

# Report

# Political, Economic and Security Challenges Facing President Buhari

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Buhari, a 72-year-old former military ruler, owed his March election victory in large part to his campaign promise to fight corruption [AP]

#### Abstract

On 29 May 2015, General Muhammadu Buhari was sworn in as the President of Nigeria. The Buhari-led administration is expected to urgently tackle several challenges that have hindered economic prosperity, sustainable security and overall national development in Nigeria. These challenges include but are not limited to terrorism, violent conflicts, widespread poverty, youth unemployment, electricity shortage, and corruption. For President Muhammadu Buhari to make a success of his avowed intentions to bring the change that Nigeria needs, he must put in place the right policies, programmes and personnel.

## Introduction

Nigeria is endowed with enormous natural and human resources sufficient to place it among the first 20 developed countries of the world. It is Africa's largest producer of oil and the sixth largest oil producing country in the world. With a population of over 170 million people, Nigeria is Africa's most populous country and its largest economy. Coupled with the possession of over 100 tertiary institutions producing more than 200,000 graduates per annum, the country possesses abundant human capital critical for national development.

Despite its huge resource endowment, majority of its population wallow in abject poverty while unemployment and insecurity is growing. Its economic fortune has been dwindling due to a fall in the global price of crude oil. The result is that the country has been caught in-between affluence and affliction. Writers on Nigeria's political evolution posit that bad leadership is a major factor why Nigeria has been reduced to a giant with clay feet.

Against this background, many observers believe that a focused political leader is desperately needed to rescue Nigeria "from the depth of chronic indiscipline, disorder and decadence".(1) This accounted for the goodwill that greeted the emergence of General Muhammadu Buhari as the sixth democratically elected President of Nigeria in May 2015. Buhari was seen as a leader with firm character, integrity and determination to turn Nigeria around. This report therefore reflects on the security, economic and political challenges facing President Buhari-led administration.

#### The Return of Muhammadu Buhari to the Helm of Affairs

Major General Buhari came to national limelight in 1983 when he became the Head of State after a successful military coup d'etat that overthrew civilian President Shehu Shagari on 31 December 1983. He ruled Nigeria from January 1984 until August 1985, before his regime was toppled by another coup. His reign is ever remembered for a vigorous campaign against indiscipline and corruption, but tainted with human rights abuses.

With the return to democracy in 1999, General Buhari contested presidential elections in 2003, 2007 and 2011, but lost to the Peoples Democratic Party (PDP) candidates. In the 2003 elections, Buhari who was the presidential candidate of the All Nigeria Peoples Party (ANPP) lost to incumbent President Olusegun Obasanjo of the PDP. In the 2007 presidential election, Buhari contested again on the ticket of the same party, but was beaten by PDP's Umaru Yar'Adua who scored 26,638,063 to his paltry 6,605,299. In March 2010, Buhari left the ANPP and joined the Congress for Progressive Change (CPC). He contested as the CPC presidential candidate during the 2011 presidential poll, which he lost to President Goodluck Jonathan of the PDP. In that election, Buhari secured 12,214,853 votes against the President Jonathan's 22,495,187.(2)

In 2014 the All Progressives Congress (APC) party nominated Buhari to stand as its candidate in the 2015 presidential election. The APC was a merger of the All Progressives Grand Alliance (APGA), Action Congress of Nigeria (CAN), ANPP and CPC. General Buhari subsequently emerged victorious in the 28 March 2015 presidential election, defeating incumbent President Jonathan of the PDP. He polled 15,416,221 votes to Mr. Jonathan's 12,853,162 votes in an election that was keenly contested. On 29 May 2015, General Muhammadu Buhari was sworn in as the President of Nigeria. His swearing-in made history as Nigeria's first peaceful and democratic transfer of power from a ruling party to an opposition. Having assumed office he once occupied as a military officer and for which he contested four times, his administration is expected to urgently tackle several challenges that have bedeviled Nigeria over the last three decades.

## Diverse Challenges Facing Africa's Biggest Economy

The challenges facing President Buhari are as huge and diverse as the country itself. There is no doubt that President Buhari is aware of these and many other challenges that have hindered economic prosperity, sustainable security and overall national development in Nigeria. He highlighted some of these challenges in his inaugural speech on 29 May 2015.(3) However, few of the very critical security, economic and political challenges that the current administration needs to give urgent attention are discussed subsequently.

#### Security Challenges

Insecurity is the greatest challenge facing the new administration of President Buhari. Since the return to democracy in 1999, traditional security threats such as violent conflicts, militancy, armed robbery and kidnapping have assumed worrisome dimensions in Nigeria. Evolving threats such as insurgency and terrorism have further complicated the situation.

