

Nigeria's Rebased Economy and Its Role in Regional and Global Politics

Written by Victor A. O. Adetula

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VICTOR A. O. ADETULA, OCT 13 2014

Recent developments in Nigeria suggest that the country is on the rise again and therefore a significant part of the 'Africa Rising' discourse. The results of the recent rebasing exercise shows Nigeria on top of Africa's GDP table and its economy as the largest on the continent, followed by South Africa. It is the largest oil producer in Africa. Oil constitutes 75 per cent of government revenue, but the rapid economic growth (over 7 per cent per year since 2009) is found mostly in the non-oil sector (IMF 2013: 8; Litwack 2013: 2). Its main trading partners include the European Union (EU), the United States, India, Brazil, and China. Nigeria has a population of approximately 167 million people, and it is located in West Africa, which also houses the fifteen members of the Economic Community of West African States (ECOWAS) and Mauritania. Nigeria's size, natural resource endowment, economy, and influence in global affairs have continued to attract considerable scholarly attention. No other country in the sub-region, and very few in Africa as a whole, can compare with Nigeria in terms of economic and military capabilities. Also the country ranks as the fifth largest contributor to UN peacekeeping missions (United Nations 2014). With a strong and growing economy, and considering the above attributes, Nigeria is unquestionably an important regional actor with hegemonic influence.

Since the end of the Cold War, new powers have emerged based on indices other than military power, such as advanced economy and effective control of international institutions (Kennedy 1987). Among other things, the new powers are the strongest economies in their respective regions. Also, they are critical part of the modern globalized economy, and also key symbols of the neoliberal world order based on a number of development variables. In Asia, China and India are undisputed regional powers with considerable influence in regional and global politics. Similarly in Africa, Nigeria and South Africa are playing the role of a regional hegemon, serving as the hubs for most of the regional development initiatives. Also, they have invested much in the promotion of security and good governance in Africa. Apart from their economic strength, both Nigeria and South Africa have considerably adequate military capacity to play the role of a regional power. Regional powers generally pursue foreign policies that are more globally oriented. Both countries exhibit potential and actual capabilities that are defined and measured in terms their political and socio-economic visions about their trans-national environments, aspirations for leadership role, political legitimacy, military strength, resource endowment, and the political willingness to implement those visions. While neither Nigeria nor South Africa may readily be considered as regional hegemons in the strict and conventional usage of the word 'hegemon', however, the two countries have been operationalising their visions of hegemonic power in both their respective sub-regions and at the continental level.

This article is concerned with examining the implications of Nigeria's 'rising' economy for its status and role in the international system. What does 'rebased' do and what are the implications for Nigeria's status and role in regional and global politics? For instance, does the rise in Nigeria's GDP increase the prospect of it being admitted into the G-20 nations or the league of the emerging economies – BRICS (Brazil, Russia, India, China, and South Africa)? Already Nigeria's economic potential has earned her consideration for inclusion in the N-11 or Next 11 emerging countries identified by Goldman Sachs to have the potential for attaining global competitiveness based on their economic and demographic settings and the foundation for reforms already laid (see Wilson & Stupnytska 2007). It makes good wisdom to study the implications of the growth in the Nigeria's economy and determine the extent to which the rising profile affects its role in the regional and global politics. The article is divided into six sections. The

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first section introduces the main issues, while the second section presents the logic and rationale for rebasing the Nigerian economy. The third section takes a critical look at the Nigerian political economy, highlighting the opportunities and constraints in the domestic economy and politics. The fourth section is focused on the role of Nigeria in regional and global politics since 1999, while the fifth section delves on the future role of Nigeria in view of the global changes. In concluding, the article acknowledges that there are opportunities for Nigeria as a regional power as well as prospect for greater role in regional and global politics. It however points out that there are challenges and constraints at various levels – national, regional, and global.

Logic and Rationale for Rebasing the Economy

Recently the National Bureau of Statistics in Nigeria published the results of a rebasing of the country's Gross Domestic Product (GDP) data from 1990 to 2008 (National Bureau of Statistics, 2014). Nigeria's GDP was approximately \$509.9 billion in 2013, making it the largest economy in Africa, followed by South Africa. The new statistics and figures make Nigeria the world's 26th largest economy (Okonjo-Iweala 2014). While the outcomes of the rebasing exercise, especially the improvement in the GDP, are seen as a welcome development in official circles and already celebrated as a 'success story', not all stakeholders share common interpretations of the benefits from the exercise (Udo 2014). Official explanations and other representations by the Nigerian government, as well as comments by some members of the international community, tend to conceal the disagreements and controversies about the process and outcomes of the rebasing exercise. The dominant official narratives appear deliberately tilted towards the 'external', and only by default related to concrete domestic realities (see National Bureau of Statistics 2014; Okonjo-Iweala 2014). However, there are questions about the real impact of the statistical exercise in terms of the gains and opportunities for better life for ordinary Nigerians.

