## THE BROOKINGS INSTITUTION

## **FALK AUDITORIUM**

# NIGERIA IN TRANSITION: PROSPECTS AND CHALLENGES FOR THE NEW GOVERNMENT

Washington, D.C.

Monday, June 8, 2015

## PARTICIPANTS:

# **Opening Remarks:**

AMADOU SY Senior Fellow and Director, Africa Growth Initiative The Brookings Institution

# Featured Speaker:

GRANT HARRIS Special Assistant to the President and Senior Director for African Affairs National Security Council

# Panelists:

MODERATOR: WITNEY SCHNEIDMAN Nonresident Fellow, Africa Growth Initiative The Brookings Institution

AMBASSADOR PRINCETON LYMAN Former U.S. Ambassador to Nigeria

AMBASSADOR ROBIN RENEE SANDERS Former U.S. Ambassador to Nigeria

AMBASSADOR THOMAS PICKERING Former U.S. Ambassador to Nigeria Distinguished Fellow, The Brookings Institution

ROTIMI SUBERU Professor Bennington College

\* \* \* \* \*

ANDERSON COURT REPORTING 706 Duke Street, Suite 100 Alexandria, VA 22314 Phone (703) 519-7180 Fax (703) 519-7190

## PROCEEDINGS

MR. SY: Thank you very much. So today we have two panels -- in the first panel we are very happy to have with us Mr. Grant Harris who is serving as a special assistant to the President and Senior Director for African Affairs on the National Security Staff of the White House. We have 30 minutes with Mr. Harris -- can I call you Grant?

MR. HARRIS: Absolutely.

MR. SY: We have 30 minutes with Grant and I will invite you to stay with the second part of the panel where we have three former U.S. Ambassadors to Nigeria. So now the challenge here for me is to keep this within 30 minutes and open the floor for Q and A's. So when I open the floor for Q and A, please keep it very concise so that we can really have an efficient 30 minutes.

So, Nigeria -- largest economy in Africa since the re-basing of its GDP. Largest population in Africa -- you cannot speak about Africa without talking about Nigeria. So Grant, what I would like you to do, for the first question is really from where you sit at the White House to give us a sense of how you see Nigeria and how you've been dealing with Nigeria before the elections all the way to the elections and after the elections.

MR. HARRIS: Sure.

MR. SY: So that will really be the theme, before during and after. So the first question I have is that the U.S. pushed very hard to promote peaceful and successful elections in Nigeria. You remember President Obama issuing a personal message to the Nigerian people. We have Secretary Kerry travelling to the country. So can you give us a little bit of a sense of the process and the reasons why the U.S. worked so hard before the elections?

MR. HARRIS: : Sure, absolutely. And thank you for having me. Thank you everyone for coming out for this conversation. The point that you started with I think is a really good point because it puts it in a perspective. And that's what the United States did in the immediate lead up to the election and drawing back from that, why. Because in the immediate lead up to the election we did some things that aren't always the case. Normally before a major election, it's very unusually for the secretary of state to travel out so soon before voting because we're concerned that it might play to one side or the other or be spun by one side or the other. Yet in this case we did. Normally of course it's not the norm for President Obama to issue a personal appeal to the citizens of a country right before an election and to call for calm and to call for orderly and peaceful voting. And in addition to that we had Secretary Kerry post an Op-Ed in major newspaper with his U.K. counterpart. We had a whole range of outreach to religious leaders, to civic leaders, northerners to southerners. Across the country we fanned out through our embassy and of course through everyone that we knew to try to advance this message which was really a very simple message and that was to have a peaceful poll and to ensure that any sort of disputes or any sort of tensions were resolved peacefully and through the courts and not in the streets. Because we had real nervousness as I think many in the international community did in the lead up, that there were a lot of elements pulling at the resilience of the country and that were creating what might be a tinderbox. You had a contentious election which in and of itself is not a bad thing -- it's a great thing to have a contentious election between competing political parties, setting forth competing visions. But there had been history in the past sometimes of the political tensions boiling over into balance. You had an economy that was sagging as well and at that point the stock market I think had been down some 27 percent at the point when we were really trying to assess how things were going and you had of course the conflict of Boko Haram where

the government had not been making progress and where there were real instances and real concerns about the type of violence that Boko Haram might sow on the polls and how that might have an effect. And so as we were looking at this we simply decided that Nigeria is so important -- that this election is so important that we needed to leave no card unturned as to what the U.S. government could do to get out its message and try to influence in whatever way we could a positive outcome.

Now realizing that what happened in Nigeria was because Nigerians acted as they did. But we in the international community wanted to make that we were sending all of the right messages, both positive messages but also what were really unveiled threats that we would pursue, visa bans and other measures against those who pursue violence. The reason that we did that to which I eluded and to which you eluded as well -- Nigeria plays an incredibly important role in the region. And this election I think was important both for other countries looking at how to navigate contentious elections.

But it was also important as an opportunity for Nigeria to really restore itself to a role that it had played in the past. And with democratic gains and with a peaceful election we saw it being positioned and postured to really make gains, both internally against Boko Haram to right the economy and also to restore its place inside the broader region as an exporter of security, as a vital voice in ECOWAS as an important peace keeper around the continent. And so it seemed to be an incredibly important decision point in a country that is an indispensible partner for us.

MR. SY: Actually that was my second question -- my second question would have been how really important is Nigeria not just as a country but also as one of the dominant player in the region. So I don't know if you want to follow up, it's not just the security but also the economic side and so on.

MR. HARRIS: Sure, I think the answer is very important but with Nigeria's challenges you've seen it pull back in some of its peace keeping commitments. The economy had not been leading the region the way it really should. And you'd see the stock market take a dip and as we were speaking with U.S. investors, global investors, and others there was real concern about the underlying strength of the economic direction and some of the policies in place. And you saw Nigeria looking abroad and looking potentially to international financial institutions and elsewhere in a way to provide support in a way that was less common in the past and would show that there was a severe challenge. And when you saw as well that the advances that Boko Haram had been making, the Boko Haram challenge was really metastasizing. And it had spilled over the border with a tax and drawing in Niger and Chad and Cameroon and so it seemed to have reached a point where, whether it was a tipping point or not it's really unclear in hindsight but it was a point where the threat was very real. And it was a regional threat, it was a regional problem. And the devastation that this group was sowing both in Nigeria and outside of Nigeria showed that if left unchecked it could really metastasize further.

MR. SY: So now we continue our journey all the way now to the day of the elections on May 29th and you were there. By the way in true Nigerian fashion, the stock market rebounded and they call this rebound the Buhari bounce. So now we are on May 29th -- can you give us a sense of how you felt and how it was to be there? I mean (inaudible) from France was here, President Zuma was there and the dignitaries. And I think we've all felt -- I know personally how happy I was at that day and we had this collected sigh of relief. But could you please give us a sense of how it was to be there on May 29th?

MR. HARRIS: Absolutely. There was a lot of excitement in the country and in speaking to many friends and colleagues who had recently travelled to Nigeria

post-election but pre-inauguration, they were also talking about a buzz and they were saying that it was some of their best visits in a long time because of the excitement and the optimism. Some were saying that it was a moderated optimism and I think we'll have to see. Because clearly if there were high hopes for the new administration. And for our side President Obama requested that Secretary Kerry lead a Presidential delegation which included a lot of senior officials, it included also Hakeem Olajuwon, a very prominent Nigerian-American who is beloved in country and obviously an NBA great here at home. And so we had -- we were trying to highlight in that delegation both the strong government to government ties but also those people to people ties that you had mentioned which go back for decades and for generations.

