



# Nigeria

**Lauren Ploch**

Analyst in African Affairs

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## Summary

Nigeria, the most populous African nation with an estimated 149 million people, is one of the United States government's key strategic partners on the continent. It is Africa's largest producer of oil and is regularly the fifth largest oil exporter to the United States. By some estimates, Nigeria could rank among the world's top five exporters of oil within a few years, although social unrest and corruption in the country's Niger Delta region have posed significant challenges to oil production.

As Africa's second largest economy, Nigeria's stability and prosperity affect not only those in the market for Nigerian oil, but the entire region. The country has faced intermittent political turmoil and economic crisis since gaining independence in 1960. Political life has been scarred by conflict along both ethnic and geographic lines and misrule has undermined the authority and legitimacy of the state apparatus. After 16 years of military rule, Nigeria made a transition to civilian governance in 1999, when Olusegun Obasanjo, a former general, was elected president. In 2007, Nigerians witnessed the country's first civilian transfer of power with the election of a new president, Umaru Yar'Adua.

Nigeria continues to face serious social and economic challenges. Although Nigeria's oil and natural gas revenues are estimated at over \$50 billion per year, its human development indicators are among the world's lowest, and a majority of the population suffer from extreme poverty. Fluctuations in world oil prices have posed additional problems for the Nigerian government, which relies on the energy sector for over 85% of revenues. Nigeria remains relatively stable, although intercommunal conflicts in parts of the country are common. Thousands have been killed and many more wounded in periodic religious clashes. The attempted terror attack on an American airliner by a Nigerian passenger on December 25, 2009, has heightened concerns regarding airport security in Africa and the possible radicalization of African Muslims. Under former President Obasanjo, Nigeria emerged as a major player in Africa. The government has helped to resolve political disputes in several African countries, and the country ranks 4<sup>th</sup> among troop contributors to United Nations peacekeeping missions around the world.

Nigeria's most recent general elections, which the U.S. State Department called "deeply flawed," were held in April 2007. Despite controversy surrounding his election, President Yar'Adua's pledges of reform were welcomed by many Nigerians, but questions regarding his health and the pace of reform increased during his tenure. Yar'Adua was hospitalized in Saudi Arabia in November 2009 for a heart condition and did not return to Nigeria until February 2010. Last seen in public in November, prior to his hospitalization, the President's prolonged absence heightened fears of political instability. His death was announced on May 5. His Vice President, Goodluck Jonathan, who had served as acting president since February, was subsequently sworn in as head of state. He has pledged to uphold President Yar'Adua's reform agenda and to prioritize anti-corruption efforts, peace and development in the Niger Delta, and electoral reform in preparation for the upcoming 2011 elections. The Obama Administration has expressed support for these initiatives, and in April established a U.S.-Nigeria Binational Commission, a strategic dialogue to address issues of mutual concern.

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## Overview

Nigeria is considered a key power on the African continent, not only because of its size, but also because of its political and economic role in the region. One in five people in Sub-Saharan Africa calls Nigeria home. Nigeria's economy is Sub-Saharan Africa's second largest, and it is one of the world's major sources of high quality sweet crude oil and natural gas. Nigeria has mediated conflicts throughout the continent, and its troops have played a critical role in peace and stability operations in the region. The country ranks 4<sup>th</sup> among troop contributors to United Nations (U.N.) peacekeeping missions around the world. Nigeria, which is roughly twice the size of California, is also home to Africa's second largest HIV/AIDS-infected population and has the continent's highest tuberculosis burden. According to one senior U.S. foreign policy analyst, "no country's fate is so decisive for the continent. No other country across a range of issues has the power so thoroughly to shape outcomes elsewhere in sub-Saharan Africa."<sup>1</sup>

Despite its oil wealth, Nigeria remains highly underdeveloped. Poor governance has severely limited infrastructure development and the provision of social services, hindering economic development and leaving much of the country mired in poverty. The government's human rights record is poor.

Ethnic and religious strife have been common in Nigeria, and perceived differences have been politicized by political elites. The country is composed of over 250 distinct ethnic groups, of which ten account for nearly 80% of the total population. The northern Hausa-Fulani, the southwestern Yoruba, and the southeastern Ibo have traditionally been the most politically active and dominant. Almost half of the country's population, some 75 million people primarily residing in the northern half of the country, are Muslim.

Divisions between ethnic groups, between north and south, and between Christian and Muslim often stem from perceived differences in access to social and economic development. More than 15,000 Nigerians are believed to have been killed in local clashes in the last decade, and some three million have reportedly been periodically displaced by those clashes.<sup>2</sup>

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### Nigeria at a Glance

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Population:	149 million
Pop. Growth Rate:	1.999%
Independence:	October 1960
Comparative Area:	Slightly larger than twice the size of California
Religions:	50% Muslim, 40% Christian, 10% indigenous beliefs
Languages:	English (official), 250 local languages
Literacy:	68%
Infant Mortality:	94.35 deaths/1,000 live births
Life Expectancy:	46.9 years
Prevalence of HIV:	3.1%
Real GDP Growth:	5.6% (2009 estimate), 6.7% (2010 forecast)
Nominal GDP Per Capita:	\$1,191
Unemployment:	4.9%
Exports:	\$45.4 billion
Imports:	\$42.1 billion
External Debt:	\$9.689 billion

**Source:** The CIA World Fact Book, Economist Intelligence Unit (EIU), International Monetary Fund, World Bank.

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<sup>1</sup> Robert I. Rotberg, "Nigeria: Elections and Continuing Challenges," Council on Foreign Relations, April 2007.

<sup>2</sup> *Ibid.*, p. 20.

Nigeria is a federal republic composed of 36 states; its political structure is similar to that of the United States. The country has a bicameral legislature with a 109-member Senate and a 360-member House of Representatives. Its president, legislators, and governors are elected on four year terms. Nigeria's most recent elections were held on April 14 and 21, 2007.<sup>3</sup> Many, including the U.S. State Department, maintain that the country is still in political transition,<sup>4</sup> and Human Rights Watch contends that "Nigeria has not held a free and fair general election since the end of military rule."<sup>5</sup>

Nigeria was ruled by the military for almost three decades after independence, and much of its political history has been dominated by a contest for power between the north and southern regions. Northern military leaders dominated Nigerian politics until 1999, when the country made the transition to democracy. Today, the Hausa remain dominant in the military and the federal government, but have lost significant power in many state governments. Since the election of President Obasanjo in 1999, there has been a de-facto power sharing arrangement between the north and the south, in which the presidency is expected to rotate between the regions every two terms. The main presidential contenders in the April 2007 election were northerners, and with the retirement of former President Obasanjo, who was from the southwest region of the country, Yar'Adua, a former northern governor, assumed the office. Upon Yar'Adua's death, his Vice President, Goodluck Jonathan, a southerner, took office for the remainder of his first term, raising questions as to whether the ruling party would chose another northern candidate to run in the 2011 presidential race or support a possible run for the office by the sitting President.

Some suggest that tension between the north and the south over perceived inequities in economic and educational development has the potential to lead to widespread political instability. Nigeria's 2006 census drew controversy over its representation of the regional breakdown of the population, reportedly concluding that 53.4% of the population lives in the north. This could ultimately affect the country's complex system for distributing oil revenues, which are derived from oil reserves in Southern Nigeria. Resentment between the northern and southern regions of the country, and among communities in the central region, has led periodically to considerable unrest and population displacement. According to the International Crisis Group, an estimated 8,000 Nigerians were killed in sectarian clashes between 1999 and 2002, and up to 6,000 may have been the target of ethnic or religious killings.<sup>6</sup> Some reports suggest that those numbers may be much higher. Over 1,000 were reportedly killed during fighting in the central town of Yelwa and northern city of Kano in May 2004.<sup>7</sup>

In November 2008, unrest in the central city of Jos in Plateau state, spurred by disputed local elections, resulted in at least 300 deaths, and over 700 hundred were killed during clashes in several northern states in July 2009.<sup>8</sup> Intercommunal violence in Jos and surrounding villages broke out again in early 2010, displacing an estimated 18,000 and resulting in 300-500 deaths in

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<sup>3</sup> State gubernatorial and state legislative elections were held on April 14. The following week, on April 21, the presidential and federal legislative elections were held.

<sup>4</sup> U.S. State Department, "Nigeria," *Country Reports on Human Rights Practices*, 2006-2008.

<sup>5</sup> Human Rights Watch, *Election or 'Selection'? Human Rights Abuses and Threats to Free and Fair Elections in Nigeria*, April 2007, and "Nigeria: Presidential Election Marred by Fraud, Violence," April 24, 2007.

<sup>6</sup> The International Crisis Group (ICG), "Want in the Midst of Plenty," *Africa Report No. 113*, July 19, 2006, p. 15.

<sup>7</sup> "Timeline: Tensions in Nigeria," Al Jazeera, March 17, 2010.

<sup>8</sup> Human Rights Watch, *Arbitrary Killings By Security Forces*, July 20, 2009 and "Nigeria Survivors Describe Night of Terror by Sect," AP, August 4, 2009.

January and an estimated 500 in March. While these clashes are sometimes described as religious in nature, many analysts suggest that much of the violence in central areas such as Jos has been driven by a struggle for political control of land, water, and state resources between predominantly Christian agrarian communities who considered themselves indigenous to the region and traditionally nomadic and pastoralist Muslim Hausas, rather than by religious differences. Some 300 individuals were arrested in the wake of the clashes, but human rights groups have criticized the government for failing to punish those responsible for previous outbreaks of violence.<sup>9</sup>

## Recent Developments

On May 5, 2010, the Nigerian government announced the death of ailing President Umaru Yar'Adua, who had been admitted to a Saudi hospital for a heart condition in November 2009. Yar'Adua, who was not seen in public after his hospitalization, had been transferred back to Nigeria in February but was unable to resume his presidential duties. His prolonged absence from office had raised concerns both in Nigeria and abroad about a power vacuum within the government. His Vice President, former Delta State governor Goodluck Jonathan, who had been named acting president by the National Assembly in February, was sworn in as Nigeria's new President on May 6. He will serve in the position until the next elections, expected in 2011. Yar'Adua's death and Jonathan's formal swearing-in resolves the uncertainty regarding Jonathan's legitimacy as head of state and reduces tensions in the short-term, but fears of a power struggle within the ruling party remain. President Jonathan has yet to comment on whether he will run for the presidency in 2011, and several influential northern leaders within the party, including former military ruler Ibrahim Babangida, 68, and 2007 presidential candidate Atiku Abubakar, 63, have already declared their intention to vie for the office.<sup>10</sup> Jonathan's choice for vice president, Namadi Sambo, a former architect who was elected governor of the northern state of Kaduna in 2007, is seen as having relatively little political experience, and his appointment is considered by some as a sign that Jonathan may be considering a run for the presidency in 2011.

Prior to President Yar'Adua's return to Nigeria in February, government officials stated that he continued to make executive decisions from his hospital in Saudi Arabia; some observers contend that he was, in reality, too ill to make those decisions, which were instead made by a group of close advisors, including his wife, who strictly controlled access to the President.<sup>11</sup> Goodluck Jonathan, after being named acting president, moved to consolidate his authority, dissolving and reconstituting the cabinet in March, while attempting to allay the concerns of northerners that they would be marginalized by a new administration. He vowed to continue President Yar'Adua's reform initiatives, emphasizing a commitment to electoral reform and anti-corruption efforts, and he named a Presidential Advisory Council to help speed implementation of these and other high-priority programs. These pledges were welcomed by the Obama Administration, which recognized the acting president as the "recognized leader of Nigeria" and warned against efforts

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<sup>9</sup> "Nigeria: Inaction Paves Way for More Bloodshed, Observers Say," IRIN, February 1, 2010.

<sup>10</sup> Babangida seized power in 1985 from Major General Muhammadu Buhari in a military coup and ruled until 1993, when he transferred power to a civilian government that was subsequently overthrown by General Sani Abacha. Abubakar, who formerly served as Vice President under Obasanjo, ran as the presidential candidate of an opposition party in the 2007 elections but has recently rejoined the ruling party.

<sup>11</sup> See, for example, John Campbell, "Nigeria Fragmented and Unstable," *Huffington Post*, March 5, 2010, and "On Her Majesty's Secret Service," *Africa Confidential*, March 5, 2010.

by others to “upset Nigeria’s stability and create renewed uncertainty in the democratic process.”<sup>12</sup> Responding to calls from civil society activists and donors, including the United States, the acting president removed Maurice Iwu, Chairman of the Independent National Electoral Commission (INEC), from office in late April 2010. The Nigerian government is under pressure from donors to implement further reforms as the 2011 elections approach. The National Assembly is currently considering new legislation on elections, and on June 3 approved the first amendments to the country’s 1999 constitution. If approved by two-thirds of the state legislatures, the amendments would make a variety of changes to the constitution, addressing such issues as presidential transfer of powers; qualifications of gubernatorial and parliamentary candidates, including independent candidates, and chairman and members of the national and state electoral commissions; funding for the electoral commission; and the timeframe for elections.

