Nigeria: Is the end of Mafia politics in sight?
EGMONT PAPER 19

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IS THE END OF MAFIA POLITICS IN SIGHT?

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**Introduction**

“A poli-thug state” – Nigeria as described by Nigerian writer and Nobel Laureate Wole Soyinka

In spite of improvements to the electoral law, the last general elections in Nigeria, Africa’s demographic giant, turned out to be a masquerade even worse than those of 2003. They allowed Olegusun Obasanjo, unable himself to seek a third mandate, to retain his grip on the client-based state system indirectly, thanks to the victory of Umaru Musa Yar’Adua, a regional political leader close to the northern military aristocracy in the Presidential election, and that of the People’s Democratic Party in most of the State elections;

Confronted by the duplicity of a political class wedded to the preservation of its rents, especially from gas and oil, the vote only increased popular frustration and the desire of ordinary people to free themselves from the system which has them in its grip. It added to the already considerable list of social and ethnic problems which already afflict a country made up of regions such as the Niger Delta, the Muslim North, the Middle Belt and the Ibo region, each with its own mixture of internal and external problems.

In the longer term, there must be real doubts about Nigeria’s ability to outgrow a system of regulation by political and organised crime elites, based on earning rent from oil, and in the near future mining as well. In essence, the system is intended to prevent the consolidation of countervailing powers, yet it also restricts the freedom of action of the only social and economic forces capable of limiting the fallout from the decline of petrol production in and after 2020. Given the significance of Nigeria for the continent as a whole, this outcome is not one that Europeans can contemplate with equanimity.

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1. A Very Nigerian Election

Outside observers saw the 2007 elections as a test of how far democracy in Nigeria has come since the end of the military regime eight years ago. In practice, the vote simply highlighted the persistence of a political system which brings together, in a vicious circle, the inherent weakness of the state and the distribution of the oil receipts, fallen as though from heaven. Whatever regimes may succeed the current one, the Nigerian elites are members of client networks, and the economy remains largely dependent on the oil industry.

1.1. The Electoral Landscape

Obasanjo was elected President in 1999, after the end of the Abacha military dictatorship. He seemed then to embody the hopes for a “new start for Nigeria”, but his re-election in 2003 took place in circumstances that were already controversial. Prevented by Parliament from changing the Constitution to seek a third term, he tried to stay in power by choosing a successor who seemed malleable. This was Umaru Yar’Adua, PDP governor of Katsina state. This manoeuvre involved elbowing aside his Vice President, Atiku Abubakar, who left to form the Action Congress, with a number of PDP members. Adua faced another great rival, former General Muhammadu Buhari of the All Nigeria People’s Party, unlucky contender in 1999 and 2003.

The 2007 poll was a tragic farce, the culminating point of a flawed campaign, marked by a variety of tactics – some more illegal than others – ranging from carefully targeted anti-corruption campaigns to outright assassinations. The sizeable victory of the PDP in the Presidential Elections (Adua scored 71%) and in the elections for Governors (they won 27 out of 34) has little to do with initial voting intentions. Adua and Buhari seemed to have about 30% of the vote each at that stage. The elections themselves took place in circumstances which, according to independent observers, were wholly unsatisfactory. The EU was the principal funder of the programme to develop the capability of the Independent National Electoral Commission, and its observers were able to bring a detached attitude to the poll, since they had observed those of 1999 and 2003. Their verdict was clear: “The 2007 State and Federal elections have fallen far short of basic international and regional standards for democratic elections.”

There were many criticisms. Logistic failures, for example, “organised” by an INEC which was not so much independent as ambivalent, classically fraudulent behaviour such as ballot-box stuffing and multiple voting, and also other ways of undermining the spirit of a free election, such as a general absence of privacy, the presence of aggressive “observers”, and even overt intimidation by bands of thugs. Many acts of violence were recorded, the products both of popular frustration and partisan rivalry, including killings of policemen, fires started and so forth. A good indicator for that level of tension is the rise of the price of machete during the electoral season. The measures taken by the authorities, including the relocation of police chiefs during the first election weekend, the announcement of local INEC officials delayed until the last minute, did not really address the lack of confidence of both ordinary people and opposition parties.

The progress of the election campaign reflected the nature of Nigerian politics – dismissed locally as “godfather politics”. It was prepared long in advance, with rivals such as Abubakar being disposed of as quickly as possible. The Army was not exempt: accidents to aircraft transporting senior commanders have been seen by some commentators as a signal of intimidation by the political power. To this extent, political contests have little to do with ideas as such, but are mainly a merciless struggle over financial interests, mainly oil-related. The contending clans have a whole arsenal of weapons available, from the misuse of institutions and the purchase of community, social or economic loyalties as far as legal guerrilla warfare and even political assassination. Even primary elections obey the same logic of violence, a veritable “democracy without democrats”. Nor does the Nigerian oligarchy seem to care very much about the image it presents to the international community, here reflecting the fact that most Nigerians have little interest in the outside world. At bottom, the Nigerian elite, including all of the parties, see elections as a necessary process where competition can be controlled, surprising alliances entered into, with any means appropriate used to avoid being wiped out or marginalised oneself.