As we were watching the inauguration unfold and especially as President Buhari and Ambassador Sanders and others who were in the stands I'm sure we'll speak to this -- especially as President Buhari was inspecting the military parade and inspecting the military parade and inspecting the military parade and inspecting the services and seeing them as he drove by and was waving to the crowd and you heard the crowd really get excited. I think that was the pinnacle for me of the excitement and the hope. And we had a lot of trouble actually leaving the inauguration because there were so many youth in the street. And they were excited and just trying to be close to the event and be part of it. And so I think the optimism is there. Getting back though to government to government relationship and to some of the challenges, I think the key now though is that President Buhari appoints the right people for these senior positions -- especially the economic portfolios to have the technocratic skills and the ability really to undertake the right policy reforms. And then with respect to security leadership that he makes sure that he's got strong leaders that are making a push for transparency and are making a push really for a comprehensive

approach to combat Boko Haram. That's leveraging security tools but also leveraging development gains and economic growth.

MR. SY: And this is a nice segway to the second -- the third part of this journey now post elections and then we have all these electoral promises that are out there. At AGI we really love numbers so we dig up some numbers from Credit-Suisse, although we are not advocating you invest your money through Credit-Suisse. But so they have this report about the likelihood of Buhari and the ATC, his party, delivering on its campaign promises. So you look at the odds. So the odds are low for six of ten major policy priorities -- economic growth, job creation, social economic development, public finances, food security and economic infrastructure.

On the other hand, the odds are high for three of ten of the electoral promises -- security, corruption, and governance. So it seems to -- this is just one of course, set of data and I'm sure if we were to do a poll here we would have different results but at least we can all agree that there are two really -- two big issues here. One is the security, the corruption and the governance where the new resident is coming with a big capital having in the past being in power and having shown a bit -- given some signals there to address these issues. But then we have the price of oil going down.

We've seen huge shortages, we've seen Q1 GDP going down and we also see -- you mentioned the youth right? But we've seen the demographics and we know that we have a large young population that need jobs. So how do you see these two big challenges and how the U.S. -- first of all what the policies the new President should take and how the U.S. can really assist him.

MR. HARRIS: Sure, I think I keep skipping ahead in your questions. So I'll refer a little bit back to how I laid it out but I'll try to add to it as well. You're right that Nigeria continues to face very real challenges, and though there is a lot of hope with a

new administration and new president, it's going to depend on who he picks for the right jobs. It's going to depend on the views that he solidifies and that he pursues in his agenda. But there's also a broader system at play. And I think Nigeria watchers have seen and have commented that over time there seems to have been more strain on that system that corruption has deepened. That some of the underlying economic abilities seem to be not achieving its full potential -- that part of the security gains made by Boko Haram were because of some of the challenges in resourcing the Nigerian military and so I think that he's got his work cut out for him to set the right course in combatting those. And any instance like this -- particularly one for such an important country, for such an important election that really exceeded expectations. Those expectations will be exceedingly difficult to me. And I say this as well working for President Obama who faced exceedingly high expectations when he took office which didn't match the capability of any U.S. President in some venues to be able to achieve all hopes given that you've got to be pushing an agenda -- you've got to the right people in place as much as we do. And so I think for President Buhari it will be key as I mentioned on the economic and security portfolios. It will be key as well to be sending the right signals and to be taking incremental change as well in corruption and transparency, in governance, ensuring that there are a lot of things that the government can do to better institutionalize transparency as an objective. The bottom line is he's been saying the right things -- he's been saying that he wants to pursue the security goals. He's been saying that he wants on the economic front to be doing more. And we as the U.S. government are more than keen to work with him and the new administration to do so. We had a partner in the last administration, we think also that President Buhari with this agenda may be able to uniquely make progress on some of these issues. And so we stand ready to deepen the

security relationship. We stand ready to help in terms of any advice or support that we can provide on the economic agenda as well.

MR. SY: Okay, so now on the security, we've heard Secretary Kerry promising a renewal of U.S. commitment to military cooperation. I know that there some issues with the former administration in terms of military cooperation. But isn't time also to think about post military campaign -- if I may? For example the former Deputy Assistant Secretary Tom Woods was mentioning the need to already think about DDRs and think about stabilizing and reconstructing, for example, the Borno state and these areas. What are your views on that?

MR. HARRIS: My views are absolutely. I think some of that activity has been underway but at a smaller scale than what we would need. And we should certainly plan for larger scale success and be ready broader DDR and for broader stabilization activities. We've done some speaking for the U.S. government in trying to support these efforts, but you need to have the right holistic view of the challenge. And that's something I think that over preceding years at different points we felt that we needed a more comprehensive approach. We've sought the support in a more comprehensive approach. Because I think that where the Nigerian security infrastructure has encountered setbacks and problems along the way has in part been due to being overly focused on the security tools at their disposal. And you've got to be thinking about it comprehensively, because when you look at the north for instance and you look at the socioeconomic indicators and you look at the lack of development gains you see all too many people feeling disconnected from the capital, from the government, from services that can be provided and so what we've been urging and what we hope to work with the Nigerian government to do, is to think how do you bring in development tools? How do you bring in stabilization? How do you make gains so that you can counter violent extremism over the

long term even as you use security tools to address the immediate threat for Boko Haram. And so some activities underway is the short answer but I think we all need to be doing more and figuring out what is our plan to help see the kidnapping of many women and girls has been brought in the stark relief and need for reintegration and the need for psycho-social services, the need for how to deal with the negative effects of this really callous violence that Boko Haram has perpetrated and so that remains a challenge but is simply an example of a way that as you prosecute the war against Boko Haram you've got to think about how you then support the communities, how do you draw people away from Boko Haram as a group and how you provide jobs and economic growth to make the situation all the more stable over the long term.

MR. SY: Yes, I've got the signal that I have to open the floor and get some answers. I would have asked the last question about the economic cooperation; we are a bit nervous about Ex-Im Bank. How Nigerian oil is no more being exported to the U.S. because of development here in fracking. So I'll keep that and maybe somebody will help me out there. Ask that question, but I have to open it to the floor. So please be concise, so that we have about ten minutes and then I'll take a couple of questions. So I have one in the back there and one here in the front. I'll take the side too.

SPEAKER: Dave Lowden, independent policy analyst. Can you speak at all, Mr. Harris, to efforts to reintegrate internally displaced people in Nigeria as a result of conflict with Boko Haram?

MR. HARRIS: Sure, happy to.

MR. SY: So I'll take one here. And I encourage people from the right side, which I'm not looking at, to ask questions too.

SPEAKER: I know you guys have talked Nigeria and oil since July 2014.

Is there any prospect that America will start buying the oil now with the new administration?

MR. SY: Last question from this side, if not I'm going to move back to this side. Okay, so there's one question.

MR. HARRIS: I think there was one hand over here --

MR. SY: Oh sorry, yes.

SPEAKER: I represent the African Queens Women Cultural Leadership Alliance. (inaudible) But have you tried to reach out to cultural leaders in Africa who are women who not encumbered with apolitical baggage who can actually reach out maybe on the other side for dialogue? Would your administration support reaching out to such neutral parties -- the cultural leaders?

MR. SY: All right thank you.

