

NIGERIA-2016/02/29

THE BROOKINGS INSTITUTION
SAUL/ZILKHA ROOM

EXAMINING THE CURRENT STATE OF NIGERIA

Washington, D.C.
Monday, February 29, 2016

PARTICIPANTS:

Moderator:

MICHAEL O'HANLON
Senior Fellow and Co-Director, Center for 21st Century Security and Intelligence
The Brookings Institution

Panelists:

E.J. HOGENDOORN
Africa Deputy Program Director, International Crisis Group

MAUSI SEGUN
Nigeria Researcher, Human Rights Watch

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

MADLINE ROSE
Senior Policy Advisor, Mercy Corps

* * * * *

P R O C E E D I N G S

MR. O'HANLON: (in progress) for the second part of the forum. Next to her is Madeline Rose who works with Human Rights Watch -- excuse me, Mercy Corps, and I'm getting ahead of myself. Madeline Rose of, again, Mercy Corps, has also done a great deal of field research in Nigeria, including this January, and she'll explain a little bit about what she learned, what she's been seeing, and the priorities that she and Mercy Corps have been promulgating or advocating for, or at least trying to sensitize peoples' awareness to.

Amadou Sy is immediately to her right. Amadou is a Brookings colleague, the director of the Africa Growth Initiative here, a longstanding expert at the International Monetary Fund on issues concerning Africa, and an economist. He will be extraordinarily helpful, again, in helping us understand the issues of Nigeria's economy.

Welcome, Mausi, thank you for coming. Great to have you here as well. I've already introduced you with your expertise and your field research. And so, I know everyone in this room is intrigued and fascinated and riveted by the importance of things that are happening in Nigeria, and frankly, even though the words Boko Haram do get mentioned fairly often, I still think the broader subject of Nigeria is one of the most important issues in global affairs that's not discussed very much, and certainly in Washington in particular. Probably most people in this room are not guilty of that problem, as evidenced by your attendance, but we know that Nigeria accounts for about one-fourth of the entire population of Sub-Saharan Africa.

Despite the decline in oil prices, I believe it's still holding on to its relatively newfound position as the top economy, certainly with South Africa it's in the one two position, and likely to keep going more solidly into the number one position as time goes by. Having said that, it has huge challenges with the drop in oil exports which is its main source of foreign exchange earnings. Even though it's had very good economic growth rates overall in the last few years, the current, unbelievable drop, in oil prices has been, perhaps, good for the American gasoline consumer, but not so good for Nigeria, and this is raising a whole host of problems.

Just as President Muhammadu Buhari tries to establish his bona fide and some momentum in various areas of policy as president of Nigeria. I know we'll hear a lot more about him in

NIGERIA-2016/02/29

just a moment from our panelists, but as you know, he was inaugurated just last May, so he's at about the nine-month mark and a long ways to go. This is his second stint, but it's much different this time, and he was democratically elected, and one is hopeful that some things can improve under his watch.

I'm just going to say one more word about the three broad subjects or questions that are on my mind and then invite each of the panelists to respond to these questions and/or make some opening framing comments before we get into our conversation with ourselves. Then again, as I mentioned, we'll go to you, certainly before 11:00.

So I see, from my own vantage point, as a generalist on national security matters and a generalist on Africa, I would still frame Nigeria's challenges in three broad overlapping categories. The first, and the most newsworthy for most American audiences at least, is certainly the struggle against the Boko Haram terrorist groups/insurgency which is probably more complicated than just a pure terrorist group. Yet, at the same time it has now pledged loyalty to ISIS which is not exactly a particularly redeeming way to make yourself seen as a potentially half legitimate insurgency, at least not in American eyes, and it raises a lot of concerns about the degree to which meaningful linkage between Boko Haram and ISIS might actually occur in the future. This is certainly one of the questions on my mind. So there's the short term fight against Boko Haram which, obviously, involves Nigeria, but also some of its neighbors, and is embedded within a broader North/South problem, if you will, in Nigeria that goes back many years. That's problem one.

Problem or issue number two is the question of government reform with the army, the police, and more generally, the entire government. As Nigeria tries to be more effective in the short term against Boko Haram, but over the longer term for its population as a whole. Again, a population that's plus or minus 200 million now and expected to roughly double by midcentury. At which point it will roughly equal the population of the United States at that point, in a relatively small piece of land, by comparison. So Nigeria's problems go way beyond Boko Haram. That may be the most urgent problem we see here in the United States now, but as you well know, it's far from the only concern for Nigeria itself and for its people.

Then the final question, which is also interrelated to the first two, is, clearly, the state of the economy. Because if you're going to reform the government, if you're going to prosecute a

NIGERIA-2016/02/29

successful campaign, if you're going to improve the wellbeing of your population and reduce the chances of future insurgencies and extremist movements. You've, obviously, got to deliver a better life for your people. This is an enormous challenge that compliments or builds on or complicates the first two.

So having said that much, again, I want to thank you for being here, and now I'll turn things over to my good friend, EJ.

MR. HOGENDOORN: Well, thank you, Mike. I guess I wanted to lead on a positive note. I mean, I do think that while Nigeria has a lot of challenges, we have to recognize that the win by President Buhari, and the peaceful transfer of power from the ruling party to his APC Coalition was a stunning achievement not just for Nigeria itself, but also for Nigeria's friends who spent a lot of time and resources trying to ensure that that would happen. It certainly, in our view, prevented a lot of violence, and arguably a lot of deaths in the country.

But the problem, to some degree, is that Buhari also won based on a coalition of a disparate group of political parties and important politicians. That, of course, has made it very difficult and very slow for him to form a government, and to start delivering on some of the promises that he made during the electioneering, and he is still dealing with a lot of other challenges that Mike alluded to, but I'll repeat. Those challenges do include the problem with Boko Haram which is being addressed to a certain degree in Nigeria in that Boko Haram has been pushed out of most of the urban centers, but it still is a significant problem in rural areas. Perhaps more importantly, it's become a regional problem for the entire Lake Chad Basin region and that makes it a much more difficult problem to address unilaterally. I hate to say it, but Nigeria's had a problem working with some of its neighboring states in the past, and is still trying to work through some of those problems.

Another significant challenge that perhaps people aren't paying as much attention to as they should is the former insurgency in the Niger Delta. That insurgency was dealt with through, essentially, something called an amnesty program. Basically, a payoff by the federal government to the insurgents to stop fighting. That amnesty program was supposed to end in December. The federal government, wisely, decided to continue that program, but there will need to be some kind of a transition from, you know, essentially an extortion racket being run by former militants to a situation where there is more rule of law, where there is an understanding that the Niger Delta plays a significant and important

NIGERIA-2016/02/29

role in Nigerian federal society, but needs to also be part of the federation.

In addition to that, we also have a budding problem in the Southwest where we have many Ebo people still deeply unhappy about what happened during the African Civil War. There are still many, many people who are advocating for some kind of recognition of Biafra. They have been demonstrating, particularly in December. That led to violence between those demonstrators and the police. That really hasn't been addressed and remains kind of a nagging problem that the state has to deal with.

Mike mentioned the declining oil prices, but, I mean, basically, the declining oil prices has meant a three-quarter of a reduction in import or income I should say. That, of course, is having a tremendous impact on both the federal government, and on the state government budgets, and the ability for, again, the government to implement some of the promises that it made prior to the oil crash.

Last, but not least, we have significant problems with corruption and mismanagement. Mismanagement not just at the federal level, but also at state levels which needs to be address. The challenge that Buhari faces is that state-level governments led by governors are actually quite powerful, vis-à-vis the center. So it is quite difficult for him to impose reforms on those state-level institutions, but hopefully he will do something about that.

Now, I didn't want to paint this as too bleak of a picture. I think what is fascinating about Nigeria and one reason I continue to work on the country for crisis group is that Nigeria can work, and Nigeria, when it does have good government, can actually make a dramatic improvement. I don't know how many of you have been following events in the country, but about 10-15 years ago, Lagos City was considered the epitome of the failed dystopian future of the, you know, of the global south where everyone was thinking how do you fix a problem like a city like that? A megalopolis of 50 million people with huge structural problems and huge governance problems. In fact, with good government, in this case under that of Governor Fashola and his predecessor things did change around.

