

## Crime and Rehabilitation in Nigeria - The Economic Implications

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### ABSTRACT

The study examined crime and rehabilitation in Nigeria - the economic implications using secondary data from NBS from 2013 to 2016. Exploratory approach was adopted to estimate the economic cost of crime to the economy. To establish the economic cost of crime and its opportunity cost, the potential income of convicts were calculated based on certain underlying assumptions and it was found that from 2013 to 2016, the Nigerian economy potentially lost about N113,695,656,480.00 from the gross domestic product plus the un-estimated costs of prosecution and rehabilitation. From the findings above it is clear that crime have negative economic cost on the economy and the goal of rehabilitation should be to reduce the problem of crime in the society. Based on the findings, the study recommended that serious effort be put in place by the National Bureau of Statistics to provide relevant data that will aid researchers to effectively measure the overall cost of crime to the economy. Also, rehabilitations programs should be well tailored so that convicts can be reintegrated into the society and engage meaningfully in lawful economic activities that will enhance the development of the economy.

**Keywords:** Crime, Rehabilitation and Economic Cost.

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### 1.1 INTRODUCTION

In ordinary language, a crime is an unlawful act punishable by a state or other authority. The term "crime" does not, in modern criminal law, have any simple and universally accepted definition, though statutory definitions have been provided for certain purposes. The most popular view is that crime is a category created by law; in other words, something is a crime if declared as such by the relevant and applicable law. One proposed definition is that a crime or offence (or criminal offence) is an act harmful not only to some individual but also to a community, society or the state ("a public wrong"). Such acts are forbidden and punishable by law. (Wikipedia, 2013). Crime can also be viewed as intentional act or omission in violation of criminal law committed without defense or justification, and sanctioned by the state as a felony or misdemeanor. (Paul, 2017). In order to maintain the peace and well-being of the society the government has to set effective systems to handle the problem of crime in the society. Therefore prisons are used to confine criminals or people convicted or awaiting trials in order to insulate the society from further risk posed by criminals or offenders. While confinement is made to detach the prisoner from his previous infectious groups, this new environment is expected to provide the prisoner the opportunities of rethinking, stocktaking, and repentance from his old ways.

However, in Nigeria, there has been series of publications on prison administration and rehabilitation of

prisoners in the academic literature with most of them focusing on the problems of administration. Ugwoke (1993) in his study of recidivism in Nigerian prison with a case study of Enugu prison observed that the government, the public and the socio backgrounds of convicts are responsible for recidivism. Mark and Emeke (2007), in their study of prison as an instrument for socio reformation and rehabilitation with case study of Kiri - Kiri prison Lagos found that prisoners conditions were terribly bad with poor facilities. Also, Awopetu Grace (2014) in an assessment of prison overcrowding in Nigeria: implications for rehabilitations, reformation and re-integration of inmates found that overcrowding arouses prison violence and reduce the psychological well-being of the prisoners. Ugwuoke et al (2015) carried an assessing offender's rehabilitation in Nigerian prisons discovered that poor funding, misplacement of priority, lack of training of prison officials, obsolete facilities, and shortage of training professionals pose a problem to rehabilitation. In another study, Jombo Onyekachi (2016) in his study of the problems and prospects of Nigerian prison observed that inadequate funding, lack of correctional facilities for rehabilitations, extant laws on prisons have negatively affected effective prison administration.

No study in recent times have made effort to quantify and explain the economic cost of crime in form of its cost implication on individuals and the economy at large. There is no comprehensive research documenting the economic cost of crime in Nigeria. This is the gap that this study intend to fill.

### **1.2 Research Objectives.**

In assessing crime and rehabilitation in Nigeria with its economic implication the following research objectives will be considered:

- To examine the economic cost of crime to the economy
- To determine the opportunity cost of crime to the convicts and the economy
- To review the impact of rehabilitation on convicts.

### **1.3 Significance of the Study**

This study is significant because its findings will inform the government and other stakeholders in the following ways:

- a. Reveal the economic cost of crime to individuals and the economy at large.
- b. It will reveal the opportunity cost of crime to individuals and the economy at large.
- c. It will aid government and policy makers to formulate effective reduction policies.
- d. It will contribute to the existing literature on crime and rehabilitation in Nigeria.