MR. HARRIS: Thank you. Great questions let me try to take them in order. In terms of helping address the problem of internally displaced persons which we've seen on a really alarming scale because of the violence and also of course the flow of refugees to neighboring countries. We've tried to increase our humanitarian assistance especially through the U.S. Agency for International Development and we've also tried to encourage coordination with other partners because it's a bigger task than I think what we're able to bring to bear unilaterally and also the same would be true of the other major donors as well. And so what we've been doing in terms of coordinating for the government and the ambassador of course of the government of Nigeria is here and is part of an ongoing conversation, is how to provide these services even despite the insecurity that has plagued many of the areas in which these internally displaced have been. And we saw in addition to humanitarian costs there also was a political element in

terms of the election and voting which something that was also of great concern in, and we were encouraging each political party and the major figures to come to an agreement and how to ensure that these large groups were disenfranchised through the polls which could as well opened up the election to claims of being insufficiently inclusive or to have been biased one way or the other. And I think much progress was made in that regard, there's still a lot more to do though, particularly on the humanitarian side. In terms of oil, we don't have any policy in favor or against of buying oil from a country like Nigeria or elsewhere, it's really market factors that have driven the reduction of U.S. imports of Nigerian oil. But one thing though that I think was salient to me, having been in this position almost close to four years and having been speaking about Nigeria a lot, some of the comments at similar fore, would be what's driving your interest is the oil. And even as we've seen our imports dramatically decreased, our concern about the situation in Nigeria, our view that Nigeria should be a very important regional leader and our view about the importance of the relationship is in no way diminished. It's only increased with the opportunities that we've seen. And then with respect to engaging women leaders and cultural leaders -- that's absolutely something that we can be doing, we should be doing. We're trying to do, but I think there's more that we can be doing in that regard. I mentioned that in the run up to the election we tried to have a very broad outreach strategy and one thing that I think is to our credit as a government, having looked at major elections and having looked at major events, we've really tried very hard to diversify the stakeholders and the groups to whom we reach out with our messaging. We did this before the Kenyan election. We've done this at other critical elections. We're doing this right in trying to address the crisis in Burundi and elsewhere where we look very deliberately at what sort of groups have influence where our messaging can be felt how we get out beyond the capital, how we get to groups in more rural areas, how we

use religious communities and religious leaders to discuss with them and benefit from their ideas. Women and other leaders are a really important aspect of how we need to be thinking creatively about with whom we're engaging, whose ideas we'd benefit from, who also can be messaging some more things and who have the same interests as well in peace and stability in these situations.

MR. SY: Thank you very much. We'll take another round of Q and A just before everything. So I'll start this time this way. I'll take one here, one there, and I'll take that gentleman there with the white (inaudible). Please if you could just be very concise then we would appreciate that, thank you.

SPEAKER: Thank you, I'm Will (inaudible) from Dime Corp International. Given the Amnesty International report just came on the human rights abuses by the army -- what's the administration's position going to be on renewing military security assistance?

MR. SY: Yeah and with the white shirt.

SPEAKER: Good afternoon, my name is Scott Morgan with (inaudible)

Enterprises and I'm just wonder what is -- could you give an update of what the

administration has been doing to assisting Nigerian government in assisting to find the

Chibok girls?

MR. SY: Thank you. May I have two quick questions that the gentleman in the middle with the suit and the gentleman here. And then please stay after Grant finishes to answer his questions because we have another round of very good comments on Nigeria.

SPEAKER: Thank you very much. I must say that most of us Nigerians and other Africans in the diaspora are really excited with the change in Nigeria. And keen on contributing to maintaining the bright light that we see in Nigeria and the diasporans

are eager to be engaged with the U.S. and the U.S. agencies to enable, then mobilize, themselves to make sure that the country put to the continuation on the progress. Is there any way that your administration can encourage the Africans and Nigerians in particular and diaspora to engage on country (inaudible)? Because a lot of Nigerians are now in the diaspora and we need to use our exposure and experience to see that we've been tended for future -- please is there any way the government can help us? Thank you.

MR. SY: Thank you. Last question here, please be very concise.

SPEAKER: Thank you, Tobian Booth from the Center for International Studies and Development. You talked about economy and Buhari appointing his cabinet ministers. Can you give some practical examples or things to do to diversify Nigeria's economy away from petroleum and oil?

MR. HARRIS: Okay, great let me try to tackle this -- another set of great questions. First, in terms of the Amnesty International report and the recent reporting about human rights violations by Nigerian security services. These continue to be a real source of concern for us. We've continued our partnership with Nigerian military but we've continued as well to be fully consistent with our legal obligations in terms of lengthy vetting and insuring that we're working with vetted troops and that our training is meant to support a culture of respect for human rights and of approaching these difficult challenges in the right way and a way that really respects and lifts up the rights and dignity of the population. At different points we've been more or less publically vocal about some of our concerns particularly at the height of the very concerning allegations about what was happening in Giwa barracks and about the detention of those who were suspected of being part of Boko Haram. A lot of our security assistance goes to things that, whether it's judicial related or infantry of Italian training which had been turned off temporarily by the government. We're hoping to restart that. A lot of this goes to trying to

support a culture as I mentioned, of being able to address Boko Haram and these security challenges in a way that's fully consistent with Nigeria's legal obligations and there's really no other way to say it. There's certainly been challenges. We certainly have concerns about the treatment and respect for human rights in a way that we've been candid with the government and will continue to do so. And I think that confronting Boko Haram is going to take all of the tools as I mentioned at the government's disposal but they've got to be levied in a way that show the utmost respect for its international legal obligations. And so with these and any other reports of concern we go through them quite carefully we ensure that what we're doing as part of any security assistance that we provide is really meant to be part of the solution and really foster that type of culture and that type of approach.

With respect to the Chibok girls and those who have been abducted when that originally occurred we immediately increased our assistance, particularly in intelligence, surveillance and reconnaissance, and other means to try to help the government locate where these missing girls were and of course, though this particular instance got a lot of international attention this practice unfortunately has been continuing for some time and we've been trying to help all the girls particularly those recently recovered. But women and girls who were recovered by the Nigerian army in terms of psycho social support, in terms of counseling, we plussed up our embassy team at one point by about 30 people or so when these girls were originally abducted and we had people from across our departments and agencies with their specific skill sets trying to help locate, trying to help provide counseling and services to those who were located and trying to do what we could with the Nigerian government to make their responses as effective as possible and that of course is a search that is ongoing, though they have had success in locating and freeing some women and girls. We're also quite concerned about

the fate of many young boys and men as well in towns and villages that were attacked by the Nigerian army and there are far too many disappearances. There are far too many young boys and men who are unaccounted for. And we see that I think a level of despicable violence perpetrated by Boko Haram that speaks to what it stands for as group and that we need to continue to do everything that we can to counter.

In terms of working with the diaspora, it's a great idea and it's something that I think we need to be doing more of. It's a theme that comes up time and again. We've tried to implement this idea in a few different ways. Some more specific to Nigeria, others more broadly to sub-Saharan Africa across the board, including in ways in highlighting the economic opportunities and the trade and investment agenda that we've been working on. For instance under the doing business in Africa campaign we have an element in which our department of commerce is working with diaspora groups to try to really use their interest and expertise and their ties to these different countries to highlight both the investment opportunities but also to encourage the type of U.S. tools that we can bring to bear to support. Which is the most artful way I can come up with as well to say that XM is a really important tool of the U.S. government and to getting to your previous comment. It's something that we're quite concerned about. It's very important that XM be reauthorized so that we can continue to use these tools to support investment and trade. But the short answer is that there's more that we can do with the diaspora in particular. We really welcome those ideas of how to do it. And we have many programs but I think that it's most helpful to hear from members of the diaspora about where we're getting it right and where there are opportunities to be doing more.