That's not to say that Lagos is now the New York of Africa, but things have changed around dramatically. I think that there's a lot of optimism, particularly in greater Lagos State about the possibilities for improvement in the country, and if that can be replicated in some other states in Nigeria I think that would go a big way to trying to address some of these major insurgency challenges that the

NIGERIA-2016/02/29

state faces. With that, I'll leave it over to.

MR. O'HANLON: EJ, that's great. Before passing the baton to Madeline though I'm going to ask you a question, sort of to help the audience that is not -- that part of the audience that's not Nigeria specialists orient themselves, and then Madeline can maybe add some detail based on where she went specifically in her field research. But if you could just help us paint a broad picture of the country?

Of course, the Boko Haram movement is primarily the Northeast, right? Biafra is the east more generally, and the Niger Delta -- if you could just then sort of locate for us on a mental map the Niger Delta, Lagos, and the capital city? That would be much appreciated.

MR. HOGENDOORN: Well, that gets a little bit complicated. So basically Nigeria is a very large country, as Mike mentioned, it's a huge population. Traditionally it's been kind of divided between the north and the south in that the north tends to be drier, it tends to be more Muslim. It tended to have many more people in the military, and so it's tended to dominate government in the past, to some degree, at the expense of the south. But because Nigeria was essentially created by British Colonial administrations what they've done is they've melded many, many different ethnic communities into a single state.

The three largest ethnic communities are the House of Fulani which dominate the North. You've got the Yoruba which dominate the Southeast which is where you have Lagos State, and then you have the Ebo that dominate the Southwest which is where I was talking about in terms of the --

MR. O'HANLON: Other way around I think, right?

MR. HOGENDOORN: I'm sorry. Yes. I apologize. I need some more coffee, obviously. So yes, just flip that around, so the Yoruba dominate the Southwest and the Ebo dominate the Southeast which is where you have, or at least where in the past, you had action of secessionist movement where the Ebo tried to establish their own country, the Republic of Biafra, which led to a civil war between the Federal State and Biafra. The Ebo lost. But those feelings for a Biafran State I think are still very, very prominent there. As I mentioned, there have been many, many demonstrations in Southwestern cities of Nigeria advocating for greater say in their governance.

Now, what's happening is -- or what becomes complicated in the context of Nigeria is that in an effort to address some of these problems or some of these challenges where certain communities

NIGERIA-2016/02/29

have been advocating for more resources or greater authority vis-à-vis the government, the government has essentially decided that they're going to continue to decentralize the state. So what you had initially was you had three regions of Nigeria, which I've mentioned. Now you have six national zones of Nigeria which are also important in Nigerian political context.

Over time you've also seen the creation of more and more federal states which are led by these governors. So what you have is, you have actually very typical problems that we are experiencing here even in the United States between state rights and what controls do states have in terms of, you know, political authority, access to resources versus the center. To some degree these are problems that Nigeria will continue to struggle with, but because Nigeria is a relatively new state and these changes have been made over time these struggles tend to be a bit more vehement. They tend to, unfortunately, be a bit more violent and that, to some degree, is what's creating a number of the challenges Nigeria is facing and that Buhari and his administration will need to address for the country to move forward.

MR. O'HANLON: So, thank you. I think that's very helpful because I know that there are, again, a lot of Nigeria specialists here, but one of our challenges in the United States is not enough people are learning about this country, and so I think it's very useful to be reminded of some of the basic contours of the country.

Madeline, over to you know. I know that in your work with Mercy Corps you've got a number of responsibilities, not just in Nigeria, but clearly you've prioritized in your recent field research going to this country. So we look forward to hearing your thoughts as well.

MS. ROSE: Thanks so much, Mike. Yes, so just to open, I think from Mercy Corps' perspective a lot of times when we're thinking about the massive challenges of reducing a culture of corruption, of building post, sort of, conflict or transitional governance there are a lot of challenges on the table, and we certainly don't mean to suggest that the ones that we're working on are always the best. But I think from a developmental perspective you look at the -- you know, across structural challenges where are specific opportunities for interventions that can address the underpinnings of corruptions, of systemic exclusion of people.

In this case, I think the framing of this event which is looking at corruption, economic development, peace and security issues is perfect. I'm going to talk about two particular areas where

NIGERIA-2016/02/29

Mercy Corps sees as priorities that can help really bridge some of these structural challenges of governance in very specific ways. But it's certainly not to suggest that the Delta issue or the economic crisis or other issues that are on the table are not less important.

But as Mike mentioned, so Mercy Corps has worked in Nigeria since 2012. We work across 11 states and our programming -- they're sort of three tracks of programming. So we work on violence reduction between farmers and pastoralists, in four states. We work on education and opportunity for adolescent girls, in four other states. Then we work on humanitarian and protection response to the crisis in the Northeast. So I was just out there for three weeks on January, spent half of my time in Abuja and Kaduna working on the farmer pastoral issue, and then half of my time based out of our office in Gombe, looking at our Northeast response. So I got up to the border of Southern Borno and to Adamawa. We don't operate out of Maiduguri, so I didn't go up there.

But we would say that the two main opportunities and priorities from our perspective of where the government can start to rebuild trust and to get some wins around governing would be, one, supporting communities that are affected by the crisis in the Northeast. The emphasis on communities, and I'll talk about that in a bit. Second, is really making progress on the chronic violence between farmers and pastoralists.

So on the issue of the Northeast, our basic, you know, analysis and argument is that with, you know, fair credence to President Buhari's attention to the crisis the counter Boko operations have been completely military so far. We have 2.2 to 2.6 million people displaced in Nigeria right now. About 85% of those are from Boko Haram. There's another 10% to 12% from other conflict issues. But these people are, you know, almost completely underserved. The Nigerian government right now is not budgeting for the Northeast, the Ministry of Budget and Planning has not really budgeted.

There's been some funding going to the victim's support fund and some of the instruments that were set up under the past presidency, but there is really no organization and not enough attention to the community and the human element of this crisis. When I was out there we spent a lot of time working with our team to try and navigate, okay, so who actually has the power? Is it the vice president's office? Is it the president's Committee for the Northeast Initiative which was formally called PINE, now is called PCNI. You know, where are we in this process?

NIGERIA-2016/02/29

The government has been talking for months and months now about developing a new 'reconstruction plan' for the Northeast. Our biggest ask in country, we had a lot of meetings up and down the administration at all levels, was that this plan needs to be written, and there needs to be an explicit call out in this plan for support to communities. Because if we don't get that commitment on paper and a budgetary plan and a vision for what that's going to look like we're never going to start actually meeting communities' needs.

From lessons learned from, sort of, past responses and our work in the country it's really critical that this approach be integrated, and that a reconstruction plan focuses on both humanitarian assistance, livelihood support to help people regenerate an income, and social cohesion to address the, sort of, new tensions and dynamics that communities are experiencing. So the majority of the displaced, roughly 92%, are living within host communities. That means they are not in camps. They are not receiving any direct assistance in camps, but they're now living -- in Gombe town they're living on the outskirts of Gombe town which means they're dependent on either state services or the natural private sector services to the community that are not getting direct support in camps.

So when we think about a response you need to recognize that reality of the people needing support. But the primary characteristic of displacement that we're seeing right now is that over 55% of the displaced are children. Many of them are adolescents, and many of them are alone. What this looks like in reality from our perspective is that you have, you know, groups of displaced, majority of them are women, and girls that are coming into, again, in where I was, the outskirts of Gombe town. That means whoever is the oldest in that group becomes the head of household.

So if it's a 15 year old girl she's now responsible for finding food, and money, and funds to support whoever she has taken in, which we're seeing anywhere from five to ten groups of younger girls. So the major protection risk that we're seeing is that these adolescent girls are now selling -- offering sex for food or sex for money to buy food. That's a major protection risk that we immediately need to address, and the government just currently has no focus on, sort of, those community dynamics and those livelihood dynamics.

In addition, a big challenge for this government in this plan is going to look at social cohesion and, sort of, de-radicalization and reintegration issues. So Mercy Corps just finished a report

NIGERIA-2016/02/29

supported by the Ford Foundation looking at the drivers to Boko Haram and I'm happy to talk about that more in Q&A, but several of our major findings and recommendations is that the government needs to put this on the table and to get actors talking about reintegration. Some ex-fighters are already coming back, voluntarily, and the community is already accepting them. In some situations people have come back and they're virtually on house arrest by the CJTF and others. So there is no comprehensive approach to reintegration. It's happening on a very ad hoc level.

