (2013) opine that it is better not to define the term financial crime lest men should find ways of committing fraud that might evade such definitions. There is no internationally accepted definition of financial crime. Instead, the term expresses different concepts depending on the jurisdiction and context.

Okafor (2004) observes that financial crime is a generic term and embraces all the multifarious means that human ingenuity can devise, which are resorted to by one individual to get an advantage over another in false representation. Therefore, no definite and invariable rule can be laid down as a general proposition in defining crime. It includes surprise, trick, cunning and unfair ways a person or an entity is cheated.

Concept of National Development

The termdevelopmenthas several meanings.Researchers define development in the actual context in which they use the term. Thus, for example, some researchers use the words"development"and "growth" interchangeably (Machlup, 1970). Others use social change, progress, advancement, and fundamental changes in social attitudes and institutions.

The United Nations General Assembly comprehensively declared the following elements asfundamental to development: (1) a minimum standard of living compatible with human dignity; (2) underpinned improvement of the well-being of the individual; (3) sharing of benefits by society at large; (4) more equitable distribution of wealth and income; (5) a greater degree of income security; and (6) the safeguard of the environment (UN, 1971).
Development can be described in multi-dimensional terms.

Concept of Forensic Accounting

Forensic accounting applies accounting concepts and techniques to legal problems (Abdulrahman, 2019). Forensic accounting, also called investigative accounting or fraud audit, is a merger of forensic science and accounting. According to Crumbley (2003), forensic accounting may be defined as applying the laws of nature to the laws of man. Forensic accounting integrates accounting, auditing, and investigative skills(Zysman, 2001). It is an accounting suitable for legal review offering the highest level of assurance and including the now generally accepted connotation of having been arrived at scientifically (Crumbley, 2006).

Maurice E. Peloubet is credited with developing forensic accounting in his 1946 essay,Forensic Accounting: Its Place in Today's Economy. By the late 1940s, forensic accounting had proven its worth during World War II; however, legal procedures were not implemented until the 1980s, when major academic studies in the field were published (Rasey, 2009). Joshi (2003), on the other hand, traced forensic accountingto Kautilya, the first economist to openly recognise the need for the forensic Accountant, whomentioned forty ways of embezzlement centuries ago. Crumbley (2001) submits that forensic accounting can be traced back to an 1817 court decision when a young Scottish accountant issued circular advertising his expertise in arbitration support in 1824but that Peloubet was probably the first to publish the phrase forensic accounting.

Theory of Financial Crime

The relevant theoretical framework for financial crime in this study is functionalist theory. Here, financial crimes are considered the output of society's social structure, which exerts definite pressure upon certain individuals in society to engage in non-conforming or conforming conduct. Metiboba (2002) notes that each culture establishes goals and interests which members of the society are encouraged and expected to pursue and prescribes the method to be followed in seeking these approved objectives. One observes with grave concern that Nigerian society tends to recognise individual goal attainment at the expense of the legitimate means of achieving it.

Theoretical Perspectives on Development

The theoretical framework for this study on development is the human capital theory. Human capital theorists argue that economic growth and development should only occur when technology becomes more efficient and when societies utilise human resources to use technology. Schultz (1981) identifies the acquired abilities of people as the most critical economic resource available to societies. He maintains that human capital is decisive in improving the welfare of poor people worldwide. Several studies (Michaelowa, 2000; Psacharopoulos& Woodhall, 1980; Saha, 1991; and Fagerlind and Saha, 1989) have demonstrated the relationships between education and economic levels of development among societies.

Empirical Review

Adegbie and Fakile (2012) evaluate forensic accounting as an antidote to economic and financial crimes in Nigeria. The population is the government parastatals. The statistical model applied is Chi-Square, and Statistical Package for Social Statistics (SPSS) was applied to compute the data.The results show that Forensic Accounting is a financial strategy to curb and resolve economic and financial crimes in the Nigerian economy.

Modugu and Anyaduba (2013) confirm the effectiveness of forensic accounting in financial fraud control, financial reporting and internal control quality. The study used the survey design with a sample size of 143 consisting of accountants, management staff, auditors, and shareholders. Owolabi, Dada, and Olaoye (2013) examinethe relevance of forensic accounting in reducing fraudulent practices in Nigeria. The study employed multiple regression techniques to analyse the empirical data collected through questionnaires and oral interviews, and the hypotheses formulated were also tested. The study reveals that fraud reduction is significantly and positively related to fraud investigation and detection through forensic accounting.