And then finally in terms of diversifying the Nigerian economy as -- I think to start with, though you're speaking of course to diversifying beyond petroleum, to start with its critical that there be more transparency in the petroleum sector. And it's critical

that the government take actions to try to increase that transparency across the board so that the receipts are known so that the government is confronting some really tough issues in ensuring that the people of Nigeria see the benefit of the natural resources of Nigeria. And I think that there's more that can be done in that regard. Now beyond diversifying -- beyond that -- Nigeria has got a lot of resources as you know and I think there needs to be a broader economic plan in how to do so. It's going to back to the leadership as I mentioned and it's going to go back to having the right ministers with the right vision of how to get there and how to do it. And I think these are many different questions. It's hard to pull them all together. What it gets at fundamentally is where you started. And that's in terms of the importance of Nigeria and also the importance of our relationship with Nigeria. So we're going to continue to work with the government of Nigeria as partners. We know that partners don't always see eye to eye. We know that there are challenges as well but Nigeria is an incredibly important partner for the United States, both as security challenges, the economic potential, for all the reasons that we've touched on here. And so you'll continue to see more from this administration and try to deepen those ties and support this new administration in Nigeria in making these tough decisions and putting in place the right team.

MR. SY: So the journey continues, please join me in thanking Mr. Harris with a round of applause and we hope to see you again. (applause)

MR. HARRIS: Thank you very much.

MR. SY: Please stay on your seat, because we are not done and you can ask another question.

MR. SCHNEIDMAN: Good afternoon, my name is Witney Schnideman and I'm non-resident fellow here at the Africa Growth Initiative at Brookings. Before I

introduce the panel let me just introduce Ambassador Adefuye, Nigeria's ambassador to the United States. Good to see you sir. Welcome. (applause)

So we have an extremely distinguished panel. I'm just thrilled to be having this conversation about Nigeria. Just brief introduction -- to my left is Professor Rotimi Suberu who is a professor at Bennington College and author of *Federalism and Ethnic Conflict in Nigeria*. To his left is Ambassador Thomas Pickering who was U.S. ambassador to Nigeria, 1981 through 1983. To his left is Ambassador Robin Sanders who is the CEO of Feeds and former ambassador to Nigeria 2007 to 2010. And Ambassador Princeton Lyman who's Senior Advisor to the President of the United Institute of Peace, he was ambassador to Nigeria from 1986 to 1989. We've got a lot of ambassadors here -- former ambassadors. And we're just thrilled to get into this.

Ambassador Lyman, let me start with you. Because several years ago you criticized Nigeria very publically for failing to play a leadership role in Africa and in February you called for the elections to be postponed. And indeed they were. And I think this establishes you as the bonafide clairvoyant on this panel. (laughter) So, given the recent elections and their outcome, what does the Buhari government need to do as a first priority to seize the incredible momentum and excitement that was generated by this historic transition?

AMBASSADOR LYMAN: Well, I'm happy it came out as well as it did.

And it came out marvelously. Look, he has several priorities but I disagree with the credits we success, quite frankly. I think the most difficult areas he's going to have are security and corruption. Security because the reform of a security surface while you're in the middle of a conflict is always very difficult. And second there's a real generation gap between General Buhari, President Buhari and the leadership of the military today. And changing that and getting in and building a new cadre of military support is not going to

be easy. And on corruption, a lot of it is institutionalized. It's built deeply into the system. He's going to have to have people not only who understand the system but are as committed as he is to breeding out the corruption. I think those are two major challenges he's going to have to get at right away. Whereas on the economic front I think there are a lot of people -- business and others, ready to jump in and now help on the economic side -- I think that's where he's going to start to see some success.

MR. SCHNEIDMAN: But actions, what kind of actions are looking for that make you say this is for real here?

AMBASSADOR LYMAN: Well, I think he has Jacob for military leadership. I think the Amnesty report is damning and yet he has to do it in a way that it doesn't collapse. And that means new appointments right away. He also to make the commitment to the people of the northeast and the north that it's not going to be just a military campaign. There's going to be a real investment in the north and jobs and other things to take away the appeal that Boko Haram has. And second, who he appoints -- who he appoints on the economic side, in the petroleum industry. And gives them the authority and power to move quickly on, at least getting the most serious corruption under control.

MR. SCHNEIDMAN: Professor Suberu. Corruption has been an issue that's marred Nigerian governance for some time and has been talked about a lot.

Certainly President Buhari and his campaign made it one of the top priorities. What can we realistically expect from him? How does he begin to tackle this issue such that it makes a difference in the lives of the everyday Nigerian?

MR. SUBERU: Thank you. I think it is realistic to expect that there will be a major fight against corruption under Buhari for several reasons. I think his reputation and integrity as a former Minister of Petroleum, as a former head of state. He is one of

the Nigerian leaders who has been relatively incorruptible. In fact in the north, he is called Mai Gaskiya which means the honest one -- reflecting that experience.

The second reason why I think it is realistic to expect that will be a major fight against corruption is because it's such a centerpiece of his campaign and then it's that reason why I think we can be optimistic is that in the past under President Obasanjo for example -- when the political leadership has been committed to fighting corruption we've seen some results like the EFCC under Ribadu. At the same time there are several reasons to pessimistic. One is that this is Buhari's fourth attempt at the presidency. His previous three attempts failed. And being successful during this first time he actually built a coalition which includes unfortunately a lot of politicians that are known to be very corrupt. The institutions for fighting corruption in Nigeria are also very weak. The EFCC and the ICPC have been used as instruments of political victimization and intimidation by the politicians and of course the royal costs. The (inaudible) that Nigeria is (inaudible). The government deriving and (inaudible) proportion of revenues from oil revenue and taxation (39:00). So these are factors that will tend to suggest some pessimism but overall I think we can be cautiously optimistic that Buhari will fight corruption especially if he goes beyond personal example to implementing some institutional reforms and building the institutions for fighting corruption.

MR. SCHNEIDMAN: Should we expect him to prosecute people of the past administration for actions related to corruption?

MR. SUBERU: I think his policy has been that he's not going to spend a lot of time going back. He'll be more focused on providing and ensuring that his own government includes people that are not corrupt. But in very latent cases of corruption, like the famous missing 20 billion dollars. I think it will be absolutely a message to investigate those.

MR. SCHNEIDMAN: Ambassador Pickering, you knew President Buhari in 1983 when you were ambassador to Nigeria. And at that time he came into government through military force and had a reputation as an authoritarian leader. And now he's been reborn as a democrat. You've been ambassador in five countries and the United Nations. Have you seen this kind of conversion before and from what you knew of him then, what do you expect now?

AMBASSADOR PICKERING: No, Nigeria is a country of ultimate tests in many ways, and quite unique. And so in the search for any parallel, I think you'd be hard pressed to find it. I think on the one hand it's quite damaging that a paper as respected as the New York Times found it necessary to lead every headline with military dictator. When in fact, what President Buhari did after the coup was to, with a very heavy hand weed out corruption. If a heavy hand was needed then, I cannot tell you what is needed now. There is something close to miraculous. And I agree with what I heard from both Princeton and Professor Suberu. To some extent, people tell me that Buhari has never been briefed, by anybody from the former government. That he has no idea of where the money has gone and where the money now isn't, if I could put it that way. He has an economic crisis and I think the economic crisis which is in large measure driven by corruption but also driven by other factors. It is a principal requirement for him to undertake to prove to the people who as ebullient as they are now are going to have to see serious changes down the road. And I think that dealing with the energy problem as well as corruption are all very very serious demands on what is now a single one man administration. I have a sense that he might go back to being Petroleum Minister as well recognizing that the heart of much of the corruption lies on the bad handling of income and the Petroleum Ministry unfortunately has perhaps a role as a center piece of that. Not that there is any easy silver bullet.