What we found in our research, which is corroborated by many of the experts in this room, but what we found is that, you know, Boko Haram is a very porous organization, unlike some of the other violence extremist organizations that we all work on. So people are coming in and out very freely. We need to make sure that there's an environment that both the, sort of, state level governments as well as communities have the support to cope with that influx in return, and that there's mechanisms in place for grievances to be addressed, and for communities to reintegrate.

Because one thing that we certainly are finding in all of our research and our work, and was communicated to me by everyone that I met there from, you know, 15 year old girls themselves up to the governor's office and the SEMAs, and NEMAs, everyone up in the Northeast agrees that most people don't know when they're going to return or may not intend to return anytime soon. The narrative that people will go home is not very true, from our perspective and our analysis, and that means we need to be planning for what that comprehensive reintegration looks like.

So that's, sort of, the Northeast bucket. The second issue that we're really advocating for, as I mentioned, is finally making progress on the chronic violence of farmers and pastoralists across the country, but particularly in the middle belt. This is, I think, what EJ mentioned, where there has been that challenge of federal government and state governor level coordination on one issue, we see this as actually really, sort of, a bright spot. Where the governors of Kaduna, of Plateau they have created their own planning committees and peace committees around the issue of farmer pastoral violence.

President Buhari has stated early on his presidency that this is an issue near and dear to his heart. There is a lot of, sort of, momentum going right now around progress. Why we think it's so important compared to all of the other, you know, number of challenges on the table is that it's a decades long conflict that there has never been solution to. Again, Mercy Corps, so we've been working on this

NIGERIA-2016/02/29

issue since 2012, and from 2012 to 2014 we worked on research to try and quantify the cost of conflict on Nigeria's overall economy. Because we realized, despite the fact that this was going on for decades, and everyone was, sort of, quasi aware of the severity of the issue there wasn't a lot of data, or evidence, or solutions to compel policy actions.

So what we were able to find putting together some econometric models to the social and economic situation is that the Nigerian economy is losing \$13.7 billion dollars or 2.3 trillion Naira a year based on GDP loss of revenue losses as a result of this conflict, in just four states. So imagine, that's about 2.7% of their formal GDP, about %0.8 of their informal economy. But if you can harness those revenues back, I mean, that's immediate money you can put forth towards the Northeast, towards some of your other governing challenges. So there's sort of that direct causal opportunity.

So we worked pretty closely with the governors' officers and with Abuja around this issue. The president has tried to delegate a lot of authority to his Ministry of Agriculture to really lead on this issue. So that's another way where it's good governing in action. So, you know, we do think that President Buhari has shown good faith of trying to delegate decision making across his agency in a way that historically hasn't been the case. Really making sure that we're lining up resources at the governors' levels, at the community level, to really start to make progress on this issue can be one way to get some gains on just pure good governing if they're working around one solution.

You know, we're not going to say that it's easy. The, sort of, solutions on the table right now are expensive. Like most things on the idea books in Nigeria. What communities really want is a facilitative, inclusive dialogue process where they can talk about grazing reserves and land rights and, you know, who has power and what dispute resolution mechanisms need to look like going forward. But this is an issue that we really think is at the heart of the economy. If you don't address these chronic issues of violence you're never going to be able to bring in the private sector. There's too much risk. It's too volatile. It's too uncertain.

So the, sort of, vision, of economic growth that many -- you know, the president's economic advisors have, none of those things are possible until we address the violence and volatility. It's just another idea we'd want to talk about. That's pretty much it.

MR. O'HANLON: Thank you. I have one follow up Madeline.

NIGERIA-2016/02/29

MS. ROSE: Yes?

MR. O'HANLON: In regard to your first suggestion about the need for a Northeastern, sort of, integrated development strategy. Appreciate the point you're making, but I'm trying to understand what the resistance is? To what do you attribute the fact that there isn't such a plan right now? I'm assuming it's not because of a north/south bias from Buhari and his team, so I'm assuming that it's something else. Maybe, you know, he's only been in office nine months? Is his going out of his way to almost not help this region or has he just not gotten around to it, and you're trying to just sort of, you know, light a little bit of a fire to hasten what you see as a higher priority in the government? In other words, what's slowing things down? Is it deliberate negligence or is it more, sort of, bureaucratic inertia or something else?

MS. ROSE: Great question. That's actually, sort of, why I went out there in January was to try and figure out what is the problem? What's slowing it down? I think our team's analysis is not that it's -- certainly not negligence, but really that, you know, President Buhari himself comes from a military background. Almost everyone in power in the current Nigerian administration comes from a military background, and so their perception of strategy is that you can't do both at the same time. It's military first, reconstruction after.

They're perceiving this as a very clear step one and step two of, you know, military destruction of Boko Haram, which has its own, you know, problems, and then number two, reconstruction as in roads and bridges and buildings. So, one, there's a total gap in realizing what communities and human beings actually need to recover, and that it's not just pure infrastructure. But, two, this sort of chicken and the egg that you have to fully 'eradicate' Boko Haram's physical presence before you can do anything else. That was the, sort of, tenor and the ideas throughout 2015.

What our community is really trying to communicate is that, A, that logic is faulty, and, B, you can't avoid it anymore. The humanitarian needs are exploding. When I was out there, there was a lot of debate over actual famine numbers, and there is some pretty strong evidence to suggest that at least 50,000 people could be hitting the famine category quite soon, if not already. There absolutely needs to be an impetus now, you know, we can't sit on our hands any longer.

MR. O'HANLON: Thank you. Now over to you, Mausi. First, welcome to Washington.

NIGERIA-2016/02/29

Nice to have you here. Looking forward very much to your thoughts, in general, on what you've been researching in Nigeria. But on specific thing I'll also add as I pass the baton to you is I'm intrigued by President Buhari's efforts at police, army, and government reform. In general, he's fired a number of army generals. I'm curious about your interim assessment on his progress and the broader reform agenda. But, again, please frame things however you wish, and again, wonderful to have you here.

MS. SEGUN: I have to start with an apology for coming in here late. I flew straight from New York. I expected to get in here earlier, but, you know, traffic happened.

I'm just going to give you an overview of the human rights landscape in Nigeria, and so just looking at the different political, geographic areas of Nigeria. In the Northeast corner, along the borders, with Cameroon, Niger, and Chad, you have the Boko Haram conflict. Then somewhere there in the middle where they divide between -- well, it's an artificial divide really, but it's there, between the north and the south is you have a couple of states. She's mentioned them. About four, sometimes it spills over to a fifth and a sixth state. What really would be tensions between -- a simple view would be tensions between pastoralists and farmers, but it's a lot more complicated than that. There are political factors. There are religious factors. Identity issues that have been, you know, propagated by state's authorities.

Then if you move further southward you have the Niger Delta problem in the south South. You have the Biafran problem in the Southeast. So that's generally the big four challenges that the new administration -- well, still relatively new administration or President Buhari has to deal with. How is he doing this?

Again, it's been mentioned, the focus has been almost solely a military response. It has not worked in the past because historically the Nigerian military operates with the status of being above the law. Very recently, despite the reforms that we have seen, a lot of it is really cosmetic because the changes have happened just at the top. The president has changed the leaders of , you know, the different operations in the Northeast, operations elsewhere. The generals leading the service arms of the army, the air force, the navy and moved the command and control center for the Boko Haram conflict to Maiduguri where the heart of the conflict is.

But that has not translated to the kind of reform that we would want, especially with regards to response to Boko Haram, response to, you know, sometimes altercations by Syrians. Very

NIGERIA-2016/02/29

recently in December we saw a group of Muslims, it's a Shia group. We have the Islamic Movement of Nigeria and what would have been simply a road traffic nuisance by the group, but the response of the Nigerian military ended up with the killing (inaudible) of at least 300 people. We have at least 400 more still in detention, unaccounted for. The leader of the group still in detention, including his wife. A lot of effort from us, from several other groups right now is in trying to quell what would be an eruption of violence by the members of that group who have a sense of injustice.

So the key theme in all of these four different human rights' challenges, the very basic ones that we are looking at by the Nigerian government is a lack of accountability. A lack of accountability for military abuses in the Northeast in response to the Boko Haram challenge, in the way that have profaned certain groups of people from the Northeast, and the way that they have responded to the Biafran struggle. Protestors have been shot at. At least a dozen have been killed. Many have been hauled into detention, caught orders for their release have been ignored by the Nigerian Authorities.

