THE ROLE OF SEC IN THE ECONOMIC DEVELOPMENT OF NIGERIA

A major engine of economic growth and development of any nation is its capital market. It impacts positively on the economy by providing financial resources through its intermediation process for the financing of long term projects. It is generally believed that inadequate or absence of regulations is detrimental to the capital market as it encourages sharp practices by participants. Regulatory agencies are therefore necessary to police or monitor activities in the market, with the ultimate aim of preventing or minimising abuses which might mar market integrity, erode investorsâ€™ confidence, thereby thwarting development in the capital market and the general economy. This paper reviews the effectiveness of the regulatory role of the Nigerian Security and Exchange Commission (SEC) in view of the recent APâ€™s share price manipulation saga. The paper recommends among other things that those involved in the APâ€™s share manipulation saga should be arraigned before the Investment and Securities Tribunal and concludes that, if SEC is to achieve its mission of protecting investors, maintaining fair, orderly and efficient markets, and facilitate capital information, it must live to its expected role and be proactive in its activities.