6. AFP, “après les élections, on brade les machettes”, 1 July 2007. “(…) During the electoral season the price of machetes went up (…) because it is a popular weapon for political thugs. (…) But the High Season is over, and now the price has come down again”
8. The crash at Belleview, 22 October 2005, an accident on 17 September 2006 near Obuda (Cross River State) to an aircraft transporting ten Army Generals.
10. For all their aspirations to victimhood, they have used the same methods as those of the PDP which they criticise, including intimidation and the use of bands of thugs, according to the majority of party agents interviewed by European observers.
1.2. The Origins and Nature of Mafia Politics

Nigerian politics is as it is because of the circumstances surrounding the origin of the Nigerian Federation. Even its founders were prepared to concede, at the moment of independence that “Nigeria was little more than a ‘geographical’ expression.” Informed observers – the South Africans for example – still say much the same today. In fact, the Nigerian state, congenitally weak as it is, has difficulty projecting its authority, in the face of cultural diversity (almost 250 ethnic groups) a surface area twice that of France, demographic centres of gravity pulling against each other, a weak fiscal position and elites which are very different from each other even if forced to work together. In this context, the providential revenue from oil has become the basic way of getting things done, but also the objective of the competition between political factions – something which perpetuates the vicious circle of clientelism. It is entirely characteristic of such a system that Obasanjo added the functions of Oil Minister to his Presidential duties, just as it was for Yar’Adua to look after his own family’s interests in the same sector.

Accordingly, even if there is a deep cultural gap between the Hausa Emirates and the Yoruba and Ibo communities, reflected in the unwritten rule of alternance between North and South as Head of State, this cleavage is transcended by the financial arrangements which exist at the Federal level. As well as the purely legal limitations on party organisation, and those of a symbolic nature (a North-South Presidential ticket) this federal system requires parties to have networks in all of the states if they are to have access to oil money. Control of the Presidency provides access to the oil revenues, whilst control of the States allows one to benefit from its distribution. The Governors receive a good part of the oil revenue, effectively on a personal basis, and in spite of the struggles to fix the rules for assessing fair shares both “horizontally” and “vertically”, and so the results of censuses. On the other hand, state assembly elections are less crucial;

11. According to Chief Obafemi Awolowo in 1947, one of the great Nigerian nationalists, (cited by R A Joseph, *Democracy and Prebendal Politics in Nigeria*, Cambridge University Press 1987, p. 184). The birth of the Federation resulted from the British desire to decolonise collectively what had been a collection of separate colonies (the opposite of the French practice); in spite of an effort to construct something (Nnamdi Azikwe, the first leader of the Eastern Region at independence claimed that “the North and South of Nigeria are one whether we like it or not. The forces of history have made it so”, unity was often violently challenged, as in the abortive Biafran secession which provoked a war between 1967 and 1970.


14. Nigerian election law prohibits parties based on regional or religious criteria, and demands that they be present in an acceptable proportion of the territory.

once the Governor is elected, he has a great deal of scope to “buy” a majority if necessary. So there is a symbiotic relationship between politicians at the local and nation level, including the influential traditional leaders (“leaders if scarcely traditional ones”)

16. In exchange for allegiance and electoral support, the “feudal lords” are rewarded with protection and money (In Oyo State, the strong man and “maker of governors” is Lamidi Adedibu, part of Obasanjo’s network).

17. In parallel, most national and local institutions are devoted to the furtherance of political objectives. This explains the behaviour of the Police and the INEC during the election, oscillating between ineffectiveness and partiality. In spite of its successes, the Economic and Financial Crimes Commission is no exception to this rule, reproducing the pattern of Abacha’s War Against Indiscipline and Corruption18. Only the highest levels of the justice system, in the Supreme Court, show any real political independence, as well of course as the Army, even if it is controlled by traditional political elites, such as the “Northern” Generals.

1.3. Social and Economic Paradoxes

Nigeria should be one of the richest states in Africa, yet it has one of the highest rates of poverty, and can scarcely boast a middle class. This suggests an examination of the relationship between the economic system and the political one. We must not be deceived by the consistent growth recorded between 2003 and 2006 (and not only in the oil sector) by the repayment of $35 billion of debt and increasing foreign investment, nor by the increase of GDP per capita from $450 to $800 between 2003 and 2007, according to the IMF’s World Economic Outlook.

First of all, whatever the level of satisfaction of the Bretton Woods institutions with the macro-economic results and the reforms during the second mandate of

16. Broadly speaking, the traditional elites have managed to adapt to a modern state. Making use of both formal and informal methods to strengthen their networks, they have been able to enhance their symbolic and economic capital, and insinuate themselves skilfully into business, politics and the administration. Since independence, one can see “a more fluid set of interactions between politicians, military chiefs, senior civil servants and businessmen” (cf. O. Vaughn, “Les chefs traditionnels face au pouvoir politique”, Politique africaine N°32, December 1988).