## **2. LITERATURE REVIEW**

The concept of crime and rehabilitation has attracted the interest of scholars in the academic literature, yet there is no consensus on the appropriate approaches to rehabilitation of offenders although there is a common agreement between the divergent views and perceptions.

### **2.2 Rehabilitation in Nigeria**

Uche Ijeoma et al (2015) examined the effectiveness of rehabilitation programmes in the Nigerian prisons: a study of perception of inmates in Enugu prison observed that rehabilitation programmes in the prisons have not achieved much. They identified the duration of service for inmate's participation in rehabilitation programmes and poor funding as the major hindrance to the success of rehabilitation programmes.

This makes the assertion of (Igbo, 2007) very relevant who opined that rehabilitation of inmates should

commence immediate they are admitted in to prisons. In another study of prisons rehabilitation programmes in Nigeria: A study of inmate's perception in Okaka Prison, Bayelsa State by Ekpenyong Nkereuwem S. and Undutimi Johnny D. (2016) discovered that some form of crime even go on in the prison pointing out that there no difference between rehabilitation and incarceration in Nigeria prisons due to the nature of the correctional environment. The crucial point is that the environment and condition of the prison must be conducive if rehabilitation will be effective.

In another study Ugwoke and Ameh (2014) in a study of rehabilitation of convicts in Nigerian prisons: A study of federal prisons in Kogi State discovered that despite the official claims that these prisons are operating on the principles of rehabilitation and reformation, abundant evidence indicate that these institutions are still largely retributive in nature. Also, Awopetu Grace (2014) in an assessment of prison overcrowding in Nigeria: implications for rehabilitation, reformation and reintegration of inmates discovered that the overcrowding of inmates is hindering the goals of reformations, rehabilitation and reintegration of inmates.

### **2.3 Crime in Nigeria**

The National Bureau of Statistic (NBS) (2016) classified crime into four categories - offense against persons, offense against property, offense against lawful authority and offense against local acts.

- a. The offense against persons include are those offences against human beings - e.g. murder, manslaughter, infanticide, concealment of birth, rape and other physical abuse, etc.
- b. Offence against properties are those offences against human belonging... Properties of any kind - e.g. stealing, receiving stolen properties, obtaining property by false pretense, robbery, burglary and house breaking.
- c. Offences against lawful authority, this is any offence commitment against any establishment of the law. E.g. the law says pay your tax (FIRS), failure to do this amounts to an offence against lawful authority.
- d. Local Acts, these are those laws that we cannot enforce outside Nigeria - e.g. Liquor Act or Firearms Act. Here in Nigeria, individuals cannot possess or sell arms/ammunitions without a license.

**Table 1: Crime Statistics: Reported Offenses by Types and State in 2016.**

State	Offense against persons	Offense against property	Offense against lawful authority	Offense against local acts	Total no of cases	% share of total cases
FCT			843	4		10.47
	2,984	9,350			13,181	
Abia	230	113	21	0	364	0.29
Adamawa	779	1,417	56	7	2,259	1.79
Akwa - Ibom	840	333	323	6	1,502	1.19
Anambra	898	1,413	142	81	2,534	2.01
Bauchi	812	1,713	118	14	2,657	2.11
Bayelsa	612	837	91	1	1,541	1.22
Benue	463	497	0	129	1,089	0.87
Borno	423	479	3	269	1,174	0.93
Cross River	1,134	1,154	100	35	2,423	1.92
Delta	3,911	2,502	1202	252	7,867	6.25
Ebonyi	572	595	44	0	1,211	0.96
Edo	697	307	0	0	1,004	0.80
Ekiti	718	1,008	103	0	1,829	1.45
Enugu	886	1,094	124	0	2,104	1.67
Gombe	513	1,350	19	356	2,238	1.78
Imo	954	873	103	0	1,930	1.53
Jigawa	321	214	37	74	646	0.51
Kaduna	338	502	129	37	1,006	0.80
Kano	1,981	2,375	318	243	4,917	3.91

