



SPECIAL REPORT

ABOUT THE REPORT

On October 23, 1997, the United States Institute of Peace and the U.S. Department of State cosponsored a one-day roundtable discussion of diplomats, scholars, and nongovernmental organization specialists from the United States, Nigeria, and the United Kingdom on the current transition in Nigeria. The discussion was opened by Thomas Pickering, Under Secretary of State for Political Affairs. The purpose was to assess the current sociopolitical conditions of Nigeria, evaluate the transition, and offer policy options for the United States.

This report summarizes the discussion and highlights the principal conclusions and policy recommendations offered by the sixty-five participants (a list of the fifteen presenters is provided at the end of the report). The views presented in this report reflect those of the participants and the report's author, the Institute's coordinator of Africa activities, Dr. David Smock; this report is not a statement of the Institute's views, nor is it a statement of U.S. government policy.

For further information on the Africa activities of the Institute, contact Dr. David Smock or Dr. Timothy Sisk.

Can Nigeria Make a Peaceful Transition to Democratic Governance?

Summary of Principal Findings and Recommendations

- Nigeria is on a downward spiral which might lead to more poverty and oppression, and even the possibility of widespread communal violence. The next twelve months are clouded in uncertainty.
- Unless it is modified, the current "transition"—decreed by the military regime—is so seriously flawed that it is not credible or legitimate.
- If democracy is to be restored, the economy revived, and peace preserved in Nigeria, the United States must lead the international community to take bold steps.
- The United States has significant interests in Nigeria, including the oil trade and Nigeria's role in international drug trafficking. A priority American interest is to avert chaos in Nigeria, which could damage the whole West African region. A prosperous and democratic Nigeria could have a positive influence on many other African states. For these and other reasons, the bilateral relationship with Nigeria is the most important one for the United States in Africa, aside from the relationship with South Africa.
- Diplomatic dialogue and engagement are not sufficient to achieve significant change in Nigeria.
- Through a carefully calibrated and phased set of pressures and incentives, the United States, in collaboration with other key African and European states, should press Nigeria to accomplish the following goals before the elections scheduled for October 1998:
 - Release political prisoners
 - Establish a truly independent electoral commission
 - Provide for free registration of political parties
 - Generate an open political climate, including protection of free speech and press
 - Guarantee that a truly civilian government will replace the current military regime.
- In addition to current restrictions on travel and military assistance, new sanctions should include freezing the foreign accounts of Nigerian leaders. An em-

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bargo on sales of Nigerian petroleum, on the other hand, would be very difficult to implement and unlikely to be effective.

- Incentives should include increased access to multilateral banks, phased relief of Nigeria's external debt, and other economic and advisory assistance.
- These initiatives may not succeed in getting Nigeria back on a path toward democracy and stability, but they are the only realistic options with any chance of success.
- In addition to pressures and incentives, the international community should give substantial support to human rights and prodemocracy groups in Nigeria as well as to other civil society groups.

Introduction

Since the results of the Nigerian federal elections were annulled in June 1993, Nigeria has been in a downward spiral. The current military leader, General Sani Abacha, has proclaimed that a transition back to civilian rule will be achieved by November 1998, but considerable skepticism surrounds this proclamation. Nigeria faces severe economic problems and a declining standard of living. The threat of widespread communal violence is increasing. Civil liberties have been severely curtailed. Many fear that the so-called transition will merely provide nominal legitimation for General Abacha to become a civilian President Abacha.

In 1996, in an effort to reverse this trend, the Commonwealth suspended Nigeria's membership. The United States has sent several special envoys to Nigeria to appeal for change. Some sanctions have been adopted by the United States and the Commonwealth.