18. War Against Indiscipline and Corruption. In spite of the verbal resonance of Buhari’s policies (War Against Indiscipline – Buhari fought corruption without using the word corruption, others use the word but don’t fight corruption), they were distinguished by their partiality – Babangida’s allies were left untouched.
the departing President\textsuperscript{19}, a degree of circumspection is in order. In reality, the Nigerian elites, concerned to retain their grip on the clientist system, even whilst acceding to foreign demands, have shown how skilled they are in presenting a cleaner image, financially and legally. Thus, it is clear that Obasanjo never broke with the methods of the privatisation of state assets practised by his predecessors, Babangida and Abacha.\textsuperscript{20} For his part, Yar‘Adua has announced a restructuring of the oil infrastructure (dismantling of the nationalised NNPC in favour of five smaller organisations, with the intention of promoting competition and good management) but in practice this is likely to be just a continuation of the traditional manipulation of the industry.

Next, the departure of Michelin from the country says more about the reality there than statistics can\textsuperscript{21}. Confronted by a greedy political class which has turned corruption into a standard procedure\textsuperscript{22}, businesses – local or otherwise – endure power cuts almost on a regular basis, which affect production. In parallel, and in contrast to the CFA zone,\textsuperscript{23} the independence of the Nigerian currency means that both foreign investors and the local middle classes continually risk finding the assets they hold in Nairas becoming less valuable. The modern image of Abuja demonstrates only that a lot of petro-dollars can finance a shop window disguising the economic reality behind. (Likewise, Abidjan demonstrates how this type of Manhattan built on an economy of rent can fall apart). By an exquisite irony, Abuja suffered oil shortages in January 2007. That said, these particular weaknesses in the Nigerian economy, often exacerbated by the


\textsuperscript{20} “External pressure for freer access to global markets energizes “private” groups that are in fact part of the political establishment on which the economic crisis is blamed”. During the Babangida regime (1985-93), the deregulation introduced to satisfy the IMF coincided with an increase in bank and accountancy fraud.. In 1996, the World Bank approved the reforms of Sani Abacha, even though the latter was then in the middle of manipulating the banking sector to “discipline” his associated and strengthen his control over oil receipts. The Bank was also pleased at the balanced budget and the 7% growth in the non-oil economy, although the figures were highly doubtful, given the way that financial data was manipulated at the time. As for the privatisations, seen as a panacea by the Bretton Woods institutions: “External pressure for freer access to global markets energizes “private” groups that are in fact part of the political establishment on which the economic crisis is blamed” (Abacha’s Nigeria described by William Reno, Warlord Politics and African States, Boulder, London, 1998, pp. 6 and 183-212). In the current context, The Economist paints a similar picture: “Mr Obasanjo has made things worse by authorizing the sale of a rash of state assets: an auction of oil fields benefiting some obscure companies with political connections; the sale of Nigeria’s largest oil refinery to a consortium that includes a company he has shares in; and the award of around 1,000 licences to mine and explore minerals.” (“New government, old problems”, 26 May 2007).

\textsuperscript{21} Some argue that the bad image of “made in Nigeria” products also hinders sales in Africa.

\textsuperscript{22} Long to be found in the last position in Transparency International’s index of perceived corruption, Nigeria was placed 142\textsuperscript{nd} (out of 163) in 2006.

\textsuperscript{23} The slide in the value of the Naira has allowed Abuja to retain favourable terms of trade with its neighbours in the CFA zone.
sabotage of refineries to facilitate the import of petrochemicals from abroad, should not cause us to overlook the dynamism of the economic centres of North and South alike.

Clearly, what Nigeria needs is structural diversification of the economy. The country is under-developed: it fell from 151st in the UNDP Human Development Index in 2004 to 159th in 2006, and its population living in poverty doubled, to 70%, between 1981 and 2004. But there is little progress being made in this direction. There seems no other explanation than that the political class, rationally from its perspective, sees a diversification of the economy as too risky. Such an economy would start to produce a middle class focused around businessmen. These developments would damage the existing elites, whose power is based on tight allegiances depending on the manipulation of a flexible combination of public and private measures – laws and regulations, institutions, finance and oil companies – and developing in step with globalisation. Moreover, just as local dignitaries are the keystones of the political system the local entrepreneurs – from the margins of the Yoruba country to the Islamic capitalism of Kano – are themselves also in competition for the rent from oil.

Whilst this culture of clientism was initially a logical response to the weakness of the state, it has also produced a complex web of political networks where control of oil revenues is no longer just about one’s own survival, but also about overtly generous behaviour to others. Nigeria’s ultra-rich can show off the wealth that gives them “Big Man” status, and practice a philanthropy based on religion or ethnicity or at a national level. On the other hand, theft of crude oil from pipelines, or the recycling of residues from urban consumption provide an income for millions who would otherwise be left out. This mode of economic organisation is closer to the way quasi-mafia organisations work than to free enterprise. It certainly inhibits the state from being able to increase its room for manoeuvre, when that state is itself dependent on oil, and also faced with difficulties in revenue collection, brought about both by the size of the informal

24. See Vaughn, op. cit.
26. “At present, the predominant occupations of the people in the region (Niger Delta) are farming, fishing, hunting, weaving, mason, petty trading, bicycle transport, motor cycle transport, boat transport etc. It is a clear demonstration of the level of servitude and poverty the Niger-Deltans are subjected to. It is unimaginable in this 21st Century, that a typical local industry in the Niger-Delta is gin distillation”, S. R. Akinola in Resolving the Niger Delta Crises Through Polycentric Governance System. Lecture at Indiana University, Bloomington, USA.
economy and the predatory behaviour of the elites. This difficulty in collecting taxes is a major factor in the persistence of poverty, because it puts a brake on the introduction of social policies and reduces the macroeconomic effectiveness of budgetary tools.