I also think that he is some way, because of his statements, deterred from the notion that he can be blatantly ruthless about corruption and still avoid the headlines of the New York Times. And I don't blame the New York Times individually but I think it is too bad that the one memory of Buhari is something that he is being castigated for because he was perhaps excessive in his zeal in trying to end a long time terribly difficult serious problem in Nigeria of corruption and I think that that's a hard road for him to hoe. I agree also with Princeton just to add one other thing -- the chiefs of the military have not performed with brilliance. And he will have to deal with that and it is an awfully hard job to, what we could call re-professionalize the military leadership if I could call it that. And that is a connotation of politicization of the military leadership under the former administration, as you know well. To re-professionalize the military leadership in a situation where he has an impossibly difficult conflict to fight and at the same time I think as Princeton said -- the northeast has been devastated. And much of the infrastructure has been hurt and people's individual property holdings and things of that have sort have been destroyed. And so he will have to reach out in that area, not only to bring jobs in business -- which are very important, but to help people with housing and with all of the structural things that have disappeared now in the middle of what is a terribly difficult conflict. So I have no sense other than to say if one were to try to find the worst of all possible circumstances into which to transition -- in all honestly I think one would be hard. Either in fact or in fiction to find one worse than what President Buhari has to face. He is buttressed by the fact that in a way that I find marvelous, Nigerians have risen to the call of the country again. And all over Nigeria, this is not just a northern phenomenon I think.

MR. SCHNEIDMAN: And just let me follow up quickly -- do you expect excessive zeal to continue to characterize his government style?

AMBASSADOR PICKERING: No in fact he said, I may have been guilty of excessive zeal -- I've learned, and I think he needs to -- obviously the running room to do it. I think finally, all who consider and value Nigeria as an important country and a friend, and that's this country. need now to find a way to reach out, to try to help someone who has emerged in a set of circumstances almost in a messianic way. (laughter), to try to deal with a huge range of very very difficult problems. Particularly maybe helping deal with the military helping with reconstruction -- helping with some of the management issues -- if that's what he wants -- are very important. And I think he does. I find that people tell me -- I wasn't there and Robin and Grant and others would know. But apparently there is a strong sense of appreciation of the view that the U.S. has taken in the period of the elections. And what Grant termed as perhaps -- I would call a balanced interest in the success in the elections in Nigeria has redounded in an enormously positive way for the United States. So the United States faces a test in Nigeria at this time. Is it prepared to come through with what was the promise of its actions and in many ways that will be important because I think it can help bolster things. But I think the rest of Europe and other places that have a long term interest in Nigeria -- Nigeria is after all a world country. I won't say a world power, but a world country. It has influence that is greater than its reach, its size, its economy and other things, put it in a position of being able to play. Buhari was invited to the G7, went to the G7. That's an important significant recognition. And somehow that has to happen too. So one could be up here for an hour and a half and talk about all these problems.

MR. SCHNEIDMAN: That would be all our time. But thank you.

Ambassador Sanders, let me come to you and ask -- just drill down a little bit on the question or oil and you clearly dealt with it when you were ambassador -- you were there at the inauguration. There is discussion that President Buhari may indeed take up the

position as oil minister. Is that a good idea? Is that the best way to get this behemoth under control and really bring in sort of new thinking or is really to appoint the really good people that are out there and let them do their job?

AMBASSADOR SANDERS: Well I think it's both. I need to step back just a little bit. I was not only out there for the inauguration, but I was an election observer as well. And I was in the north central region of the country and it was evident certainly early on that the pendulum was definitely swinging to a different political dynamic. But I also want to add sort of the positive part. I know we've all highlighted a little bit of the negative part, but there are a couple of unwritten things that I saw particularly being out there during the inauguration. Even though the PDP was in shock, what I did see, and what I didn't do on a note was that a lot of them dusted themselves off and participated guite statesmanlike-ly in the inauguration activities. And I think that's a second social bounce. You had the market bounce but I think there was a little bit of that social bounce that took part and I think that the outgoing president kind of set the stage for that. And direct answer to your question -- we've talked a lot about the oil sector and I think that when we look for actionable items to do early on -- one that I would put on the table is really redo the audit. Redo the oral audit -- particularly given the fact that there was a lot of comments about the oil audit in terms of its veracity and its usefulness guite frankly. And I think that we also have to recognize that this is a smart man, and we're sort of saying what he should do and what we want him to do. He has a plan -- he has a vision, I actually listen to his speech in detail and I actually walked away and recently did an article in the Huffington Post which I called Buhari doctrine. He was very very clear on Furthermore he has where he wanted to go and what he wanted to do. some great technical people around him. Yes he's got a whole cadre of politicians that he has to deal with but he has some extremely close advisors that are really smart technical

people across the board in all sectors. So I think we need to take that into account. His vice president -- I was recently was on a board with him in the last year or so -- I don't know him extremely well but I know him from that board position. He was a former attorney general as well in the state of Lagos. And so he has some really good people that can help him on corruption that can do some of the leadership things that we talked about. The key is, he knows who he's probably going to pick for his ministers. We may not. I understand that he's keeping that very very close to his chest. Even his closest advisors don't know that yet. I think he's done a couple of really good things right out of the box. In addition, his very first visit was to Nyame, not to G7. And the fact that he recognized his neighbors in his speech in terms of their role in security. Going to Nyame first, really reaching out at the social level of the country. And I think if anything -- I think that there was this artificial 100 day ticker that's always out there when a new administration comes in. Given the expectations that are there for him, I think he needs to move that artificial ticker further out for himself, to give himself enough time so he's not measured in a hundred days but really measured in concrete terms. We talked a little bit about other sectors. I would add two that have been -- one hasn't been mentioned but one has briefly been mentioned. The agricultural sector, you've got to address the agricultural sector, you have about 80 percent of the population in the agricultural sector making a dollar -- put it this way, not making, but in search of \$1.25 a day. That's not a confirmation that they will actually achieve \$1.25 a day. So yes, the private sector is important but I really think that it's more than what the private sector can do unless they are looking at doing vocational training, entrepreneurial training and that's not what they're looking to do. So he's going to have come up with some kind of jobs program at the grass roots level in order to really turn this around. So the oil sector I think right off the bat if he asks for the audit to be redone, that really sends a signal, a very easy one in a

lot of ways to really underscore -- and if he ends up being petroleum minister like he was before, then I think that he can have good oversight over that. I had an opportunity twice to go to his house when I was there, I sat on two panels, or three panels with him about the democracy when I was there as ambassador. So you could see this growth, you could see the shift that was happening so we have to give him a chance and certainly the U.S. has to figure how it's going to better help him.

MR. SCHNEIDMAN: Let me ask you there -- two memorable lines from his inaugural address. One is -- I belong to everybody and I belong to no one. That's clear. But when he says the past is prologue -- what's he really talking to there?

AMBASSADOR SANDERS: I cited both of those because they were so profound you could almost hear a pin drop when he first said, I belong to everybody, I belong to nobody. It was almost like this huge exhale came out of the crowd when he said that. The other phrase that was very poignant to me was, the past is prologue. And my analysis on both of those -- certainly the first one is evident as corruption. But the second one was -- okay let's just put all the political infighting behind and put the benefit and the wellbeing of the nation first. And I think that some of the previous members of the ruling party took that onboard as a welcome to participate. And I think that we need to also take that on board as a welcome to participate as the international community and as friends of the nation. And so I think that he also had one other point that didn't get as much play but I thought was equally important, he was asking the labor unions to give him time. He said, I want the federation of workers -- the labor unions to also give me time, which means he notes that expectations are high but he also notes that he's going to need lots and lots of time to get it together. So I think we need to recognize that he probably knows where he wants to go, and he's very clear on his Buhari doctrine. What we need to do as friends of the nation is really support him in his efforts to get there.