Alabdullah, Alfadhi, Yahya and Rabil (2014) investigate the role of forensic accounting in reducing financial corruption in Iraq. The study adopted a correlation research design. Data were collected using interviews and questionnaires. It was found that a significant relationship exists between the forensic accounting method and the effectiveness of the control systemsin detecting financial corruption.

Many organisations, including corporate ones, failed in Nigeria due to financial crimes committed by those charged with managing them;the effect of financial crime on any organisation is usually unpleasant (Akenbor&Oghoghomeh, 2013).

When frauds are perpetrated in any economic sector, they affect the entire economy. The cost of fraud and financial crimes is always passed on to society through increased customer inconvenience, opportunity costs, unnecessarily high prices of goods and services, and activities funded by fraudulent gains (Ogunleye, 2004). The economic effects of corruption are subversive.

As noted above, so many studies have been conducted on the relevance of forensic accounting to combating corruption. Still, there are inadequate findings on the impact of financial crimes on the development of Nigeria as a nation. Therefore, there is a need to put national development on the front burner to enable the public to appreciate the need for all citizens to join hands in fighting financial crimes in Nigeria and adopt forensic accounting as an appropriate tool.

III.   METHODOLOGY
Design of the Study

The study is descriptive; hence cross-sectional survey design was employed. In addition, correlation analysis and analysis of variance were also used to test the hypotheses. The design is considered appropriate because it assisted in collecting detailed information from the relevant categories of people on financial crimes, development, and forensic accounting in Nigeria.

Population of the Study

The target population for this study are preparers of financial statements/auditors, users of financial statements or financial data, contractors,and staff of anti-corruption agencies in Nigeria. The group's justification is based on their involvement in the preparation and usage of financial reports and is thus expected to be knowledgeable about the focus of the study.

Sample Size and Sampling Technique

The researcher adopted a sample of one hundred and twenty-four (124) respondents, comprising the three groups described above, representing 88.6% of a population of 140. A simple random sampling method was used to select the group of respondents. Using a simple random sample method helped the researcher administer the questionnaires without a predetermined specific order to represent the population fairly.

As per the secondary data, the researcher used twenty years (2001-2020) to focus ona more extended period of democratic governance in Nigeria.

Description of Research Instrument Used

This study was based on both primary and secondary data. The primary data were obtained from respondents through a five Likert scale of Strongly Agree, Agree, Undecided, Disagree and Strongly Disagree. Secondary data were collected from journals, newspapers, published textbooks, seminar papers, reports etc. In addition, the researcher used secondary data from the reports of the Central Bank of Nigeria, National Bureau of Statistics, World Bank and Transparency International to ascertain the effect of financial crimes on national development.

Validity of Instrument

After the determination and construction of the instruments, they were scrutinised to evaluate the strength of the tools for the study. The various organisations have adequately tested the secondary data used

Method of Data Analysis

Descriptive analysis, Ordinary Least Square (OLS) technique, Spearman's rank correlation and analysis of variance were used to test the data. In addition, the Error Correction Model was used to assess the model's speed of adjustment after disturbance or shock.

The model included the gross domestic product, money supply, unemployment, private investment, and corruption perception index released by Transparency International. A total of 124 questionnaires were retrieved.

IV. RESULTS AND DISCUSSION OF FINDINGS

Ordinary Least Square technique (OLS) and Error Correction Model technique were employed to assess financial crimes' short-run and long-run effects on economic development. For this analysis, econometrics views (Eviews 9.0) software was employed. Also, from the primary data gathered (124 questionnaires) from the field, hypotheses of interest were tested using Spearman's rank correlation statistic and analysis of variance. For the analysis of the primary data gathered, **SPSS** software was employed.

Table 1: Corruption adversely affects the infrastructures and other essential things required to improve the quality of life.

	Frequency	Percentage
Strongly Agree	49	39.5
Agree	63	50.8
Undecided	8	6.5
Disagree	4	3.2
Strongly Disagree	0	0
Total	124	100.0

Source: Field Survey, 2021.