President Jonathan has pledged to solidify peace and development initiatives in the Niger Delta, the country’s core oil producing region. Among those replaced in his cabinet reshuffle was the Minister for the Niger Delta, a post created under former President Yar’Adua. As acting president, Goodluck Jonathan approved an initiative to spend \$180 million on skills centers in the Delta, a key pledge in Yar’Adua’s amnesty and reconciliation program. The second phase of that program, which focuses on the rehabilitation of militants, is scheduled to begin in June. The peace process is fragile, and the federal government’s ability to deliver on promised infrastructure improvements and job creation will be critical to addressing regional grievances. According to Nigerian government figures, over 15,000 militants, including several high-profile militant commanders, have accepted the government’s amnesty offer since August 2009.<sup>13</sup>

Like his predecessor, President Jonathan has identified increasing domestic gasoline production and power generation capacity as a key priorities for his government (see “Oil Sector Reform” below). In May 2010, with two of Nigeria’s existing four oil refineries running at only 60 percent capacity, the Nigerian National Petroleum Corporation signed an agreement worth estimated at \$23 billion with China for the construction of three new refineries and a petrochemicals complex.<sup>14</sup> Nigeria is also in the process of increasing its liquefied natural gas (LNG) exports, which are expected to surpass revenues derived from oil exports in the next decade. In March, Nigeria began transmitting natural gas to Benin, Togo, and Ghana through the new West Africa Gas Pipeline. The initiative, led by Chevron, had been delayed due to supply shortages resulting from sabotage to production facilities in the Niger Delta. Reports suggest that gas supplies have increased significantly as pipelines have been repaired since the militants’ latest ceasefire, and several new gas-fired power plants are expected to begin generating electricity in 2010.<sup>15</sup>

In April 2010, President Jonathan, who was still serving as acting president at the time, participated in the Nuclear Security Summit in Washington, DC. During his visit he met with President Barack Obama at the White House, with whom he discussed a range of security issues, including counterterrorism. President Obama expressed his support for Jonathan’s electoral reform efforts. Following his visit, the governments of the United States and Nigeria inaugurated a new U.S.-Nigeria Binational Commission (see “Administration Policy on Nigeria”).

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<sup>12</sup> State Department Daily Press Briefing on February 26, 2010; Office of the State Department Spokesman, “Political Situation in Nigeria, March , 2010; and Briefing by Johnnie Carson, Assistant Secretary of State for African Affairs, on February 24, 2010.

<sup>13</sup> “On the MEND: The Politics of Surrender in Nigeria,” *Jane’s Intelligence Review*, December 2009.

<sup>14</sup> “Two Nigerian Refineries Running at 60 Pct Capacity,” Reuters, March 30, 2010.

<sup>15</sup> Oxford Analytica, “Electricity Output Takes Turn for the Better,” December 16, 2009.



During then-Acting President Jonathan's April visit to Washington, DC, he made several public commitments to "restoring Nigeria's image" abroad, both as a key partner in regional peace and counterterrorism efforts, but also in ending the "culture of impunity" in Nigeria by addressing corruption and human rights concerns.<sup>16</sup> The ruling People's Democratic Party (PDP) has faced several charges of corruption against senior leaders, including Vincent Ogbulafor, who recently resigned as national chairman of the party to stand trial for fraud. Human rights groups have petitioned President Jonathan to address a series of reports of gross human rights abuses by Nigerian security forces, notably the police.<sup>17</sup> Human Rights Watch called the Jonathan's removal of the justice minister and attorney general a "welcome first step," but urged further action from the President on the issues of inter-communal violence, the conduct of security forces, corruption, violence and poverty in the Niger Delta, and free and fair elections.<sup>18</sup>

## Background

### The Transition to Democratic Rule: 1998 and 1999 Elections

After years of military rule, Olusegun Obasanjo, who had formerly served as a military head of state from 1976 to 1979, was elected President of Nigeria on February 27, 1999 in nationwide elections. Prior to the presidential election, Obasanjo's party, the People's Democratic Party (PDP), won the majority of municipalities in local elections, held in December 1998, while the All People's Party (APP) came in a distant second, followed by the Alliance for Democracy (AD). In the governorship elections in early January 1999, the PDP also dominated. Atiku Abubakar, a northerner who was elected governor of Adamawa State in the January elections, was chosen by the PDP as the running mate of Obasanjo, a Yoruba from southwestern Nigeria. The APP and AD nominated Chief Olu Falae, a Yoruba, as their joint candidate for president. A former Nigerian security chief from the north, Chief Umaru Shinakfi, was chosen as Falae's running mate. General Obasanjo was elected president by a wide margin.<sup>19</sup> On May 29, 1999, he was sworn in as president, and the Nigerian Senate approved 42 of 49 members of his cabinet.

### The 2003 Elections

In April 2003, Nigerians went to the polls for the second time under a civilian government. President Obasanjo was nominated by his party to serve a second-term. The All Nigeria Peoples Party (ANPP) picked another former military leader, General Muhammadu Buhari, as its presidential candidate. Meanwhile, the former rebel leader, Emeka Odumegwu Ojukwu, who led the secessionist region of Biafra in Nigeria's civil war in the 1960s, was picked as the presidential

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<sup>16</sup> President Jonathan has used the term "culture of impunity" in reference to Nigeria in several speeches, including one given in February 9, 2010, as quoted in "Again, We've Succeeded in Moving Nigeria Forward - Jonathan," *Daily Champion* (Lagos), February 10, 2010.

<sup>17</sup> See, for example, the Open Society Justice Initiative and the Network of Police Reform in Nigeria, *Criminal Force: Torture, Abuse, and Extrajudicial Killings by the Nigerian Police Force*, May 2010; and Human Rights Watch, *Arbitrary Killings by Security Forces*, July 20, 2009.

<sup>18</sup> Human Rights Watch, "Nigeria: Acting President Should Address Abuses," February 12, 2010.

<sup>19</sup> Obasanjo won 62.8% of the votes (18.7 million), while his challenger, Chief Olu Falae, received 37.2% of the votes (11.1 million). In the Senate elections, the PDP won 58% of the votes, APP 23%, and AD 19%. In the elections for the House of Representatives, PDP received 59% of the votes, AD 22%, and APP 20%.

candidate of the All Progressive Grand Alliance (APGA). The National Democratic Party (NDP) picked former foreign minister Ike Nwachukwu as its presidential candidate.

President Obasanjo was reelected to a second term, and his PDP party won in legislative elections.<sup>20</sup> The elections, however, were marred by serious irregularities and electoral fraud, according to both domestic and international election observers. Among the irregularities noted, much emphasis was placed on “inadequate election administration.” Controversy surrounded the voter registration process, the certification of candidates, and poor logistical preparations for the elections. One election official allegedly admitted that the voters’ register was “25-30% fiction.”<sup>21</sup> Reports of electoral malfeasance, or rigging, were also noted. Ballot box stuffing, falsification of election result forms, and threats of violence were among the most serious charges. In some states, observers noted “systematic attempts at all stages of the voting process to alter the election results.”<sup>22</sup> Although reports of rigging varied widely among states, the extent of irregularities caused some to suggest that they “compromised the integrity of the elections where they occurred.”<sup>23</sup> The European Union delegation noted that in at least six states “the minimum standards for democratic elections were not met.”<sup>24</sup> Several election results were later overturned.

In April 2006, the Nigerian Senate considered a bill to amend the constitution. One of the contentious proposals would have removed the two-term limitation and allowed a third-term presidency; Obasanjo supporters had reportedly pushed for this step for months. The Nigerian Senate rejected the legislation in May 2006.

## 2007 Elections

Nigeria’s third national elections since the country’s return to democratic rule were held April 14 and 21, 2007, amid widespread allegations of electoral mismanagement and fraud. The ruling party’s presidential candidate, Umaru Musa Yar’Adua (then governor of Katsina state in northern Nigeria) was strongly supported by President Obasanjo. Yar’Adua’s running mate, Goodluck Jonathan, had served as Governor of Bayelsa State in the Niger Delta. Yar’Adua was declared the winner with over 24.6 million votes, or 70%. Some critics suggest that Obasanjo “hand-picked” Yar’Adua in order to retain political influence after he left office.<sup>25</sup> President Yar’Adua was sworn into office on May 29, 2007.

The country’s two largest opposition parties, the ANPP and the Action Congress (AC), rejected the election results. The ANPP’s presidential candidate, former President General Muhammadu Buhari, a northerner, received an estimated six million votes. Buhari lost the presidential election to Obasanjo in 2003, but some opinion polls conducted prior to the 2007 elections suggested that

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<sup>20</sup> The Independent National Electoral Commission (INEC) declared that Obasanjo won 61.9% of the votes, while his nearest rival, General Muhammadu Buhari of ANPP, won 32.1% of the votes. In the Senate, the PDP won 72 seats out of 109 seats, while the ANPP won 28 and the AD 5 seats. The PDP won 198 seats in the 360-seat House of Representatives, the ANPP 83 seats, and the AD 30 seats.

<sup>21</sup> Human Rights Watch, “Election or ‘Selection’? Human Rights Abuses and Threats to Free and Fair Elections in Nigeria,” April 2007.

<sup>22</sup> The International Republican Institute, *2003 Election Observation Report*, p. 65.

<sup>23</sup> The National Democratic Institute, “Statement of the NDI International Election Observer Delegation to Nigeria’s April 19 Presidential and Gubernatorial Elections,” April 21, 2003.

<sup>24</sup> The European Union, *EU Election Observation Final Report: Nigeria*, p. 2.

<sup>25</sup> ICG, “Nigeria’s Elections: Avoiding A Political Crisis,” *Africa Report No. 123*, March 28, 2007.

he enjoyed greater support than Yar'Adua.<sup>26</sup> The AC's chosen candidate, former Vice President Atiku Abubakar, also a northerner, was not among the 24 presidential contenders approved by the Independent National Electoral Commission (INEC) in May, allegedly because of pending corruption charges against him (see "Politically Motivated Corruption Charges?"). His exclusion exacerbated tensions during the pre-election period, and his supporters contend he was unjustly excluded because he had opposed Obasanjo's third term. A last-minute ruling by the Supreme Court restored Abubakar to the ballot, and he placed third with an estimated 2.6 million votes.

The ruling PDP won the majority of the state and federal elections in April, including 28 of the 36 state governorships. Opposition gubernatorial candidates won in seven states, including the most populous states of Lagos and Kano. INEC rescheduled elections in Imo state after violence broke out during the elections. The results of many elections were challenged in the courts, based on allegations of fraud, threats of violence, or the inability of voters to cast their ballots. Ultimately, the results of almost a third of the gubernatorial races were annulled and, in most of those cases, elections were re-run, although many of the candidates who won in the first round won again in the second. By the end of 2009, the PDP had held onto 25 governorships and picked up three others, including that of Imo state, after winning opposition candidates changed parties and joined the PDP. Opposition candidates were awarded governorships in Edo and Ondo states after PDP wins there were overturned by election tribunals. The PDP's gubernatorial win in Anambra state was nullified by the Supreme Court, which allowed the incumbent governor, from an opposition party, to keep his seat.<sup>27</sup> The elections of several legislators, including Senate President David Mark were also annulled. An appeals court later overturned the ruling on Mark's election and he kept his seat. A tribunal hearing the challenges to President Yar'Adua's win reached its verdict in February 2008, finding insufficient evidence to overturn the election. Nigeria's Supreme Court upheld that verdict in a December 2008 ruling.

## Electoral Administration Challenges

With an estimated 60 million registered voters and 120,000 polling stations, the challenges in electoral administration are daunting in Nigeria. Prior to the 2007 elections, some observers expressed concern over the pace of election preparations, and INEC's credibility and capacity to conduct a free and fair election was questioned. Nigeria's voter registration process began in October 2006 under a new computerized system. INEC originally allotted a six week period for the process, during which reports suggested the process had "so far fallen only a little short of disaster,"<sup>28</sup> but later extended the registration period. Although concerns over the slow start of the registration process were largely resolved, criticism remained that the voter registration list was not widely posted so that voters could ensure their names were registered, in accordance with the Electoral Act of 2006. INEC later drew fire from critics who charged that the commission had not made contingency arrangements in the event of a court ruling that would allow Abubakar's candidacy. According to press reports, over 60 million ballots were printed in the weeks prior to the election that did not include his name. After the April 16 Supreme Court ruling, new ballots had to be produced, arriving from South Africa less than 24 hours before the vote. Distributing

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<sup>26</sup> "Yar'Adua Prepares for Power," *Africa Confidential*, April 13, 2007.

<sup>27</sup> The Supreme Court ruled that the incumbent, Peter Obi, who had lost to a PDP candidate in the 2003 gubernatorial election but in 2006 been awarded the seat after a court overturned the PDP win, could serve the rest of his four year term. Obi won a second term when new elections were held in February 2010.

<sup>28</sup> The National Democratic Institute, "Is Nigeria Ready to Vote?," *Nigeria Election Watch*, November 2006.

those ballots to the 120,000 polling stations was deemed a “logistical nightmare.”<sup>29</sup> Some observers questioned the Administration’s influence over INEC’s leadership and its finances; they alleged that INEC lacked independence and would not conduct elections fairly.<sup>30</sup>

## Electoral Malfeasance and Political Violence

Pre-election reports by several domestic and international monitoring groups suggested that the credibility of the elections had already been undermined prior to April 14, and many analysts and observers expected a high level of electoral fraud.<sup>31</sup> In addition to concerns over INEC’s ability to administer the election, there were reports by human rights activists and media sources of harassment of domestic observers, opposition candidates and supporters, as well as reports of detention of journalists who had written articles critical of the government.<sup>32</sup> The State Department documented numerous incidents of police disbanding opposition gatherings, at times with excessive force, in its annual human rights report for 2006 and 2007.<sup>33</sup> According to the reports, police used the 1990 Public Order Act to prevent meetings critical of the government in spite of a high court decision rejecting the authority of the police to do so. The State Department also tied the Nigerian government or “its agents” to politically motivated killings.

Tension between political parties and candidates during the election campaign led to violence in several locations; three gubernatorial candidates were assassinated in 2006.<sup>34</sup> Clashes between party supporters reportedly resulted in over 70 deaths during the pre-election period.<sup>35</sup> The threat of violence was high in the Niger Delta region and other “hot spots,” including the cities of Lagos, Kano, and Kaduna, as well in states such as Anambra, Benue, Plateau, and Taraba. The U.S. State Department accused several state governments of funding vigilante groups to “detain and kill suspected criminals,” and suggested that police did little to investigate or stop the violence.<sup>36</sup> Many suggest that these groups were used for political purposes during the electoral period. Some election observer groups, including the European Union and the Commonwealth, did not send observers to the Niger Delta region because of threats of violence and kidnapping.