Katstina	51	65	4	0	120	0.10
Kebbi	656	370	21	108	1,155	0.92
Kogi	294	480	17	7	798	0.63
Kwara	327	614	21	22	984	0.78
Lagos	15,426	22,885	6768	306	45,385	36.05
Nasarawa	489	725	14	92	1,320	1.05
Niger	528	1,083	53	105	1,769	1.41
Ogun			145	0		1.89
	1,122	1,112			2,379	
Ondo	1,037	1,934	521	1	3,493	2.77
Osun	258	540	57	333	1,188	0.94
Oyo	1,377	1,752	314	0	3,443	2.74
Plateau	470	1,938	145	0	2,553	2.03
Rivers	1,683	897	271	143	2,994	2.38
Sokoto	496	1,055	29	0	1,580	1.26
Taraba	719	998	55	45	1,817	1.44
Yobe	398	520	18	8	944	0.75
Zamfara	157	303	6	17	483	0.38
<b>National</b>	<b>45,554</b>	<b>65,397</b>	<b>12,235</b>	<b>2,695</b>	<b>125,881</b>	<b>100</b>

Data is provided by the Nigeria Police Force (NPF) and verified and validated by the National Bureau of Statistics (NBS).

## 2.4 Factors influencing Crime Rate in Nigeria.

Criminal behaviour cannot be explained by a single factor, because human behaviour is a complex interaction between genetic, environmental, social psychological and cultural factor. Different types of crimes are committed by different types of people, at different times, in different places, and under different circumstances (Danbazau, 2007). Researchers have segmented the remote causes of crime into psychological and socio - economic factors. Nine key factors were identified to influence criminal activity (see Table 2) (Social Exclusion Unit, 2002).

**Table 2.: Causes of Crime**

Psychological Factors	Socio - economic Factors
a. Drug and alcohol abuse	e. Education
b. Mental and physical health	f. Employment
c. Attitudes and self-control	g. Housing
d. Institutionalization and life skills	h. Financial support and debt
	i. Family relationships

Source: Social Exclusion Unit, (2002).

Research has indicated that these factors can have a huge impact on the likelihood of an offender reoffending. For example, being in employment reduces the risk of offending by between 25% and 50%, whilst having stable accommodation reduces the risk by 20% (Social Exclusion Unit, 2002). The challenge of turning a convicted offender away from crime is often considerable. Many inmates have poor skills and little experience of employment, few positive networks and severe housing problems, and all of this is often severely complicated by drug, alcohol and mental health problems (Ekpenyong Stephen and Undutimi Dudafa, 2016).

Nelson, Deess and Allen (1999, in Seiter & Kadela, 2003, p.366) report that issues such as finding housing, creating ties with family and friends, finding a job, alcohol and drug abuse, continued involvement in crime and the effect of parole supervision are all factors contributing to success or failure in the transition from prison to the community. However, apart from the already identified factors, cultural prejudices, religious intolerance, corruption and a dysfunctional legal framework for prosecution are among the factors influencing crime rate in Nigeria.

### Cultural prejudices

The Nigerian federation is a multi - cultural state with over 250 different ethnic groups. This prejudices is one of the forces fueling the present communal clashes in Benue and Taraba state. People are prone to carry out nefarious criminal activities against people from other cultural backgrounds which ordinarily they would not commit against people from their own cultures.

### **Religious intolerance**

In northern Nigeria, a lot of criminal activities and crimes are perpetuated against people from different religious affiliations. People with criminalistic tendencies under the guise of religious crises carry out crimes against people from other religious views.

### **Dysfunctional legal framework**

A dysfunctional legal regime that allows crime to go unpunished has encouraged both farmers and pastoralists to take matters into their own hands and commit crime with impunity against each other. (ICG Report, 2017).

### **2.5 Impact of crime on the economy**

Crime by nature is injurious to individuals and the national economy. The literature on crime and violence covers a wide ground, and there are multiple typologies for the possible sorts of costs that could be contemplated. The World Health Organization (2004) draws a distinction between direct costs (medical, legal, policing, prisons, foster care and private security) and indirect costs (lost earnings and time, lower human capital, lower productivity, lower investment, psychological costs and other non-monetary costs). Buvinic and Morrison (1999) use a more complex typology and distinguish between the direct costs: the value of all goods and services used to prevent violence or offer treatment to its victims or perpetrators. This has been the most commonly estimated category of costs and includes health costs, police, justice and prison costs, Non-monetary costs: higher mortality and morbidity rates that result in pain, suffering and death, but not necessarily result in either expenditures on health care or in easily quantifiable economic losses, Economic multiplier effects: impacts on human capital, labor force participation, lower wages and incomes, savings and macroeconomic growth and social multiplier effects: erosion of social capital, inter-generational transmission of violence and lower quality of life.