All participants in the conference agreed that this is a critical juncture for reconsidering U.S. policy toward Nigeria. If democracy is to be restored, the economy revived, and peace preserved, the international community must take bold steps now. There is no certainty that international action will bring change, but without international involvement it is very unlikely that the situation will improve.¹

National Malaise in Nigeria

Six key indicators of Nigeria's malaise were cited by Dr. John Paden of George Mason University. The first is the flight of educated Nigerians—millions of them have left the country. Second, increasing ethno-religious fragmentation threatens social order. Ethnic conflict dates back to the Nigerian civil war (1967–70) and before, but tension between Christians and Muslims has grown sharply in recent years. The third key indicator is the strain imposed by a deteriorating economy. Fourth is a decline in popular legitimacy of military rule. "The prolongation of military rule, with its top-down overcentralization, has degraded civilian capacities to participate effectively in a robust federal system." Fifth is the development of political conflict zones, particularly the low-intensity conflict in the oil-producing delta and the continuing disaffection in the southwest zone, the Yoruba-speaking area. The annulment of the presidential election of 1993, whose presumed victor, Chief M.K.O.

¹ See also *Nigeria: Transition or Travesty?*, New York: Human Rights Watch/Africa, October 1997; and a forthcoming report on Nigeria from the Center for Preventive Action of the Council on Foreign Relations.

Abiola, is a Yoruba, has been particularly hard for Yorubas to accept. The sixth indicator is uncertainty about junior military officers. Even if the senior officers prepare for a transition, "it is not clear whether junior officers are willing to give up access to power, or whether there may be attempts to promote various sectarian agendas."

Dr. Julius Ihonvbere of the Ford Foundation asserted that the Nigerian military has suffocated civil society and constructed a "Hobbesian society where life is uncertain, painful, and short, even for the well-to-do." The corruption, violence, and insensitivity of the military have brought about its delegitimation. Nigeria faces the possibility of becoming an ungovernable failed state. Some parts of the country are already contemplating secession. Another participant decried the abandonment of the rule of law and any semblance of accountability, with arbitrary decision-making authority resting solely with the military. He also noted that Nigeria's federal system, which is essential for the nation's viability, has largely collapsed. Provincial dictators dominate. Moreover, each section of the country is eager to rule the whole country. Another participant lamented the closure of all avenues for dialogue between the regime and the citizenry, with confrontation having become the regime's principal mode of interaction with the public.

Nigeria's Economy

The Nigerian government has garnered more than \$250 billion in oil revenues over the past twenty-five years. Yet, as Dr. Peter Lewis of American University pointed out, "per capita income has dropped by nearly three-quarters since the early 1980s, and Nigeria has reverted from middle-income status to the tier of low-income developing countries. While adverse global markets have affected Nigeria's fortunes, economic stagnation results mainly from prolonged mismanagement and political instability." He described Nigeria's economic malaise as deeply abrasive of the nation's stability and development. "Military and civilian regimes have used government control over the economy to bolster their authority and to funnel resources toward favored clients and constituencies."

Lewis noted these features of Nigeria's political economy in the 1990s: (1) There has been general macroeconomic instability. (2) Extensive corruption throughout the economy is a crucial barrier to development. (3) The central government has made liberal use of off-budget spending, with little accountability or transparency. (4) The financial sector is in the midst of a systemic crisis, with many insolvencies, banks in trouble, and pervasive fraud. (5) Structural distortions of the oil economy have worsened. (6) Nigeria has become increasingly isolated from the international economy. (7) There has been a marked deterioration in key public institutions, with negative consequences for economic performance. (8) A large illegal shadow economy has arisen, involving international drug trafficking, commercial fraud, and oil smuggling.

Over the past two years, the military regime has made some efforts to reduce corruption, and in October 1996 the regime announced plans for a major privatization initiative. But this initiative has not materialized and economic policy has been mired in political squabbling among cabinet ministers. Potential foreign investors have largely drifted away.

Another participant noted that the economy is directly linked to ethnic tensions. "The elites of northern Nigeria rely on control of the central state to ensure the flow of oil revenues to them. Commercial and financial resources are concentrated in Lagos. Hence, some northern elites perceived election of a Yoruba businessman

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president as an unacceptable concentration of power in one rival group. Some northerners likewise fear privatization, which would transfer the control of assets from public institutions, within which they are entrenched, to the private sector, dominated by southerners.”

Although most foreign investors do not see a favorable climate for investment, foreign companies are heavily involved in oil production and new investments are occurring in developing natural gas production. Some participants worried that these foreign investors and the revenues they generate for the state help prop up the military regime.