Concerns of violence and legal disputes surrounding the elections led many observers to question whether elections would be held as scheduled. On April 16, the Nigerian Supreme Court ruled that INEC must include AC candidate Atiku Abubakar on the presidential ballot. On the same day, an estimated 300 armed members of an Islamic group known as the Taliban stormed a police station in Kano State and killed 13 policemen, reportedly in retaliation for the assassination of a prominent Islamic cleric in a city mosque. Four days prior to the presidential and legislative elections, opposition parties called for the postponement of the elections and disbanding of INEC on account of problems associated with the April 14 state polls. The ANPP and the AC also

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<sup>29</sup> Oxford Analytica, “Nigeria: Flawed Polls Affect Democratic Stability,” April 23, 2007.

<sup>30</sup> ICG, “Nigeria’s Elections: Avoiding A Political Crisis,” *Africa Report No. 123*, March 28, 2007, p. 14.

<sup>31</sup> Rotberg, p. 8.

<sup>32</sup> “Nigerian Secret Police Detain Journalists,” *Voice of America*, January 11, 2007.

<sup>33</sup> U.S. State Department, “Nigeria,” *Country Report on Human Rights Practices 2006*.

<sup>34</sup> The gubernatorial candidates assassinated were vying for positions in Ekiti, Lagos, and Plateau States.

<sup>35</sup> Human Rights Watch, “Election or ‘Selection’? Human Rights Abuses and Threats to Free and Fair Elections in Nigeria,” April 2007.

<sup>36</sup> U.S. State Department, “Nigeria,” *Country Report on Human Rights Practices 2006*.

demanded the cancellation of the state election results and threatened to boycott the April 21 election.<sup>37</sup> The ANPP reversed its boycott threat later in the week, as did the other parties.

Political violence during the elections was sporadic. Several police stations and INEC offices around the country were burned, and there was a failed attempt to blow up the INEC headquarters in Abuja. Some estimate that as many as 200 people may have been killed during the elections.<sup>38</sup>

Preliminary statements from domestic and international observer groups were highly critical, and many questioned the credibility of the election results. Most cautioned, however, against making a final judgment on the elections until after the adjudication of electoral disputes. Violations and irregularities reported by election observers included polling locations opening late, closing early, or not opening at all; errors in printed ballots for the legislative races and presidential ballots lacking serial numbers and some candidates' names; underage voting; vote buying; ballot box stuffing and theft; and falsified results sheets. Media reports also documented widespread incidents of thuggery and coercion at polling places.<sup>39</sup> The largest domestic monitoring group, the Transition Monitoring Group, suggested that elections were so flawed that they should be held again.<sup>40</sup> According to the U.S.-based National Democratic Institute (NDI) delegation, led by former U.S. Secretary of State Madeline Albright and several former world leaders, "in many places, and in a number of ways, the electoral process failed the Nigerian people. The cumulative effect ... substantially compromised the integrity of the electoral process."<sup>41</sup> The Chief Observer of the European Union delegation said that the elections "have not lived up to the hopes and expectations of the Nigerian people and the process cannot be considered to have been credible." The Economic Community of West African States (ECOWAS) delegation was similarly critical, suggesting that "irregularities and the sporadic violence characterized and challenged the validity of the elections."<sup>42</sup> The U.S.-based International Republican Institute (IRI) called the elections "below acceptable standards," noting that the resolution of election disputes would be "critical" to restoring the credibility of the country's democratic process.<sup>43</sup>

President Obasanjo reportedly acknowledged some electoral irregularities, notably "logistical failures," violence, and ballot box theft, but indicated that elections would not be re-held, saying "the magnitude does not make the results null and void."<sup>44</sup> Opposition calls for mass protests went largely unheeded, although according to reports thousands gathered in the streets of Kano, northern Nigeria's largest city, on April 23, before being dispersed by police with tear gas. World oil prices rose to \$68 a barrel in the week after the election, reportedly based in part on concerns surrounding the disputed polls.<sup>45</sup> Despite speculation that questions surrounding the credibility of the election results might trigger a military coup, Yar'Adua's inauguration was unimpeded.

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<sup>37</sup> "Presidential Polls: Buhari, Atiku, Others Call for Postponement," *This Day*, April 18, 2007.

<sup>38</sup> "Landslide Win for Yar'Adua is 'Flawed,'" *Financial Times*, April 23, 2007.

<sup>39</sup> See, for example, "Nigerian: Forced to Vote Against My Wish," *BBC*, April 23, 2007.

<sup>40</sup> "Call for Nigeria Street Protests," *BBC*, April 24, 2007.

<sup>41</sup> The National Democratic Institute, "Statement of the National Democratic Institute International Election Observer Delegation to Nigeria's April 21 Presidential and National Assembly Elections," April 23, 2007.

<sup>42</sup> "Nigeria: Elections Fraudulent; EU, Others," *Daily Trust (Abuja)*, April 24, 2007.

<sup>43</sup> The International Republican Institute, "Nigeria's Elections Below Acceptable Standards: Preliminary Findings of IRI's International Election Observation Mission," April 22, 2007.

<sup>44</sup> "Obasanjo Appeals to Nigerians Over Election Results," *Radio Nigeria-Abuja*, April 23, 2007, and "Nigerian President Olusegun Obasanjo Says Elections Flawed, But Not Fatally," *Associated Press*, April 25, 2007.

<sup>45</sup> "Landslide Win for Yar'Adua is 'Flawed,'" *Financial Times*, April 23, 2007.

## The Yar'Adua Administration

Until he was elected to be the PDP's presidential candidate in the ruling party's primaries in December 2006, Umaru Yar'Adua was largely unknown to most Nigerians.<sup>46</sup> Although some critics suggested that his presidency faced a "crisis of legitimacy" in its first year, as a result of the allegations of systemic fraud underlying his electoral victory, others expressed cautious optimism regarding his promises of reform.<sup>47</sup> President Yar'Adua conceded in his inaugural speech that the electoral process was flawed, and appointed a panel of government officials, former judges, and civil society representatives to recommend changes to the country's electoral institutions. The panel issued its findings in December 2008, but reforms were never implemented. Yar'Adua weathered early challenges to his administration, including a general strike by Nigeria's labor unions over a rise in fuel prices and value-added tax. In response to the strike, Yar'Adua reduced the price hike and announced a review of privatization deals on two of the country's refineries. He also voiced commitments to countering corruption and restructuring Nigeria's oil and gas industry. An October 2007 report by Human Rights Watch (HRW) noted "encouraging gestures of respect for the rule of law and the notion of transparency in government."<sup>48</sup> In January 2008, however, HRW suggested that "the credibility of President Yar'Adua's rhetoric about promoting the rule of law is at stake," after changes were made to the country's lead anti-corruption agency.<sup>49</sup>

Many observers suggest that President Yar'Adua, reportedly a devout Muslim, was sincere in his campaign promise to fight corruption; in 1999 he became the first governor to publicly declare his assets before he was sworn in. Others suggested that given the lack of credibility surrounding his election, Yar'Adua would have to rely to a system of patronage to maintain support for his rule. There were concerns that Obasanjo hoped to use Yar'Adua to maintain his hold on power, although President Yar'Adua moved to distance himself from the former president, dismissing many of Obasanjo's political appointees and military leaders in late 2008 and overturning several key government contracts made by the former administration. In December 2008, he proposed that the National Assembly amend the constitution to remove the immunity clause which prevents the president, vice president, governors, and deputy governors from being prosecuted for corruption while in office. The proposal has not been adopted.

## The Death of President Yar'Adua

Questions about President Yar'Adua's health plagued his administration throughout his tenure. In March 2007, prior to his election, he reportedly received kidney treatment in Germany, and he subsequently returned to Europe several times for medical treatment. Many speculate that he

<sup>46</sup> The former chemistry professor had served as governor of the northern Katsina State since his election in 1999. His better-known older brother, the late General Shehu Musa Yar'Adua, served as Vice President under Obasanjo in Nigeria's first military government to transfer power over to civilian rule and was reported to be one of the wealthiest and most powerful men in the country. He died in prison in 1997 after having been sentenced by a military tribunal in 1995 for treason after calling for former dictator Sani Abacha to reestablish civilian rule. Yar'Adua's father was a prominent minister in the country's first government after independence.

<sup>47</sup> "Nigeria: Yar'Adua Faces Immediate Challenges," *Oxford Analytica*, May 29, 2007, and Lydia Polgreen, "After Rocky Election, Nigerians Warm to New Leader," *New York Times*, October 4, 2007.

<sup>48</sup> Human Rights Watch, *Criminal Politics: Violence, "Godfathers" and Corruption in Nigeria*, Vol. 19, No. 16(A), October 2007, p. 105.

<sup>49</sup> Statement of Peter Takirambudde, Africa director of Human Rights Watch on January 1, 2007.

suffered from a chronic kidney condition, and when he was hospitalized in Saudi Arabia in November 2009, his absence threatened to spark a political crisis. According to news reports, Yar'Adua, then 58, was flown to Jeddah on November 23 and diagnosed with acute pericarditis (inflammation of the lining around the heart). His prolonged absence from public view led to rumors of his death before he ostensibly held an interview from Saudi Arabia, via BBC radio, on January 12, 2010. Government officials reported that he was responding to treatment and recuperating, but questions grew as to his fitness to govern when he returned to Nigeria. Legal suits were launched by a prominent human rights lawyer and by the Nigerian Bar Association suggesting that Yar'Adua had violated the constitution by not officially transferring power to the Vice President during his absence.<sup>50</sup> Further constitutional questions were raised surrounding several judicial appointments, including the swearing in of a new chief justice of the Supreme Court on December 30, 2009.<sup>51</sup>

President Yar'Adua's continued absence also raised concerns regarding a tenuous ceasefire with militants in the Niger Delta (see "Conflict in the Niger Delta" below). On December 29, Yar'Adua reportedly signed the government's 2009 supplemental budget, passed by the National Assembly in late November, which contained several projects earmarked for the troubled region. Some opposition leaders questioned whether the President actually signed the document himself.<sup>52</sup> In early January 2010, one of the Delta's militant factions claimed responsibility for the bombing of an oil pipeline in Rivers State, calling the attack a "warning strike," noting the President's absence, and suggesting that a "meaningful dialogue" on the region's problems has yet to take place.<sup>53</sup> The militants threatened to continue attacks until Goodluck Jonathan, who is from the Delta, was named acting president or until Yar'Adua returned to office.

Pressure for President Yar'Adua to transfer full authority to his vice president until he recovered increased in early February 2010. According to some reports, the Attorney General had requested that Vice President Goodluck Jonathan assume presidential powers in December, but he allegedly refused.<sup>54</sup> Jonathan presided over cabinet meetings after Yar'Adua's departure, and he used executive powers in mid-January to deploy troops to quell the violence in Jos. At the behest of the Senate, the Cabinet declared that Yar'Adua was fit for office on January 27, and a Nigerian court ruled on January 29 that there was no need for a formal transfer of power during the President's "medical vacation." Nevertheless, the country's influential state governors met on February 5, issuing a call for the Vice President to become acting president. Under pressure from the governors, the Senate and National Assembly passed resolutions on February 9 recognizing Jonathan as the acting head of state and commander-in-chief of the armed forces. The Cabinet announced on February 10 that it had accepted parliament's decision. Although the resolutions were not legally binding and could ultimately be questioned in court, the move allowed Jonathan

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<sup>50</sup> Nigeria's constitution requires the President to submit a written declaration to the Senate and the House of Representatives delegating powers to the Vice President as Acting President in the event that he travels on vacation or is unable to discharge the functions of his office, but there is no timeline identified for doing so. Parliament passed an amendment to the constitution in June 2010, that, if ratified by the states, would provide more clarity to the procedure.

<sup>51</sup> The new chief justice was sworn in by his predecessor, who had planned to retire at the end of the year; the oath of office is normally performed by the president. According to statements made by Vice President Jonathan and the former chief justice, Nigerian law allowed for the chief justice to administer the oath, but not the Vice President, because presidential powers had not been transferred. See "How We Averted Chaos, by VP," *This Day* (Abuja), January 4, 2010.

<sup>52</sup> "Buhari, Atiku Doubt Signing of Budget by Yar'Adua," *This Day*, January 4, 2010.

<sup>53</sup> "MEND's Fresh Resurgence As Yar'Adua's Absence Enters 2<sup>nd</sup> Month," *AllAfrica*, January 4, 2010.

<sup>54</sup> John Campbell, "Nigeria's Leadership Vacuum," *Council on Foreign Relations Expert Brief*, December 30, 2009.

to conduct critical government business. In one of his first acts as acting head of state, Jonathan replaced Yar'Adua's influential justice minister, who was reportedly among the most vocally opposed to the formal transfer of power. In June 2010, in response to the ambiguity surrounding Jonathan's assumption of duties as acting president in February, the Nigerian parliament approved a constitutional amendment addressing procedures for the temporary transfer of presidential powers to the vice president in the event of the president's absence or inability to discharge his duties. The amendment, if ratified by two-thirds of the states, would permit the National Assembly to mandate the vice president's temporary assumption of powers if the president failed to transfer such powers in writing within 21 days of his absence.

Upon Goodluck Jonathan's assumption of the title of acting president, the U.S. Ambassador to Nigeria congratulated him on behalf of the United States, saying,

We believe that the principle of democracy have been served well in Nigeria through the leadership shown by the National Assembly, the Governors' Forum, several Ministers, and the courts in finding a way out of the political impasse. The commitment of all elements of Nigerian society to constitutional process and the rule of law is commendable. The best interests of the country and the future of Nigeria have been well served by this action.<sup>55</sup>

Assistant Secretary of State for African Affairs Johnnie Carson, who was in Nigeria on official business, met with Acting President Jonathan on the day he assumed office.