Then in the not central, the cycles of killings that we have seen for more than a decade, from our research, has been because of the lack of accountability. A group, whether it be pastoralists or farmers or just different ethnic groups or different religious groups, and so they, like I said, it has secretarial components. It has political components. Every time killings of large numbers of people happen not one person is apprehended. Very little efforts to investigate has meant that people begin to take the law into their own hands. The revenge -- the killing by this group and then when nothing happens to that group the other group returns to carry out their own killings.

So the reform that we'd like to see in the way that the government has responded to these human rights situations in those four areas. Again, most have the social component because this has been the main drivers, the primary drivers of the conflicts themselves. Poverty, lack of access to any kind of employment opportunities for young people, seemingly long numbers of young people, economic problems. The desecration of the water bodies around the Northeast, all the way from Lake Chad downwards has seen a growth in urbanization. People have been driven, farmers, fishermen, driven from the Northeast corner around Lake Chad down into, Maiduguri, the epicenter of the conflict, and this is where Boko Haram was grown. If you're going into Maiduguri the slummy part of Maiduguri with hundreds of thousands of people in tiny cubicles, this is where Boko Haram grew. These are social

NIGERIA-2016/02/29

problems, economic problems that the government must address. It is not just military.

If we now look at what has happened presently in the Northeast, as far as Human Rights Watch is concerned, there is a rush to move to the post-conflict situation which really is not yet time. It is premature. Borno State is the heart of the Boko Haram conflict. The conflict is still intense. I have been in Maiduguri I think about twice this year, several times last year. More than 80% of the people that make up Borno State and Maiduguri. So Maiduguri is essentially a fortress. The military has actually built a trench, trenches all around Maiduguri to keep out Boko Haram, and so everyone else, once they have problems or if Boko Haram attacks they move into Maiduguri. Maiduguri is bursting at the seams.

Now, the response from the government is to want to push the people back. Now, so there is a plan. By the end of May most of the displaced people in Maiduguri will return to their home communities. Their home communities are not safe. There's just one road that you can travel freely and easily in Borno state. That's the road between Maiduguri, the Borno state capital, and to Dematuru, the Yobe State capital. Everywhere else you would need a military escort. How then do the people go back home? Where do they go to?

In other parts of the Northeast the people from Yobe, from Borno, have been profiled. I've spoken to so many people. Those who try to move to Bochi, those who try to move to Gombe, those who try to move to other parts of Adamawa state they have been labeled as Boko Haram. So the people have this struggle. Where do they go? No one wants them. The few camps that exist in Maiduguri, it's maybe 7% of the IDPs in Borno State are in are staying in public, government owned schools.

Now, there is a move, a rush to reopen the schools which means that the IDPs are being relocated, and amazingly, a village that was attacked just on the 1st of February is where the government has identified as a place to relocate the IDPs to. This puts them in great danger. The people have not been consulted. A lot of them are reluctant to go home because they are afraid for their lives. There's nothing to go back to. Even in the places where the military has been able to push out Boko Haram, what Boko Haram has not destroyed the military has set on fire. Where are the people to return to?

These are the challenges that the government faces. Although I am aware that there are plans, the government is in dire straits, economically. There is no money for anything. Even for the anti-corruption fight, the government has been appealing to international organizations, to donors to assist the

NIGERIA-2016/02/29

government to trace the stolen wealth, and to repatriate them back into the country. For the Northeast, I know that there is a tripartite agreement with the EU, the World Bank, and the UN to fund the reconstruction of the Northeast, but again, because of the problem that I highlighted earlier, no one is willing to put their money there yet because it isn't safe for the people to go back.

If you're going to build bridges, you're going to rebuild houses, Boko Haram will simply return, destroy them, and kill the people. So it looks like the time is not yet, but it doesn't stop the plans from going ahead. It's good to have the plan and be prepared to implement them, but not just yet. I'm going to stop there.

MR. O'HANLON: Mausi, that's very, very compelling and much appreciated. We look forward to hearing more in the course of the discussion. I think I'll turn now to Amadou, and again, Mausi set you up wonderfully, just as Madeline and EJ had by highlighting the importance of the economic constraints on Nigeria, even as it tries to do all these things that it somehow, you know, is going to need to add to the tool kit for addressing everything from Boko Haram to its broader challenges. So over to you on how it can try to do that.

MR. SY: I'll just start by broadening a little bit the framework because Nigeria is now the largest economy in Sub-Saharan Africa. So it's not just important for the Nigerians, it's important for all Africans. Its GDP forecasts is about \$485 billion. That's about ten times the GDP of Ghana, roughly, or five times the GDP of Angola. So if you add Nigeria and South Africa you have half of Sub-Saharan Africa's GDP.

When you go regional and you think about the (inaudible). Nigeria is the center of gravity when it comes to economy, but also when it comes to the financial sector. Nigerian banks have expanded all over Africa. Even companies are now investing outside Nigeria in the cement. We all know about Dangote and opening cement plants all over. Of course, in terms of movement of people and so on, and even the culture, Nigeria's really a powerhouse in Africa, so its success in Nigeria would be success for, really, the continent.

Now, when we come to security issues, of course, you have the Lake Chad epicenter where Nigeria is also important in sharing this problem of Boko Haram with, as you mentioned, Chad, Niger, and Cameroon. So really, I think, why talk about Nigeria? I think we are all convinced about the

NIGERIA-2016/02/29

importance of Nigeria.

Now, one issue, when it comes to the economy, is that about two-thirds of government revenues in Nigeria come from oil revenues. If you take the exports, about 85% of exports come from the oil sector. We all know that -- I was just checking the prices of oil this morning and the future prices were about \$35.67 today. It's been moving up. Since last time it was around \$30 it was February 11, so it's been creeping up. But if we just go back after mid-2014, the price of oil was about \$112. So for an economy that depends so much in terms of government revenue from oil you can see this massive shock that the economy is taking.

At the same time, if you look at the rebasing of Nigeria's GDP, right? The non-oil sector has been growing in terms of GDP, services, and so on. But in terms of government revenue it's still very dependent on oil, right? So when you have a massive shock like this and you've just been elected president what do you do?

So we have some indication from Buhari's budget which was passed a few months ago, which according to us, sets a right course. There's been some criticisms about line items, you know, which are being addressed, of course, but if you just take a step back and you look at the, you know, the macro level. If you take the helicopter view of this budget, we think that it sets the right course.

What is it trying to do? First of all, it acknowledges that this oil price is in this new scenario of low for long, right? So it budgeted for an oil price of about \$38. So it's not treating this shock as a temporary shock. It recognizes that oil prices are here to be low for long. So what do you do? So there's some kind of stimulus that is coming from investment. It plans to increase infrastructure from about 15% of the budget to about 30% of the budget.

Of course now, again, as I say, I'm taking a big helicopter view. Now, if you go into detail, as you said, if you put your money in infrastructure in areas that are not secured that's a risky proposition, but they are aware of that, I'm sure, but you never know. So by briefing of infrastructure it's trying to, you know, push up a little bit of the economy, including the non-oil sector. So that's one.

The other point is also increasing expenditures when it comes to human development: education, health, and security. Again, as I will conclude later, the big issue will be the implementation, and that's why this debate that we're having is also important when it comes to the budget. Because at

NIGERIA-2016/02/29

the end, implementation is the key. But when it comes to the big picture, this is the idea.

Now, in terms of -- now, where do you finance those expenditures? Where do you take the money? So there is this kind of, a bit optimistic view, that by, you know, spending on infrastructure and so on we can get more from the non-oil sector. We can tax the non-oil sector more. So that's a risk to the budget, but that's a strategy. They will also look at government expenditures, and there, the word in the budget is lean and cost effective government. We've seen some signals. Just, I think two days ago, thousands of ghost civil servants were identified which will mean savings in terms of the budget and so on.

But that's the idea and for an NPC, management of the NNPC has been replaced and trying to really go there. Even using technology and IT really, you know, to -- so, for example, in terms of budgeting they're moving to these zero base budgeting practice.

So first element was increasing expenditures when it comes to infrastructure, capital expenditures. Second one was these, basically lean and cost effective government, try to have savings from that. The third one was taxation. There the idea was to try to increase tax collection in the non-oil sector of the economy which GDP rebasing has shown that it's growing. They're not increasing the VAT, and my suspicion is that the budget really seems to, again, think about, I don't like this word, but 'the average' or the poorest segments of the population. So value added tax is not being increased. It's a regressive tax so they're not touching it, but they are removing fuel subsidies.