Successive administrations in Nigeria have declared their intention to pursue the vision of placing the country among the 20 largest economies in the world by 2020. No doubt Nigeria is well-established within the platforms and fora for South-South cooperation. Its aspiration for the membership of the G-20 nations, which has not received the blessings of the powerful 'gate keepers' in the league, remains a source of frustration. Is the re-classification of Nigeria's economy likely to brighten the prospect of Nigeria for admission into the G-20? Self-perception has played significant role in Nigeria's the foreign policy behaviour. Official pronouncements and declarations of the Nigerian authorities suggest the desire and aspiration of the country for the status and role of a regional power (see Adekeye & Raufu 2008).

The commitment of the Nigerian government to measuring its national economy and re-branding the country for acceptance by the leading members of the international community, especially the key global financial institutions, is understandable. The government's claim about the improved performance of the national economy needs to be substantiated. The structure of the national economy and the extent of its diversification needs to be demonstrated with the aid of improved GDP measurement. Thus, there is the need to have at hand updated statistical data and information on the performance of the economy. Besides, effective monitoring and evaluation of government policies and programmes depend on the availability of appropriate and relevant data and information. Scaling-up efforts toward effective evaluation of its national economy is not inconceivable for a country that covets membership of desired economic status clubs. Periodic rebasing of the national economy is universally regarded as one of the key parameters for measuring the degree of compliance with international standards and best practices. These concerns are accommodated in the economic reform agenda of the Nigerian government which has continued to enjoy the backing of the Bretton Woods institutions (World Bank 2014a).

Domestic Economy and Politics

Although Nigeria was under military rule for 54 years after its independence from Britain, rapid economic development and fast urbanization were witnessed, especially during the 1970s. The crisis in the Middle East, especially the Arab-Israeli Yom Kippur war of 1973 and the consequential Arab oil embargo, came as blessing to Nigeria. Thus the country reaped increased foreign revenues during this period that witnessed expansion of production and increasing oil prices. (Dibua 2013: 104). The accruing revenues from oil paved the way for the adoption of a state-led development strategy such that ascribes economic growth to economic nationalism and

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interventionism (Federal Government of Nigeria 1975: 31). The oil wealth inspired the confidence behind the ambitious Third National Development Plan, 1975-80. However, poor leadership and gross mismanagement of the oil boom of the 1970s by successive military administrations resulted in a serious economic crisis in the 1980s. The oil boom promoted the rapid expansion of the state and its role in economic activities. Sudden growth in revenues from oil led to rapid expansion in public expenditure. However, without the appropriate structures and mechanism for fiscal responsibility and accountability, those in power used it to expropriate public resources. The result was an all-pervasive culture of corruption and rent-seeking across the country.

Nigeria returned to constitutional democracy in May 1999 with a government headed by Chief Olusegun Obasanjo that subsequently inaugurated an economic reform programme. The latter was the background to a country-branding project for Nigeria. In July 2004, the Nigerian government, through the Federal Ministry of Information and National Orientation (the supervising ministry), launched the *Nigeria Image Project* which had elements and components of country-branding. The project was later renamed *Heart of Africa*. The Obasanjo administration has been celebrated as one that helped restore Nigeria's status in the international system after a period of military authoritarian rule that earned the country a negative foreign image. But on the domestic front, the neo-liberal economic reform programme of the administration was not popular among Nigerians.

The two administrations after Obasanjo's continued with the reform programme, which is markedly sensitive to the demands and requirements of the international financial institutions. The local media has repeatedly reported that the 'dividend of democracy' has eluded the ordinary citizens. It was claimed that most of the promises made by the governments have not yet been realized. The state of the country's political economy has affected the level of social and political conflicts in the country. The country's rentier economy remains characterized by corruption, lack of accountability, and financial recklessness. As the economic and living conditions of the majority of Nigerians deteriorate, many have become more attached to primordial ties and less committed to supporting governments. For instance, poverty has continued to aggravate tension in the relationship among the various groups in some parts of Nigeria where the 'citizenship question' and 'nationality question' have degenerated into sectarian violence. Despite its vast natural resources, about half of the population in Nigeria lives in poverty (World Bank 2013). A closer look at the trends reveals regional differences, which partly explain the perception of inequalities and marginalization along regional lines.