According to some reports, the reluctance of Yar'Adua's Cabinet to formally transfer power to the Vice President during President Yar'Adua's illness may have indicated a lack of consensus within the ruling party on the issue of presidential succession. As mentioned above, there is an unwritten agreement that the presidency should rotate among the country's regions. Many northerners argue that since Yar'Adua was from the north and had only served one term, a candidate from their region should hold the office for another term, given that former President Obasanjo, who was from the south, had two terms in office. Although Goodluck Jonathan assumed the presidency upon Yar'Adua's death, his term ends after the 2011 elections. The PDP is expected to elect its presidential candidate in party primaries in late 2010.

## Politically Motivated Corruption Charges?

The Nigerian government won praise under former President Obasanjo for some of its efforts to combat the rampant corruption that has plagued Nigeria, but some charge that the former head of state used corruption charges to sideline critics and political opponents.<sup>56</sup> Investigations by the Economic and Financial Crimes Commission (EFCC), a Nigerian law enforcement agency created in 2003 to combat corruption and fraud, resulted in the arrest of over 2,000 responsible for illegal email scams and in over 130 convictions for fraud during Obasanjo's tenure.<sup>57</sup> However, the International Crisis Group (ICG) suggested that the EFCC was "used as a political weapon to whip political foes, especially state governors likely to stand for the presidency and their supporters, into line."<sup>58</sup> Five state governors, some of whom were considered contenders for

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<sup>55</sup> Press Statement by the U.S. Embassy in Abuja, February 12, 2010.

<sup>56</sup> "Strong Convictions: Nigeria's First Anti-Corruption Czar," *Christian Science Monitor*, February 8, 2007.

<sup>57</sup> *Ibid.*

<sup>58</sup> International Crisis Group, "Nigeria's Elections: Avoiding A Political Crisis," *Africa Report No. 123*, March 28, 2007. p. 3.



the PDP presidential nomination, were impeached in 2005-2006 for corruption.<sup>59</sup> The ICG charged that the impeachments were conducted under heightened military presence in those states and lacked due process.<sup>60</sup> Three of the impeachments were reversed by appeals courts. In October 2006, the head of the EFCC announced that investigations of alleged financial crimes were underway for 31 of the country's 36 state governors; several were prosecuted.<sup>61</sup> In February 2007, the EFCC released a list of 135 candidates in the April elections who were "unfit to hold public office because of corruption," of which 53 were PDP and 82 opposition candidates.<sup>62</sup> The legality of INEC's decision to bar candidates on the EFCC's list from the elections was questioned.<sup>63</sup>

### Atiku Abubakar's Legal Troubles

One of Nigeria's most controversial corruption scandals centered on former Vice President Atiku Abubakar, whose own political ambitions may have been sidelined by allegations of corruption. Abubakar, once an ally of President Obasanjo and a founding member of the ruling party, publicly opposed Obasanjo's third term bid. Abubakar was suspended temporarily from the PDP over corruption charges in late 2006 and was thus unable to participate in the PDP's primary. He subsequently changed his party affiliation, joining the Action Congress party, and the ruling party sought to have him removed from office. In December 2006, a Nigerian court ruled that as vice president, Abubakar was immune from prosecution for corruption charges while in office. In February 2007, a Federal Court of Appeals in Abuja confirmed his constitutional right to remain vice president regardless of his change in party affiliation, but his legal troubles were not over. Abubakar's name appeared among those on the EFCC's February list of corrupt candidates, and INEC subsequently excluded him from the 2007 presidential ballot.

The March 2007 decision by INEC to exclude Abubakar from the ballot was part of a complex series of legal battles between the Obasanjo Administration and the former Vice President. In June 2006, the U.S. Federal Bureau of Investigation (FBI) allegedly requested the assistance of the EFCC in the investigation of a U.S. congressman accused of taking a bribe from Nigerian officials of the Petroleum Trust Fund, a state agency which Abubakar had chaired. The EFCC inquiry reportedly uncovered evidence linking Abubakar with the bribery case and charged him with stealing over \$125 million in federal oil funds; Abubakar denied the charges. In August 2006, the results of the inquiry were provided to President Obasanjo, who turned the matter over to an Administrative Panel of Inquiry, which in turn recommended prosecution. The indictment was then passed to the National Assembly. In November 2006, a Lagos justice nullified the EFCC report and "set aside" the Panel of Inquiry, ruling that the report had no legal foundation.

According to Nigeria's constitution, a presidential aspirant is ineligible to run if "he has been indicted for embezzlement or fraud by a Judicial Commission of Inquiry or an Administrative Panel of Inquiry." In early March, 2007, a Federal High Court ruled that INEC lacked the authority to disqualify candidates unless ordered to by a court of law. On April 3, a Nigerian appeals court ruled that the disqualification of candidates was in fact within INEC's authority. Hours later, the Federal High Court in Abuja contradicted that ruling, determining that INEC lacked the authority to exclude Abubakar from the election and ordering that the electoral body place Abubakar's name on the ballot. Although the appeals court is the higher of the two judicial bodies, according to some legal analysis neither court has jurisdiction over the case of the other, leaving the issue unresolved.

The final decision rested with the country's Supreme Court, which had been expected to consider the matter during the week of April 9, 2007. On April 11, President Obasanjo declared April 12 and 13 public holidays to allow voters to travel home for the elections on April 14, effectively postponing any ruling by the Supreme Court until the week of the presidential elections. On April 16, five days before the elections, the court ruled that INEC could not disqualify candidates and thus Abubakar's name should be included on the ballot.

<sup>59</sup> The impeached governors represented Bayelsa, Oyo, Ekiti, Anambra, and Plateau States.

<sup>60</sup> International Crisis Group, "Nigeria's Elections: Avoiding A Political Crisis," *Africa Report No. 123*, March 28, 2007. p. 3.

<sup>61</sup> See, for example, Alex Mabayoje, "Closing in on Corrupt Governors," *Newswatch*, October 9, 2006, and "Nigerian Ex-Governors Are Charged," *BBC News*, July 17, 2007.

<sup>62</sup> "Strong Convictions: Nigeria's First Anticorruption Czar," *Christian Science Monitor*, February 8, 2007.

<sup>63</sup> The Economist Intelligence Unit, *Nigeria: Country Report*, March 2007.

In August 2007, the government announced plans to “streamline criminal prosecution of corruption-related offenses” by requiring that all prosecuting agencies, including the EFCC and the Independent Corrupt Practices Commission (ICPC), report and initiate criminal proceedings with the consent and approval of the attorney general.<sup>64</sup> Prior to this announcement, the EFCC and ICPC prosecuted offenses independently from the ministry of justice. Critics argued that the new procedures could impede prosecutions.<sup>65</sup>

In late December 2007, Nigeria’s Inspector General of Police announced the transfer of EFCC head Nuhu Ribadu to the state of Jos to attend a one-year course at a Nigerian policy institute. Some questioned whether Ribadu’s transfer was linked to his order two weeks earlier for the arrest of former Delta State Governor James Ibori, one of the primary financial contributors to Yar’Adua’s presidential campaign. The Executive Director of the U.N. Office on Drugs and Crime wrote a letter to President Yar’Adua on January 7 suggesting Ribadu’s removal could be detrimental to ongoing investigations and might damage the reputation of the EFCC in the view of international donors.<sup>66</sup> Ribadu was later dismissed from the police service and was residing in the United States until April 2010, when he was reportedly called back for discussions with then-Acting President Jonathan. Some speculate that Jonathan may offer him a new government post.

The EFCC has continued to prosecute high profile cases since Ribadu’s departure, and several EFCC operatives were reportedly murdered in retaliation in early 2010.<sup>67</sup> In January 2008, the commission ordered the arrest of Lucky Igbinedion, former governor of Edo State, who is alleged to have stolen \$25 million in state funds. He later submitted a plea bargain and was released with a fine. The EFCC is appealing the judgment. In June 2008, the Senate unanimously approved the appointment of a former high-ranking police officer, Farida Waziri, to replace Ribadu as EFCC Chair. Some in Nigerian civil society alleged that Waziri was appointed to derail the prosecution of Ibori and others.<sup>68</sup> Ibori’s case was dropped by a federal judge in December 2009, but the EFCC has filed an appeal and produced new charges against the former governor. Alleging that Ibori embezzled over \$250 million, the EFCC obtained a new warrant for his arrest in April 2010, but Ibori eluded capture after his armed supporters reportedly exchanged fire with Nigerian security forces. Ibori fled Nigeria and was arrested by Interpol in Dubai in May 2010. He now faces extradition to the United Kingdom, where he has been charged with money laundering, and some reports suggest that the Jonathan Administration, facing opposition from Ibori supporters to another attempt to try him in Nigeria, may cooperate with the British on the extradition.<sup>69</sup>

Several high ranking PDP officials have recently come under scrutiny for alleged corruption. In October 2009, a Nigerian court sentenced Olabode George, a former national chairman of the PDP, to 2.5 years in prison for misuse of \$500 million in public funds during his tenure as head of the Nigerian Ports Authority. George was considered a close ally of Obasanjo. In May 2010, PDP Chairman Vincent Ogbulafor resigned from his post amid charges of fraud when he served as a government minister in 2001. He maintains that the charges are politically motivated as part of an

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<sup>64</sup> “Nigerian Minister of Justice Takes Charge of Corruption Prosecution,” *VOA News*, August 7, 2007.

<sup>65</sup> *Ibid.*

<sup>66</sup> Matthew Green, “Nigerian Anti-Graft Police Arrest Governor,” *Reuters*, January 22, 2008.

<sup>67</sup> “Nigerian Crime Agency Condemns Killings of its Operatives,” *VOA News*, March 22, 2010.

<sup>68</sup> See, for example, “Nigerian Group Criticizes Choice of a New Corruption Chief,” *VOA News*, May 27, 2008.

<sup>69</sup> Nigeria, UK Commence Ibori’s Extradition to UK,” *Vanguard*, May 14, 2010.

internal PDP power struggle related to President Yar'Adua's death.<sup>70</sup> Ogbulafor's former deputy and now acting PDP Chairman, Dr. Bello Mohammed, a former communications minister, may also be under EFCC investigation, reportedly in relation to bribes paid by the German telecommunications firm Siemens.

## Current Economic and Social Conditions

Nigeria has the second largest economy in Sub-Saharan Africa and generates roughly \$50 billion a year in oil and gas revenue (over \$70 billion in 2008), and yet many of its people are among the continent's poorest. Over 50% of Nigerians live on less than \$1 per day, and the average life expectancy is less than 47 years. Nigeria has the world's third largest HIV/AIDS population (after South Africa and India), and was home to two-thirds of the world's polio cases five years ago.<sup>71</sup> The country ranks 158 of 182 countries on U.N. Development Program's (UNDP) 2009 Human Development Index.<sup>72</sup> The U.S. State Department has attributed Nigeria's lack of social and economic development to "decades of unaccountable rule."<sup>73</sup>

## Oil Sector Reforms

Nigeria's economy depends heavily on its oil sector, and for decades, as the country's extractive industries grew, many of its other industries stagnated or declined. According to the World Bank, oil and gas production accounts for 85% of government revenues and 95% of export earnings, but the sector's share of the country's Gross Domestic Product (GDP) has fallen because of decreased output. The European Union is a major trading partner, and the United States is a significant consumer of Nigerian oil. Despite increased deepwater oil production, persistent conflict in the Delta and a significant drop in world oil prices have threatened Nigeria's fiscal outlook in recent years. According to private sector analysis, annual GDP growth fell from 6% in 2008 to an estimated 5.6% in 2009, but is forecast to rise to 6.7% in 2010.<sup>74</sup> The country's non-oil sectors now drive the economy. Once thriving agricultural production, on the decline for years, now contributes over one-third of GDP. The manufacturing and telecommunications sectors have also performed well in recent years.

President Jonathan has stressed his commitment to continuing Umaru Yar'Adua's efforts to reform the oil and gas industry. In August 2007, the government announced plans to restructure the Nigerian National Petroleum Corporation (NNPC), which oversees regulation of the industry and has been criticized for its lack of transparency. President Yar'Adua appointed Rilwanu Lukman, a former OPEC secretary-general, as a member of a new National Energy Council (NEC) and as chairman of the Oil and Gas Reforms Implementation Committee. The committee

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<sup>70</sup> According to media reports, Ogbulafor has been a vocal proponent of President Jonathan stepping aside to allow a northern candidate to vie for the presidency in 2011.

<sup>71</sup> Nigerian Muslim clerics in 2002 called for a boycott of polio vaccines, citing safety concerns. The Governor of Kano State, which had one of the world's highest polio incidences, instituted a ban on vaccinations in 2003; it was lifted in summer 2004. The World Health Organization linked the rise in polio cases in Nigeria and elsewhere on the continent to the interruption in vaccinations. See "Nigeria: Restoring Faith in the Polio Vaccine," *IRIN*, August 30, 2006.

<sup>72</sup> UNDP's human development index is a composite measure of life expectancy, adult literacy and school enrollment, and income. More information is available at the UNDP website, <http://www.undp.org>.

<sup>73</sup> U.S. State Department, *Congressional Budget Justification for Foreign Operations FY2008 Budget Request*.