One also might distinguish between short-run costs of all sorts and the long-run effects on growth. An earlier report on youth in the Caribbean by the World Bank (2003a) lists the following costs: 1) arrest, prosecution, and detention of criminals; 2) property loss and damage; 3) medical costs, public programs for victims, and lost income of the victim; 4) intangible costs (pain, suffering, and quality of life); 5) security costs; 6) lower tourist receipts; 7) lost income due to incarceration; and 8) lost social capital.

Cohen (2000) distinguished between “social costs and “external costs.” He classified external costs are those costs that have been involuntarily imposed on one individual (in this case, a crime victim) by another (an offender). For example, the external costs of a robbery might include the value of the goods stolen, lost productivity, injuries, psychic harms sustained by the victim and the value of time spent dealing with the aftermath of the robbery (cancelling credit cards, obtaining a new driver’s license, retrieving of telephone numbers, etc.). Likewise, the external costs of a motor vehicle theft might include the book value of the vehicle, the value of personal items in the vehicle at the time of theft and the time value needed to deal with the aftermath of the crime. In the language of microeconomics, the external cost is the amount of money needed to make the individual indifferent between having been victimized and having not been victimized. In the language of civil law, this is the payment that is required to “make the individual whole.” (Aaron, 2013). Brand, S. and R. Price (2000), also segregated the economic cost of crime into primary and secondary impacts. They relate the primary cost of crime in two ways, that is, from the point of view of who bears the effects (victims, potential victims, for example, individuals/households, the commercial sector/companies and the public sector/society and by breaking down the costs in relation to individual incidents for example.



This way, the costs of crime are categorized as:

1. In **anticipation of crime**: mainly costs of precaution measures to avoid crime such as locks, alarm prevention programs and surveillance.
2. As a **consequence of crime**: for instance, loss of property, medical and health care costs, victim support etc.
3. In **response to crime**: costs considering police, prosecution, court proceedings, sanctions etc.

They defined the secondary economic impact of crime as the indirect impacts of crime on the national economy. According to Detotto and Otranto (2010) “crime acts like a tax on the entire economy: it discourages domestic and foreign direct investments. On a macro-economic level crime influences economic growth; income; labour force participation; income spent on security measures; and reallocation of resources creating uncertainty and inefficiency. Synopsis of the above, it is clear that the socio - economic cost of crime on the economy is not exhaustive and its categorization (whether direct or indirect cost, socio or external, primary or secondary, short run or long run), only point us to one end that “crime has definite cost” . Thus, in our case, the economic impacts of crime on the Nigerian economy are briefly discussed below.

#### **Business Impact**

Crime reduces competitiveness of companies and investments because of the unconducive atmosphere it creates. Economic activities are obstructed in the face of crime. For example the economy of Aba in Abia state was grounded during the period when kidnapping in that town was at its peak.

#### **Tourism impact**

In any environment where crime and criminal activities are at a high rate tourism activities will be very low in those environs because of security risk. The hospitality industries will be grossly affected with its multiplier effects on other commercial sectors.

#### **Impact on property value**

According to Tita, Petras and Greenbaum (2006) “crime serves as an important catalyst for change in the socio-economic composition of communities. The effect crime has on the local property value is one of those catalyst effects”. There are several location in many of our communities that people have abandoned that building and relocated safer areas on rent because of incessant criminal attacks. Accordingly, the value of landed property falls in those areas leading to losses for investors.

#### **Reallocation of resources creating uncertainty and inefficiency**

In the face of high security risk companies and individuals are forced to reallocate their resources without carrying out feasibility studies leading to uncertainty and inefficiency. For example, during the Warri crises in Delta State, Nigeria most multi - national companies operating relocated their operational base to Lagos and Porthacourt.



### **Impact on quality of life/social capital**

Another effect of crime is that residents become less committed to their communities, causing the ‘social fibre’ of the community to be weakened. An example of the loss of social capital is that residents of neighborhoods’ with a criminal reputation are judged to be associated with criminal activities, leading (amongst others) to stigmas that, for example, prevent those people from finding jobs (UNODC and World Bank (2007). For instance, in 2006/2007, indigenes of Delta State who were given admission in Nnamdi Azikiwe University Awka have their admission revoked because the school authorities believed Delta students were behind the reign of cultism and killings prevailing at that time.