This is a politically courageous decision. It has been advocated by many, by IMF, World Bank, and so on, and it's taking advantage of this lower oil price to remove oil subsidies and save money. The fourth item is reducing corruption. We've seen an aggressive stance when it comes to reducing corruption.

So these four elements, in our view, set the right course, really, in how to manage this shock that the economy's having from this reduced oil price. Again, implementation will be key. This is just a budget. Implementation will be key and we will see how it works out.

Now, the risks of the budget. I think they've recognized this low for long oil price scenario. It's not obvious that increasing tax collection in the non-oil revenue will happen at the pace they are forecasting, so that's a risk to the budget. So at the end, also, the financing has to do - they will have

NIGERIA-2016/02/29

a deficit of about 1.84 trillion Nairas which they aim to finance about 50 domestically, 50 externally. So, of course, the external environment when it comes to the financial market is deteriorating, but I think they could still tap the markets. The problem is at what cost.

One issue though, and I think they can do it, why? Because debt to GDP is still low. The external debt is also low. But one issue of the budget that you will see discussed a lot is the issue of the Naira. So the budget hasn't been very clear and you have administrative measures right now to kind of go against the market forces that are pushing for a depreciation of the Naira against the dollar. So what they're doing is that having these administrative measures to control, you know, the demand and supply of dollars and so on. But if you look at the parallel market rates, the black market rates, you see there a depreciation. I mean, best case scenario, 35% depreciation, or even more.

Everybody who comes from Nigeria my first question is how much did you get for your dollars? So you told me 280 Naira for \$1, even some people saying that it could go to 400. It's fluctuating. When I look at some investment banks' forecasts they are betting on three months 220, on a year 260. Right now the official exchange rate is about 200. 199, right? So you can see that that's an issue. That's an issue because if you go against these market forces it's at the risk, also, of depleting your international reserves which is not something you want.

But I think at the same time, my understanding is that the president is probably -- first of all, it's difficult to be a president, be (inaudible) with the one -- the president that killed the Naira, right? But this is my own -- I haven't talked to him, so this is my own explanation. On the other hand, also, a depreciation means also more inflation and so on, so I think -- and, you know, when you import food and you import a lot of things there's an impact on the poorest segment of the population too which I'm sure they're thinking about.

So where to strike a right balance? That's difficult, but one question I would have is have we already seen? Because if market is expecting a depreciation maybe you can start to see already before you depreciate some inflation creeping up and some, you know, the pass through coming in. So it's important, really, to look at that very carefully, and also balance the social aspect of the budget with the market forces because you don't also want to have your reserves going down.

I hear that they're trying to get a loan from the World Bank. I don't think they're going to

NIGERIA-2016/02/29

the IMF. Maybe one idea also would be, like, I think Mozambique did, to get kind of a precautionary loan from the IMF. You don't withdraw, but it's there in case you need it. But anyway, tough challenges, but we think that it set the right course. We wrote a blog about it and I got some not so nice responses from some Nigerians, but I think they were really going into the line items and saying, why do we see this line item three times? Repeated three times? But that's one issue, I agree, and the government itself agrees that it needs -- I think they sacked actually one head of the budget. So I think they recognize it. But I still believe that it sets the right course. But having a debate like this in Nigeria is always very hated. But I'm from West Africa, too, so we're ready to fight.

MR. O'HANLON: Amadou, thank you. I think I'm going to go now to you. I've already had the chance to ask a few of my questions. So I've got still one more big one on my mind which is what should the international community think about doing to help Nigeria more, if anything? What conditions should be placed on any such offers? I'm not going to pose that now. Maybe some of you might get at that question yourselves. Please wait for a microphone. I'm going to do three questions at a time. Preferably, just one question per person and direct it to one panelist, if possible, and then we can be efficient. So we'll start up here in the front and both the second and the third row, and then we'll also take the gentleman here. So go one, two, and three. So we'll do upfront this time.

MR. BIGERING: My question is direct to Miss Segun. You talk about human rights is very --

MR. O'HANLON: Please identify yourself.

MR. BIGERING: Lia Bigering. (inaudible) of Maryland. Human rights are very important, but what we do first, we know the security of the country is very, very important. Right now, you talk about people coming to (inaudible). Nobody will come to (inaudible) Nigeria if we have no security. We know what is causing insecurity in Nigeria which is Boko Haram. So in your own point of view, or in your organization, what would be the first to tackle right now?

MR. O'HANLON: The woman in the third row and then up to the one in the second.

MS. KAJAKARIN: Hi. My name is Jula Kajakarin and I work at the Carnegie Endowment. My question is about the fight against corruption in Nigeria. This was one of the most important platforms on which Buhari came to power. Three parts to the question. How is Nigeria doing in

NIGERIA-2016/02/29

the fight against corruption? What can ordinary Nigerians do to buttress the will that Buhari has expressed in fighting corruption? How can the international community help him carry out these efforts?

MR. O'HANLON: Thank you.

QUESTIONER: Good morning. My name is Rachel and my question is addressed to Mr. Amadou. You mentioned the removal of fuel subsidy as a great policy idea for Nigeria. I want you to talk a little bit more about that in terms of, you know, how would that translate to the benefit of the local population. Given, the last time I was in, 2012, the fuel subsidy was removed and it was a huge problem for local petrol businesses were closed because oil prices more than doubled.

MR. O'HANLON: So why don't we start with Mausi. You got a specific question posed to you, I think. Then Amadou, the same. Then we'll see if Madeline and EJ can handle the remaining question on corruption.

MS. SEGUEN: I'm going to treat that question as a human rights versus security challenge. But I will put it this way, the reason why we have a security challenge in the Northeast is the mishandling of what could have been the problem from a very small religious group. The response to handling that problem, I would start from the extrajudicial killing of the founder of Boko Haram in 2009. From then on -- not just he, at least about 500 other members were killed at the same time, violating human rights, abusing human rights to secure in the end, it never works.

This is the problem that Nigeria has faced. When Boko Haram returned a year later in 2013 it was to carry out revenge for the killing of Mohammed Yusuf. Then the way that the eruption of violence itself has been handled has fueled the crisis. Hounding thousands of young men, mostly Kanuri speaking, Hausa speaking Muslim young men into detention, torturing them, killing them, and disappearing many from many homes has helped to push several of us into the arms of Boko Haram. It made it really easy for Boko Haram to recruit.

Until there is a recognition that the violation of human rights to achieve that peace that we all want it will not work. That's the problem that we're having with the Shiite problem as well. If the leader of the Shiites dies in military causes, and I think the government is aware of that because I understand he's been flown abroad for quick treatment because he was very badly injured. Hundreds have been killed. The group they are being egged on by those who have lost. I know a man who lost all of his five

NIGERIA-2016/02/29

sons. Zak Zaki himself, he has nine sons, from 2014 three of his sons were killed. In this recent attack two more have been killed. He's left with how many? Just three.

The others are raring to go against the authorities. It never works. It didn't work in this case. The Biafran problem as well, it's just a small group that is really a fringe group, even in the Southeast. A lot of Southerners do not support the group. But when you have a heavy handed response in dealing with protests and you shoot protestors who are not armed then you're asking for trouble. So which one comes first? Human rights first or security first? I'll leave you to answer that.

MR. O'HANLON: Thank you. Amadou, to you on the fuel subsidy question.

MR. SY: On the subsidies question I think typically there are two issues. One issue is the policy the other issue is the timing to implement the policy. So the question, really, it's more of a textbook answer, and again, I agree. The devil is in the detail. But the idea of that, you know, you need to better target subsidies, so when you have subsidies where the wealthiest segment of the population benefits the most compared to the other ones you want to reshuffle that pie, and have the poorest segment, the most vulnerable segment, benefit more from -- you want to help that segment.

Then the idea is -- so the question is identifying the most vulnerable and seeing the way to really help them in the best way. So that's critical, typically versus some flat subsidies, so just moving it from one segment to the other. The problem is politically it's very difficult. You always have winners and losers, and sometimes the losers are more powerful than the potential winners. So when you have oil prices going so low it makes it easier to remove the subsidy, which the government decided to do.