Positive Signs?

Despite the prevailing malaise and frequent crises, Paden identified evidence of national cohesion. First, the legacy of the civil war and of the failure of the Biafran secession is widespread commitment to the integrity of the country. The military is particularly committed to the unity of the country. Second, the emergence of “zonal federalism,” officially announced by the regime in October 1995, reflects the realities of political coalition building and revives the viability of the federal system. Third, Paden contended that an oil/gas economy may not generate prosperity, but it will not collapse. Fourth, many civic organizations still function effectively. Fifth, the plan for a national conference of representative elites holds considerable promise. And finally, the current transition plan may create a powerful momentum toward genuine civilianization of the government following elections in late 1998.

Other participants—and particularly the Nigerians—were more pessimistic than Paden and found little basis for hope in any of the signs that Paden identified. Ihonvbere saw the greatest hope for Nigeria in the growth of nongovernmental organizations (NGOs) and civil society organizations. Even the growth and the political activism of religious organizations are more a source of strength than of division.

Nigeria's Regional Project in West Africa

Nigeria has made an enormous investment in recent years (both financially and in the provision of military forces) to become a regional power, particularly in spearheading the interventions by the Economic Community of West African States in Liberia and Sierra Leone. With the elections completed in Liberia and a tentative peace accord signed in Sierra Leone, Nigeria hopes to be able to withdraw all of its troops from these two countries within the next year. However, as Patrick Smith, editor of *Africa Confidential*, pointed out, if the return to democracy cannot be sustained in these two countries, Nigeria will be saddled with regional commitments which would impose severe financial and political burdens.

Nigeria's role in Liberia and Sierra Leone, despite many missteps, has earned it some goodwill in Africa, Europe, and the United States and has helped shield the Nigerian regime from some international criticism. However, the irony of Nigeria serving as the defender of democracy in Liberia and Sierra Leone while showing little commitment to its own democratic transition has been widely recognized.

Transition Process

General Abacha has declared a transition to democratic/civilian rule culminating in national elections in October 1998. A new constitution has been decreed but not released. But serious questions surround the legitimacy of the transition and the

wisdom of some of its components. Dr. Chudi Uwazurike of the City University of New York asserted that some features of the transition offer grounds for hope; for instance, the proposed rotational presidency among the different geoethnic regions. But he also pointed out that the transition has no chance of success unless (1) political detainees are released; (2) the new constitution is made public; and (3) General Abacha makes an early declaration that he will not be a candidate for president.

Others said that because of the tight control the regime exerts over party registration, no party can be registered that is not an Abacha puppet. Several criticized the rotational presidency as a misguided and unworkable concept. In addition, the geographic zones that underpin the rotational presidency plan were criticized as being artificial and problematic.

Several participants identified these components as crucial to a successful transition to democracy: (1) a sensible and equitable plan for allocating oil revenues among the states; (2) clarification of the future role of the military and of civil/military relations; (3) decentralization of power within a genuine federal system; and (4) full acceptance of the legitimacy of civil society in public life.

Participants who are more hopeful about the path to election of a civilian regime said that the transition is a reality and that rather than simply rejecting it, efforts must be made to shape it to ensure the best outcome. This transition could be a start and a civilian government would introduce more genuine democratic reforms.

Dr. Barnett Rubin of the Center for Preventive Action of the Council on Foreign Relations gave this assessment of the transition: "The current transition process does not allow for open discussion of many basic issues facing the country. The five registered political parties have all been approved by the military authorities, who refused to register those deemed to be opponents of the regime. None of the five has any genuine public constituency and hence power to govern. The government has not undertaken any process of negotiation or reconciliation with the supporters of the June 12 [election outcome]. Nor has there been any public discussion of civil-military relations. Until political prisoners are released and uninhibited public discussion is permitted, dialogue and reconciliation cannot begin. A civilian government elected under such conditions may not enjoy democratic legitimacy and is certain to be beholden to the military early in its tenure, but it could at least not be burdened by a history of repression and protracted tension with opposition groups. Such a government might, therefore, be better able to open a dialogue on democratization, inclusion, and accountability."