But Obasanjo’s strategy has been more about building a powerful national private sector than pursuing the model of development proposed by international organisations – a model whose results in neighbouring countries have scarcely been very convincing. When the departing President was criticised for the immense wealth enjoyed by the new mega-rich like Aliko Dangote and Femi Odetola, he replied that “in South Korea, which he had visited in the 1980s, there were six families, including the Samsung and the Daewoo.” More than being democrats, the Nigerian political and business leaders are liberals in the British, economic sense of that term. Their market-based culture is scarcely influenced by the idea of an interventionist state acting as a regulator, and an investor.

27. Oil represents 65% of the federal state’s resources, 95% of external receipts and 20% of GDP. The (untaxed) informal economy accounts for nearly 75% of GDP, as compared with 16% in France). Moreover, it has been estimated that the Nigerian elites received, on their own account, nearly four times the amount of money Germany received under the Marshall Plan since independence.

2. A Political System in Deep Trouble

In spite of years of quasi-democracy under civilian or military tutelage, Nigerian society still displays a political consciousness asking for better governance and is critical of the excessive roles of community and client based systems in the country, even if, of necessity, they themselves have to participate in them. The powerful Nigerian media, with its politically liberal British influences, illustrates, by the freedom with which they comment, that civil society does have a capacity for critical thought, as well as as aspirations towards a fairer and more effective democratic system. Similarly, the massive level of abstentions in the Presidential elections surely demonstrates, not only a lack of interest in politics as such, but also a reluctance to give credibility to an election which was regarded as fixed in advance of the vote.\(^\text{29}\) However this may be, the farce of the recent elections has exacerbated once more the fault-lines in the country, whilst making extra-parliamentary action more credible. As the Nobel Laureate Wole Soyinka told the BBC at the end of May 2007, citing the need for a revolution to break the vicious circle of “incompetent and brutal governments”: “I think what a country like Nigeria needs is a genuine, authentic, but humane revolution.”

2.1. An Increasingly Fragile System

Even as the results of the election became known, it seemed unlikely that, in spite of popular anger, an ideological opposition of the “orange revolution” type seen in post-communist Europe would come into existence.\(^\text{30}\) In reality, the opposition scarcely seemed to have much credibility itself, with its leadership (like Buhari of the ANPP and Abubakar of the AC) mostly from the Northern oligarchy. This lack of credibility was only reinforced by the defection in June of elements of the ANPP, without Buhari, to Yar’Adua. The general strike of mid-June 2007 demonstrated that the only issue capable of bringing Nigerians out onto the streets together was a threat to their economic well-being. Well aware that all of the political parties have the same concept of stealing and buying power, Nigerians might well continue to put their fates rather in the hands of ethnic entrepreneurs.

\(^{29}\) On the evening of the elections, the most common judgement, on all sides was “a rigged election, a biased poll, a sham”.
\(^{30}\) *Africa Confidential* N°522, 30 April 2007: “La vie continue”.


In the North, frustration with the outcome of the election can only strengthen the Islamic reformist movements like the *Izalat*\(^{31}\); but rather less so the marginal – if much publicised – “Taliban”, whose only recent sighting has been during the April 2007 incidents in Kano. In the Southeast, it feeds the demands of the Ibo (the Movement for the Actualisation of the Sovereign State of Biafra) for increased autonomy. The Ibo capital, Onitsha, remains subject to a curfew. In the Niger Delta, it strengthens the rebel groups protesting against the system, in particular the Movement for the Emancipation of the Niger Delta, no matter how such groups have been manipulated by Abuja in the past. This development could also affect the workings of multi-ethnic commercial groups, i.e. the Nigerian mafias (in the old fashioned sense of guilds). With a presence in every urban centre and based on networks of different degrees of legality, these constitute the cement which binds together a country where unity is never easy.\(^{32}\) Already, Ibo in the northern states practising Sharia law are being stigmatised for political purposes.\(^{33}\) Some of them have already returned to their own region, where they practise the same discrimination in reverse.\(^{34}\)

Most important, the election – or its cancelation by the Supreme Court – may also revive interventionist tendencies in an Army which scarcely lacks experience in such things. If the internal situation deteriorates, it might be tempted to intervene to stop things getting worse, with much the same objectives as the Mauritanian *coup d’Etat* in August 2005: to put the country back on the rails and organise credible elections.\(^{35}\) Nonetheless, beyond the fact that a new generation of officers, more attached to legality, is not necessarily united on such issues, the Army is well aware of the negative consequences of such a move,


\(^{33}\) Koranic law – which Yar’Adua introduced into his own state – is often perceived as a sign of increasing fundamentalism. But this is an oversimplified reading. First of all, because customary law in the North is founded on the Koran, and because it was largely retained under the British. Next, because it is generally moderate in nature, and it does not apply to non-Muslims. Its introduction principally reflects the failure of classic common law type justice to maintain public security. That said, in a context of the instrumentalisation of ethnicity, it is often used for political manipulation. Ultimately, Federal law remains superior to local law, so the applicability of sharia is necessarily limited. If the penalty of stoning has been pronounced it has never been carried out, since the death penalty is illegal, not being provided for in Federal law.