### **Loss of Government Revenue**

The Nigerian government have lost trillions of dollars to militancy, insurgency and money laundry by corrupt political office holders. We discussed these channels of loss of government revenue briefly below. According to daily trust publication of August 19<sup>th</sup> 2016, Nigeria lost over N1.1 trillion in oil revenue in the last five months due to attacks from militants on oil installations. According to the report those figures does not include losses in gas revenue due to disruptions in gas supplies to domestic power and industrial plants and as well as export markets. These losses exact a huge cost on the economy as those lost revenues would have been channeled to development purposes.

On the other hand, the Nigerian government (North East) have lost \$9 billion to insurgency. According the Vanguard newspaper publication of April 1<sup>st</sup> 2016 The North East Nigeria Recovery and Peace Building Assessment (RPBA) team revealed that the impact of the conflict in the region cost \$9 billion. The team also said it would need \$6 billion to perform recovery efforts in the crises torn areas. In the first place, the problem of Boko Haram would not have resulted if not for the selfish interest of some political criminals who created the “monster”.

Since its inception in 2002, the EFCC has arraigned 30 nationally prominent political figures on corruption charges and has recovered, according to the EFCC, some US\$11 billion through its efforts (Human Right Watch, 2011). Also in the Daily Post publication of October 13<sup>th</sup> 2017, the acting chairman of EFCC Ibrahim Magu disclosed that the commission has recovered more than N30 billion looted funds since the commencement of the whistle blowing policy. The cost of financial crime that have been perpetuated by political office holders in Nigeria since the attainment of political independence is excessively huge that is what give rise to the Nigerian Irony “A rich poor country”. Richly endowed in mineral resources but poor. The World Bank released some time ago the list of looters and money deposited in London, USA and Germany. Today those looters are walking free and celebrated as national heroes.

### **Loss to individuals**

Crime impact cost on individuals in different forms. It could be in the cost crime prevention such as building higher fence, fixing burglary proofs, etc or the cost seeking redress as a victim of crime or the cost of lost property as a victim or loss of life in fatal cases. Many Nigerians have lost their lives in recent times to criminal activities of Fulani herdsmen. These loss of lives represent huge economic cost on the nation.

## **2.6 Measuring the Economic Cost of Crime in Nigeria.**

Estimates of the social and economic costs of crime have an important role to the government. They can increase the awareness of both policy-makers and the public in general of the full impact of crime on society and the potential gains that could result from reductions in crime. Estimates of the costs of individual crimes enable us to make better-informed decisions about which policy measures are the most effective, by allowing meaningful comparisons to be made of the costs and benefits offered by alternative crime reduction measures. They can also help us to prioritize, focusing scarce resources on policies that have the biggest impact on harm caused by crime, in addition to the number of crimes (Sam, Brand and Richard, Price, 2000).

In Nigeria, there is no comprehensive research work documenting any empirical estimation of the socio and economic cost of crime to the economy. Although there are considerable difficulties in the measurement of the economic cost of crime to the economy especially in a developing economy where comprehensive data that may capture the different dimensions of crime not be readily available. Some of such difficulties arises from statistics problem since not all crimes are recorded. In addition, some researchers argue that not only actual crime, but also the fear of crime (the perceived risk of crime) should be included in analysis of the cost of crime. Another difficulty encountered in measuring the economic cost of crime is that there is no standard jury award indices to various crime offences.

However, because of the unavailability of quantitative data that covers the economic cost of losses/damages to victims (that is, individuals, offence against property, offence against lawful authority and lawful acts), lack of qualitative data to measure the economic cost of pains, traumas suffered by victims of crime in Nigeria. For instance, in 2016, a total number of 125,790 cases were reported at of which crime against persons are 45,554, crime against property is 65,397, crime against lawful authority is 12,144 and crime against local acts is 2,695. The report only pointed out the number of cases reported but could not quantify the economic cost of those reported crimes. Therefore, this paper therefore limits itself to the analysis of the cost of labour loss to crime convicts and the consequent opportunity cost of crime to the convicts and the economy if the convicts have engaged in lawful economic ventures.