<sup>74</sup> Economist Intelligence Unit, "Nigeria," *Country Reports*, May 2010.

was charged with reviewing the contracts of foreign oil companies, a process through which Lukman suggested, “we may have to reconsider some of our generous terms.”<sup>75</sup> Lukman was appointed Minister of Petroleum Resources in late 2008, but was replaced by President Jonathan with Nigeria’s first female oil minister, Diezani Allison-Madueke, a former executive with Royal Dutch Shell. Her primary goal, analysts suggest, will be to press the legislature to pass the ambitious Petroleum Industry Bill, which would restructure the NNPC, increase transparency within the industry. Some foreign oil companies have expressed reservations about the bill.<sup>76</sup>

Despite its position as one of the world’s largest exporters of oil, Nigeria imports an estimated \$10 billion in refined fuel annually, and it continues to face a nationwide power crisis.<sup>77</sup> In an effort to increase its refining capacity, the government has granted permits for the construction of several independently owned refineries. The government aims to halt oil imports by 2020. In February 2008, President Yar’Adua pledged to triple electricity production by 2010. While production has increased since the Niger Delta ceasefire took effect in mid-2009, the government revised its goal in December 2009, when the country’s power plants were generating 3,500 megawatts (MW), decreasing the 2010 target of 6,000 MW to 4,000 MW.<sup>78</sup>

## Financial Sector Reforms and Corruption Concerns

Successive Nigerian administrations have made commitments to economic reforms, but their track record is mixed. According to the International Monetary Fund, reforms made by the Obasanjo Administration and continued under President Yar’Adua, most importantly the policy of budgeting based on a conservative oil price benchmark, lessened the impact of the recent global financial crisis on Nigeria’s economy.<sup>79</sup> Oil revenues above the benchmark price have been saved since 2003 in an Excess Crude Account, although the government drew substantially from the account in 2009 in an effort to stimulate economic recovery. The country has made significant gains in paying down its external debt, which declined from 36% of GDP in 2004 to 2.8% in 2009. President Obasanjo also pledged to deregulate fuel prices and to improve monitoring of official revenue, but made slow progress in privatizing state enterprises and eliminating trade barriers. President Yar’Adua vowed to continue Obasanjo’s economic reforms, and in 2009 he created an Economic Management Team (EMT) to counter the negative effects of the global financial crisis.<sup>80</sup> Like his predecessors, President Jonathan has committed his Administration to reforms that aim to fuel development and has named a former Goldman Sachs official, Olusegun Aganga, as Finance Minister to lead the effort. Among Aganga’s first tasks is to initiate presidentially-directed audit of the Nigerian National Petroleum Corporation.

The current governor of the Central Bank of Nigeria, Lamido Sanusi, appointed under President Yar’Adua, is leading efforts to modernize the country’s banking system. He is pushing for reforms to tighten banking supervision and in late 2009 instituted new regulations that require

<sup>75</sup> Matthew Green, “Nigeria Considers Oil Contracts Review,” *Financial Times*, October 23, 2007.

<sup>76</sup> “Nigeria Oil Reform Plans Face Further Delays,” Reuters, June 3, 2010.

<sup>77</sup> Jon Gambrell, “Nigeria, China sign \$23B Deal to Build Refineries in Oil Rich, but Gasoline-Starved Nation,” Associated Press, May 14, 2010.

<sup>78</sup> EIU, “Nigeria,” *Country Reports*, December 2009.

<sup>79</sup> International Monetary Fund, “IMF Executive Board Concludes Article IV Consultation with Nigeria,” October 28, 2009.

<sup>80</sup> For more information on the crisis’ effect on Nigeria, see CRS Report R40778, *The Global Economic Crisis: Impact on Sub-Saharan Africa and Global Policy Responses*, by Alexis Arief, Martin A. Weiss, and Vivian C. Jones.

banks to report large cash transactions between accounts if one of the account holders is considered to be “politically exposed.” Bank audits ordered by Sanusi in 2009 found ten banks near collapse due to reckless lending; most of the banks’ top executives have been fired and the government has provided \$4 billion to rescue the banks. Sanusi has proposed the creation of an asset management company (AMC) to buy bad bank loans in exchange for government bonds in an effort to get the banks lending again; the parliament is now considering legislation to create the AMC, which would be jointly funded by the central bank and the finance ministry. The EFCC is pursuing debtors, and is prosecuting several bank executives.

According to the U.S. State Department, corruption in Nigeria is “massive, widespread, and pervasive.”<sup>81</sup> In 2008, Nigeria rose from 147 to 121 out of 180 countries on Transparency International’s Corruption Perceptions Index, but fell in 2009 to a ranking of 130.<sup>82</sup> Nigeria also has one of the world’s highest incidences of cyber crime, including “419 scams,” so-named for the country’s penal code that outlaws fraudulent e-mails. Many observers suggest that the country’s development will be hindered until it can reverse its perceived “culture of impunity for political and economic crimes.”<sup>83</sup> Upon taking office, President Yar’Adua ordered the review of all privatization agreements approved by former President Obasanjo, amid charges of corruption associated with the sales, and subsequently reversed several contracts.

### Misallocation of State Funds

The EFCC has estimated that over \$380 billion has been expropriated by Nigeria’s political and military leaders since oil sales began in the 1970s.<sup>84</sup> Former Nigerian dictator Sani Abacha reportedly stole more than \$3.5 billion during the course of his five years in power. Switzerland, the first country to repatriate stolen funds to Nigeria, transferred an estimated \$505.5 million to Nigeria between 2005 and 2006; subsequent transfers have reportedly brought the total returned by the Swiss to over \$700 million. According to study by the World Bank, a significant percentage of those funds have been used by the Nigerian government toward meeting the country’s Millennium Development Goals (MDGs). The government has also recovered over \$100 million of the funds stolen by Abacha and his family from the autonomous British island of Jersey and an estimated \$150 million from Luxembourg. Other Abacha funds remain frozen in accounts in Liechtenstein, Luxembourg, and the United Kingdom. In November 2009, a Swiss court convicted Abacha’s son of participating in a criminal organization and seized \$350 million in assets stolen from Nigeria.

In 2005, Nigerian Senate Speaker Adolphus Wabara was forced to resign after President Obasanjo accused him of taking more than \$400,000 in bribes from the Minister of Education, Fabian Osuji. The Education Minister was also dismissed. The Minister of Housing, Alice Mobolaji Osomo, was also fired for allocating more than 200 properties to senior government officials instead of public sale. In 2006, the governor of Ekiti State was impeached by local legislators on corruption charges. In a controversial move, Obasanjo declared a state of emergency in Ekiti, suspending the state’s democratic institutions and naming a retired general as governor until the

<sup>81</sup> U.S. State Department, “Nigeria,” *Country Report on Human Rights Practices 2006*.

<sup>82</sup> The Corruption Perceptions Index measures the perceptions of business people and country analysts regarding the degree of corruption among public officials and politicians. A high score indicates greater levels of corruption. For more information see [http://www.transparency.org/policy\\_research/surveys\\_indices/cpi](http://www.transparency.org/policy_research/surveys_indices/cpi).

<sup>83</sup> International Crisis Group, “Want in the Midst of Plenty,” *Africa Report No. 113*, July 19, 2006.

<sup>84</sup> “Strong Convictions: Nigeria’s First Anticorruption Czar,” *Christian Science Monitor*, February 8, 2007.

2007 elections. In the view of some observers, Obasanjo's anti-corruption campaign was seen as the most serious and effective of such efforts in decades, but others contend there were political motivations behind some investigations. More recently, in October 2007, the Speaker and Deputy Speaker of Nigeria's House of Representatives resigned under threat of impeachment amidst allegations that they used \$5 million in government funds to renovate their official residences and to buy 12 cars.

Former President Obasanjo himself has not escaped charges of corruption. In March 2007, a Nigerian Senate committee report recommended that both Obasanjo and Abubakar be prosecuted for illegal use of government funds.<sup>85</sup> Obasanjo has rejected the charges. Other parliamentary panels continue to investigate allegations of corruption during his tenure as president. His daughter, who chairs Nigeria's Senate Health Committee, was charged by the EFCC in 2008 with fraud; her trial continues.

Several multinational corporations have been investigated for paying bribes in Nigeria. In December 2007, Nigeria suspended its contracts with Siemens after a German court found the company guilty of paying an estimated 10 million euro in bribes to Nigerian officials between 2001 and 2004.<sup>86</sup> An alleged bribery case involving a Nigerian gas plant is being investigated in several countries, including France, Nigeria, Japan, and the United Kingdom. The companies involved in the natural gas project and the alleged bribery include Halliburton; Total of France; and Italy's Eni. The U.S. Justice Department led the probe into Halliburton's role, and officials have reported evidence of bribes paid.<sup>87</sup> Halliburton and Kellogg, Brown, and Root, Inc. (KBR) reached a \$177 settlement with the U.S. Securities and Exchange Commission in February 2009 related to the case, and KBR paid a \$402 million fine to settle the Justice Department charges.<sup>88</sup>

## The Effects of Corruption

Due to decades of economic mismanagement, political instability, and widespread corruption, Nigeria's education and social services systems have suffered from lack of funding, industry has idled, refineries are in poor condition, and the largest oil-producing country in Africa suffers periodically from severe fuel shortages. The government's efforts to pay down its external debt, however, have freed \$750 million for programs aimed at poverty reduction and reaching the country's Millennium Development Goals (MDGs), according to the World Bank.<sup>89</sup>

## HIV/AIDS

Nigeria's HIV/AIDS prevalence rate of 3.1% is relatively small in comparison to some Southern African nations with adult seropositivity rates of over 30%. However, the West African nation comprises nearly one-tenth of the world's HIV/AIDS infected persons with 2.6 million infected people (UNAIDS 2008 estimate), the largest HIV-positive population in Africa after South Africa. Nigeria's population is expected to double by the year 2025, which is likely to multiply the spread of HIV. In addition to the devastation HIV/AIDS continues to cause among Nigeria's adult

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<sup>85</sup> "Obasanjo Rejects Graft Indictment," *BBC News*, February 22, 2007.

<sup>86</sup> "Nigeria to Blacklist Siemens After Bribery Scandal," *Reuters*, December 5, 2007.

<sup>87</sup> "The Gas Ghost Keeps Haunting," *Africa Confidential*, May 9, 2008.

<sup>88</sup> "Halliburton, KBR Paying \$547 Million in Bribery Settlement," *Market Watch*, February 11, 2009.

<sup>89</sup> World Bank, "Nigeria: Country Brief," April 2010, available at <http://www.worldbank.org>.

population, half of the current population is under the age of 15. With just over half of primary-school-aged children in school and the large number of HIV/AIDS-infected adults, Nigeria faces serious challenges and significant obstacles in the education and health care sectors.

## Avian Flu

In February 2007, the World Health Organization (WHO) confirmed the presence of H5N1 virus, which causes avian influenza, or bird flu, in a 22-year-old deceased female from Lagos. She is believed to be the first human to have died from the disease in Sub-Saharan Africa. The H5N1 virus had previously been identified in poultry outbreaks in the country, and may be the source for infected poultry in neighboring countries.<sup>90</sup> A new strain of bird flu was detected in Nigeria in August 2008.

## Islamic *Sharia* Law

Nigeria is home to Sub-Saharan Africa's largest Muslim population. Twelve of Nigeria's states in the Sunni Muslim-dominated north of the country have adopted Islamic *sharia* law to adjudicate criminal and civil matters for Muslims since 1999.<sup>91</sup> Common law and customary law courts adjudicate cases involving non-Muslims in these states. In some states, the introduction of *sharia* proved to be a flashpoint between Muslims and Christians. The introduction of *sharia* has also resulted in much-publicized rulings, several of which have been criticized by human rights groups as well as by Nigerians in the southern and mostly Christian part of the country. The State Department reports that *sharia* "technically does not apply to non-Muslims in civil and criminal proceedings," although observers acknowledge that Islamic mores are often enforced in public without regard for citizens' religion. In some areas, state-funded vigilante groups known as *hisbah* patrol public areas and attempt to enforce *sharia* rulings.

While some *sharia* courts have issued controversial stoning and amputation sentences, the U.S. State Department reports that none of the stoning sentences have been implemented.<sup>92</sup> Kano state ruled in 2003 that all school girls attending government schools were to wear the *hijab*, the Islamic head scarf, regardless of whether they are Muslim. In 2002, in Katsina State, Amina Lawal was sentenced to death by stoning after a court found her guilty of adultery. In 2003, Ms. Lawal appealed her sentence to the Katsina State's Appeals Court and won after the court ruled that her conviction was invalid. In another highly publicized case, a *sharia* court in the State of Sokoto sentenced Safiya Hussaini in 2001 to death for adultery. Ms. Hussaini appealed her sentence and was exonerated on the grounds that she was impregnated by her former husband and that the affair took place before *sharia* law was enacted. Despite such cases, many observers see the interpretation and implementation of Nigerian *sharia* as moderate in comparison to that of some other Islamic countries.

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<sup>90</sup> For more information on the Avian Flu in Nigeria, see CRS Report RL33871, *Foreign Countries' Response to the Avian Influenza (H5N1) Virus: Current Status*, by Emma Chanlett-Avery et al..

<sup>91</sup> These states are Bauchi, Borno, Gombe, Jigawa, Kano, Katsina, Kebbi, Niger, Sokoto, Yobe, and Zamfara.

<sup>92</sup> As of December 2009, only one amputation sentence had been carried out, involving a victim who refused to appeal his conviction, according to the U.S. State Department, "Nigeria," *2009 Country Reports on Human Rights Practices*.