As revealed in table 1, 39.5% of the sampled respondents strongly agreed that corruption adversely affects the infrastructures and other essential things required to improve the quality of Nigerians' life. About half (50.8%) of the respondents agreed with this view. On the other hand, 6.5% of them were undecided. 3.2% of respondents disagreed, and none of the respondents strongly disagreed.

Table 2: Financial crimes contributed to corporate failures in Nigeria.

	Frequency	Percentage
Strongly Agree	91	73.4
Agree	20	16.1
Undecided	3	2.4
Disagree	5	4.0
Strongly Disagree	5	4.0
Total	124	100.0

Source: Field Survey, 2021.

From table 2, the vast majority (73.4%) of the sampled respondents strongly agreed that financial crimes contributed to corporate failures in Nigeria. 16.1% of the respondents agreed. 2.4% of them were undecided. 4% of them disagreed, and another 4% of the sampled respondents strongly disagreed that financial crimes contributed to corporate failures in Nigeria.

Table 3: Descriptive statistics for the variable in the model

	LGDP	LMS	UMPL	LPINV	CPI
Mean	9.60	14.31	16.35	7.69	2.13
Median	9.71	14.50	13.50	7.73	2.05
Minimum	10.96	15.47	24.70	11.48	3.20
Maximum	8.29	12.33	11.20	4.7	1.00
Std. Deviation	0.91	1.11	5.19	1.7	0.67

JarqueBera	1.63	1.97	3.01	0.44	1.26
Probability	0.44	0.37	0.22	0.80	0.53
Skewness	-0.009	-0.48	0.67	0.13	-0.01
Kurtosis	1.61	1.79	1.65	2.32	1.77
Observation	20	20	20	20	20

Source: Author's Computation, 2021.

Table 3 reported the descriptive statistics for variables employed in the analysis**.** As observed in the table, the output of the JarqueBera test shows that the variables are all normally distributed.

Table 4: Correlation Matrix

	LGDP	LMS	UNMPL	LPINV	CPI
LGDP	1	0.97	-0.85	0.90	-0.89
LMS	0.97	1	0.76	0.88	0.84
UNMPL	-0.85	0.76	1	0.78	0.84
LPINV	0.90	0.88	0.78	1	0.87
CPI	-0.89	0.84	0.84	0.87	1

Source: Author's Computation, 2021.

Correlation Analysis

Table 4 reveals the result of the correlation analyses among the variables. As observed in the table, money supply and private investment exert a strong positive correlation (0.97 and 0.90, respectively) on the gross domestic product in Nigeria. On the contrary, the unemployment rate and corruption perspective index both exert a strong negative correlation (-0.85 and -0.89, respectively) on the gross domestic product in Nigeria. This implies that high corruption practice is associated with a low gross domestic product in Nigeria, reflectinga negative relationship between financial crimes and development.A high financial crime in Nigeria is related to low economic growth and vice versa.

Hypothesis Testing

Three null hypotheses were postulated in this study, and this section contains the results of the regression and correlation analysis and analysis of variance used for testing them.

Testing of Hypothesis 1
H_{01}: Financial crimes have no significant effect on development in Nigeria.
H_{11}: Financial crimes have a significant effect on development in Nigeria.

Time Series Regression Model:
$LGDP = \beta_0 + \beta_1 LMS + \beta_2 UNMPL + \beta_3 LPINV + \beta_4 CPI + \mu t$
Where;
LGDP represents the logarithm of gross domestic product (a measure of economic development.)
LMS represents the logarithm of the money supply
UNMPL represents the unemployment rate
LPINV represents the logarithm of private investment
CPI represents the corruption perception index (as a measure of financial crimes.)
μ represents Error Term
t represents the time trend
Level of Significance: $\alpha = 0.05$

Empirical Estimate of the model

Table 5 shows the OLS result obtained from the empirical analysis of the corruption perspective index and its effect on Nigeria's economic development within the period under consideration. The dependent variable is the logarithm of the gross domestic product employed in this analysis to measure economic development. However, the independent variables are the logarithm of money supply(LMS), unemployment rate (UNMPL), the logarithm of private investment (LPINV) and corruption perspective index (CPI).