\(^{34}\) This seems to be a fundamental tendency. However, Ibo remain numerous in Kano, in spite of being victims of repeated pogroms.

ranging from international ostracism to the simple impossibility of running the country effectively for any length of time. The Army also suffers from its position of influence in the country – almost all of the heads of state and many opposition candidates have come from its ranks – and has not been exempt from commercial temptations. Nonetheless, it remains the only real symbol of national unity, and can still rely on the popularity of the Buhari regime of “discipline” between 1983 and 1985, even if it cannot also help invoking the memory of the Kountché regime in neighbouring Niger some time before. Even the most impeccably democratic of observers cannot avoid letting slip a disguised yearning for the military.

This “evocation of the worst” bears thinking about. The failure of the democratic process, as evidenced by the charade of an election, has provoked some self-criticism by the new President. The system has demonstrated its capacity for self-regulation. In effect, the credibility of countervailing powers in civil society helps to make up for problems with the electoral system. “In general terms, Nigerians always find salvation in their professional associations when the management of their country goes badly wrong.”36 In addition, the violence of the political competition should not disguise the fact that Obasanjo’s record in internal security is not that bad. Many of those who live in the big cities, many businessmen and many immigrants now breathe more freely after the last few years of a return to a more civilised existence, with less fear of arbitrary action by the military, the police and the political powers. Besides, if centripetal forces in the regions are undeniable, inter-communal violence, for all that it was spectacular and lethal, seems to be a profitable “economy of political panic”37, thus over-dramatised by local stakeholders and the media. In practice, the current evolution of the country towards “centralised federalism (with) localised conflicts reduces the impact of communal differences on the political process.”38 Moreover, the “ethno-distributory”39 nature of the system explains the blurring,

39. In the words of R. Suberu in Federalism and Ethnic Conflict in Nigeria, United States Institute of Peace Press, 2001, p.5 et 10, cited par L. Fourchard (op.cit.). “In multiplying the number of competing power centres, federalism proliferates the number of issues to fight over, and reduces the ferocity of the struggles for power at the centre. Victories are seldom total, and defeats rarely definitive.”
under the Fourth Republic, of the previously strong element of identity in the organisation and the vocabulary of the parties.

2.2. Yar’Adua’s Awkward Agenda

Even before the election, the autonomy of the new president was being questioned. After all, he had been chosen by Obasanjo for the benefit of the “northern” military elite, not only respecting the “north/south” rule, but also to pay off a personal debt to a fellow military man. All this naturally implied a certain immunity from judicial proceedings. Elected in a controversial poll, Yar’Adua remains surrounded by important figures from Obasanjo’s time. Although the perception that he is a simple liege-man of his predecessor is no doubt incorrect, as is the similar perception of Vice-President Goodluck who would take over if his medical conditions worsens – he does suffer from a relative lack of credibility which will affect how he can govern.

For various reasons, including the tardy nature of the appeal process and the defection of part of the ANPP, it is unlikely that the results of the presidential election will be invalidated, even though the elections of six PDP Governor have been invalidated so far. But the issue for the beginning of the Presidency is to provide adequate rewards to the opposition, and to appease an international community which, whilst pragmatic about the results of the elections is scarcely enthused by them. The retaining by the new President of Shamsuddeen Usman, formerly Deputy Director of the Central Bank and supporter of reforms during the Obasanjo era demonstrates a willingness to capitalise on what was achieved under his predecessor. In contradiction to this Ngozi Okonjo-Iweala, poster girl of economic governance did not return to the Finance Ministry.

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40. Yar’Adua’s brother, a senior member of the military aristocracy of the North, had saved the life of Obasanjo when the two shared a cell in the 1980s.
41. Even within his own party, the PDP, he is seen as the person who will guarantee immunity for the former Yoruba President. “Many disillusioned party members think that Yar’Adua’s main usefulness to his patron will be to protect his immunity from prosecution after he leaves office”, The Economist, 23 December 2006.
42. Former Generals Mohammed (chief of staff), A. Muktar (National Security Adviser) and D. Mark (new President of the Senate). Of interest also is the nomination of O. Maduekwe to the post of Foreign Minister.
43. In 2006, Ngozi Okonjo-Iweala, Finance Minister of Nigeria since 2003, was appointed by Paul Wolfowitz to a World Bank growth and development committee. Key figure in the elimination of Nigeria’s debts to the Club of Paris, she has a degree from Harvard and a Ph D in economics from the prestigious Massachusetts Institute of Technology. She joined the World Bank in 1982, where she worked as an economist before being promoted Secretary General and Vice President of the Institution; She left this comfortable situation to return to Nigeria as finance minister in June 2003. She was chosen as Person of the Year for 2004 by Time magazine, and received the Vision and Courage Prize from the Euromarket Forum.
Nonetheless, since the manner of his victory implied repayment for services rendered, it will act as a break upon the fight against corruption\textsuperscript{44}, which perhaps puts into proportion the sackings which punctuated his first hundred days in power. Even were he as honest as some have suggested,\textsuperscript{45} Yar’Adua will not really be able to act against the interests of the new State Governors, most of whom are on his side, nor against a whole group of important political and business figures, especially in the areas of organised crime and the trades union, the joint architects of his success. The fact that Nuhu Ribadu, the head of the effective but controversial EFCC\textsuperscript{46}, was sent to a course, can indeed be read in this light. The fate of this creature of Obasanjo also looks like a message to the clan of the former president, and possibly a warning to the Supreme Court.