Thus, while Nigeria's economic reform programme may have been applauded by some key players in the international economic system (World Bank 2014a), the ordinary Nigerians in their various social categories seem very distant and alienated from government policies and programmes. In a series of Afrobarometer surveys carried out in Nigeria between 2001 and 2012, a persistently high proportion of Nigerians (over 70 per cent) said that the "economic policies have hurt most people and only a few have benefited" (Lewis & Alemika, 2005). In the 2005 survey, 78 per cent of the respondents gave that response (Bratton & Lewis, 2005). On specific economic conditions of availability of goods, job opportunities, and reducing the gap between the rich and poor, there were also significant decline in the proportion of Nigerian respondents who said these were better now than in the past. A similar trend was obtained in the results from the 2007 survey, where 67 percent of the respondents said that the economic condition was "very bad" or "fairly bad", 11 percent said it was "neither good nor bad", and 31 percent said it was "very good" or "fairly good". The result of the 2012 Afrobarometer survey conducted in Nigeria with a question on citizens' assessment of the economic condition in the country shows a majority of Nigeria (67 per cent) describing the economic condition as "very bad" or "fairly bad". Only 8 per cent said the economy was "neither good nor bad", and 25 per cent said the economy was "very good" or "fairly good" (Afrobarometer, 2013). The consequence is a deep sense of grievance and agitation against the Nigerian government, which in turn has exacerbated identity conflicts along communal, ethnic, religious, and regional lines.

Although Nigeria has been reported to be making impressive progress in terms of economic growth rate, investment climate, and GDP, which is now the highest in Africa (AfDB, 2013), the country still presents some of the most daunting social, economic, and political challenges. Despite the increase in growth rates recorded for Nigeria, there is no corresponding reduction in the level of poverty. Despite its vast natural resources, 64.2 per cent of the population lived in poverty in 2013-2014 (World Bank 2013: 8-9). In the Ibrahim Index of African Governance (IIAG), Nigeria is ranked 41st of 52 countries. With a GDP size that indicates growing economy and also supports the basis

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of Nigeria's claim as an emerging economy, the current poverty and unemployment levels within Nigeria is inexplicable, and may be a source of embarrassment to a country that claims to be a key player in regional and global politics. Notwithstanding the challenges in the Nigerian domestic environment, the country has consistently self-defined its status and role as a regional power.

Status and Role in Regional and Global Politics

The wealth of a country affects the management and projection of its interests and core values in the international environment. In this context a wide range of economic factors including trade, investment, working population, currency, etc. can influence the behaviour of states in the international system. Evidence of links between the national economy of a state and its role in global politics abound in the political history of post-independence Nigeria. Nigeria's influence in Africa increased significantly in the period of the 1970s and 1980s due in part to its economic power and also its relative political stability. The status and role of a country is, however, not determined by economic factors only. There are other factors in the domestic environment interplaying with external factors to shape the courses and directions of the behaviour of states in the international arena. The interplay of such variables as weak state capacity, mismanagement of economy, and absence of national consensus has limited the options for Nigeria in the conduct of its foreign relations, despite its claims as a regional power. The economic crisis of the 1980s and deteriorated domestic political environment checkmated Nigeria's growing influence and earned its poor foreign image until recently, when the country returned to civil rule.

During the tenure of Chief Obasanjo, Nigeria's foreign policy was implemented with serious consideration to the need to get the country out of the international isolation that came with the excesses of the authoritarian military regimes in the 1990s. The administration therefore invested in serious reputation management, extensive image diplomacy, and overt representation at international organizations (Adetula 2013). Nigeria's case for permanent membership at the Security Council was re-launched with vigour and since then the campaign has continued. Part of the efforts of the Nigerian government to enhance the country's representation at international organizations is the establishment of inter-ministerial forum to facilitate the nomination of Nigerian candidates for appointment in international/multilateral organizations. This mostly explains the harvest of elected positions and appointments for Nigeria in international organizations, which has translated to increased visibility for the country at both regional and international levels; Nigeria has continued to play major roles in the prevention and management of conflicts, and also leading the discourse on new paths of social and economic development within the African Union (AU), the New Partnership for Africa' Development (NEPAD), and the African Caribbean and Pacific (ACP) group. Other platforms and fora where Nigeria is active are the Non-Aligned Movement (NAM), the Group of 77 plus China (G77), Africa- EU, Africa-South America (ASACOF), Africa-China Forum, Africa-Turkey, Africa-Japan, and Africa-India. Others are the Group of 15 (G15), the Group of 4 (G-4), and the D-8.

The visibility that Nigeria enjoys both at the African continental level and the global level has been matched by corresponding leadership position in international organizations. For example, Nigeria was President of the UN Security Council in July 2010 and October 2011. Also, President Jonathan was the Chairman of the D-8 from 2010 to 2012, during which the new organization can be said to have been successfully nurtured and guided to pursue its vision empowering the private sector in members-state countries to be the driving force behind their respective development agendas in accordance with the 'Abuja Declaration of 2010'. Issues of particular interest and concern to continental Africa and other developing countries have equally been championed by Nigeria at the United Nations. Such include trade imbalance between the rich and poor countries and accessibility to the Northern markets, paucity of technical and financial assistance, illegal capital flight from Africa, and debt crisis. On the debt crisis, Nigeria wanted debt relief for developing countries as "an urgent matter of social and economic injustices" (Obasanjo 1999). Nigeria actively used multilateral diplomacy in its engagement with the International Monetary Fund (IMF) and World Bank on the issue of debt relief for poor nations. Nigeria has continued to demonstrate marked support for the reform of the UN Security Council. At the 68th Session of the General Assembly of the United Nations, President Jonathan re-echoed the need to accommodate the African continent in the permanent membership of the Security Council (Jonathan 2013).