**Table 3: Prison Admission by Types of Offence Allegedly Committed from 2013 - 2016**

<b>OFFENCES</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
Debt	646	934	655	751
Arson	699	808	770	659
Affray	1012	864	1558	1037
Murder	8982	7657	8780	9754
Assault	7172	8560	8823	8502
Treason	431	358	236	293
Sedition	188	170	36	90
Abduction	1689	1349	1195	1456
Smuggling	636	540	424	683
Immigration	638	544	265	311
Stealing	50436	46876	38300	47702
Robbery	13216	8505	9459	11258
Armed Robbery	11858	10249	9713	6193
Sex Offences	5797	4436	3786	4148
Traffic Offences	3088	1806	1086	1099
Currency Offences	2762	783	682	446
Indian Hemp Offences	4353	7060	4402	7416
Contempt of Court Offences	3911	3692	3435	4368
Unlawful Possession of Arms	2716	2613	2938	3736
Forgery and Altering	1606	997	962	1685
Escaping from Lawful Custody	508	456	182	204

Offences against Native law and custom	536	610	149	236
Unlawful possession of Property	1508	1909	1559	1680
Economic Sabotage	692	91	132	191
Human Trafficking	222	315	48	83
Criminal Lunatic	31	61	83	115
Cultism/Ritual	255	179	243	403
Breach of Peace	234	695	531	974
Other Offences	33074	25725	24353	27384
<b>TOTAL</b>	<b>158896</b>	<b>138842</b>	<b>124785</b>	<b>142857</b>

Source: National Bureau of Statistics 2017.

### **2.7The Importance of Effective Rehabilitation.**

Although it is impossible to achieve zero percent crime level in a any society, yet reduction in the crime level can be achieved if the goal of the prison are effectively pursued and realized. According to awake (2001), there are four basic reasons why lawbreakers are put in prison: to punish the offender, to rehabilitate the criminal teaching him or her to be law - abiding and productive after release; to protect the society and prevent future crimes. It is obvious therefore that rehabilitation is one of the most effective strategic tools for addressing the problems of crimes.

Rehabilitation in the prison context means equipping prisoners to rejoin society after serving their jail terms, as useful, productive and law-abiding members of the wider community. Rehabilitation is of the assumption that crime is a behavior which is causal. This means that crime is not as a result of the person's freewill, but some factors which are as a result of nurtured. The decision to commit a crime is determined, or at least heavily influenced, by the environment, psychological development, or biological makeup. People are not all the same—and thus free to express their will in different ways. These individual differences shape how people behave, including whether they are likely or not to commit crime. When people are characterized by various criminogenic risk factors— such as a lack of parental love and supervision, exposure to delinquent peers, the internalization of antisocial values, or an impulsive temperament—they are more likely to become involved in crime than people not having these experiences and traits (Wikipedia, 2015).

Rehabilitation is important on the assumption that criminal behavior is caused and not merely a freely willed, rational choice. If crime were a matter of free choices, then there would be nothing within particular individuals to be fixed or changed. But if involvement in crime is caused by various factors, then logically re-offending can be reduced if correctional interventions are able to alter these factors and how they have influenced offenders. For example, if associations with delinquent peers cause youths to internalize crime-causing beliefs, then diverting youths to other peer groups and changing these beliefs can inhibit their return to criminal behavior.

Rehabilitation in prison shares the same logic: Causes are to be uncovered and treatments are to be individualized. This is why rehabilitation is also referred to as treatment (Crewe, Liebling and Hulley, 2011). Prison rehabilitation and medical treatment are alike in one or other way: they assume that experts, scientifically trained in the relevant knowledge on how to treat their "clients," will guide the individualized treatment that would take place. In medicine, this commitment to training physicians in scientific expertise has been institutionalized, with doctors required to attend medical school. In prison rehabilitation, especially in Nigeria, however, such professionalization generally is absent or only partially accomplished (Ugwuoke, 2013).

### **3.1 Research Method**

The study employed descriptive research design using secondary data from the National Bureau of Statistics (NBS).

### **3.2 Method of Data Collection**

The data for this study was obtained from secondary sources only, specifically from the National Bureau of Statistics (NBS).