Violent Conflicts and Crimes: The outbreak of violent conflict has become a major source of insecurity in Nigeria. It is estimated that Nigeria has "witnessed over 300 violent ethno-religious, communal and political conflicts of varying intensity and magnitude".(4) For example, clashes between farmers and pastoralists have increased in frequency in recent times, resulting in the death of about 3,732 persons between 1998 and 2014. The spate of violent crimes has become alarming. As shown in table 1, some 262 incidence of kidnapping, about 405 cases of armed robbery and 139 cases of cultism have been recorded in the last six months in Nigeria. These violent crimes have resulted in the death of 1,113 persons between January and June 2015.(5)

Month	Terrorism	Kidnapping	Armed Robbery	Inter- Communal Violence	Unlawful Possession of Firearms	Cultism
January	12	29	39	16	29	15
February	25	37	64	17	54	18
March	29	58	87	30	41	24
April	4	31	71	19	33	28
May	14	55	69	24	29	30
June	22	52	75	18	36	24
Total	106	262	405	124	222	139

Table 1: Incidence of Violent Conflicts and Crimes in Nigeria, January – June 2015.(6)

**Terrorism:** The escalation of terrorist activities is the gravest security challenge facing Nigeria. Particularly worrisome is the activities of the Boko Haram, which seeks to impose Islamic law in Nigeria. Since stepping up its activities in 2009, the group has

killed over 18,000 people and displaced about 1.5 million people.(7) President Buhari has vowed to eliminate the Boko Haram. The extremist group has responded with a series of deadly suicide bombings and attacks on soft targets that have killed over 444 Nigerians in the first 39 days of Buhari's administration.(8) Killings by the Boko Haram since 2009 is largely responsible for Nigeria's decline from 7th of 115 countries in 2012 to 4th of 121 countries in 2014 in the Global Terrorism Index (see Table 2).

Table	2:	Nigeria's	ranking	in	some	Economic,	Peace,	Security	and	Governance
Indicators, 2009-2014										

Security, Peace and Governance Indicators	2009	2010	2011	2012	2013	2014
Global Competitive Index (GCI)	99/133	127/139	127/142	115/144	120/148	127/144
Global Peace Index (GPI)	129/144	137/149	142/153	146/158	148/162	151/162
Corruption Perception Index (CPI)	130/180	134/178	143/182	139/174	144/175	136/174
Global Terrorism Index (GTI)	Nil	Nil	Nil	7/115	Nil	4/121
Human Development Index (HDI)	158/182	142/169	156/187	Nil	153/186	152/187

Beyond the tragic loss of lives, terrorism had created a climate of insecurity with devastating economic impact on Nigeria. In 2013 it was estimated that terrorism cost the Nigerian economy US\$28.48 billion. The climate of insecurity has equally added to the poor performance of Nigeria in Global Competitive Index in recent times. Thus Nigeria plunged from 99th position of 133 countries surveyed in 2009, to 127th of 144 countries assessed in 2014 (see Table 2).

# **Economic Challenges**

In the economic front, the Buhari administration has a myriad of challenges to tackle which include, but not limited to, pervasive poverty, rising unemployment, epileptic power supply, fuel crisis and declining economy.

**Pervasive Poverty:** Pervasive poverty and massive unemployment are serious economic challenges facing Nigeria. Both have maintained a rising trend over the years. Poverty rates remain high in Nigeria, particularly in rural areas. It is estimated that 110 million out of Nigeria's population of 170 million live in "extreme poverty". Of the 110 million Nigerians suffering from extreme poverty, majority are young people denied of employment opportunities.

Rising Unemployment: About 23 per cent of adults and 60 per cent of youths in Nigeria are unemployed. (9) Unemployment rate in Nigeria increased from 12.3 per cent in 2006 to 23.9 per cent in 2011 (see figure 1). As at first quarter of 2015, unemployment rate in Nigeria reached an all-time high of 24.20 percent. With a youth unemployment rate as high as 50%, these young Nigerians fell prey to recruitment for groups such as Boko Haram.(10) The problem of poverty and unemployment in Nigeria results from inconsistent policies, misappropriation of funds for empowerment schemes and increasing de-industrialisation and collapse of small businesses due to poor power supply.

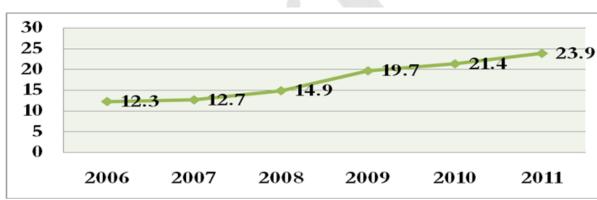


Figure 1: Unemployment Trend in Nigeria (2006-2011)

Source: Y Kale (2013) Unemployment, Poverty and Prevalence of Insecurity In Nigeria', paper presented at a Roundtable on Review of Governance Index and Security in Nigeria, National Defence College, Abuja, 22 May, p.10

Electricity Shortage: Inadequate and unreliable electricity supply is another critical challenge that the new administration of President Buhari has to tackle if Nigeria is to enhance the standard of living of the citizens. Despite spending about US\$20 billion in the last 16 years on the electricity sector, Nigeria is only able to generate 4,000 megawatts of electricity for a population of over 170 million people. In contrast, South Africa with a population of 52 million people generates 44,000 megawatts. Consequently, households, private establishments and government offices rely on generators with the attendant operational, maintenance and health costs. Policy inconsistency, non-availability of gas, infrastructure vandalisation, and sabotage are some of the reasons that have contributed to the failure of the power sector. Consequently, per capita electricity usage in Nigeria remains 136 kilowatt/hour, which is one of the lowest electricity consumption on a per capita basis in the world. This situation is made worse by lingering fuel scarcity, further reducing the opportunity for small and medium scale enterprises to leverage on generating sets for alternative power supply.