In the past, Nigeria has sent troops to Congo as part of the UN peace-keeping Force (ONUC), and recently it has

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participated in several peace-keeping operations and promoted African perspectives to conflict resolution as defined in the AU and ECOWAS peace and security architecture. The resolution of the many ranging conflicts on the continent is an important element in the country's diplomacy. Nigeria sponsored resolutions 1962 (2011) and 1975 (2011), which ended the Ivory Coast conflict, worked for political and economic stability in Guinea Bissau through the UN Office in West Africa (UNOWA), and contributed to the renewal of the UN Integrated Peace Building office in Guinea Bissau (UNIIOGBIS). The country has used the platform of the UN to solicit for "African solutions to African conflicts". In this regard, it has continued to popularize the essence and relevance of regional and sub-regional organizations in regional security and peace-building process, aligning its positions with those of regional bodies such as the ECOWAS and AU. While the UN represents the global system, the Commonwealth, though not a regional organization in the strict sense of it, is an important element to which Nigeria necessarily must respond. Since the return to civil rule and the eventual readmission of Nigeria to the Commonwealth, it has worked actively towards the evolution of a modern Commonwealth (see Adefuye 2004). Nigeria's intervention in the Zimbabwe crisis was a demonstration of its influence within the Commonwealth. Nigeria organized and chaired the discussion of the group of Commonwealth ministers from Australia, Canada, UK, Jamaica, Malaysia, South Africa, Zimbabwe, and Kenya to find amicable solutions.

Nigeria's support for democracy and good governance has been mostly promoted using regional bodies, notably the AU and ECOWAS. Within the ECOWAS, Nigeria stood by the relevant principles in the *Revised Treaty of the Economic Community of West African States* and other declarations in support of good governance. At the level of the AU, the relevant provisions of the Treaty establishing the AU and the NEPAD procedures and mechanisms have guided the country's diplomacy and its pursuit of its national interests. To this end, Nigeria has ratified and deposited the instrument of ratification of the *African Charter on Democracy, Elections and Governance* with the AU. Also, Nigeria has provided material and other forms of support to the democratic electoral processes in Guinea Bissau, Mali, Senegal, Liberia, Ghana, Niger, and other countries in Africa. Of greater importance is the country's leadership in providing ideas for the transformation and renewal of the continent, including Africa's engagements with the rest of the world (Adetula 2014).

Nigeria is the largest economy in the ACP group, and is the biggest single trading partner of the European Union (EU), both in exports and imports (Adetula, 2006). Today Nigeria is leading the ACP group in the negotiation with the European Union (EU) for the Economic Partnership Agreement (EPA). Its prominent role in the ACP is historic and dates to the 1970s when it led the negotiations of the EC-ACP Convention (1975), fondly called the First Lome Convention (Lome I). Since then, Nigeria's development cooperation with the international community has been guided by the provisions of the Lome Conventions, and lately the successor agreement – the Cotonou Agreement. Its role in the ACP group is that of a leader, and it has helped in many respects to maintain the ACP countries as a unified group especially in view of the global economic currents that are not too favourable to the developing countries, marked by depressed world commodity markets, discriminatory protection, and debt crisis. These developments are already presenting African regional groupings such as the ECOWAS with challenges. There is an overwhelming fear among the ECOWAS countries about the effects of unrestricted access into their markets for products from the developed countries.

Under the Cotonou Agreement, preferential market access commitments are to be made on the basis of reciprocity, which is in contrast to what was obtained under the Lome Conventions. The terms and conditions of the reciprocal references are being negotiated between the EU and the ECOWAS. The negotiations are meant to produce 'WTO compatible' outcomes, which will serve to further consolidate the hegemony of the WTO. The EU, in its negotiations with the ECOWAS, is already espousing multilateral trade liberalization, and at the same time seeks free trade with West Africa. Nigeria is leading the ECOWAS countries to reject the unequal partnership under the proposed the EPA. Trade liberalization components of the EPA are not the same as those of ECOWAS in terms of goals, orientation, and focus. Under the EPA, trade liberalization is expected to move ECOWAS towards a WTO-compatible trade regime in its relationship with the EU. The establishment of a CET which is a key integration instrument is antithetical to WTO-compatible trade regime with emphasis on reciprocity.