What Are U.S. Interests in Nigeria?

Nigeria deserves high-level attention from the U.S. government, Rubin asserted, and not just because we need to promote human rights there. American interest derives from the fact that Nigeria represents a security threat. "Working with Nigerians to tackle these problems is vital to the future of the continent and the world security and economic system. Violent conflict in Nigeria would pose a security threat to West Africa and beyond, while a stable and respected Nigeria could help provide security for the whole continent." Dr. Pauline Baker of the Fund for Peace pointed out that the relationship with Nigeria constitutes the most important U.S. bilateral relationship in Africa, aside from the relationship with South Africa. Moreover, a democratic Nigeria could have a positive impact on much of the African continent, particularly West Africa.

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Participants agreed that the goals of U.S. policy should be to (1) promote stability and thereby avoid widespread violence and the prospect of a failed state (2) encourage economic development and (3) promote the development of democratic rule.

Beyond the American interest to promote democracy and human rights in Africa, the United States has an economic stake in that seven percent of U.S. oil imports come from Nigeria, much of it produced by American oil companies. In addition, Nigerians are increasingly involved in international narcotics trafficking and international crime syndicates. A friendly Nigeria with an effective government could cooperate with the United States to contain these forces.

Participants agreed that the goals of U.S. policy should be to (1) promote stability and thereby avoid widespread violence and the prospect of a failed state (2) encourage economic development and (3) promote the development of democratic rule. Baker noted that all the current trends are pointing toward violence and collapse, which argues for an assertive U.S. policy. The principal short-term goal should be generating greater space for political activism and holding an open election.

A Nigerian human rights activist warned that the opposition forces in Nigeria are more likely to resort to violence if the United States does not adopt a forthright position with regard to the current regime.

Policy Coordination with Other States

At the Commonwealth Heads of State meeting in Edinburgh in October, Nigeria was the main topic on the agenda. Nigeria's membership in the Commonwealth was suspended at last year's meeting, and some members were ready to expel Nigeria at this meeting, but a lack of consensus led to an extension of the deadline. Sanctions relating to oil and punitive financial measures along with restrictions on travel were threatened if Nigeria does not move toward an open electoral process, including the release of political prisoners, the free registration of political parties, and the creation of an independent electoral commission.

Participants agreed that U.S. policy needs to be coordinated with the Commonwealth and key Commonwealth members, but that the continued reluctance of the Commonwealth to take vigorous action should not deter the United States from acting alone. Policy coordination is also necessary with key African states, the G7, and the European Union. Vigorous American action could stiffen the resolve of the Commonwealth.

U.S. Policy Options

Rubin contended that policy toward Nigeria must address both short- and long-term issues, and must be carried out by multiple sectors—both official organizations (governments and international organizations) and private ones (civil society). "The goal of policy should be to develop firm partnerships with Nigerians to work for a country that is stabilized by legitimate, functioning institutions and that uses its hydrocarbon wealth to invest in diversified development. To achieve these goals, the U.S. government and the international community should apply graduated pressures and other significant incentives, both linked to clear benchmarks; and undertake a coordinated effort at clear communication with the Nigerian authorities, key elites, and diverse publics."

Participants concluded that political reform cannot be achieved simply through a policy of engagement with the Nigerian government. The United States has frequently promoted dialogue with the regime but to no effect. Most participants also agreed that an exclusively punitive approach, largely through a trade embargo, would

also not succeed. One participant noted that policy must take account of the fears of the military and some of the northern elites regarding a democratic transition.

The consensus recommendation was that it is necessary to set benchmarks and a timetable and to selectively apply pressures and incentives to encourage change between now and October 1998, the announced date for elections. There was some disagreement among participants about whether the announced transition should serve as the framework for international pressure or whether it is too illegitimate and unpopular among Nigerians.

Goals of U.S. Policy

The goals for U.S. policy between now and October 1, 1998, should be

- the release of political prisoners
- the establishment of a truly independent electoral commission
- the free registration of political parties and candidates
- an open political climate, including the protection of free speech and press
- assurance that General Abacha will not stand as a candidate for president and that the elected government will be truly civilian
- effective assistance to human rights and prodemocracy groups in Nigeria.