### **3.3 Data Analysis**

In carrying out the analysis of the economic cost of crime (labour loss) to crime convicts, certain assumptions were made in respect to the convicts who were under prison custody using total prison statistics of inmates from 2013 to 2016.

#### **Underlying assumptions**

- a. That the average prisoner is entitled to a minimum wage rate of 18,000 which is the monthly salary of a primary school living certificate holder if he/she is lawfully engaged.
- b. That each convict is imprisoned for at least two years
- c. That there is 23 working days per month

#### **Derivation of the daily wage rate**

Daily Wage Rate (DWR) = Minimum Wage/Number of working days

$$\text{DWR} = 18,000/23$$

$$\text{DWR} = 728.6087$$

$$\text{DWR} = 729 \text{ approximately.}$$

Hence, for two years imprisonment that is 730 days counted day and night i.e. divided by 2 equals 365 days. For the two years term that is 12 months times 23 working days times the daily wage rate

$$= 12 \times 23 = 276 \text{ days} \times 728.6087$$

$$= \mathbf{201,096}$$

The above amount N201, 096 represents the labour lost by a prisoner imprisoned for a two – year’s sentence if he/she has engaged meaningfully in a lawful economic activity.

#### 4.1 Analysis and Findings

**Table 4: Showing Estimated labour loss of prison inmates in Nigeria from 2013 to 2016**

year	2013	2014	2015	2016
2 yr. imprisonment accumulated wage rate	201,096.00	201,096.00	201,096.00	201,096.00
No of yearly prisoners	158,896	138,842	124,785	142,857

Total Labour lost per year      **31,953,350,016.00**      **27,920,570,832.00**      **25,093,764,360.00**      **28,727,971,272.00**

Source: Computed by author.

From table 4 above, in the year 2013 a total number of 158,896 persons were imprisoned for various offences and the corresponding estimated labour loss for the prisoners is 31, 953,350.00. In the year 2014, a total number of 138,842 persons were imprisoned for various offences and the corresponding estimated labour loss for the prisoners is 27,920,570, 832.00. For the year 2015, a total number of 124,785 persons were imprisoned for various offences and the corresponding estimated labour loss for the prisoners is 25,093,764,360.00. Finally, in the year 2016, a total number of 142,857 persons were imprisoned for various offences and the corresponding estimated labour loss for the prisoners amounted to 28,727,971,272.00. While those amounts represent the opportunity cost of crimes to the convicts for the respective years 2013 to 2016, it also represents a potential loss of income in gross national product estimation.

Thus, from 2013 to 2016, the national economy potentially lost about 113,695,656,480.00 from the gross domestic product plus the un-estimated costs of prosecution and rehabilitation.

#### 4. CONCLUSION

This paper examined crime and rehabilitation in Nigeria – Economic Implications. So far, the findings reveals that crime have negative economic cost on the economy. Although, there are considerable difficulties in measuring the overall economic cost of crime in Nigeria arising from the non – availability of empirical data that covers the various costs associated with crime prevention, fighting crime and incidental cost of different magnitudes of crimes. For example, there is no quantitative/qualitative data to measure crime prevention costs to individuals and government, litigation costs to victims of crime seeking redress, human life value cost of victims of fatal crimes, policing cost, and rehabilitation costs coupled with the lack of standard scales costs for various offences. However, effort was made to estimate the economic cost of crime to prisoners in terms of labour loss to convicts and the economy which is the opportunity cost of crime to the convicts and the national economy while theoretical explanations were given on the general economic implications of crime in general terms on the economy. By and large, the findings shows that crimes have serious negative economic consequences on the Nigerian economy.

Therefore if the negative economic costs of crime on the Nigerian economy must reduce, the goals of the

prison must be vigorously pursued by administering effective rehabilitation which will reduce recidivism and the crime rate in general. If the goals of rehabilitation are achieved convicts orientation will be changed thereby rechanneling their attention to lawful productive economic activities that will enhance the overall development of the economy.

## **5. RECOMMENDATIONS**

Based on the findings, the paper gives the following recommendations:

- a. That serious effort be put in place by the National Bureau of Statistics to provide relevant data that will aid researchers to effectively measure the overall cost of crime to the economy.
- b. That rehabilitation programs should be well tailored so that convicts can be reintegrated into the society and engage meaningfully and
- c. That prison conditions should be improved which will help the achievement of rehabilitation objectives.



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