From the time of Obasanjo's presidency to date there have been official declarations and claims that Nigeria's diplomacy in the international environment is focused on the advancement of economic development at home

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(Adetula, 2013). Thus, the country's foreign policy machinery has been saddled with the task of attracting foreign investment to the country. At the inception of the Jonathan administration, there was open commitment to economic diplomacy as part of the Nigeria's foreign policy goals without any prejudice to the primacy of Africa in the country's foreign policy (Adetula 2013). Since then, there has been a lot of sloganeering about the imperative of investment and economic diplomacy in the drive for economic development of Nigeria. Regularly Nigerian diplomats are reminded to include in their briefs the need to facilitate the flow of foreign direct investment into the country.

The Agenda for National Transformation of the Jonathan administration is aligned to the use of the administration's foreign policy to attract greater foreign direct investment to accelerate domestic growth and create jobs (Ashiru, 2013). The scorecards of the country's economic diplomacy and search for foreign investors, however, reveal only modest accomplishments. According to Ambassador Olugbenga Ashiru, former Minister of Foreign Affairs, "A prominent component of the country's economic diplomacy is the involvement of the organised private sector". In collaboration with the Ministry of Trade and Investment and the Organized Private Sector (OPS), Nigeria established investment centres in six zones of the World (Ashiru, 2013). This collaboration has led to Nigeria's co-operation with countries like Australia and Brazil in sectors such as mining, energy, agriculture, and others. Bilateral National Commissions (BNC) have come up as key instruments for managing some of the new partnerships with foreign investors, including Western states such as the United States, the United Kingdom, and Germany. Within the BNC framework, investors have shown interest in sectors like energy, military, agriculture, food security, and many others.

Since the official announcement of the rebasing of the Nigerian economy, the authorities have scaled-up efforts to project the country to the outside world as a 'rising star'. On the basis of the new GDP and other economic indicators, the government and its agents now appear bold and confident to present the country's success stories with the support of new statistics and data. Thus, references are made regularly to Nigeria's impressive economic indicators, which include improved capital per income, an economic growth of 6-7 percent, and a modest debt-to-GDP ratio of below 20 percent at current levels. Available opportunities within and outside Nigeria are used to speak about Nigeria's human capital resources, market potentials, and young growing population as assets. The main concern in all this is the desire to improve the country's profile for the possibility of increased inflow of foreign capital. At the recently organized 20th Nigerian Economic Summit in Abuja on the theme of 'Transforming Education through Partnerships for Global Competitiveness', government officials took turns to showcase Nigeria as a haven for foreign investments. On that occasion, Jim O' Neill, a former chairman of Goldman Sachs, predicted that Nigeria could be the world's 15th largest economy if its large population is properly harnessed to participate actively in the economy (2014). One of the premises of his prediction on Nigeria is that the largest economies in the world also had large population growth, and that eleven largest economies in the world contributed 70 per cent of the world population. That O' Neil's prediction on Nigeria came after the rebasing of its economy cannot be easily ignored. Rather, it was an acknowledgement of the rising profile of Nigeria as emergent regional economic power.

The new global environment provides opportunity for the consolidation of neoliberalism and the dominance of the market forces. This has significant impact on the principles and practice of international relation including how diplomacy is now being conducted. For instance, the promotion of democracy and good governance, as well as commitment to neoliberal economic reform, have now become important criteria for assessing states in the international system. On the evidence of Nigeria, the liberal democratic system in the country is still in its infancy and it has not earned much respect from the United States and some other Western countries. However, while Nigeria's democratic experiment has not earned it the respect of the Western countries, the latter have maintained close economic relationship with the country, most arguably for its natural resources and large market. There are indications to suggest that the strong economic ties between Nigeria and Western countries have spilled over to the security sector, with both the United States and United Kingdom providing assistance and support to help Nigeria address security challenges. Nigeria's rising GDP and other impressive economic indicators have attracted the attention of key international institutions whose policies and programmes are often West-centric. Thus, it is understandable why the announcement of the rebasing of Nigeria's economy was received in the Western world as a welcome development with bright prospect for closer economic and diplomatic relations.

As Nigeria's problem of domestic insecurity continues to attract global attention, Western countries especially have shown marked interest in helping the country to overcome the challenge of terrorism and civil unrest the Niger Delta.

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As the activities and operations of the insurgents spread across Nigeria to other countries in West and Central Africa, the United States and some European powers, notably France and the UK, have pledged further assistance to Nigeria to enable the government combat terrorism (Goldsmith, 2014). The extent of support for Nigeria in its travail with terrorism and insurgency to some extent suggests global acknowledgement of Nigeria's status and role in regional and global politics. Although it is plausible to argue that the overwhelming support for Nigeria is security-related and may not be directly related to the growth in the Nigerian economy. While this is true, however, political-diplomatic engagements and economic development thrive better in a secured environment. The powerful states that have stakes in Nigeria would necessarily be interested in its domestic security. For example, the United States, France, United Kingdom, and other Western countries are interested in ensuring domestic security in Nigeria, which in turn help to secure Western capital in the country as well as reduce the risk of investment and international trade. Nigeria's participation at the recent US-Africa Leaders' Summit can be interpreted as an indication of growing recognition of Nigeria's status as a regional leader. While the United States and other European powers are positioning themselves for closer ties with Nigeria and Africa generally, the emergent global powers notably China and India have also demonstrated continued interests in the Nigerian economy.