Like his predecessor, he will also be handicapped by the very nature of the Nigerian political class’s behaviour. Motivated primarily by their own agendas, parliamentarians will continue to move between parties, and the State Governors will continue to challenge Abuja. For the same reasons, the National Assembly – for all that it is controlled by the PDP – will also continue to act independently. Moreover, the ruling PDP itself is far from being monolithic. Finally, there is the question of poverty, where Yar’Adua has spoken of a “Marshall Plan” for the Niger Delta, something which led MEND to propose a one-month ceasefire beginning on 2 June 2007. Vice-President Goodluck, himself from the Delta, is supposed to support the plan, in spite of himself being a target of the same rebels not long ago. On the other hand, the nomination of General Azazi, a “Southerner” from Bayelsa State as Chief of Staff may be one of the keys to negotiations with different ethnic groups in the Delta.

Although he lacks the personal charisma of his predecessor, the new President has quickly started a more sensitive regional diplomacy, especially with his irritating neighbour in Cameroon. It will certainly be necessary to address the crises in Chad and Niger, not only for reasons of trade across the frontiers, but also avoid the Army becoming involved in adventures whose repercussions could be more serious than those from the ECOMOG operations – such as in Sierra Leone – in the 1990s. That said, however, Nigeria’s margin for manoeuvre remains limited, no matter how much of a “big brother” it might seem to its ECOWAS neighbours: when Obasanjo closed the border crossing with Benin,

\textsuperscript{44} The Economist, “New government, old problems”, 26 May 2007: “Mr Yar’Adua has to decide which influential power-brokers he needs to court and which of his venal campaign financiers and backers he can dump without hurting his authority or compromising himself over corruption (…) These backers could then have “shield or protection” for their more nefarious activities.”

\textsuperscript{45} Regarded as honest in Katsina State, he is one of the few governors not to have been subject to corruption investigations.

\textsuperscript{46} The anti-corruption campaign allowed Obasanjo to polish his image abroad, even while getting rid of a number of rivals.
because of the criminality rife in the area – mostly organised by the Dioula and Yoruba mafias – Cotonou quickly found itself strangled. If Yar’Adua will have more difficulty than his predecessor in imposing his country’s influence on regional conflicts – unlike Obasanjo he is not a former General, businessman and leader of continental stature – he might, on the other hand, manage to escape from the rivalry for continental leadership between Obasanjo and the South African President, Thabo Mbeki.47 In fact, Mbeki has known Yar’Adua’s family since exile in the 1970s, and anyway South African business has important commercial interests in Abuja.

Anyway, the major international actors gave their approval to Yar’Adua’s victory, even as they adopted the most reserved tone of voice possible, given the circumstances. Only the European Parliament adopted a more moralistic tone in its own reaction. Clearly, the approach, which its supporters would see as realistic, is intended to support the stability of the country in the medium term. the desire not to pour oil on the flames reflects the idea that condemnation could provoke a cycle of disorder which would only strengthen the influence of actors such as Beijing and Moscow48, not necessarily very interested in good governance. This would particularly worry Washington, whose priorities in Nigeria amount to the bullet points of its African strategy: security of oil supplies49, anti-terrorist cooperation50 and countering China. Seen from Europe, but also from Pretoria, the resulting turbulence risks increasing the flow of immigration and damaging commercial links. It would also undermine a little further hopes of turning this pillar of the African Union into a credible diplomatic partner. Moreover, it also seems unrealistic to expect to have a serious influence on a country with a population of 140 million people, the 6th largest oil producer in the world with substantial financial reserves of almost $50 billion, to be compared with the $120 million per year provided by the European Development Fund that represent 1% of the Federal budget.

47. The rivalry for a permanent Security Council seat as part of a UN Reform programme, and the postponement sine die by Abuja of the Presidential Commission with Pretoria illustrate these tensions.
48. There is a notable increase in Nigerian investments by Russian banks – the commercial arm of Russian diplomacy – in the Nigerian financial sector. Their experience both of the oil industry, and “mafia-style” practices gives them a certain affinity with the Nigerian market.
49. 54% of Nigerian oil is exported to the USA, which imports 15% of its consumption from the Gulf of Guinea (30% expected by 2015).
50. The term Islamist related terror cells used by the Council on Foreign Relations (op.cit. p.31) reveals this focus very clearly.
3. After the Oil: Sketch of a Shipwreck foretold?