MR. O'HANLON: Thank you. Madeline, would you like to handle the corruption question and then maybe EJ has some thoughts too?

MS. ROSE: I'll probably leave you on how is the government doing big picture and take the second two parts of the question. But, you know, when I was there our team members and all of the communities that we spoke with are really supportive. Corruption is on the tip of everyone's tongue, everyone really supports that the president prioritizes this. There is broad public support for this as a top priority. But I'll leave EJ to kind of analyze big picture how they're doing.

But I would say how the community can help and how communities can buttress the will, I think the international community really needs to target, and has an opportunity to target its interventions

NIGERIA-2016/02/29

in supporting civil society and specifically youth organizing and advocacy. So how you end a culture of corruption and how you start to make gains against decades worth of entrenched insular bureaucratic policy making is to build up a civil society that can be a sustainable and effective counterweight to hold their own government accountable.

In Nigeria there is not a lot of civil society organizing outside of Abuja, and communities don't feel like they have tangible entry points to meet with their governor's office or to meet with their governor. There isn't, you know, radio everywhere. They don't know what's going on. They feel systemically marginalized, and we've found that in our research across all of the states we've worked in and all of the issue areas we've worked on is that particularly youth, but civil society in general, just feels like governing is for the bureaucratic, rich elite, and the kleptocrats and it's not for them.

Looking at best practice of how you build up civil society from the ground and to build platforms for strategic engagement, build up youth advocacy coalitions, build of civil society organizations, connect them across the country so that they can sustainably hold their government accountable. We would argue would be the best way to sort of pair the high Abuja level politics on corruption.

MR. O'HANLON: Thank you. EJ, over to you.

MR. HOGENDOORN: Where to start with corruption? I mean, I think generally speaking, and I think I'll pivot a little bit back to the fuel subsidy decision by the government. I mean, the reality is that over the last 20, arguably much longer, 30-40 years Nigerian politicians have become very, very effective at gaming the system to enrich themselves at the expense of the population. The fuel subsidy was just one example where initially it was intended to subsidize fuel so that poor people would have access to more of these resources.

The reality was that over time it grew into a cabal of a handful of fuel importers who were basically able to game the system, and essentially, was able to steal billions and billions of dollars from the Nigerian government and from the Nigerian National Petroleum Corporation which is, essentially, the monopoly that's producing oil for the country. It was just hemorrhaging billions of dollars of year. I mean, there's a number of really good reports that I could certainly let you know about after the session. But that was a chronic drain on the government and it just became worse and worse and worse.

NIGERIA-2016/02/29

Now, what's the government doing about it? The government is trying to go after that. I mean, they've basically fired most of the upper level hierarchy of the NNPC. They, obviously, greatly improved enforcement of anticorruption rules. They're going after a lot of high level officials and politicians. Arguably, I think if there's one criticism that could be levied at the government. They've gone more after the PDP, so the ruling party of the former president, but this is also a political problem or a constraint that President Buhari has because he came to power under this banner of the APC which was, itself, kind of a coalition of a lot of different political parties and important politicians. Some of whom don't have an entirely clean record. You know, you've got to be very careful and it's a difficult road for him to run.

Now, what can ordinary Nigerians do? As Madeline wisely said, they could hold their politicians accountable. They need to put more and more pressure on them. What really was, to some degree, also exceptional about Buhari's win is that Buhari won despite the power of the incumbency that President Goodluck Jonathan had. This was unprecedented in Nigerian history. This is a signal to politicians that if you don't do your job, and I should say I think all the Nigerians in the room would agree, President Goodluck Jonathan allowed corruption to basically run rampant and out of control. Essentially it was -- most Nigerians would say this is unacceptable we're going to vote for whomever.

A lot of people weren't very happy with President Buhari. As Mike mentioned, he was a former coup leader and a military leader of the country. Essentially, people said, we want anyone but Goodluck Jonathan, and this is largely because of corruption. So it's sending the right signals.

What's the international community doing and what can it do? Well, one of things that has already been mentioned it's doing, it's trying to identify where all this ill gotten money has gone. From what I understand, there's a lot of governments, particularly in the West, that are doing a pretty good job in terms of trying to identify where the money is, and trying to help the government at least bring some of that money back. I think we could do a lot more. I mean, I don't know how many of you read the New York Times, but one of the problems that we have is that lots of Nigerian corrupt officials have been able to park their ill gotten money in places like New York City or in London or whatever other safe havens because there's basic -- it's a game for them, right? They essentially get this money. They park it outside of Nigeria while they're basically undermining the Nigerian state. They're creating a bullet hole for

NIGERIA-2016/02/29

themselves to move to or their family to live even while the country is slowly going downward.

Last, but not least, I think that there's a number of governments that are really trying to help the Nigerian government with reform. Reform of the military, reform of other government departments, but that's really, really hard to do. These are challenges that take years and years and years. This is one of the problems that the Buhari administration is, again, struggling with, is the sense that lots of people in Nigeria want things to change tomorrow. It's not that easy. We live in Washington D.C. We know how hard it is to change rules in a 'relatively well-functioning state.' It is going to be very, very hard in Nigeria. We need to be patient. I think that Buhari has identified some pretty good priorities, and we can talk some more about that, perhaps, later in the Q&A.

MR. O'HANLON: Thank you. Let's take three more. We'll see how we do if that's going to be the last three or not. The woman in the fifth row and then after that I want to go a little bit in the back too. A lot of enthusiasm. Thank you for that.

MS. LAMAF: Hello. Thank you very much for such a great conversation and information. My name's Anial Lamafa. I'm with the Niger Delta Partnership Initiative Foundation. We focus on that nexus between, obviously as we discuss here, security, peace building, and economic development, and diversification beyond oil and gas. My question has been around just a little bit on what Amadou had mentioned about the infrastructure increases from the budget perspective.

But when we look at infrastructure in Nigeria it is a build and they shall come environment. We have no problems building in Nigeria. The issue we have is proper resource allocation. Where is the best opportunities? I can't remember your name, had mentioned that there is a human element to this. I do wonder with this increase from 15% to 35%, where is this being focused? Where is the need? Where are the opportunities that we see? Because I don't see that conversation.

I hear the big, topline billion dollar numbers allocated, and then you find out that there's maybe about three, you know, flagship projects. So Azura-Edo in energy or you see the Lekki Expressway or whatever. But that's actually just focused on a couple of states. That's not focused on real, kind of, infrastructure that can make a difference, and can also tie in with job creation opportunities within the infrastructure sect. Well, in terms of infrastructure and especially with youth unemployment and underemployment in the country. So my question is just more about your thoughts about that and how

NIGERIA-2016/02/29

we can, kind of get beyond the topline number?

MR. O'HANLON: Thank you. Let's go a little further back. The woman about two more rows back there, and then right in front of her after that.

MS. ZELL: Great. Thank you. My name is Sophia Zell. I work for the Campaign for Tobacco Free Kids. I'd like to thank the panel. My question goes specifically to Amadou Sy. I like what you said about the stimulus from other investments and increasing expenditures in terms of human development, health, and education. You actually touched on, I think the third point, you touched on was taxation which I'm very much interested in, so looking at increasing taxes in the non-oil sector.

The good news is that the -- I work in tobacco control, so tobacco control has been included in the worlds' development goals. So just to put it into context, the sustainable development goals that have been adopted in September 2015 by the world leaders of the UN General Assembly has significantly endorsed raising tobacco taxes to address the NCD burden, the non-communicable diseases burden, and tobacco epidemics, and also mobilize additional resources for development.

I just wanted to find out from you, just hearing everything that we've talked about, you know, I don't know if Nigeria, it's still very confusing to me if Nigeria is moving towards a democratic society? Because you have to have rule of law, peace and stability, and economic development. If you can tell us if you think that Nigeria is looking to raise taxes? It may seem very insignificant, but raise taxes on tobacco products?

MR. O'HANLON: I think that's a clear question. I'm going to try to cut you off there because I want to keep moving.

MS. ZELL: Okay.

MR. O'HANLON: We've only got 12 minutes left. Right here.