Future Projection of Role in Global Politics

In what way are the current developments in Nigeria's national economy likely to affect its status and role as a regional power in the future? Are the recently reported impressive economic indicators and other related attributes likely to be sustainable and continue to provide the basis for Nigeria future role in regional and global politics? While it is plausible to argue that today there is a global recognition of Nigeria's importance in regional and global politics, is its new status as the biggest economy in Africa sustainable? In discussing the future of Nigeria's role in global politics, one must necessarily consider Nigeria's national interests, its self-perception, and capabilities alongside the pressures associated with the changes and developments in the international environment. Notwithstanding the constant of Nigeria's self-perception of its status and role as regional hegemon with the manifest destiny to lead Africa, several obstacles that are directly or indirectly linked to its domestic environment stand in its path toward actualizing self-definition of its role in regional and global politics.

First, the lack of adequate domestic support for Nigeria's self-perceived status and role as a regional power. The consequence of this limitation is grave for the future of Nigeria's role in regional and global politics. Nigeria has made significant contributions towards regional peace and security in West Africa. A case point is its continuous generous support for the ECOWAS peace-keeping operations. However, at home, successive governments have been criticized in the media for unjustified investments in the ECOWAS peace support operations. Nigeria has not been duly acknowledged for its roles in restoring peace and stability in war torn Liberia, Togo, Sierra Leone, and Sao Tome and Principe. Despite Nigeria's laudable contributions and assistance to African countries, its foreign image on the continent has suffered greatly. A case is in point is the recent Nigeria-led ECOWAS intervention in the Malian crisis. This foreign policy action was not favourably received by many Nigerians that felt the government of President Jonathan had no business sending troops abroad to fight while the country was facing serious national security threats, courtesy of the Boko Haram insurgency, Niger Delta youth militancy, and the sectarian violence in Central Nigeria (see Adetula 2014). The drastic reduction in Nigeria's force level in the Mali operations may not be unconnected with domestic pressures on the Nigerian government over its involvement in the Malian peace support operations.

Second, and closely related to the above, is the problem of fast-spreading armed conflicts and other threats to domestic security in the country. The activities and operations of Islamic terrorist groups in Nigeria and neighbouring countries, coupled with the problem of maritime insecurity in the Gulf of Guinea, make a huge joke of Nigeria's self-definition of its status and role as a regional power with capabilities to influence other actors in its region. Although there is no viable single-factor theory that explains the occurrence and consequences of armed violence in contemporary Africa yet. However, state failure continues to serve as a driver of many violent conflicts in Africa (Ohlson 2012). States that have become "ineffective, dysfunctional or non-existent" and are unable to carry out the functions of a state (see Bruck, 2013: 2) constitute security threats to their populations and the neighbouring states. While it is not easy here in this article to classify Nigeria as a failed state, its seeming failure to exercise monopoly over the use of violence within its borders, or prevent its use by non-state actors like insurgents and criminal groups

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and networks, somehow challenges her claim as a regional power.

Third, the prospect of the Nigerian economy is still not quite convincing to some within and outside the country, including a section of the international community that still interprets it as a paradox. Many ponder over why the prosperity of Nigeria is not reflecting on the daily life of the majority of its population. The opinion of *The Economist* is that "Nigerians are no richer than they were before the GDP figures were revised. The majority of its 170m-plus people live on less than \$1.25 a day" (The Economist, 2014). Also, in a recently reported statement credited to the President of the World Bank, Nigeria is listed among the five countries where "two-thirds of the world's extreme poor are concentrated". These are India, China, Nigeria, Bangladesh, and the Democratic Republic of Congo (World Bank, 2014b). Although the report has been challenged by the Nigerian government (Jonathan, 2014). The irony however, is that President Jonathan, on his Facebook wall concerning the rebasing of the Nigerian economy, made what seemed like a confession when he said that "I personally cannot celebrate until all Nigerians can feel the positive impact of our growth. There are still too many of our citizens living in poverty." (Quoted in Alade, 2014). President Jonathan's confession merely alludes to the World Bank declaration that Nigeria is a very poor country.