Table 5: OLS Result of the Multiple Linear Regression.

Variable	Coefficient	T-Statistic	P-value
Constant	0.505741	0.363554	0.7190
LMS	0.170791	0.329279	0.0445
UNMPL	-0.399312	-3.566012	0.0014
LPINV	0.004633	0.215025	0.8314

CPI	-0.151493	-1.171723	0.0396
R-Square	0.940797		
Adjusted R-Square	0.934219		
F-Statistic	143.0196		
Prob. (F-statistic)	0.000001		
Durbin Watson Stat	1.7824192		

Source: Author's Computation from Regression Result, 2021.

From the table, the regression fit is quite good ($R^2 = 0.941$ and adjusted $R^2 = 0.937$). The adjusted R-squared shows that all the independent variables in the model explain approximately 93.7% of variation in LGDP in the period under consideration (**2001 - 2020**). The F-statistic was found significant (**0.000001**), showing the test for testing the independent variables jointly. The Durbin Watson (DW) statistic (measures the presence of autocorrelation or serial correlation in the model) is **1.78**. Therefore, the model is free from autocorrelation or serial correlation as the value is approximately **2**. This means that the model is reliable in explaining the variables in the model. The implication of the above result is that: increasing the corruption perspective index by one unit will decrease the economic growth by approximately **15%.** It implies that the corruption perspective index has a statistically significant effect on the gross domestic product in Nigeria since the probability value (**0.396**) is less than **0.05** at a **5%** significance level.

Error Correction Model

An error correction model was estimated by incorporating an error-correcting mechanism in the co-integrating equation to access the short-run and long-run equilibrium dynamics. The error term was obtained using the Ordinary Least Square (OLS) method applied to the same equation. Table 6 shows that error correction variables are correctly signed and significant at a 5% significance level.

Table 6: Error Correction Estimate

Dependent Variable: LGDP

Variable	Coefficient	Standard Error	T-Statistic	P-Value
D(ECM (-1))	-0.016319	0.017295	-0.943599	0.0021
D(LMS(-1))	0.122413	0.223724	0.547163	0.0838
D(UNMPL(-1))	-1.32284	0.203112	-0.651289	0.5210
D(LPINV(-1))	0.160588	0.356012	-0.755296	0.4574
D(CPI (-1))	-0.144526	0.083176	-1.737597	0.0477
R- Square	0.537831			
Adjusted R-Square	0.460803			
Durbin-Watson Stat.	1.965367			
Prob (F-statistic)	0.00708			

Source: Author's Estimation from Eviews 9, 2021.

The result confirms that gross domestic product has an automatic adjustment mechanism and responds to deviations from equilibrium in a balancing manner. The short-run coefficients are less than the long-run ones. The Error Correction Model (ECM) represents the speed of adjustment to restore equilibrium in a dynamic model following a disturbance. The coefficient of the ECM is around -0.016319, implying that a deviation from long-run equilibrium is approximately 1.6% after each year. Since the coefficient of the ECM is negative in sign and statistically significant, there is long-run causality from the corruption perspective index and other independent variables in the model to the gross domestic product. Thus far, the estimated results show that gross domestic product has a long-run relationship with the corruption perspective index in Nigeria.

Testing Hypothesis 2
H_{02}: Forensic accounting has no significant relationship with financial crimes.
H_{12}: Forensic accounting has a significant relationship with financial crimes.
Test Statistic:

$$\rho = 1 - \frac{6 \sum d_i^2}{n(n^2 - 1)}$$

Where: d_i = difference in paired ranks
n = number of cases.

Level of Significance: α = 0.05

Table 7: Spearman's Rank Correlation Table

		Forensic Accounting	Financial Crimes
Forensic Accounting	Correlation Coefficient	1	-0.837
	Sig. (2-tailed)		0.021
	Number of observation	124	124
Financial Crimes	Correlation Coefficient	-0.837	1
	Sig. (2-tailed)	0.021	
	Number of Observation	124	124

Author's Computation, 2021.