MS. ANKU: Hi. My name is Amaca Anku. I run a small consulting firm for groups in Africa. I have two quick questions. One is for Mr. Sy about the oil subsidies. I think it was slightly misleading to just say that the oil subsidies have been removed because I think the bigger problem has always been that they control oil prices. So as long as you control oil prices, when the oil prices finally go up you're going to have to subsidize it, right? So you haven't, necessarily, done anything particularly courageous by -- right now there's nothing to subsidize because oil prices are so low, so all you're doing

NIGERIA-2016/02/29

is just removing pure, like free windfall, to the people who were getting subsidies, right? So my concern is that Buhari hasn't actually taken advantage of an opportunity to remove this really strong corruption risk. Because when oil prices go up he'll still have to subsidize it. You know, I welcome your thoughts on that.

My other quick question is to Miss Rose. You made a clear distinction, very important, about the difference between the bridges and roads, infrastructure versus what communities really need. I wonder what your thoughts are on what communities actually need? What should they be budgeting for? Because I didn't get a clear sense of that, and I think it's a hard and murky concept anyway. But given that most of the displaced people are in relatives' homes and not in camps, which I think is a good thing, for social capital. But how should the government be supporting them in that kind of environment other than infrastructure? You know, what exactly should they be budgeting for? Thank you.

MR. O'HANLON: Thank you. What I'm going to do now is actually take a fourth question. Then that'll be it. Everyone's going to have then two minutes to wrap up. So I'll take the gentleman there, further back, and that'll have to be it.

MR. FREEMAN: Thank you very much. Lawrence Freeman (inaudible) in Africa and have friend of Nigeria for many years, and I'm member of the Lake Chad Basin Commission. Sy's comments on the budget I think are very -- I agree. The fact that you want to make these capital improvements is in the right direction. The problem is the lack of help that Nigeria's getting. I mean, the Chinese are giving low interest credits for developments of railroads, Kaduna to Abjua, Kaduna to Lagos to Southeast Rim. We are trying to work on a water program to bring water into Lake Chad which would change the entire environment of the country and from the Lake Chad basin to the Congo River basin.

The West doesn't recognize the importance of aiding these programs. All they do is say, go to the private sector. My discussions with the leaderships of the president's government is that they recognize the connection between security and economic development. They recognize this in Lake Chad. They recognize it in the country of Nigeria. I think we could help them if we'd actually give the kind of credits and low interest loans that would actually build this infrastructure which would be transformative in Nigeria and for the whole region. Up to this point there's been very little support. So maybe you could address the question of is the U.S. actually going to do more than just bring the private sector over on

NIGERIA-2016/02/29

airplanes and actually make the investments that we see coming out of China, and potentially (inaudible) Development Bank?

MR. O'HANLON: Okay. Thank you. Mausi, starting with you. I'm going to ask each panelist to respond to maybe one of those questions, and we've each got about two minutes before we're out of time. So with apologies for the constraint.

MS. SEGUN: I'm not sure any of those questions was addressed to me but --

MR. O'HANLON: Here's what I'll do. I'll reverse the order and then we'll get to you. You'll have the concluding word to the whole event. So, EJ, we'll start with you and then work down the row.

MR. HOGENDOORN: Apologies, I don't think any of the questions were really addressed to me. I mean, the only thing that I would say in terms of infrastructure, I do think that it's important to focus on electrification. I mean, we've spent a lot of -- I mean, Madeline can tell you about Kaduna. I've also spent a lot of time in Kano. I mean, a huge part of the problem with the oil curse in Nigeria is that it essentially -- it misaligned the government, and Nigeria turned from the bread basket of West Africa to the biggest importer of food stuff into West Africa, and you saw this massive deindustrialization in Kano and Kaduna state.

You have these huge, kind of estates of former factories that are not working right now for lots of different reasons, but in part because manufacturers can't get stable electricity, and so it's too expensive for them to do that. So I would think that while I agree with Madeline in terms of you can't ignore communities, you also have to put in place the infrastructure so that people who are building things can actually do so relatively effectively and then export them.

My little (inaudible) that I will address is I do think one of the focuses needs to be on security sector reform. While the international community has focused on the military for a number of very understandable reasons I think there needs to be recognition that the Nigerian federal police force is a completely dysfunctional institution. One of the problems that we have in fighting Boko Haram and other problems like the Islamic National Movement in Nigeria, like the demonstrations in Biafra, etcetera, is that the police is incapable of providing rule of law, and so the Nigerian military gets called in. The Nigerian military is not the institution to deal with civil strife. This is part of the problem. I think this is

NIGERIA-2016/02/29

something that everyone in this room should be focusing on.

MR. O'HANLON: Thank you. Madeline, to you, for any answers and any final thoughts.

MS. ROSE: Thanks. I would agree. I juxtapose, sort of, security and roads because in the developmental planning of the processes with the World Bank and with our government counterparts we have to show that it's stark so we can focus on humanitarian and human needs. But, of course, I mean, the North absolutely does need development prior to the Boko Haram crisis. I mean, lack of infrastructure and development, including electrification and just basic roads and connectivity and radio networks was a really, really big driver from our perspective of feelings of marginalization and chronic underdevelopment.

Of course, longterm it is needed. It needs to be part of the investment portfolio. But what communities need right now we are saying -- you know, the IDPs that we're supporting and those that are living in host communities, most fled Boko Haram or the military campaign against Boko Haram with absolutely nothing. They have no money. They have no clothes. They have no food. So these communities need right now basic livelihood support, basic lifesaving assistance, but also they need access to finance and access to capital. Because if any of them, or most of them, are going to live in these communities now for six months, a year, two years, three years they need a way to generate income.

In the, sort of, bureaucratic humanitarian sector livelihood support, i.e. capital, is not considered 'humanitarian'. And so it's this bureaucratic battle that we always fight. These individuals need a way to make money. They need a way to start businesses. They need to be able to go to the market and buy food on their own without having to sell sex or borrow from a host. So that's sort of what we're advocating for.

I will also reinforce this, in the last point we didn't talk a lot about security sector reform. But I would make that last pitch for, and I mentioned in the beginning, about the chronic, chronic violence across the country between farmers and pastoralists needs to be on the table. That really includes security sector engagement, so talking with police, working with judges, working with the military on non-violent dispute resolution, a clear delineation of authority is of who resolves disputes, how do you share information about disputes, how do you -- you know, building up a system that is nonviolent and

NIGERIA-2016/02/29

organized and clear is absolutely vital from our perspective.

MR. O'HANLON: Amadou?

MR. SY: So in the budget what I read about infrastructure priorities were in agriculture and mining, (inaudible). Agriculture I read a lot of potential about the cocoa sector, for example, and so on. But I agree with you that this is really one of the most important topics because if you don't get the infrastructure right this is really a big loss of opportunity. That's crucial.

Again, you have to have a strategy. Let's say gas, for example, what do you do with your gas? You could leave some in the ground. You could use some for energy generation. You could use some for phosphates which then can be used to manufacturer fertilizers and then help agriculture. You can export some. You can export regional, internationally. But for the strategy I think the Nigerians, I really trust them to have an idea on what the strategy would be.

But the flip side is the implementation. Again, the efficiency of spending. As you know, there's a lot of money internationally, you know, there are numerous examples of infrastructure projects, but efficiency is not happening. Like Berlin Airport we're still waiting. The Tramway in D.C., we're still waiting. So it's not easy, but it's something that really needs -- this should be a priority. The studies we've done here indicate that taking a sectoral approach is key. Do not take infrastructure as a big block, each sector is different.

So we've heard very positive news. We haven't done a study on that. We have heard good news about the energy reform, the independent power produce. Everybody's telling me you have to see what Nigeria is doing and we'll have maybe a case study on it.

On subsidies, I don't think the idea is to remove subsidies and then when oil prices will go up to put them back. I think the idea is to better target them. So the timing was an issue, so this is the best timing to remove subsidies, and then you retarget them to those who need it the most, fight those people who were taking the rents out of this system. Take them out of the system, and then if the prices go up, hopefully, you still have a system that caters to the poorest segment. That's my understanding. I'm happy to discuss.

MR. O'HANLON: I'm going to call an audible here. I'm going to give Mausi the floor in a second, but I'm actually -- because I saw all the enthusiasm I'm going to take one last round. Anybody

NIGERIA-2016/02/29

who needs to leave, I understand, feel free. We'll understand that you have to leave, but I want to take three quick questions. This is a lightening round. One question per person and very brief answers and we'll get you out of here still pretty soon. So I'm going to start with the gentleman here in the second row and then I'll go to the woman back in the sixth row with the flowered shirt, and then the woman right in front of her.