Notwithstanding the above constraints, it is plausible to argue that Nigeria will continue to be reckoned with in the regional politics because of its status and influence as a regional power, and even in the global politics that are presently tilted in favour of the Western powers that have closer ties with it. While the governments of the United States and European powers may have some concerns and reservations about Nigeria's governance-related challenges, especially as the 2015 national elections draw closer, they are not likely to outrightly retreat in their commitment to closer relationship without considering their stakes in the Nigerian political economy. Thus, Nigeria will continue to enjoy the support of the Western countries for its status and role in global politics. Similarly, Nigeria's relationship with the emergent powers is expected to experience remarkable growth. With the growing economy, and positive economic indicators, relationship with the emergent powers in the BRICS club is most likely to improve with the likelihood of Nigeria becoming a member of the club. It is also important to know that bilateral relationship with individual members of the BRICS club is most likely going to be driven by economic motives rather than political considerations. There is high prospect for band-wagon effect as many countries in the global South are likely to follow in the foot-steps of the emergent powers, either in the spirit of South-South cooperation or Southern solidarity.

Within the African continent, Nigeria will have to cope with a scenario of a mixture of support and pressure as a regional power. First, in the West African sub-region, Nigeria will continue to provide leadership on many fronts. Nigeria's prosperity has significant influence on the overall prosperity and stability in Western Africa. But there is a growing feeling among Nigerians that the country's relationship with its West African neighbours has created more burdens than opportunities to advance its self-interests. This claim, however, needs to be mediated by the objective reality that Nigeria's security needs are such that it cannot afford to ignore its neighbours or even any development in the sub-region. It is plausible, for instance, to argue that its membership in the ECOWAS has brought very minimal gains, despite the fact that Nigeria is the major power in the group. The question whether the country would not have done better without the burden of the ECOWAS is a hypothetical one and should not detain us here. The fact, however, is that it has always felt that West African unity is paramount and should always be taken into account in its relations with its West African neighbours. In discussing the future of Nigeria's relations with its West African neighbours, one must necessarily consider its national interests alongside with its commitment to pan-Africanist stand. In this regard, the future of the country's foreign relations in West Africa will always weigh the implications of its options on national security imperative and other core national interests.

One recent foreign policy action of Nigeria is illustrative of this trend: the stand of Nigeria on the ongoing negotiation between the ECOWAS and the EU for the Economic Partnership Agreement (EPA) is one major development that is likely to affect the future of Nigeria's foreign relations in West Africa. Nigeria has opposed the fast-track liberalization agenda of the EU and asked to be included in the GSP+ scheme instead. It also expressed concerns over the actions of the two West African countries – Ghana and Ivory Coast – that signed interim agreements with the EU. The implications of the interim agreements for ECOWAS Trade Liberalisation Scheme (ETLS) is of special concern to Nigeria that feels that the interim agreements could become a conduit pipe for channeling goods originating from Europe to its markets under the guise of regional integration, and which might affect the future of up-growing industries.

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Although geo-political realism dictates that Nigeria should remain within the ECOWAS, using its platforms in addition to bilateral diplomacy to conduct its policy of good neighbourliness in West Africa. However, if Nigeria is to remain committed to carrying the burden of its West Africa neighbors, attempts must be made to accommodate its special interests and long-term needs. It is obvious that the issue of Nigeria's national security must be treated as a special case and related to the security of West Africa. There are concerns in some circles that Nigeria has not received commensurate rewards from its investments in West Africa and Africa in general. Nigeria has worked hard to restore peace and stability in Liberia, Togo, Sierra Leone, Sao Tome and Principe, and Mali.

Several countries in Africa have enjoyed Nigeria's generosity, including the benefits of technical assistance through the Technical Aid Corp (TAC) scheme. But Nigeria has not been adequately rewarded in terms of commensurate respect from the beneficiaries of its assistance and support. On several instances Nigeria's capacity to represent African regional interests in international fora have been questioned by countries that benefited from Nigeria's actions and goodwill. Nigerians have also been subjected to humiliation and indignity in some African countries. In Gabon, for instance, Nigerians were subjected to torture by Gabonese security agents and subjected to xenophobic attacks in South Africa. And how does one explain Sierra Leone's declared interest to contest Nigeria's candidacy for a permanent seat in the UN Security Council? It was gathered that officials of the Sierra Leonean government demanded up to 300 million US dollars in financial assistance from the Nigerian government to stop Sierra Leone from contesting Nigeria's candidacy. It should be recalled that Nigeria made substantial human and material sacrifice to restore peace and stability in Sierra Leone.

Nigeria and Ghana enjoy very cordial and friendly relations. Ghana is one of Nigeria's foremost business partners in the West African sub-region. However, in recent times, there have been reports about hostile business practices against Nigerians in Ghana. For example, the Ghanaian government was reported to have imposed high tariffs on Nigerian movies and restricted Nigerian actors from shooting films in Ghana. Also, in 2012, many Nigerian businessmen operating in Ghana had their shops closed by the Ghanaians for allegedly operating illegally. The Ghanaian government was enforcing its policy which requires every foreigner who wants start business in Ghana to have an initial capital of \$300,000 and must employ 10 Ghanaians to work with him regardless of the size of the business (Matthew & Odiogor, 2012). Why has Nigeria's diplomacy of cooperation, partnership, and goodwill on the continent generally, and in West Africa in particular, not been adequately reciprocated and rewarded?