Interpretation: Spearman's rank correlation table shows a strong negative correlation coefficientvalue of **0.837** between forensic accounting and financial crimes. H**igh** forensic accounting practice is associated with **low** financial crime and vice versa. **Decision rule:** Reject H_{02} if the p-value is less than **0.05** and accept if otherwise.
Decision: Since the p-value (**0.021**)ofSpearman's rank correlation is less than **0.05**, we reject H_{02}.
Conclusion: Forensic accounting and financial crimes have a statistically significant relationship.

Testing Hypothesis 3
H_{03}: Forensic accounting has no significant effect on the punishment of fraudsters.
H_{13}: Forensic accounting has a significant effect on the punishment of fraudsters.
$Y = α_0 + α_1X_1 + E$
Where;
Y represents punishment of fraudsters.
X_1represents forensic accounting.
$α_0$ represents the intercept.
$α_1$represents the slope of forensic accounting.
E represents the error term.
Level of Significance: α = 0.05

Table 8: Analysis of Variance Table

Model	Sum of Squares	Degree of Freedom	Mean Square	F	Sig.
Regression	105.807	1	105.807	486.390	0.016
Residual	26.539	122	0.218		
Total	132.347	123			

Source: Authors' Computation, 2021.

Decision rule: Reject H_{03} if the p-value in the analysis of the variance table is less than **0.05** and accept if otherwise.
Decision: Since the p-value in the ANOVA Table (**0.016**) is less than **0.05**, we reject H_{03}.

Conclusion: One concludes that forensic accounting significantly affects the punishment of fraudsters.

Table 9: Model Summary

R	R Square	Adjusted R Square	Std. Error of the Estimate
0.894	0.799	0.798	0.46641

Author's Computation, 2021.

The R column in the model summary table represents the correlation coefficient. R can be considered to be one measure of the quality of the prediction of punishment of fraudsters. The value of **0.894** of the correlation coefficient indicates a good level of prediction. The R square column represents the R square value. It is also called the coefficient of determination which is the proportion of variance in punishment of fraudsters that is being explained by forensic accounting. Forensic accounting accounts for only **79.9%** of the punishment of fraudsters, while a **20.1%** variation in the punishment of fraudsters is explained by other factors outside the model.

V.   CONCLUSION

Summary of Findings

Financial crimes have a significant effect on development in Nigeria. Money supply and private investment exert a strong positive relationship (0.97 and 0.9. respectively) on Gross Domestic Product (GDP). Therefore, GDP is directly related to the development of a nation.

The unemployment and corruption perspective index (CPI) adversely affected the Gross Domestic Product (GDP) in Nigeria during the years under study (2001-2020), having recorded a strong negative correlation of -0.85 and -0.89, respectively. In addition, poor private investment will affect employment, negatively affecting productivity and economic growth.

Spearman's rank correlation computation showed a significant negative correlation coefficient of 0.83 to confirm that high adoption of forensic accounting practice will result in a fast reduction of financial crimes and vice versa.

Conclusion

From the above findings, it can be concluded that financial crimes negatively impact national development. However, forensic accounting in investigating those crimes positively relatesto their prevention and detection.

Forensic accounting is a viable tool to minimise financial crimes in Nigeria. The services of forensic accountants are required now more than ever before to assist in the fight against financial crimes and ensure a better ranking for Nigeria by Transparency International.

Recommendations

Based on the results of this study, it is recommended that:

(1) Government and Professionals should do an aggressive awareness campaign on financial crimes and their consequences on the economy and development of the country.

(2) Internal audit functions should be strengthened in both private and public sectors with the use of forensic accounting.

(3) The Federal Government of Nigeria should officially adopt forensic accounting in Nigeria and enforce it in private and public sectors.

Forensic accounting should be offered at Universities as a course of study. In addition, Professional Bodies should review the code of conduct for their members to fight corruption in their practices.

(4) A whistleblowing mechanism should be instituted by all levels of government, firms and organisations across the country. Special courts should also be established to ensure quick dispensation of justice.

(5) Other nations should cooperate with Nigeria by returning looted funds and assets to her and making their countries unavailable as safe havens for keeping or investing stolen funds.

(6) Nigerians should show more interest in fighting corruption and stop celebrating looters.

(7) Recovered loots should be invested in physical assets that can be seen and marked for future generations.

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