## Concerns Regarding the Possible Radicalization of Nigerian Muslims

In July 2009, religious clashes erupted in the northern states of Bauchi, Borno, and Yobe, reportedly resulting in at least 700 deaths and the displacement of several thousand. The clashes originated in Bauchi state between police and a Muslim sect, *Boko Haram* (“Western education is forbidden”), also known as the “Nigerian Taliban,” which aims to overthrow the Nigerian government and impose *sharia* throughout the country. Alleged attempts by militants to storm police stations and other government buildings led to rioting and street battles with Nigerian security forces. The group’s leader, Mohammed Yusuf, was reportedly killed by police on July 30 in the northern city of Maiduguri. Some contend that his death was an extrajudicial killing, a charge that the police deny (see “Abuses by Security Forces” below).<sup>93</sup> Following the clashes, local religious and traditional leaders announced plans to establish a preaching board composed of Islamic leaders and scholars to vet clerics. Violence between security forces and members of another Islamic sect reported to hold beliefs similar to those of *Boko Haram* in Bauchi state in late December 2009 resulted in over 40 deaths.<sup>94</sup>

The international media has focused on concerns regarding the possible radicalization of Nigerian Muslims following the attempted terrorist attack on an American airliner by a Nigerian passenger, Umar Farouk Abdulmutallab, on December 25, 2009. According to reports, Abdulmutallab, son of a respected Nigerian banker and former government minister, became “radicalized” while living abroad, most recently in Yemen, and Al Qaeda in the Arabian Peninsula (AQAP) claims to have sponsored his attempt to detonate an explosive device while onboard a flight bound from Amsterdam to Detroit. Abdulmutallab’s father reported concerns about his son’s radicalization to the U.S. embassy and others in November 2009. The attempted attack, allegedly scheduled to coincide with Christmas Day, has raised questions regarding airport security in both the Netherlands and in Nigeria, where Abdulmutallab’s journey began. Both countries have pledged to begin using full body scanners in their international airports in 2010. The attempt has also led to increased screening measures at airports around the world. In January 2010, the Department of Homeland Security announced that passengers flying to the United States who are citizens of 14 countries deemed to be either “state sponsors of terrorism” or “countries of interest” would be subject to additional screening, including compulsory “pat-downs.” Nigeria was among five African countries, including Algeria, Libya, Sudan, and Somalia, included in the new regulation, and the Nigerian government protested the rule as discriminatory.<sup>95</sup> In April 2010, the Department of Homeland Security announced new security measures for screening all passengers on international flights to the United States, superseding the regulations that specifically targeted Nigerians for further screening.<sup>96</sup> Abdulmutallab’s actions are considered by most to be an isolated incident, and many Nigerian observers stress that, by all accounts, Abdulmutallab’s radicalization and training took place outside Nigeria. Nevertheless, the expansion of conservative Sunni Islamist movements and clashes between security forces and Islamist sects in northern Nigeria have raised concerns among some observers and officials that other Nigerians

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<sup>93</sup> “Islamic Death ‘Good for Nigeria,’” BBC, July 31, 2009.

<sup>94</sup> “Death Toll From Nigeria Clashes Rises to 40 – Red Cross,” Reuters, December 30, 2009.

<sup>95</sup> “Nigeria Criticizes ‘Unfair’ US Air Passenger Screening,” BBC, January 4, 2010.

<sup>96</sup> Department of Homeland Security, “Secretary Napolitano Announces New Measures to Strengthen Aviation Security,” April 2, 2010.



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may be susceptible to recruitment by Al Qaeda or other groups hoping to use violence against government or civilian targets in Nigeria or abroad.

## Conflict in the Niger Delta

### Background of the Struggle

Oil from the southern Niger Delta region has accounted for over 75% of the country's oil production since the 1970s, and yet the area's political history remains one of conflict and marginalization. The Delta is home to an estimated 31 million people. Among them are the Ogoni, an ethnic minority whose members have received international attention for their efforts to highlight the extensive environmental damage done by oil extraction in the region. In 1994, author and activist Ken Saro-Wiwa, president of the Movement for the Survival of the Ogoni People (MOSOP), and 14 others were accused of involvement in the murder of four prominent Ogoni politicians. They pled not guilty, but nine, including Saro-Wiwa, were convicted and sentenced to death in 1995 by the Ogoni Civil Disturbances Special Tribunal. The executions sparked international outrage against the regime of Nigerian dictator Sani Abacha, who was accused of extensive human rights abuses. The United States recalled its ambassador and pushed a resolution at the U.N. General Assembly that condemned Nigeria's action. In 2009, Shell established a trust fund to benefit the Ogoni people, part of a \$15.5 million settlement in a New York court case related to the 1995 executions. The company maintains that it played no role in the executions or other abuses.

### Criminality and Violence

Nigeria's oil wealth has been a source of continuing political tension, protest, and criminality in the Delta, where most of the country's oil presently originates. The conflict has been linked to the vandalism of oil infrastructures; massive, systemic production theft known as "oil bunkering," often abetted by state officials; protests over widespread environmental damage caused by oil operations; hostage taking; and public insecurity and communal violence. Several thousand people have been killed in pipeline explosions in southeast Nigeria since the late 1990s; the largest single toll from an explosion was approximately 1,000 in October of 1998. These explosions are triggered when people siphon off oil from holes punched in the above-ground pipeline for personal use, resulting in a reported loss of some 100,000 barrels of oil per day. The government established a national task force on surveillance of petroleum pipelines in order to prevent a recurrence of the 1998 pipeline explosion tragedy.

In 1998, militants from the Delta's largest ethnic group, the Ijaw, initiated "Operation Climate Change," triggering violent conflict between the Ijaw and the Nigerian military and disrupting oil production in the region. Threats of an "all out war" against the government and the oil companies by Mujahid Dokubo-Asari, one of the leaders of that group, in 2004 reportedly played a role in the unprecedented rise in the world price of oil above \$50 a barrel.<sup>97</sup> The threat was later called off after negotiations with the government. In September 2004, a new rebel movement, the Niger Delta People's Volunteer Force (NDPVF), led by Dokubo-Asari, launched a series of attacks against government forces and threatened to attack foreign oil workers. The NDPVF

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<sup>97</sup> "Pumping Up the Oil Price; the Price of Oil," *The Economist*, October 1, 2004.

demanded autonomy for the region and a share of oil revenues. An estimated 500 people were reportedly killed that month in the ensuing violence, according to Amnesty International, though the Nigerian government disputes this figure. On September 29, 2004, the NDPVF and the Nigerian government reportedly reached a ceasefire agreement. Dokubo-Asari stated that “there should be a cessation of hostilities on both sides. Apart from that, we have not agreed on anything else for the time being.” He was arrested in September 2005 and charged with plotting to overthrow the government. Dokubo-Asari was released from prison on bail in June 2007, allegedly because of the militant’s failing health. According to media reports, upon his release he denounced the practice of hostage-taking in the region and assisted in the government’s negotiations with militants.<sup>98</sup>

In November 2005, the Nigerian army deployed additional troops to the oil-rich Bayelsa State after lawmakers began impeachment proceedings against State Governor Diepreye Alamieyeseigha. In September 2005, British authorities had charged Alamieyeseigha, while visiting in London, with money laundering. The former governor, who returned to Nigeria, was found guilty of money laundering and embezzlement in July 2007. He was also later released by President Yar’Adua, on a plea bargain to help advance peace talks. The British government has returned over \$2 million in assets allegedly stolen by Alamieyeseigha to Nigerian authorities.

Conflict between the Delta’s militants and the Nigerian military escalated after early 2006, and the kidnapping of foreign oil workers increased exponentially. A new rebel group, the Movement for the Emancipation of the Niger Delta (MEND), emerged in late 2005 and has used the kidnappings to bring international attention to its cause and to demand that the government release various regional figures, including Dokubu-Asari and Alamieyeseigha. Media reports suggest over 300 foreigners were kidnapped between 2006 and 2009, including several American citizens. According to the State Department, more than 50 foreigners were kidnapped between January and July 2009.<sup>99</sup> Attacks by militant groups like the MEND have periodically cut Nigeria’s oil production by as much as 25%, and analysts partially credit supply disruptions in Nigeria with periodically raising the world price of oil.<sup>100</sup> Nigeria’s deep-water production has proven vulnerable to militant attacks as well, as evidenced by attacks on Shell’s offshore Bongo platform, and the threat of sea piracy is high. According to some estimates, up to 10% of Nigeria’s oil is stolen every year, and some experts suggest that the heightened violence and criminality in the Delta has been used to fund local political campaigns.<sup>101</sup>

In June 2007, MEND declared a one-month truce, declaring it would cease kidnappings and attacks on oil facilities during that period in exchange for dialogue with the Yar’Adua government. As part of the truce, the group released several hostages taken from a Chevron facility, including at least one American.<sup>102</sup> The NDPVF extended a similar 90-day truce offer a week later, and groups represented under the so-called Joint Revolutionary Council (JRC) also declared a temporary ceasefire. Other smaller militant groups remained active; an unidentified group invaded a flow station in Bayelsa State in mid-June. In July 2007 the truce unraveled, and

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<sup>98</sup> “Freed Militant Opposes Kidnappings,” *This Day*, June 17, 2007.

<sup>99</sup> U.S. Department of State, “Travel Warning: Nigeria” July 17, 2009.

<sup>100</sup> See, for example, “Oil Steady Over 70 USD as Concerns about US Gasoline Supply, Nigeria Continue,” *AFX News Limited*, May 22, 2007, and “Assault at Gas Pumps Related to Attacks on Nigerian Pipelines,” *CNN*, May 23, 2008.

<sup>101</sup> Human Rights Watch, *Criminal Politics: Violence, “Godfathers” and Corruption in Nigeria*, Vol. 19, No. 16(A), October 2007.

<sup>102</sup> “Nigerian Militants Free Six Hostages, Suspend Attacks for a Month,” *Agence France Presse*, June 2, 2007.

in August MEND announced that it would resume attacks on oil installations. Gang violence in Port Harcourt, the region's main city, escalated into running street battles until government troops imposed a curfew on the city.

Self-described MEND spokesman Henry Okah was arrested in Angola in September 2007 on suspicion of arms-trafficking. In December 2007, the Bayelsa state government announced the signing of a peace agreement with the state's militant groups, although MEND rejected the truce, declaring it would increase its attacks until Okah, who was extradited to Nigeria in February 2008, was released. Street clashes erupted again in Port Harcourt in February, and random violence in the city has continued sporadically. MEND declared another cessation of hostilities in mid-2008, but it suspended the ceasefire in January 2009.

Nigeria's Joint Task Force (JTF), a special combined military and police unit established in 2004 to restore order in the Delta, launched a new offensive against militants in May 2009. Fighting between security forces and militants, combined with JTF air and land strikes against militant camps, displaced thousands, according to Amnesty International.<sup>103</sup> Acts of sabotage by the MEND and other militant groups increased in mid-2009, cutting oil production by approximately 273,000 barrels per day.

### **President Yar'Adua Offers Amnesty to Delta Militants**

On June 25, President Yar'Adua extended an offer of amnesty to Delta militants; those who surrendered their weapons, renounced violence, and accepted rehabilitation by October 4, 2009 would be granted a presidential pardon, along with cash and job training. Within days of the offer, five militant groups had announced their intention to accept amnesty. MEND initially rejected the President's gesture, but days after jailed MEND leader Henry Okah was pardoned and freed, on July 13, the group announced a 60-day ceasefire. MEND collectively continues to reject amnesty, but has agreed to participate in negotiations with the government. The group's identity and composition has changed since it first emerged. Various militant groups in the Niger Delta have claimed actions under the name of MEND, and analysts suggest that it is now an umbrella group with a decentralized structure. Notably, several high-profile militant commanders, including Soboma George, Ateke Tom, and Government Ektemupolo (alias Tompolo), who have been rumored to be among MEND's senior leadership, have accepted the amnesty, raising questions about the group's current cohesiveness. According to Nigerian government estimates, 15,260 "militants" accepted the amnesty and turned in weapons by the October 2009 deadline; the government ultimately aims to disarm 20,000.<sup>104</sup> Oil output has increased since the ceasefire was declared, but observers warn that unless the root causes of the conflict are addressed, further violence will follow.<sup>105</sup>

### **Efforts to Address Environmental and Development Challenges**

Oil production in the Delta has caused major damage to the area's fragile riverine ecosystem, and ultimately to the livelihoods of its inhabitants.<sup>106</sup> Some reports suggest that 3 million barrels of

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<sup>103</sup> Amnesty International, "Hundreds Feared Dead and Thousands Trapped in Niger Delta Fighting," May 22, 2009.

<sup>104</sup> "On the MEND: The Politics of Surrender in Nigeria," *Jane's Intelligence Review*, December 2009.

<sup>105</sup> "In Niger Delta, Uneasy Peace as Rebel Disarmament Dates Nears," *Washington Post*, July 27, 2009.

<sup>106</sup> Amnesty International, *Petroleum, Pollution, and Poverty in the Niger Delta*, June 2009.

crude leaked into the Delta's fragile ecosystem between 1976 and 2001, by some estimates over 47 million barrels may have spilled since oil production began in Nigeria.<sup>107</sup> Gas flares, which burn unwanted natural gas when drilling for oil, have plagued the Delta with acid rain and air pollution.<sup>108</sup> This pollution has severely limited locals' access to clean water, and has largely destroyed the fishing stocks the majority of Delta inhabitants depended on to make a living.<sup>109</sup> In 2006, Shell Oil was ordered by a Nigerian federal court to pay \$1.5 billion to compensate local communities for environmental damage; Shell appealed the ruling. In early 2010, a Dutch court began hearing a case against Shell related to a massive spill that occurred in the Delta in 2005. In 2008, President Yar'Adua announced that Shell would be replaced by another company in the oil fields of Ogoniland; the decision was praised by the Ogoni.<sup>110</sup> In part to reduce gas flaring, the Yar'Adua government backed projects to store and export natural gas.