Disappointed with the low level of gains and rewards from Nigeria's investments in its relations with other countries, some Nigerians are now inclined towards the adoption of the principle of reciprocity in conducting Nigeria's foreign relations. The responses and reactions of the Nigerian government to the maltreatment of Nigerian migrants by some South African officials best demonstrated elements of the new thinking on the essence of reciprocity in the conduct of Nigeria's foreign relations. On the other hand, some people have argued that Nigeria "have no right to gripe over unequal reciprocal treatment from other nations". In the logic of Ambassador Ignatius C Olisemeka, "Our problem is, essentially, one of lack of management, lack of capacity, lack of proper and effective coordination, and, above all, failure of our institutions" (Olisemeka 2010: 6). However, on the other hand, others feel that while Nigeria has its own challenges like any other country that should not prevent it from aspiring and concentrating efforts at creating a nation that commands respect.

In the opinion of many in Nigeria, there is a huge gap between the country's investments in Africa and the gains it acquires in respect of diplomatic capital and influence (see Eze, 2010). Thus, there is serious pressure on the Jonathan administration to be more Nigeria-centred in its foreign relations. While the re-evaluation of Nigeria's economy and its outcomes are likely to boost the ego of the country and help it gain acceptance and recognition among the key members of the international system, the 'gains' from the exercise are not likely to make a huge difference in Nigeria capacity to negotiate and compete with other players internationally.

Concluding Remarks

In concluding the discussion on the implications of the rebasing of Nigeria's economy for its status and role in the international system, I consider it appropriate to underscore the essence of the country's domestic environment. And in doing this, I align my thoughts with the wisdom in Richard Haass's proposition that that a good foreign policy

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needs to begin at home (2013). In this regard, the rebasing of Nigeria's economy will not make a dramatic impact on its status and role in the international system if the present challenges and contradictions in its domestic environment are not adequately addressed. Thus, it is recommended that Nigeria's foreign policy be urgently re-conceptualized to primarily address developmental needs of the country, including the national security and improved living conditions for the majority of the population. Also, there is need to pay adequate attention to the current global realities. The tasks here require re-examining a number of issues around Nigeria's foreign policy and globalization, which is a characterizing feature of 21st century international relations. Such a foreign policy must necessarily, in addition to a viable national economy, consider the importance of a strong political domestic base, identify, protect, and promote realistic, achievable, and sustainable national interest goals in the short, medium, and long terms.

The implications of current global trends and developments for Nigeria's foreign relations should be factored into the formulation and implementation of Nigeria's foreign policy strategy. In this regard, it is imperative to identify and analyze the character, contents, and dynamics of the current post-Cold World neoliberal global order to be able to come up with appropriate coping strategies and response mechanisms. Within this context, it is important for Nigeria to re-examine its national interests, and re-align them with the new realities of post-Cold War international relations. For instance, what should be Nigeria's response to the 'politics' of the emergent economic powers and other leagues and clubs such as the D-8 and N-11? One question to ask is whether Nigeria's fast growing romance with these new economic power blocs represents progressive movement towards the restructuring of the international division of labor. Also, the expanded interests of the Asian powers in Africa have serious implications for regional order in Africa, and Nigeria must not ignore this. For example, the increased presence of Chinese and Indian capital in Africa calls for concerns. How are the regional hegemony, like Nigeria and South Africa, responding to this and other related developments? Nigeria and other African countries must look beyond some of the cosmetics and rhetoric about support for African collective interests, such as the building of the Headquarters of the AU in Addis Ababa by the Chinese government. Africa needs strategies of engagement with the emergent powers that take into consideration the status and essence of regional integration and collective self-reliance in African development, and Nigeria and others key players in the region, especially South Africa, should support initiatives towards the development of such strategies.

While it is possible to argue that Nigeria's influence is gradually growing owing in part to its rising economy, its status and role in the regional and global politics are not likely to experience rapid growth. No doubt that with its wealth the country will continue to be a major player in all of Africa's political, economic, and military institutions, including regional peacekeeping missions. Also, Nigeria will be most influential in West Africa, just as South Africa will be the dominant player in the East and Southern Africa. The importance of Nigeria within Africa, both economically and politically, particularly within the AU, NEPAD, and other regional governance initiatives, as well as its influence outside the continent, will depend on its ability and capability to effectively address its internal contradictions. The country's leadership needs to tackle corruption, produce more electricity, transform the country's dilapidated infrastructure, and address unemployment. Thus, in addition to the gains of the rebasing of its national economy, the outcomes of its efforts at promoting good governance, tackling corruption, and improving the state of infrastructure in the country will go a long way in boosting its foreign image.

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