MR. SCHNEIDMAN: Great. Professor Suberu, let me come to you because on the previous panel and on our discussion here the north has been mentioned several times but in his inaugural address President Buhari pretty much said that he's going to end the amnesty program in the south. And he said that the government will invest heavily in projects and programs still in place. Is this the right approach? Is this the signal of a northern president saying you're on your own to the delta region. And if he's going to invest in these programs where is he going to get the money to do that?

MR. SUBERU: I need to reinforce the point you've made. I think the Niger delta, as we know has developmental and environmental challenges. And the sense of grievance and indignation has been different quite clearly by the defeat of (inaudible 56:00) with the first indigent of Nigeria delta to be the president of Nigeria and only served one term. But having said that the decision to end the amnesty was actually a decision that was made by the previous administration. They started the amnesty in 2009 and they decided that at the end of this year the amnesty will terminate. Partly because there has been a lot of fraud in the program, partly because it's not been effective at stopping bunkering or at least to stop violence in the Nigeria delta. But I think there are other strategies. There are other processes in place that can be -- if properly democratized, if properly utilized can naturally serve to alleviate the problems of the Nigeria delta. One is the Nigeria Delta Development Commission which receives monies from the federal government, from the state governments and from the oil companies. This multi-million dollar project and for now the NDDC has been ravaged by corruption. I think promoting greater transparency within the NDDC will be extremely helpful. There is the 13 percent derivation money that goes to the oil producing state and that's a lot of money. And one of the things that Buhari said in his speech is that under his watch he will not allow corruption to continue to go at the national level. And corruption at the

national level is extremely severe. So if some mechanisms can be put in place to ensure that 13 percent allocation is actually used by the oil producing states that would be helpful.

The final point is on the under Obasanjo a decision was made to apply the 13 percent derivation principal not just to onshore revenues but also to offshore. I initially (inaudible 58:00) to be a political support consensus behind this. But since then there has been a backlash, especially in the north against the inclusion of offshore revenues. I think it would be very essential for Buhari to continue that consensus of including off shore oil revenues in the 13 percent derivation.

MR. SCHNEIDMAN: So you see this more of a transition, sort of a graduation of an approach to dealing with the --

MR. SUBERU: Precisely. I think (inaudible 58:40) to show the NDDC the 13 percent derivation formula and including offshore oil revenues. If properly managed it would go a considerable extent to alleviate any grievances in the Nigeria Delta.

MR. SCHNEIDMAN: Great thank you. Ambassador Lyman I want to pick up a theme from the previous panel and that was in December I think it's fair to say that U.S. Nigerian relations reached a real low point when the Nigerian government said to the American military systems, we don't want you. What we want are what you won't give us -- cobra helicopters. And we said we have huge problems with your human rights activities in your military and reference was made to the amnesty report that was just publicized last week. How do we bridge this gap -- how do we build trust in this relationship so that the U.S. can be the partner on security that it would like to be but still conform with our expectations of what a partnership is all about?

AMBASSADOR LYMAN: Well I think the opportunity is there as people have said and President Buhari has said that he wants to deepen this relationship and I

think that's a great opportunity. But on the security front it's going to be very difficult.

There's going to be a resistance inside the security establishments to some of the reforms that we and he would like to receive. I think the way to do this is to stick as closely as possible to him and his Minister of Defense. As to how they want to do this -- the way they can do it, the way they're going to move and clean it up and we get behind that. Go to the officers they picked, that they single out, we put them through the Leahy check. And follow his lead on how to reform this military and make them effective. I don't think we can do it without that. I agree with the professor that he's serious about this. It's going to be hard but if we follow him on this I think we'll find ways to help on the security side in the areas that we get good officers doing the right thing.

MR. PICKERING: Just -- I think that Princeton put his finger in -- and I think he's very conscious of the Leahy Process. I first dealt with it years ago at Colombia when we had a similar problem of what were basically rampant abuses, by an existing police and military force and we started out helping one and then a second battalion and they were carefully vetted. Now I don't know our capacity to vet in Nigeria. It's much more limited than it was in Colombia. But it's a way to begin and obviously one has to be with the officers but the Leahy vetting requirements require you to look down through the whole unit. But if you can begin that way, hard as it is, I think one really quite capable military unit is better than 30 bad ones that are in fact recruiting tools for Boko Haram. And in that sense it's a serious problem. Maybe others can help as well. I think President Buhari has this enormous capacity to change the paradigm. The previous paradigm was, it's bad and it's not getting better. And the new paradigm is it's Buhari and it can get better. And we have to work to try to go him to do that. There's a certain amount of trusted faith that he brings to the table if I could put it that way, that is enormously important. But I think the really difficult problem and Robin touched on it too very well --

he can't do everything. And he knows he's going to have to bring in a government and he has -- I think his presence as Professor Suberu said -- obligations to a party, which is unusual but even military guys get caught up in party politics. He has obligations to a party which is not necessarily a total exemplar of everything that wasn't in place politically and he's going to have to work with that and choose very carefully. The good news is he has some good people. A lot of them are technocrats who bring to the table the knowledge of how to govern well and the knowledge of the subject matter. So starting out with that base it will be absolutely fascinating to see in the next three weeks who forms the cabinet. It will be absolutely fascinating to see what their record is.

MR. SCHNEIDMAN: Let me get just get Ambassador Sanders take. You were there most recently dealing with these issues.

AMBASSADOR SANDERS: I just got back on Friday actually. And one of the things I wanted to say on security sector reform -- because I know we've talked a lot about the military but I would argue that you would have to look at security sector reform across the board. And everything shouldn't go out -- you know, the baby with the bath water. There are a couple of good programs from the previous administration that I really think if possible should stay on. And one is the PINE initiative which pulls in all stakeholders. PINE means Presidential Initiative for the North East. And it is a very comprehensive group that includes donors, stakeholders, military, the national security advisors office. And under that they're doing a lot of things, looking at not only humanitarian but also human rights issues as well. And what I understand they're thinking about and as I said this is an understanding -- is that they're also looking at pulling out the accusations on human rights violations and setting up a separate process in order to vet those and to be able to adjudicate those as well, so if you have Leahy on one side and you have that other process by the government on the other side then it's

quite possible that we will be able to really try to move forward in this regard. And I think the biggest thing to add to that in addition to this very comprehensive PINE program that does rehabilitation for IDPs -- it's receiving some of the women that were recently refound and going through psychological -- it's a very very good program and if they want to rename it, rename it -- but I think that the fact that it's a very big stakeholder program hopefully that will stay in place.

The other two things that President Buhari has done recently which may or may have gotten everyone's attentions -- the first meeting he had was with the service chiefs. And so clearly he's already started that dialogue with the service chiefs. I think it's probably for him to get a sense of where things are, where things need to be. And then he has held over the national security advisor for three months -- the current national security advisor. And I think that the strategic thinking on that I would assume is that I would assume if you're in the middle of a conflict you can't just move everybody at once and you can't change everybody at once. And so I think that as we look at where we can step in as the U.S., I think these vehicles where we can step in. How do we make or how can we support the PINE process or if they want to call it something else or add more to it -- because they do actually have facilities around the north east where they're helping IDPs and some of the young women that have been abused by Boko Haram. Whether or not he removes all the service chiefs or none of the service chiefs or whatever, or some of them or stagger the move. Whatever he decides to do we have to be there to support them -- not necessarily only with words but we have to really be there with actions. We've got to bounce as the U.S. out of this election and the inauguration. I think that whatever strains we had in our relationship in December, we've got to bounce, because of all the things we did leading up to the inauguration and also the election. So we need to also build upon that. But there's an expectation that it's going to be more than just press

statements and things like that. They're going to want to see actual resources come to bear and so we're going to have to figure that out within the U.S. government what that means and how much we can add to what we're doing.