Under President Yar'Adua, the government took several important steps to engage the Delta's disaffected communities, efforts that activists hope President Jonathan will expand. An unprecedented 20% of Yar'Adua's first federal budget proposal, for 2008, was allocated for security and development projects in the Delta, although activists expressed concern that the amount allocated for security far outweighed funds for development.<sup>111</sup> A supplemental 2009 budget passed in November 2009 included more than \$750 million for "post-amnesty intervention." The 2010 budget includes some \$1.2 billion for "post-amnesty development" projects in the region, targeting transport, education, and health infrastructure. Concerns remain regarding the government's ability to spend the funds effectively.

Most observers agree that the crisis in the Delta must ultimately be solved politically, rather than militarily, but there is considerable disagreement on the details of such a solution. The current federal system provides states with a 13% share of local revenues (predominately from oil sales). Groups like MEND argue that the states should receive a 50% share, as was stipulated in the 1960 constitution. A technical committee nominated by President Yar'Adua to identify policies to stimulate development and improve security in the Delta region issued a report in December 2008. In the report, the committee advocated raising the share of oil revenues allocated to the oil-producing states to 25%. Some analysts suggest that corruption within the state governments is so high that the local populations would see little improvement even if the state share were raised. Some of the oil-producing states have reported revenues of up to \$1.3 billion per year but have dismal records of development or service delivery.<sup>112</sup> Other analysts question what effect a change in revenue allocation might have on the northern states, several of which have lower development indicators than those in the Delta. In late 2009, President Yar'Adua proposed transferring 10% of the revenues from the government's oil and gas joint ventures to local Delta communities.

In September 2008, President Yar'Adua created a new cabinet-level Ministry for Niger Delta Affairs. The Ministry is intended to build on development plans started under the Obasanjo

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<sup>107</sup> Ibid.; UNDP, *Niger Delta Human Development Report*, 2006; and Jonathan Brown, "Niger Delta Bears Brunt After 50 Years of Oil Spills," *The Independent* (London), October 26, 2006.

<sup>108</sup> The government ordered an end to large-scale flaring by 2008, but several major oil companies reported that they were unable to comply in that time frame, and flaring continues.

<sup>109</sup> International Crisis Group, "Fueling the Niger Delta Crisis," *Africa Report No. 118*, September 28, 2006.

<sup>110</sup> "Nigeria's Removal of Shell Hailed," *BBC News*, June 5, 2008.

<sup>111</sup> "Nigeria's Pledge to Increase Niger Delta Spending Elicits Skeptical Response," *VOA News*, November 11, 2007.

<sup>112</sup> "Blood and Oil," *The Economist*, March 15, 2007.

Administration in 2007 under the auspices of the Niger Delta Development Corporation (NDDC), which was established in 2000 to improve social and environmental conditions in the Delta. Improvements in infrastructure and education were identified as areas of major focus for Obasanjo's 15-year, \$50 billion plan.<sup>113</sup> In his first year in office, President Yar'Adua doubled the budget for the NNDC to \$566 million. Some have been critical of the slow pace at which the Ministry has been established, and there are concerns that its programs and those of the NDDC, which is intended to be a part of the Ministry, may be duplicative. President Yar'Adua appointed new board members to the NDDC in mid-2009 in what was seen as an effort to relaunch the body. Some analysts suggest that given the level of corruption endemic in the Delta, the international community should work with the Nigerian government to establish a new development fund that would have independent oversight. New opportunities for foreign investment in the Delta could also contribute to improvements in the region, although unrest may deter investors.

### Effects on the Oil Industry and the World Market

Nigeria has an oil production capacity of 3 million barrels per day (BPD), but output has not met capacity. Oil production dropped from an estimated 2.13 million bpd in 2007 to 1.95 million bpd in 2008, but increased from an estimated 1.6 million bpd in July 2009, before the ceasefire, to 1.9 million bpd in October 2009.<sup>114</sup> Instability, criminality, and oil leaks in the Delta have cut output by one-fifth since 2006. By comparison, Saudi Arabia produces an estimated 10.8 million bpd, Iran an estimated 4.2 million bpd, and Venezuela an estimated 2.6 million bpd.<sup>115</sup> In 2005, a group of former senior U.S. national security officials convened a working group to develop a possible U.S. response to a simulated world oil crisis.<sup>116</sup> Under the scenario given to the participants, civil unrest in northern Nigeria required the Nigerian government to move troops from the unstable Niger Delta region to quell violence in the north. Unprotected, oil companies in the Delta ceased production, and the country's contribution to the world oil market was reduced by 800,000 bpd for an extended period. Combined with an unseasonably cold winter and hypothetical terrorist attacks in Saudi Arabia, oil prices rose to \$120 per barrel and U.S. gasoline prices at the pump rose to \$4.74 per gallon, triggering a recession and potential job losses of up to 2 million. As was seen in 2004, even the threat of a coordinated militant attack against oil targets in the Delta can affect the price of oil on the world market. A longer and more sustained disruption of the country's oil supply, particularly if combined with the disruption of another major supplier's product, could have a significant impact on the world economy.

In addition to its oil reserves, Nigeria is has the seventh largest natural gas reserves in the world, but to date they have provided little benefit to the Nigerian economy. The gas reserves, also predominantly located in the Delta region, are estimated at over 182 trillion cubic feet. The government planned to increase gas exports to 50% of oil revenues by 2010, but many of Nigeria's fields currently lack the infrastructure to produce natural gas and would require significant investment to meet that goal. The government has also set deadlines for oil companies

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<sup>113</sup> "Nigeria Launches New Development Plan for Niger Delta," *Voice of America*, March 27, 2007, and "New Hope for Old 'Master Plan' on Niger Delta," *IRIN*, November 19, 2007.

<sup>114</sup> Economist Intelligence Unit, "Nigeria," *Country Reports*, February 2009 and July 2009.

<sup>115</sup> Production figures from 2008 acquired from the Department of Energy's Energy Information Administration.

<sup>116</sup> For more information on the exercise, known as "Oil Shockwave," see [http://www.secureenergy.org/reports/oil\\_shock\\_report\\_master.pdf](http://www.secureenergy.org/reports/oil_shock_report_master.pdf).

to stop flaring gas, estimated at 40% of annual production in 2007, at oil wells, but reports suggest they have not been met.<sup>117</sup>

## Abuses by Security Forces

Nigerian security forces, particularly the police, have been accused of serious human rights abuses, and activists suggest that the government has done little to address issues of impunity and corruption within the Nigerian Police Force. In 2007, the United Nations Special Rapporteur on Torture reported that “torture is an intrinsic part of how law enforcement services operate within the country,” and called on the Nigerian government to criminalize the practice.<sup>118</sup> The State Department’s annual human rights report on Nigeria documents numerous instances of “politically motivated and extrajudicial killings by security forces, including summary executions... torture, rape and other cruel, inhuman, or degrading treatment of prisoners, detainees, and criminal suspects,” and a variety of other offences. Its 2009 report notes serious abuses by both police and soldiers related to the July 2009 *Boko Haram* uprising and references “credible media reports” claiming that police executed the group’s leader. Other recent reports on abuses include *Arbitrary Killings by Security Forces*, produced by Human Rights Watch; *Killing at Will: Extrajudicial Executions and Other Unlawful Killings by the Police in Nigeria*, by Amnesty International; and *Criminal Force: Torture, Abuse, and Extrajudicial Killings by the Nigerian Police Force*, by the Open Society Justice Initiative and the Network of Police Reform in Nigeria. Nigerian officials have acknowledged some abuses, and in March 2010 the country’s police minister called the situation “condemnable and unacceptable.”<sup>119</sup> Nigeria’s prison system has also drawn criticism; a 2008 Amnesty International report alleged that at least 65% of the inmates had never been convicted of a crime, and that some awaited trial for up to 10 years.<sup>120</sup>

## International Relations

Since the 1990s, Nigeria has emerged as an important player in regional and international affairs. Nigeria is one of the twelve members of the Organization of the Petroleum Exporting Countries (OPEC), and is a key member of the Economic Community of West African States (ECOWAS). The government has helped to resolve political disputes in Togo, Mauritania, Liberia, and Cote d’Ivoire. Nigeria has also played an important role in facilitating negotiations between the government of Sudan and the Darfur rebels. Nigerian troops have played a vital role in peacekeeping operations in Sierra Leone and Liberia, and are currently in the Central African Republic, Chad, Cote d’Ivoire, the Democratic Republic of Congo, Liberia, Sudan, and the Western Sahara. Nigerian police and military observers are also participating in UN missions around the world. The United States is the top destination for Nigerian exports, followed by Brazil, India, Spain and France, while China is the lead source for Nigerian imports, followed by the Netherlands and the United States.<sup>121</sup>

<sup>117</sup> “Nigeria Gas Profits ‘Up in Smoke,’” BBC, January 13, 2009.

<sup>118</sup> United Nations Press Release, “Special Rapporteur on Torture Concludes Visit to Nigeria,” March 12, 2007.

<sup>119</sup> “Nigeria Condemns Police ‘Killing,’” BBC, March 5, 2010.

<sup>120</sup> Amnesty International, “Nigeria: Criminal Justice System Utterly Failing Nigerian People; Majority of Inmates Not Convicted of Any Crime,” February 26, 2008.

<sup>121</sup> CIA, “Nigeria”, *The World Factbook*, June 1, 2010.

## The Bakassi Peninsula

In 2006, Nigeria and Cameroon reached agreement on a long-standing border dispute regarding an area known as the Bakassi peninsula, although some questions regarding the border demarcation remain. The International Court of Justice (ICJ) ruled in 2002 that the peninsula belonged to Cameroon, but that its residents, most of whom reportedly consider themselves to be Nigerian, could retain their Nigerian nationality. Despite the ruling, tension remained, and the transfer of possession was delayed. The Presidents of the two countries met with UN Secretary General Kofi Annan in June 2006, and President Obasanjo agreed to withdraw Nigerian troops from the area and transfer complete control within two years. Nigeria formally handed control of the peninsula to Cameroon on August 14, 2006, although it remained under Nigerian civilian control until August 2008 while a mixed commission conducted a demarcation of villages along the border. Some have refused to accept the transfer; in November 2007 militants killed 21 Cameroonian soldiers on the peninsula. Two weeks later, the Nigerian senate approved a motion declaring the transfer illegal because it had not been ratified by the National Assembly. Under pressure from President Yar'Adua, the agreement was ratified and a final deal was signed in Cameroon in March 2008. In June 2008, the Cameroonian deputy governor of Bakassi and his security detail were kidnapped and murdered. By some estimates, one-third of the peninsula's population, approximately 100,000 people, have moved to other parts of Nigeria as a result of the settlement.<sup>122</sup> Talks between Cameroon and Nigeria began again in June 2009 over the land demarcation, which has implications for Cameroon's ability to prospect for oil in the region.

## Issues for Congress

### Administration Policy on Nigeria

After a period of strained relations in the 1990s, U.S.-Nigeria relations steadily improved under the administration of former President Obasanjo, and they remained strong under President Yar'Adua. The Bush Administration praised the Nigerian government's improved budget practices, banking sector reform, and efforts to eliminate the country's foreign debt, although it remained critical of the country's human rights record and questions its commitment to ensuring free and fair elections. President George W. Bush visited the country in 2003, and First Lady Laura Bush visited Nigeria in 2006. Following the April 2007 elections, though, the Bush Administration expressed concern with what a State Department spokesman called "a flawed election, and in some instances, deeply flawed."<sup>123</sup> Nevertheless, the State Department stressed the need to "engage" rather than isolate the country in order to "nurture Nigeria's fragile democracy," and President Bush met Yar'Adua at the White House in December 2007.<sup>124</sup>

President Barack Obama's Assistant Secretary of State for African Affairs, Johnnie Carson, has referred to Nigeria as "probably the most important country in Sub-Saharan Africa."<sup>125</sup> President Obama reiterated the importance of the U.S.-Nigeria relationship and formally acknowledged the country's role as a regional leader during a meeting with then-Acting President Goodluck

<sup>122</sup> Neil Ford, "Fields of Black Gold," *Jane's Intelligence Review*, October 2008.

<sup>123</sup> "Governing Party Wins in Nigeria, but Many Claim Fraud," *New York Times*, April 23, 2007.

<sup>124</sup> Testimony of Assistant Secretary of State Jendayi Frazer, *Ibid.*

<sup>125</sup> U.S. Department of State, "Remarks by Ambassador Carson on Secretary Clinton's Africa Trip," July 30, 2009.

Jonathan at the White House in April 2010. Hillary Rodham Clinton visited Nigeria in August 2009 on her first visit to the continent as Secretary of State; Nigeria was one of seven African countries on her itinerary. Clinton's discussions in Nigeria focused on regional security, democracy, corruption, and economic development. In her remarks during the visit, she stressed the need for electoral reform and expressed support for the government's political approach toward resolving the conflict in the Niger Delta.<sup>126</sup> The United States and Nigeria agreed in January 2010 to establish a binational commission on areas of mutual concern, as called for by Members of the House of Representatives in H.R. 2410, the Foreign Relations Authorization Act, Fiscal Years 2010 and 2011. The first meetings of the commission, formally established in April, were held in late May 2010. The commission is composed of four working groups: Good Governance, Transparency, and Integrity; Energy and Investment; Food Security and Agriculture; and Niger Delta and Regional Security Cooperation.

### U.S.-Nigeria Trade and Maritime Security Issues

Nigeria is an important trading partner for the United States, and is the largest beneficiary of U.S. investment on the continent. The country is eligible for trade benefits under the African Growth and Opportunity Act (AGOA). The country's AGOA-eligible exports, which account for over 90% of Nigeria's total exports to the United States, were valued at \$38 billion in 2008.