Heavy Dependence on Oil: A major issue for the new administration of President Buhari is the over reliance on crude oil export. Since the 1970s, oil revenue have accounted for 80% of revenue and 95% of export earnings. Oil export has contributed substantially to

the revenue base of Nigeria but has entrenched a mono-cultural economy. Regrettably, other critical sectors such as agriculture and manufacturing, have not been given much consideration by successive administrations. The manufacturing sector's share of gross domestic product is under 4% while over 80% of manufactured goods in Nigeria are imported. Consequently, declining global oil prices have reduced the fiscal buffers of the Nigerian economy and constrained government's ability to meet its obligations, including paying salaries and debt repayment.

Nationwide Fuel Crisis: Despite being Africa's top oil producer, Nigeria heavily subsidises imported petrol and kerosene for the bulk of its domestic demand. Its huge reliance on fuel import is due to an underperforming refining system. Fuel crisis in Nigeria significantly stifles economic activities with consequences for national development and security.

#### **Political Challenges**

There are several political challenges that stand in the way of progress in Nigeria. However, many believe that Buhari's administration must begin with tackling pervasive corruption and huge cost of governance.

**Corruption:** Corruption is at the root of many of Nigeria's problems. It has permeated through public and private life in Nigeria, with degenerative effect on national value, institutions of governance and the rule of law. For instance, out of the \$60 billion being illegally siphoned out of Africa annually, Nigeria accounts for over 68% of the figure.(11) Consequently, Nigeria has consistently ranked low in Transparency International Corruption Perception Index over the years. Nigeria ranked 136 out of 174 surveyed countries in 2014, making it the 38th most corrupt nation.

**Cost of Governance:** The high cost of governance is caused by the running of bogus Ministries, Departments and Agencies that perform overlapping functions, wasteful spending by government officials and jumbo pay for some elected officials. The Economist once reported that Nigerian lawmakers received the highest basic salary of about US\$189,500, amounting to 166 times the GDP per capita, while British lawmakers receive basic salaries amounting to about 2.7 times the country's GDP per capita. With dwindling economic fortune, the Buhari administration needs to take drastic measures to cut down the huge cost of governance in order to conserve resources to pursue development programmes that could lift millions of people out of poverty.

#### **Conclusion and Recommendations**

The failure of the political leadership to harness Nigeria's huge potential has created several security, economic and political challenges that have prevented the country from becoming strong, stable and prosperous. The desire for genuine transformation of Nigeria partly accounted for the thumping victory of Muhammadu Buhari in the March 28 presidential election. The way the new administration of President Buhari handles these challenges will go a long way in defining the image of Nigeria in the years ahead. For President Muhammadu Buhari to make a success of his avowed intentions to bring the change that Nigeria needs, he must put in place the right policies, programmes and personnel. His effort should aim at achieving the following:

**Strengthening Security:** President Buhari's government needs to further galvanise all segments of the Nigerian society as well as regional bodies and international community to deal with the Boko Haram threat. He needs to better equip the military, police and security forces through a transparent and centralised procurement process to enhance their capacity to deal with the security challenges.

**Diversifying the Economy:** Economic diversification holds the key to the emergence of a robust economy that is capable of creating jobs and reducing poverty and unemployment. President Buhari's administration needs to articulate and implement an economic blueprint for the diversification of the Nigerian economy, leveraging sectors such as agriculture, manufacturing, hospitality, tourism and ICT to boost productive activities and revenue generation.

Reforming the Petroleum Sector: His administration should liberalise the entire downstream sector of the petroleum industry and intensify efforts to encourage private sector participation in the refining of petroleum products in Nigeria. Also, government's effort to encourage the establishment of modular refineries in the Niger Delta region will contribute to job creation, harnessing of indigenous capacity of petroleum refining and reduce the spate of pipeline vandalism.

**Improving Energy Supply:** Nigeria's near total reliance on gas for power supply is a major hindrance to the economic growth. President Buhari-led administration should consider a total reform of the energy sector in Nigeria, with a view to investing on infrastructure for tapping renewable energy sources. This will enhance diversification of energy sources like coal, wind, hydro and solar in order to boost industrial productivity for enhanced job creation and poverty reduction.

**Invigorating Anti-graft Efforts**: The Buhari government should to take deliberate efforts to strengthen and reposition the Economic and Financial Crimes Commission (EFCC) and the Independent Corrupt Practices and Other Related Offences Commission

(ICPC) to vigorously prosecute all cases of corruption. The right calibre of persons need to be appointed to head the two anti-graft agencies to ensure diligent prosecution of corrupt officials, total recovery of looted funds and end the pillaging of public treasury.

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