MR. ELEBER: Hi. Alumaja Eleber from FHR 360. First of all, thank you all to the panelists for, you know, a very engaging discussion. I think what was clear to me is that everybody talks about their specific sectors and it seems to me that the very obvious thing is that regardless of sector there is a systemic issue in Nigeria that doesn't work. You know, there is no accountability. You know, the systems just don't function. So you may be on, I think, like Mausi said, if you build homes in Borno State and you send the people back you have Boko Haram. They're going to come back and burn the homes.

I think it's the same. You can't develop any sector in Nigeria, but if you don't have that basic accountability nothing will work and a lot of those sectors kind of regress. So I guess my question is to the panelists, and I think maybe to Madeline and to Mausi as well is how do you kind of make sure that aid is aligned to sort of integrate all the different sectors? Whether it's security reform or human rights? And to make sure that aid is channeled to make sure that the systems within the country work?

MR. O'HANLON: Thank you. Back here in the sixth row and then the fifth.

QUESTIONER: Thank you. My name is Sydney and I work for Control Risks. I have a question for Madeline, primarily. You touched a little bit on Mercy Corps' perspective on de-radicalization, and I was wondering if you could unpack that a little bit and talk specifically about how that draws the distinction between economically and ideologically motivated individuals?

MR. O'HANLON: Thank you. The last question for the day.

MS. BERRY: Thank you. Sarah Berry, Johns Hopkins. I have a question for Madeline about the conflicts over land, especially the middle belt. You said that local communities are pressing for establishing ongoing conversations over land rights and who has authority over resource allocation and local matters, and that solutions that are on the table are expensive. My question is, is it too expensive to institute those kinds of local conversations or that local communities really want more control over land

NIGERIA-2016/02/29

rights and resource allocation, and private investors and people at higher levels of government don't want to cede it to them?

MR. O'HANLON: Thank you. Mausi, to your first, please.

MS. SEGUN: I think already (inaudible)summed up, you know? What I was going to say, I think what underpins all of this, the kind of reforms that we want, is that systemic issues, especially of accountability and lack of justice. When I talk about justice I'm not just talking about, you know, transporting what works somewhere else and bring it to Nigeria. There are huge gaps within different strata of Nigerian society, and especially the gap between the government and the people. There needs to be justice solutions that are people-led. That the people participate in.

When I talk about people, I talk about all of the demographics, gender, women especially. Women are left out of almost everything, account for about half of the population, have been so -- and apart from women you also have young people. If you go to go to, for example, to Maiduguri, you would find very young people under the age of 10, and then you would find older men, and then women. Where are all the young people? They've either been in Boko Haram or have been, you know, disappeared into military detention facilities. Dealing with the youth problem and showing participation of the different demographics. Otherwise the systems cannot work.

The rule of law, whether it be in the way that the economy has been reformed, the inequalities that exist and continue to be perpetrated in the Nigerian economic system must be addressed. Those who support are partnering with the Nigerian government to do all of this must pay attention to addressing these systemic issues. That way where the rule of law -- in addressing corruption.

Someone here has mentioned the one-sidedness of the way that the corruption fight is being waged. There must be a balance. The government came in with a lot of goodwill. Nigerians have very little patience. The perceptions must be that the law is supreme and no one is above the law. No privilege for the elite ruling class and the rest of the people left to themselves.

MR. O'HANLON: Amadou, any further words?

MR. SY: No.

MR. O'HANLON: Okay. Madeline?

MS. ROSE: Very quickly. I would totally reinforce everything my HRW colleague just

NIGERIA-2016/02/29

said. I think how do we make sure aid works to reinforce these structural issues? A lot of it, I think, is about process. So thinking about every program -- regardless of the sector that you work in, the program that you do, that you're engaging government actors at every single level.

So, for example, of security sector reform and accountability on the police within the -- where we work in the middle belt we've started, you know, the first two years focused on improving the capacity of local communities and local community leaders to diminish violence and to solve issues at the community level nonviolently, and sort of create their own dispute resolution mechanisms.

But now as that graduates it's looping in, you know, the governor's office, looping in the police, looping in the military, so we started to train the security sector individuals up the ladder, so that you're starting to link up, so you link up this grass roots work in a way that is sort of safe and community led, but can connect it with the national level processes. Often times that doesn't happen. Right? Aid programs are very small and you don't think about laddering up. I think that would be our position.

On the de-radicalization, we've done a lot of research on this globally over the last decade. I think across the board the main drivers that we've found to support for armed groups broadly are, sort of, experiences of injustice or abuse that goes unaddressed. So impunity for injustices, direct experiences of abuse with security forces, and systemic marginalization or perceived marginalization like you have no opportunity. Specifically on the research we just did in Nigeria over the last year, which will be out publicly in about a month, we found that, sort of, a grievance with the state negligence and the lack of government in the North was a large drive -- created an enabling environment where people were more likely to support Boko Haram.

But one of the tactics that we don't always see globally that we saw with Boko is that they're actually using loans, business loans, as a recruitment tool. Because in Nigeria, you know, access to be able to start a business is so connected with social status and perception of self and opportunity, and so Boko Haram really manipulated that grievance and used a loan. So we don't think it's poverty, per say, as much as it's the intentional manipulation of that grievance, but happy to talk about that more.

The conflict over land and if it's too expensive, welcome, EJ, to jump in, and my colleague Todd Gang who's actually our deputy director of conflict management programs who -- so please go hound him for more questions afterwards. He's much more of an expert than me. So one of the main

NIGERIA-2016/02/29

recommendations from communities that we support is that there needs to be a full country-wide assessment of grazing routes and land reserves and that has to be done. That will be expensive.

So some interim measures that have been recommended have been that, sort of, each state and each LGA develops its own dispute resolution mechanisms, and starts to have, sort of, local and state level improvements in the justice sector, and that eventually to do this -- what is sort of being envisioned of a national reassessment of land reserves and grazing routes. That is, sort of, still being perceived as challenging and expensive. But I'll give you the more political end of that question.

MR. HOGENDOORN: Well, I get the last word. Great. I mean, I have to take it a little bit out of Nigeria. I just want to kind of caution people to not look at this as a money problem. I would argue that this, ultimately, is a leadership problem. I'll bring it to the other side of the continent where you have this issue of Al-Shabaab in Somalia which is very much a similar problem that Nigeria's facing in the Northeast.

What is so stunning about Somalia is that you have this little area up in the north called Somaliland where you really don't have an Al-Shabaab problem, and then you have this huge problem in the south central Somalia, kind of towards the south. What I think is important to note is that South Central Somalia gets the bulk of international assistance to combat radicalization. Yet, the problem is much worse there than it is in the north.

Now, that's not to say that things are wonderful in Somaliland. But the point is that you don't need tons and tons of money to fix these problems. Arguably, it's tons and tons of money and politicians fighting over who gets the biggest share. That's part of the problem. I just want to put that on the table.

But I think so that when we start talking about accountability we have to recognize that in Nigeria there's lots of good laws in the books. There's robust anti-corruption institutions in place already that if given the proper leadership and guidance could actually do their job quite well. So it becomes a matter of leadership which is one reason why people were so excited about Buhari, because Buhari has a very good reputation as being a no nonsense leader, not corrupt, and so people put a lot of faith in him.

Now, the problem, I think, is I think he is generally trying to do a good thing. The challenges are just very, very great. But going back to my beginning remarks, there are examples of a

NIGERIA-2016/02/29

number of very effective governors who were able to change the situation dramatically over a relatively short period of time, and so I think we need to be optimistic about Nigeria. But what it does is that requires good leadership. But ultimately, that is up to the Nigerian people. It's up to the Nigerian people to demand that their leaders are the best available, and that they are held accountable not just by institutions, but by the ballot box.

Again, this is why I think the election of Buhari was such an important precedent for Nigerian democracy because it showed that if you don't deliver you can get voted out of office. That, I would argue, is the greatest leverage that anyone has in terms of creating an environment for better governance.

MR. O'HANLON: Listen, thank you all for being here. I also want to thank -- before we thank the panelists I want to thank their organizations because we've had just a lot of great collaboration from International Crisis Group and from Human Rights Watch and Mercy Corps. I know Amadou and I, again, Amadou running the Africa Growth Initiative here, we're very grateful for this. So let me now ask you to please, first of all, thank yourselves, but thank these four individuals for what they contributed today.

* * * * *