Nigeria vies with Venezuela to be the United States' fourth largest source of imported oil (behind Canada, Mexico, and Saudi Arabia), depending on how much of its oil production is shut-in in any given month. U.S. imports of Nigerian crude account for over 40% of that country's total oil exports, and the United States is Nigeria's largest trading partner. Nigeria has more than 36 billion barrels of proven petroleum reserves.<sup>127</sup> The government had plans to increase its reserves to 40 billion barrels by 2010, although experts suggest funding shortfalls inhibit increased production. U.S. energy companies may face increasing competition for rights to the country's energy resources; in 2008, China offered Nigeria a \$2.5 billion loan for infrastructure projects in exchange for oil exploration rights, but the Chinese offer was rejected by the Yar'Adua Administration. More recently, in May 2010, the Nigerian National Petroleum Corporation (NNPC) and China signed a contract worth an estimated \$23 billion for the construction of three oil refineries, aimed at reducing Nigeria's reliance on imported fuel, and a petrochemicals complex. The NNPC signed an agreement with Russia's Gazprom in June 2009 to create a joint venture for oil and gas exploration with an initial investment of approximately \$2.5 billion. Nigeria has also signed an agreement with Algeria and Niger to build a 2,500 mile pipeline across their territories to deliver gas to Europe. Nigeria recently began exporting natural gas to neighboring countries through the new West Africa Gas Pipeline.

Gulf of Guinea crude is prized on the world market for its low sulphur content, and Nigeria's proximity to the United States relative to that of oil producing countries in the Middle East makes Nigeria's oil particularly attractive to American interests. In 2005, the United States, Nigeria, and other interested partners initiated the "Gulf of Guinea Energy Security Strategy," a forum through which participants work to address the challenges of oil production in the Niger Delta. Regional heads of state met in April 2008 and called for the creation of an international security force to protect the oil industry in the Gulf. Nigeria's waters have been named among the most dangerous

<sup>126</sup> U.S. Department of State, "Remarks With Nigerian Foreign Minister Ojo Maduekwe," August 12, 2009.

<sup>127</sup> Energy Information Administration, "Nigeria Energy Data, Statistics and Analysis," *Country Analysis Briefs*, May 2009, available at <http://www.eia.doe.gov>.



in the world; the country ranked first in global pirate attacks until it was overtaken by Somalia in 2008, according to the International Maritime Bureau. Nigeria is also considered a growing transshipment point for narcotics trafficking, and several Nigerian criminal organizations have been implicated in the trade.<sup>128</sup> The U.S. Navy has increased its operations in the Gulf of Guinea to enhance security in the region. Through its Global Fleet Stations (GFS) concept, the Navy has committed itself to more persistent, longer-term engagement and in 2007 launched a new initiative, the African Partnership Station (APS).<sup>129</sup> Successive APS deployments have included port visits in Nigeria and joint exercises between U.S., Nigerian, European, and other regional naval vessels. Nigerian military personnel have also served onboard as embarked trainees, and a Nigerian naval captain served as the APS Deputy Commander during the most recent deployment in early 2010. The Department of Defense's newest regional combatant command, Africa Command (AFRICOM), is expected to maintain this increased focus on maritime security in the region.<sup>130</sup>

### Nigeria's Role in Regional Stability

Nigeria plays a significant role in peace and stability operations across the continent. Former President Obasanjo reportedly played a critical role in building consensus on the continent for cooperation in U.S. counter-terrorism efforts. The United States provides the country with military training with an emphasis on professionalization and respect for human rights and civilian authority through a range of security assistance programs, including those focused on enhancing its peacekeeping capabilities. Nigeria is also a participant in the State Department's Trans Sahara Counterterrorism Partnership (TSCTP), a U.S. interagency effort that aims to increase border protection and regional counter-terrorism capabilities. The State Department has established ten "American Corners" to share information on American culture and values with Nigerians. In November 2007, Nigerian security forces arrested a group of Islamic militants in northern Nigeria. The suspects, who were charged with plotting to attack government buildings, were alleged by the government to have ties with Al Qaeda.

In 2003, the United States offered a \$2 million reward for the capture of former Liberian President Charles Taylor, who was in exile in Nigeria. President Obasanjo was opposed to transferring Taylor to the Special Court for Sierra Leone (SCSL), which indicted Taylor on 17 counts of war crimes, crimes against humanity, and violation of international humanitarian law in March 2003. The Nigerian government said that any attempt to kidnap Taylor would be viewed as "a violation of Nigeria's territorial integrity."<sup>131</sup> In May 2005, President Obasanjo met with President Bush and other senior Administration officials in Washington to discuss the crisis in Darfur, Sudan; debt relief; and the legal status of former Liberian President Charles Taylor. Taylor was captured by Nigerian authorities in late March 2006, after his failed attempt to flee to a

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<sup>128</sup> See CRS Report R40838, *Illegal Drug Trade in Africa: Trends and U.S. Policy*, by Liana Sun Wyler and Nicolas Cook.

<sup>129</sup> Under APS, U.S. and partner naval ships deploy to the region for months at a time to serve as a continuing sea base of operations and a "floating schoolhouse" to provide assistance and training to the Gulf nations. Training focuses on maritime domain awareness and law enforcement, port facilities management and security, seamanship/navigation, search and rescue, leadership, logistics, civil engineering, humanitarian assistance and disaster response.

<sup>130</sup> For more information on AFRICOM and Nigeria's response to the command's creation, see CRS Report RL34003, *Africa Command: U.S. Strategic Interests and the Role of the U.S. Military in Africa*, by Lauren Ploch.

<sup>131</sup> "Security Beefed Up Around Taylor," *This Day* (Nigeria), November 12, 2003.

neighboring country. A day after Taylor's arrest, Obasanjo visited Washington and met with President Bush. Taylor is now being tried by the SCSL at the Hague.

## U.S. Assistance to Nigeria

The United States is the largest bilateral donor in Nigeria, providing an estimated \$614 million in foreign assistance to the country in FY2010. Democratic governance, agriculture and economic reform, improved education and health services, professionalization and reform of the security services, and HIV/AIDS have been the main focus for U.S. assistance programs in Nigeria (see **Table 1** for more on U.S. assistance to Nigeria). Nigeria is one of 15 focus countries under the President's Emergency Plan for AIDS Relief (PEPFAR). The State Department's FY2011 budget request, which totals \$647.7 million, includes approximately \$567 million in funding for health programs. In 2008, the State Department's Office of the Inspector General (OIG) found that:

Exceptionally high funding levels for HIV/AIDS create a clear imbalance in the embassy program mix and present a skewed picture of U.S. policy priorities. In addition, this level of HIV/AIDS funding has unintended consequences for Nigeria's broader health infrastructure, monopolizing the country's supplies of medical goods and services, including the qualified health professionals needed to meet Nigeria's other health needs.<sup>132</sup>

Although the majority of requested health funding for FY2011 focuses on AIDS-related interventions, the funds also target other health concerns, including maternal and child health, malaria, and tuberculosis. U.S. health assistance focused on tuberculosis aims to double the case detection rate and halve Nigeria's incidence in the next decade.

In addition to health programs, the State Department's FY2011 foreign assistance request for Nigeria includes funding for an array of programs focused on economic growth, education, and good governance. U.S. economic and agriculture assistance supports programs that will increase productivity and build trade and investment capacity. Such assistance also aims to address climate change, including through efforts to increase the production of clean energy and reduce gas flaring. As the FY2011 request points out, one-third of Nigeria's 30 million school-aged children are not enrolled in school, and the request includes over \$15 million in basic education funding. The FY2011 request would further increase assistance for programs aimed at strengthening democratic governance in Nigeria, up from \$9.5 million in FY2008, \$16 million in FY2009, and \$21 million in FY2010, to over \$25 million for the upcoming fiscal year. Such funding would provide continued support for capacity building at the state and local government level and for civil society and the media in preparation for the upcoming 2011 elections. FY2011 funds would also provide for the deployment of domestic election monitors.

U.S. security assistance to Nigeria was suspended from FY2003 until 2006, when the State Department restarted a modest International Military Education and Training (IMET) program.<sup>133</sup> Security cooperation has increased since then, and the State Department's FY2011 security assistance request, which focuses on military professionalization, peacekeeping support and training, counter-narcotics, maritime security and law enforcement programs, includes \$1 million

<sup>132</sup> In FY2008, the U.S. government spent approximately \$48 million through PEPFAR in Nigeria. U.S. Department of State Office of the Inspector General, *Report on Inspection: Embassy Abuja and Consulate General Lagos, Nigeria*, Report Number ISP-I-08-25A, July 2008.

<sup>133</sup> P.L. 109-102 restricted FY2006 FMF and IMET funding for Nigeria due to issues related to former Liberian President Charles Taylor. Those restrictions were lifted after Nigeria surrendered Taylor to the SCSL.

for IMET and \$1.35 million in Foreign Military Financing (FMF). The State Department's FY2011 request also includes \$2.5 million in International Narcotics Control and Law Enforcement (INCLE) funds to train Nigerian customs and law enforcement officials in counternarcotics interdiction techniques. Nigeria also receives maritime security assistance through the U.S. Navy's Africa Partnership Station and the African Coastal and Border Security (ACBS) program.<sup>134</sup> As an important troop contributor to peacekeeping missions, Nigeria continues to receive U.S. support through the African Contingency Operations Training and Assistance (ACOTA) program. The country also participates in security cooperation activities with the California National Guard through the National Guard State Partnership Program. U.S. counterterrorism assistance to Nigeria, as discussed above, includes a range of programs coordinated through TSCTP, including over \$5 million in global Nonproliferation, Antiterrorism, Demining, and Related Programs (NADR) to improve Nigeria's airport and port security, border control, aviation security, and crisis response capacities. Nigeria has also received security assistance through Department of Defense funds, including \$2.2 million in "Section 1206" funding for the development of a counterterrorism infantry company and \$6.2 million aimed at building the capacity of the country's counterterrorism unit and its tactical communications interoperability.<sup>135</sup> Nigeria also received coastal radar and communications training and equipment through regional Section 1206 programs, including the Gulf of Guinea Regional Maritime Awareness Capacity (RMAC) and Multi-National Information Sharing Initiative (MISI) programs.

## Recent Congressional Interest

The United States Congress continues to monitor political developments in Nigeria. Most recently, on February 2010, the Senate Foreign Relations Committee held a hearing "Examining the U.S.-Nigeria Relationship in a Time of Transition." The 110<sup>th</sup> Congress closely followed Nigeria's 2007 elections. On April 6, 2007, Representative Tom Lantos, then Chairman of the House Foreign Affairs Committee, issued a press release with three committee members expressing "serious concern about the prospects for free, fair, and peaceful conduct of the upcoming elections in Nigeria." Representative Donald Payne, Chairman of the House Foreign Affairs Subcommittee on Africa and Global Health, expressed similar concern in official statements. Following the elections, Senator Russ Feingold issued a statement condemning electoral irregularities, saying "President Obasanjo's leadership over the last eight years has been called into question by the failure of efforts to reform Nigeria's electoral system and combat political corruption. The Administration should not legitimize this election as doing so would undermine our commitment to good governance and transparency, and to building strong democracies."<sup>136</sup> The House Subcommittee on Africa and Global Health held a hearing entitled "Nigeria at a Crossroads: Elections, Legitimacy, and a Way Forward" on June 7, 2007. Nigeria's flawed elections also featured prominently in a July 2007 hearing on Democracy in Sub-Saharan Africa by the Senate Subcommittee on African Affairs.

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<sup>134</sup> For more information on APS, see CRS Report RL34003, *Africa Command: U.S. Strategic Interests and the Role of the U.S. Military in Africa*, by Lauren Ploch.

<sup>135</sup> For more information on DOD's global train and equip or "Section 1206" authority, see CRS Report RS22855, *Security Assistance Reform: "Section 1206" Background and Issues for Congress*, by Nina M. Serafino.

<sup>136</sup> See "Statement of U.S. Senator Russ Feingold on the Marred Nigerian Election," April 23, 2007 at <http://feingold.senate.gov>.

Congress continues to monitor Nigeria's energy sector and its role in world oil supply, as well as humanitarian and human rights issues in the country. More recently, multiple congressional committees have held a series of hearings related to the attempted terrorist attack by a Nigerian citizen on a U.S. airliner in December 2009. In May 2010, the Senate Select Committee on Intelligence issued a report on the attempted attack, finding "systematic failures across the Intelligence Community (IC), which contributed to the failure to identify the threat" posed by the individual.<sup>137</sup> Concerns about the State Department's visa process have also been raised in these hearings. Congressional investigations into the issue are ongoing.

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<sup>137</sup> Senate Select Committee on Intelligence, "Unclassified Executive Summary of the Committee Report on the Attempted Terrorist Attack on Northwest Airlines Flight 253," May 18, 2010.

**Table I. U.S. Foreign Assistance to Nigeria**

Provided by the Department of State/USAID

(\$ millions, fiscal years)

<b>Program</b>	<b>2009 Estimate</b>	<b>2010 Estimate</b>	<b>2011 Request</b>
DA	67.1	71	76.3
GHCS	524.2	540.3	566.6
ESF	-	-	-
FMF	1.4	1.4	1.4
INCLE	0.7	0.5	2.5
IMET	0.9	1	1
NADR	.05	.05	-
Total	594.3	614.2	647.7

**Source:** U.S. Department of State annual Congressional Budget Justifications.

**Table Abbreviations:****DA = Development Assistance****GHCS = Global Health and Child Survival****ESF = Economic Support Fund****FMF = Foreign Military Financing****IMET = International Military Education and Training (Notification required)****INCLE = International Narcotics Control & Law Enforcement****GHAJ = Global HIV/AIDS Initiative****NADR = Nonproliferation, Antiterrorism, Demining, and Related Programs**

Figure I. Map of Nigeria



Source: Central Intelligence Agency (CIA).

## **Author Contact Information**

Lauren Ploch  
Analyst in African Affairs  
lploch@crs.loc.gov, 7-7640