Thus, western expectations, a mixture of prudence and national interests, continue to give Nigeria room for manoeuvre. Caution on the part of outside powers is traded against hope for stability in the country itself. Seen from Abuja, this situation encourages the oligarchy to work together, in spite of their internal rivalries. As in the days of Obasanjo, the oligarchy will undertake a number of quasi-reforms intended to satisfy the emerging middle classes and calming the suspicions of the international community, even whilst ensuring that there is no question of losing control over the oil revenues. In fact, the lack of any incentive to good behaviour poses a major obstacle for the future.

3.1. Rentseekers in Conflict

Several factors might come to disrupt a political system based on oil revenues. Reserves of hydrocarbons might dry up slowly over a period of 20-30 years, because of reducing supplies\(^1\) or the cost of exploitation, because of a fall in prices (no matter how unlikely) a distribution-related crisis or finally an increase in the funds needed to look after the clientele – the basis of political power, no matter how much is tithed from the private sector.

It would be worth conducting a simulation modelling exercise to try to define the likely contexts and timescales of such an evolution\(^2\), but what is clear is that the oligarchy will naturally be led to find financial palliatives to avoid the erosion of its revenues, and particularly to avoid any weakening of its control over society. In the absence of any solid economic underpinning for the economy not based on rents, that implies an increased recourse to illegal methods such as crime and trafficking, a sector where Nigeria already has a distinguished record.

\(^1\) “According to the International Energy Agency, Nigeria had 35.9 bn barrels of proven oil reserves as of January 2006. The government plans to expand its proven reserves to 40 bn barrels by 2010. The majority of reserves are found along the Niger River Delta. Around 65% of Nigerian crude oil is light and sweet, with blend Bonny Light and Forcados being the most exported mainly to the US market (between one-third and one-half of crude oil exports). The majority of Nigeria’s major oil and gas projects (95%) are funded through joint ventures with the state-owned NNPC (Nigerian National Petroleum Corporation [in which the departing President had indirect interests]) as the major shareholder. The largest company is operated by Shell. Nigeria is the largest oil producer in Africa. In 2005, oil production, including lease condensates and natural gas liquids, averaged 2.6mbd (o/w 2.4mbd was crude oil)”, in IEA, Data Insight, BNP Paribas.

\(^2\) What would be involved would be a determination of the internal and external factors, such as the flow of crude oil, reserves of hydrocarbons, distribution and export capacity, the cost of the political strategies and client-based symptoms, from where the political actors – including the military – take their assumptions, and which are themselves linked to economic interests.
At the same time, the problems encountered by the system of redistribution will bring about adjustments between the elites and their clients which will exacerbate the latent social and ethnic tensions with which Nigeria abounds as well as affecting the regional environment. The example of the Ivory Coast, which has certain points of similarity, is worth recalling here.

In this context, foreign oil companies, both for quantitative reasons (the exhaustion of deposits) and qualitative ones (limited interest in onshore deposits) are likely to greatly change their exposure to the risks of doing business in Nigeria. On the other hand, Abuja may be obliged to rethink its management of the oil sector as it is confronted to increasingly explicit criticism by the major Western oil companies, who seem having forgotten their part of responsibility in the birth of the Delta unrest. These developments do not necessarily imply problems for the system which supports the Nigerian oligarchy but may rather be a welcome challenge. Loss of interest by Western companies could actually have an attraction for those who support “indigenous capitalism”. Thus, Yar’Adua could, in his own way, follow in the footsteps of Shehu Shagari, civilian politician from the North and heir to a prestigious marabout family, who did business with the Soviet Union and dealt with both Riyadh and Washington.

In all probability, “indigenous petro-capitalism” is already at play in the pressure being put on Shell, et Nigeria’s new Malaysian and Chinese allies will be capable of replacing western companies, even while having little interest, themselves, in playing teacher to the Nigerians. Moreover, even if other parts of the real economy do not develop beyond a rentier model, there is nothing to prevent the development of new import-export activities, such as non-oil raw materials,

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53. In Nigeria, the status of “resident alien”, inherited from the British, endures to this day. At the national level, it reproduces the dialectic between natives and foreigners found in many ECOWAS states, covering such issues as freedom of movement, and one human consequence of the colonial inheritance.

54. *Want in the midst of plenty*, ICG Report N°113, 19 July 2006. “if the international community fails to better grasp the internal dynamics and intricacies, there is a very potential for the persistent levels of violence to escalate with major regional security implications”.


56. *AFP*, “Otages Nigeria: libération de la petite Margaret Hill”, 8 July 2007. “Although more and more companies are evacuating the families of their expatriate personnel, Margaret’s kidnapping has increased the prevailing exasperation. “With Shell, the Anglo-Dutch company, we are going to make it very clear that things cannot continue like this in the long term,” Christophe de Margerie, le Directeur General of Total, one of the major foreign oil companies, said on Saturday. He criticised the “situation of instability” and demanded that the Nigerian authorities should “say that security is their top priority.”
in particular, and the modernisation of financial networks using partners from Russia, the Middle East or South Africa. We thus see the emergence of a new Nigerian bank which has itself no need to borrow much – in all senses of that term – from the European model. With the development of new and attractive models on the Lagos stock market, a Nigerian firm like Afrinvest West Africa can now be “in the same meeting room as JP Morgan and Morgan Stanley”\(^{57}\). Similarly, First Bank, a Nigerian Bank founded by an Englishman in 1894, and already boasting an office in Liverpool at that time, today prefers investors from the Gulf, and works with Ecobank, the financial powerhouse of ECOWAS.