MR. SCHNEIDMAN: Sure. Great. Thank you. Let me now turn to the audience and see if there are any questions here for our very distinguished panel. I'll take three at a time. Let me start over here with Ambassador Cohen.

MR. COHEN: Good afternoon. I gather that 80 percent of government revenue --

MR. SCHNEIDMAN: Introduce yourself?

SPEAKER: I'm Hank Cohen, a syndicated columnist. (laughter)

MR. SCHNEIDMAN: Otherwise known as -- as all these former gentlemen -- former boss (laughter).

MR. COHEN: I gather that 80 percent of government revenue comes from oil. And this revenue from oil comes through the NNPC. What's wrong with abolishing the NNPC, have Deloitte & Touche take care of the oil revenue, put it right into the budget?

MR. SCHNEIDMAN: Okay thank you, let me take another one. Sir, right there.

SPEAKER: My name is (inaudible). I'm a private person. Apparently the discussion in Nigeria is dominated by corruption. And Buhari has said many things since he was elected. I hope he will not be persuaded to pursue corruption as his first agenda, because that would be a recipe for failure. Among his supporters are many corrupt people. He needs them to succeed. So he should not start by going after them.

MR. SCHNEIDMAN: Can I just ask you to ask a question, please? If there's no question we appreciate the statement.

SPEAKER: My question is -- we've heard how the U.S. went out of its way to do things they don't normally do for our relations. The U.S. sent the secretary of State to Nigeria and now they have a stake in this government. Since Buhari has been elected, what has the U.S. decided to do apart from the usual rhetoric support. As Sanders has said -- if the U.S. is building to do something more than the support let us know.

MR. SCHNEIDMAN: Okay thank you. Connie Freeman, back there. Just please keep it brief so more people can get questions in, thank you.

MS. FREEMAN: Connie Freeman, Syracuse University. We're all very excited about the outcome of the elections and the discussion has been very positive, almost at level of pink cloud. My question is where is the chief opposition? Domestically, regionally, and even within the U.S. to supporting and helping Buhari to accomplish his goals.

MR. SCHNEIDMAN: Okay, thank you. Vivian let me get you in.

MS. DERICK: Vivian Lowery Derick, the Bridges Institute, and thank you for the tempered optimism that you all have reported. My question is about any remaining religious challenge to Buhari. Will effectively dealing with Boko Haram eliminate these tensions or will the Christian Muslim tensions still remain a big obstacle for him?

MR. SCHNEIDMAN: All Right. Thank you. Princeton do you want to start with?

AMBASSADOR LYMAN: Let me comment again on some of these things because the question of where the opposition might come from, and it touches a little also on the corruption question. We haven't talked much about the governors. The governors are going to be critical. They get half the revenue. Ambassador Cohen mentioned where the revenue comes in. And they are responsible for carrying out a lot of

the programs. He has got to inspire and get the governors on board with the same things he is driving at. Some of the corruption is in there and I disagree about the corruption question. Billions have been poured into the delta without success because of the corruption. So he's got to get at that kind of thing. But the governors -- some of them are in his party, but in the delta they're not. And that's going to make the delta even more difficult for him every step of the way. So part of the opposition, or at least the obstacles are going to come with whether the governors are on board. And if he can get them to use their resources -- which are going to be reduced, to get at some of these social and economic issues -- it's going to make a big difference.

On the religious question, Boko Haram is attacking all the institutions of Nigeria. They are going after the Islamic institutions, they're going after the government institutions, they're going after the education institutions. I think one of the things that this election has done is take Boko Haram out of being a partisan issue and now a national issue. I think attacking Boko Haram will not exacerbate the religious problems -- those are issues that have to be dealt with but I don't think the attack on Boko Haram will make it any worse.

MR. SCHNEIDMAN: Robin last week William Wallis had a piece in the Financial Times advocating that Buhari privatize NNPC. Is that one way to deal with the problem?

AMBASSADOR SANDERS: Well I think that we have to really give him a chance to determine what he wants to do with NNPC. I think we can advise and we can suggest but I think NNPC is such a behemoth and is so inculcated all the way down, I think that just wiping it out completely as a first step is probably not the way to go. I still go back to what I said before. Let's do the audit, try to figure out where the leakages are, and then do reform based on that, which may lead to abolishing NNPC down the line but

not as a first order. I just don't think that kind of shake up is going to be sustainable and I go to your point that the other point on corruption. Corruption is at the center so you have to deal with it first. But the President was very clear on the other things that he thinks are important. If you go back and look at his speech, he talks about the key sectors that he wants to pay attention to that he believes are going to be critical for economic growth. We've talked about them a little bit here, it's agriculture, it's rural electrification, it's job creation, entrepreneurial, vocational -- all of those kinds of things. So I think we tend to zero in on corruption because we think it is. It permeates everything, but he also recognizes that these other things have to be done.

On the Muslim Christian issue I think that Princeton is absolutely right.

With the election of Buhari, it has taken the partisan angle out of the dynamic and I think that that's an advantage for Buhari. I think we also have to recognize that his vice president is from the southwest and he carries a fair amount of clout in the southwest and I think we also have to keep in mind that Buhari belongs to a party now. It's the APC. And the APC, I think we all need to be paying attention to the dynamics within the APC.

Because one thing that they can do, which I'm not sure everybody knows, is that they have veto power on the nominations. And so whoever he nominates, the party has to approve. And so we need to make sure that the democratization process is also going on within the APC. Because that could actually become a quagmire if we're not careful. So I just wanted to put that on the table.

MR. SCHNEIDMAN: That's great, that's great. Let me take some more questions then I'll come back over here.

AMBASSADOR PICKERING: Can I just make a point on Hank's question? Hank's question was half NNPC as an institutional structure. But I think it was two thirds if I could put it this way -- how the money flows. And there may well be the

possibility of separating a lot of the money if I could it put it this way, from NNPC. And that might not be a bad idea. I think Hank's view in that direction is one that I would share, that there may, and ought to be a new perhaps more accountable and responsible way. And it fits with Robin's view that we audit. That's a critical determinant of how and what way that changes.

an exclusively religiously fundamental organization. The bulk of its victims have been Muslims. That it has combined itself with people whose interests were more in rural banditry and in some cases political activists in support of various governors at various times. And so it has a kind of universalist maligned franchise. Which helped I think perhaps convince people that it wasn't the wave of the future for anybody Muslim in Nigeria. Hopefully that's true. And I think that part is very important. And I also think the way the election went -- Buhari did not do terribly in the country as a whole. And that's helped I think -- and that's helped to create potentially a sense of unity which we will have to develop.

MR. SCHNEIDMAN: Right. It's a sizeable win.

SPEAKER: Thank you, Samantha (inaudible), a consultant at the World Bank's Energy and Extractors Global Practice. I hope that all of the distinguished panelists agree that it takes at least two to tango when it comes to corruption. And today so far we have spoken a lot about what the Nigerian government can do to alleviate the problem. What about the other international players? What about multinational oil companies and the EITI? How do you see the importance of having a multi-angle approach to corruption in Nigeria moving forward? Thank you.

MR. SCHNEIDMAN: Thank you, in the back.