The achievement of these goals should serve as benchmarks for the lifting of selected sanctions or for new sanctions if the steps are not taken. Some participants thought that the annulment of the June 12, 1993, election should be addressed by the regime as part of the transition; others thought that while this is clearly desirable, it is not a prerequisite for a political transformation.

There is no expectation that even the achievement of these goals would create a deeply rooted democracy, but these steps would constitute a start. A fairly elected civilian government could then implement additional democratic reforms.

Approach

Efforts by the U.S. government to communicate clearly with the Nigerian regime, key elites, and public need to be expanded. In the immediate future, a high-level American delegation, which would include the new U.S. ambassador, should visit Nigeria and set out the terms of American policy, including the benchmarks for progress toward democracy, the timetable, and the incentives to be offered and the pressure that may be imposed. This policy initiative should be preceded by careful coordination with key African and European governments. Consideration should also be given to organizing a Nigerian contact group composed of interested governments who seek to coordinate their policies vis-à-vis Nigeria.

Pressures

The current level of targeted sanctions (travel and visa restrictions, no military aid) should be maintained by the United States, the Commonwealth, and the European Union. If progress is not made toward these benchmarks, graduated sanctions should be imposed, especially financial sanctions against the regime and the individuals who profit from it, including freezing assets in foreign accounts.

Both the threat and the implementation of intensified sanctions will convey American seriousness to the Nigerian regime. Even if these pressures are not severely punitive, they could change the terms of the debate and force the regime to rethink its positions.

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Incentives

Once Nigeria is clearly embarked on the path of inclusion and dialogue, Rubin recommended a set of incentives.

- Substantial relief and restructuring of Nigeria's external debt
- Aid in creating accountable, decentralized institutions for handling oil revenues
- Access to export markets in the framework of World Trade Organization and other agreements;
- Support for a privatization program
- Assistance and investment in reconstructing transportation, power, and communications facilities
- Support for major investments beyond the energy sector, with special incentives for investment in neglected regions

Progress with reforms would also improve U.S.–Nigerian cooperation in combatting international drug trafficking and would lead to lifting of Nigeria's current decertification. The United States can also help improve Nigeria's access to multilateral lending agencies. Such incentives offer a face-saving way for the regime to change direction.

Support for Civil Society Organizations

Nigeria is blessed with a multitude of NGOs, including many human rights and democracy-promoting organizations. They can exert internal pressure on the regime and, over the long term, they provide hope for an open, participatory political process. But these organizations need strengthening through international protection, financial support, and training and international partnerships.

Support for such organizations should be provided by the U.S. government through Democracy Support assistance, PHARE, TACIS, and other means. In addition to official assistance, American religious organizations, conflict resolution organizations, universities, think tanks, human rights and democratic support organizations, and businesses working in Nigeria can all play a role in supporting a wide range of community organizations and NGOs.

Oil Embargo and Trade Sanctions

Some participants advocated the immediate imposition of trade sanctions and an embargo on the export of Nigerian oil. Their argument was that only draconian measures will motivate the regime to make significant changes. Other participants recommended that the oil embargo be held in reserve in case other pressures and incentives do not succeed.

But many participants did not support an embargo on Nigerian oil exports. To be effective, it would require military enforcement or at least widespread multilateral adherence, both of which are unlikely. Moreover, such sanctions might hurt the wrong Nigerians. There is also no indication of widespread public support for these sanctions among the Nigerian populace.

Presenters

Amb. Thomas Pickering, Under Secretary of State for Political Affairs

Dr. David Smock, U.S. Institute of Peace

Amb. Vicki Huddleston, U. S. Department of State

Dr. John Paden, George Mason University

Dr. Julius Ihonvbere, Ford Foundation

Dr. Chudi Uwazurike, City University of New York

Dr. Pita Agbese, University of Iowa at Waterloo

Dr. Olufemi Vaughan, State University of New York at Stonybrook

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