3.2. Between Drift and Continuity

Because of the predicted “rentseeker conflicts” the possibility of a move, in the medium term from the politics of patronage to “warlord” politics, cannot be ruled out completely.\(^{58}\) Such a possibility is the more worrisome in that, in contrast to other African countries, a curative external intervention would be difficult, if not impossible, to mount. The destabilisation of this African heavyweight would have implications for the African Union, and especially for ECOWAS.\(^{59}\) Nevertheless, the arrival of Yar’Adua demonstrates the powerful continuity of political life in this turbulent country. It demonstrates the ability of the elites – culturally diverse as they are – to reach agreements, and bring a witness to these agreements to power when the need arises. Arriving to take over from an ex-General from the South, yar’Adua is a man of the North, brother of a former military leader. He takes after Shagari, not least in his weakness, (although he does benefit from a better economic and financial system than that of the 1980s) and appears to be following in the particular “Nigerian way”.

This continuity is also visible in Nigeria’s relations with the outside world. It still has more credibility on the continent than its only similarly sized competitor – South Africa, which has only really been “African” since the 1990s. Nigeria has been an actor in postcolonial African affairs for more than forty years, and,

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58. Cf. W. Reno, op. cit. Lin that case, violence would no longer be a matter of the maintenance of coercive power in the hands of the state but would use the kinds of tools since in the crisis in Guinée – private or ethnic militias, mercenaries, collusion with foreign interests ‘companies and states such as Libya). However that may be, it is by no means likely that the Nigerian Army would tolerate this, and so the Ivorian model seems unlikely to be followed. French, and subsequently South-African, action against private security companies, as well as civilian control of urban and rural militias, also makes this unlikely.
confident in its symbolic legitimacy, can regard the outside world with a certain detachment, even whilst retaining links with it. In fact, Obasanjo was always a member of international groups, just as Nigerian artists and writers are internationally recognised. The presence of a huge Diaspora, spread between Africa, Europe and North America, also provides useful connections and leverage. Finally – and unusually for Sub-Saharan Africa – the oligarchy has been able to rely upon its own academic institutions and networks, such as the Nigerian Institute for Policy and Strategic Studies and the Nigerian Institute of International Affairs.

In sum, Abuja, the new federal capital, is a symbol of the pluralist nation which tension and crisis have helped, paradoxically to forge. In addition, it is permissible to imagine that this country possesses the human resources not simply to bring about the dangers it faces, but also to guard against them. The democratic deficit does not mean that the institutional mechanisms of civilian power are not becoming stringer, the more so when the President of the Senate is a former soldier, and a friend of Babangida: all off the requirements for the reintegration of uniformed leaders into an oligarchic economic and political system are already present. The construction of a real nation, and of a power structure which has a genuine, as opposed to a symbolic existence, depends on the ability of millions of marginalised Nigerians to tolerate the length and the difficulty of this process.
Conclusion

“For policymakers everywhere, Nigeria should be the central African question”.
Robert Rotberg

Although the fear of Nigerian hegemony in Africa is often mentioned, this seems hardly realistic. Rather, it is the problems in Abuja, linked to the internal political dynamic of the country, which should concern us. If the tolerance of the Nigerian oligarchy displayed by those Western nations concerned can be justified in the short term, it remains true that this approach involves a certain short-sightedness, since there is little chance of preparing for the critical moment when the oil starts to run out.

It is possible to share the view of the banking community that Nigeria will be able to adapt, and will be an emerging country by 2050. It is also legitimate to be concerned about the major tensions, whose impact in security and in migration is disturbing the EU, especially Paris, directly concerned in the French-speaking surrounding territories. In the long term, the partnership between the EU and the African Union is also at stake, as is the credibility of the African peace and security architecture, where Abuja is supposed to play a dominant role, both diplomatically and militarily.

However, “even if the margin for manoeuvre of the international community remains extremely limited, it is always possible to ask whether the methods are correct. If we need urgently to support and encourage the emergence of social and economic counter-weights, the idea of “shortcuts to progress” remains an illusion. If Nigeria has need more than anything else of a symbiotic relationship between the oligarchy and the emerging middle class, the “democracy of others” seems so far mainly to have provoked defensive moves by the ruling classes. Ultimately, the Nigerian political system remains a hostage to elections, whose failure is interpreted as the failure of the state.

61. In cultural, economic and ethnic terms, Central and West African countries such as Niger, Benin, Cameroon, Togo and Burkina Faso are very dependent on Nigeria. Moreover, the troubles in the North could become emeshed with those in Chad and the Sudan.
Thus, even if there is a clear need for the modernisation of the electoral system through secret ballots, that will only mean anything if there is a prior cultural change, based on a social agreement that can only be arbitrary. This is one of the ways in which Nigerian society can bounce back, and show that it is not definitively wedded to “bad governance”, as is demonstrated by the success of the federal state of Calabar, noted for its effective development strategy, directed by its idiosyncratic governor\textsuperscript{65}.

\textsuperscript{65} Calabar has targeted tourism. It has been able to maintain and improve its infrastructure, and produce goods results in health and education.