MS. MAY: Hi, Channing May, Global Financial Integrity. With over 230,000 barrels of oil stolen every day, what steps can the Nigerian government take, changes made, programs instituted, to significantly reduce the amount of bunkering in the Nigerian delta? Thank you.

MR. SCHNEIDMAN: Question here.

SPEAKER: Thank you very much. (inaudible), Partnership for

Transparency Fund. Oil, oil, oil, of course dominates the Nigerian economy. I was just

wondering what the panel thinks about the huge untapped domestic resource

mobilization. Our side of oil, because there are questions about how do we finance these

ambitious programs that are going to be unleashed in the next couple of years. The

domestic resource mobilization remains a vital part of the agenda, and what do you think

about that?

MR. SCHNEIDMAN: We'll take one more -- ma'am.

SPEAKER: Hi my name (inaudible), Premium Times Nigeria. My question is actually more about Ambassador Robin, you said something about the APC. And one of the gaps we know we have in the democratic structure in Nigeria is a very very weak and confused party-base. I think the present group of politicians -- they are quite happy with all the support the U.S. gave before and after the election. But in the future what are you doing to -- I'm sorry -- perhaps you are not the right people to address this to. But maybe the last guy that spoke, but you are the ones who are here now so you have to answer this. (laughter) What are you going to do ensure that the parties develop the capacity to be a real democratic institution? Thank you.

MR. SCHNEIDMAN: Great, thank you. Professor Suberu, do you want to start with one of those questions about how to develop the party structure?

MR. SUBERU: Yes and in terms of opposition, I think the trend suggests that the APC is prone to fragmentation. They have been -- the PDP has basically imploded, there are elements within the party trying to vitalize it and make it a sturdy opposition to the incumbent regime. I think in terms of what can be done to develop the party process. I think the most important factor would be the quality of the electoral process. We've seen progress in terms of electoral reforms and I think if the electorate process is made more transparent -- if IMEC is made more independent of the executive -- some of the reforms that have been introduce by professor (inaudible) are different, we'll begin to see an electoral system that acts as an incentive for the parties to be internally democratic. I think one of the -- for me one of the big lessons of this experience is how the PDP -- which felt it would remain in power for 60 years or indefinitely has been in a way, shocked by the mobilization of the opposition and by the reforms in the electoral process. So I think electoral reform -- free fair honest elections will be a very strong incentive for political party development in Nigeria.

MR. SCHNEIDMAN: Ambassador Sanders, the question about Nigeria's untapped domestic capability and resources, I mean at the end of the day, isn't that why we're all here? To see this country really move forward driven by Nigerians for Nigerians?

AMBASSADOR SANDERS: Yeah, I think that the elections are, and the inauguration are really a good start. And I think you're absolutely right, what are the untapped resources? Well primarily it's the Nigerian people. It is by far, in my view, one of the most dynamic and creative countries that I've ever had a chance to survey. And I think you have areas like agriculture -- one that gets left out a lot which I think is really critical, is housing. You have 17 plus million housing deficit in Nigeria, which means that if you have people that are living at the \$1.25 a day, they probably either do not have shelter or have very poor shelter. So agriculture, mobilization in terms of how you work

with cooperative farmers, how you maximize commodities so that people can earn a living even for themselves. And the other one that gets left out and we heard it in the first session was the role of diaspora, which I think that despite the U.S. government and claims that they are doing a lot with SMEs in the diaspora. Their level of what they consider an SME is really way above what most diasporas would consider an SME in terms of their capitalization level. So I think we need -- and I sat on XMs committee as the chairman -- chairperson of the African Advisory and one of the things I always say -the capitalization you put on SMEs -- most diasporan companies cannot meet. It's just way too high, so we needed a special window and we need special initiatives that look at helping in agriculture -- that look to help in vocational training. Donors by far do not do enough in vocational training. We don't do enough in vocational training and from the U.S. side -- and most donors don't. And if you don't deal with entrepreneurial training, vocational training, SME, the agriculture sector and the housing sector then you're not going to be able to address the question that you raised. Those are the things that I would put on the table as automatically key to move forward. Because you're looking a youth population of about 74 million, we have just about the same number of women and mobilization of women is critical. And that's going to make me transition guickly -- I know out of time -- to the democratization of the political process within parties. A lot of donors are doing a lot, and they did a lot in this election -- women really mobilized in both parties really. But what that means for transitioning to leadership positions for women has not really happened and that needs to happen as well. The APC -- their convention in December was considered quite democratic in terms of how they moved through the process. The key is, will they keep that kind of democratic processing and consensus building throughout the nomination process for ministers and post that in terms of how

they work with the president. So all of those things to me are key and all of those things are part of the development and in the mobilization process that needs to go forward.

MR. SCHNEIDMAN: So we're quickly running out of time. Tom. I just want you to respond to the question about bunkering. It's been an endemic kind of change.

AMBASSADOR PICKERING: The bulk of bunkering still is according to my information, moves by sea. That requires obviously some kind of coast guard or navy activity not just to deal with smuggling but to deal with illegal exports. I think if it was clamped down, that might well help. But the really interesting question is -- is enough being done in the delta to be able and in fact to provide an alternative? And Professor Suberu remarked and I thought three very interesting items -- that one has to be available to take care. You cannot deprive a population even of illegal income at the moment without seeking to find a way to give them some kind of an alternative. Bunkering is not poppy production. But some of the same problems exist when you get involved in big money made fast through some kind of a process that you're going to stop. And the alternatives are very significant in terms of trying to move that way. People are very clever, they may find ways to move it without going to sea, as hard as that is. But I do think it's an exercise of government authority in the illegal export side of the market. And then maybe eventually in being able -- Robin mentioned the police and I couldn't agree more -- they're even weaker than the army is. But they, to some extent need to deal with illegal activities in their jurisdiction as well. But it's a combination of clamping down and building up. It can't be done totally on the negative side.

MR. SCHNEIDMAN: Right. Kristen let me just end with you on the tango question. Do programs like EITI really work and can multinationals really be much more part of the solution to the corruption problem?

ANDERSON COURT REPORTING 706 Duke Street, Suite 100 Alexandria, VA 22314 Phone (703) 519-7180 Fax (703) 519-7190 AMBASSADOR PICKERING: I think the EITI program is important but I'm glad you raised this question. Because there's a new report out from the Africa union, which I'm sorry, I don't have the exact title, on the nature of illegal capital flows out of Africa. And most of it goes through the private sector. So this is an area in which the international community can come together and work on our side -- the private sector side -- the international side of the corruption problem along with the Nigerians and other governments. I think this is extremely important, many of you know Raymond Baker has been working on this for years. He worked with the African union on this. So this is another area where the international community can come in and support what President Buhari wants to do on the corruption side.

MR. SCHNEIDMAN: Thank you. We've run out of time and let me thank all of you. Let me ask you to keep the spirit of Mwangi Kimenyi alive. I commend his prolific body of work. It's all online. All at brookings.edu and elsewhere. Let me ask you to thank our tremendous panel. (applause)

\* \* \* \* \*

42

NIGERIA-2015/06/08

CERTIFICATE OF NOTARY PUBLIC

I, Carleton J. Anderson, III do hereby certify that the forgoing electronic file when

originally transmitted was reduced to text at my direction; that said transcript is a true

record of the proceedings therein referenced; that I am neither counsel for, related to, nor

employed by any of the parties to the action in which these proceedings were taken; and,

furthermore, that I am neither a relative or employee of any attorney or counsel employed

by the parties hereto, nor financially or otherwise interested in the outcome of this action.

Carleton J. Anderson, III

(Signature and Seal on File)

Notary Public in and for the Commonwealth of Virginia

Commission No. 351998

Expires: November 30, 2016