Nigeria’s Elections: Promises and Threats, February 2015

In upcoming presidential and legislative elections on 14 February, the ruling People’s Democratic Party (PDP) and the opposition All Progressive Congress (APC) will enter a tight contest that bears both high threats and huge opportunities. The most likely scenario is the re-election of the PDP’s incumbent, President Goodluck Jonathan, extending the current status quo: dynamic but uneven economic development in the south and spreading insurgency in the north-east. A victory for the APC’s Muhammadu Buhari, a former military leader, would begin to address northern grievances and may lead to reform some of Nigeria’s weak institutions, particularly its army and judiciary. A disputed result will fuel the divide between north and south, increasing the risk of political violence, which is most likely to arise among supporters of defeated candidates in their strongholds: for Buhari in Kano, Kaduna and Bauchi and for Jonathan in Rivers, Delta and Bayelsa.

Prognosis

- Organisations in Nigeria should be alert to the short-term risks that will coincide with the vote, as the prospect for a disputed outcome appears high, indicating the potential for both a lengthy court battle and street protests
- Widespread thuggery and ballot stuffing is likely during the election campaign, primarily driven by diverse and localised competition, with the biometric voter card system as yet untested
- The Boko Haram insurgency will have diverse impacts on the election, particularly through the controversial issue of voting problems for those displaced from the unstable north-east, an opposition stronghold
- The winner-takes-all nature of Nigerian political competition indicates that a defeat for the ruling PDP would result in root-and-branch personnel changes in public offices, perhaps including wide-ranging corruption prosecutions
- A low risk of politically-driven instability is predicted in in the commercial capital of Lagos, which is likely to remain a key centre for the opposition via the popularity of its respected state government
- Although the fall in international oil prices is impacting on government revenues, rapid economic growth is unlikely to suffer unduly unless a scenario of protracted political paralysis and rising violence plays out

Political Outlook

- President Goodluck Jonathan’s incumbency indicates he remains the favourite, but the election promises a hard-fought contest with a high risk of violence in its aftermath

The upcoming election brings with it a high chance for a disputed outcome that sets off violence. Recent presidential elections in 2003, 2007 and 2011 have seen escalating death tolls of around 105, 300 and 800 respectively. A repeat of voting anomalies, such as those in 2011 when Jonathan won more than 90 percent of the vote in his electoral heartland in the Niger Delta, may raise doubts about the validity of the poll, particularly given claims the electoral commission has not delivered voting cards to millions of voters in time. If the defeated party rejects the official outcome, uncertainty and paralysis will undermine long-term confidence, warding off foreign investment.

Conventional understandings of Nigerian politics indicate a straightforward competition between the majority-Muslim north and the majority-Christian south. According to this narrative, the presidency has rotated periodically in major institutions such as the PDP to prevent either from dominating, but the system was disrupted by President Jonathan’s ascension after his predecessor’s untimely death in 2010. This basic understanding sees the Muslim APC facing down a Christian PDP that is wholly responsible for the Boko Haram insurgency in the north-east.

Although the vote does come at a time of heightened tension between north and south, the reality is more nuanced. National-level divisions exist in terms of six geopolitical entities: North West, North East, North Central, South West, South East, and South South. Having unified the fragmented opposition by combining three ethnically-centred regional parties based in the South West, the South East, the North West and North East, the APC is ready to mount the first realistic challenge since the military-civilian handover in 1999 to the ruling PDP, which is strongest in North Central and South South. Boko Haram is equally hostile to the APC and the PDP.

The APC has selected as its candidate Muhammadu Buhari, a Muslim general who took power briefly in a bloodless coup in 1983 before being overthrown two years later. In his repeated defeats in presidential elections in 2003, 2007 and 2011, Buhari has developed a reputation as a rare opponent of corruption and a strict disciplinarian capable of leading the military campaign restore order to the chaotic north-east. Buhari has sought to counter accusations of holding a creeping Islamist agenda by selecting as his running mate Yemi Osinbajo, a close associate of one of the country’s most influential Christian preachers and the former state attorney of the well-respected municipal government in Lagos. This politically astute move raises the prospect for success for Buhari and the APC.

Economic Outlook

- Although the long-term economic future for Nigeria appears bright, as dynamic growth extends beyond the oil sector, most of all in agriculture, information technology, entertainment, trade and services, immediate-term threats are looming
While the APC presents itself as a leftist party and the PDP is often perceived as of the centre-right, Nigeria's personality-driven politics and the parties’ diverse support bases has resulted in neither side laying out any policy preferences. This lack of clarity and undeliverable promises from both parties to the electorate raise doubts about future economic stability. The combination of the high price of the dollar and low oil prices are driving the devaluation of the naira, with black market currency selling at drastically different rates to legitimate trades. Economic assessments do not yet appear to have caught up with this divergence from Nigeria’s otherwise positive economic outlook. The looming impact on government revenues and social spending plans risk fuelling industrial unrest.

Low international oil prices should provide the next administration an opportunity to phase out fuel subsidies that waste some USD 7 billion per year, but the candidates have voiced no plans to do so, nor have they shown any inclination to push the long-awaited Petroleum Industry Bill, which has been stalled since its inception in 2008. In contrast with other sectors of the economy that are booming, the oil sector remains constrained, hemmed in by systemic corruption that deters foreign investment. In the event of a victory for Buhari, anti-corruption prosecutions are likely to aim at PDP loyalists, bringing a high risk of reputational damage for companies caught up in lawsuits.

Security Environment

The insurgency in the north-east comprises by far the most serious security challenge facing the next government, but other concerns include civil unrest, organised criminality and re-invigoration of Niger Delta militancy.

Military weakness and the political rift between north and south have contributed to Boko Haram expanding from an ethnic Kanuri uprising against local elites in Borno to a jihadist insurgency that threatens regional stability. The ineffectiveness of the military has surprised many, as Nigeria’s security forces have gained extensive experience from international peace-keeping missions and attract high levels of funding relative to neighbouring countries. A victory for Buhari may lead to an overhaul of the army’s corrupt and uncoordinated command structures, which are failing to supply soldiers with equipment, training and salaries, leading to both poor battlefield performance and alleged abuses.

Conflict microdynamics suggest Boko Haram may struggle to extend its territorial control beyond Borno. With a deep recruiting base among unemployed young Kanuri males, many of them apparently left destitute by the drying up of Lake Chad, predation is driving destabilising population displacement from the north-east, leaving a political vacuum for jihadist ideology to fill. Porous borders with Cameroon, Niger and Chad indicate that military gains against the insurgents will remain piecemeal until a regional force is able to overcome mistrust between Cameroon and Nigeria. Neither candidate appears willing to consider implementing the African Union’s call for a joint military force. Adamawa, Yobe, Cameroon’s Far North and cities further afield will continue to face critical terrorism threats for the foreseeable future.

Given its failure to prevent the brutal spread of the jihadist insurgency in the north-east, it is unsurprising the government has sought to downplay the spread of the Boko Haram “caliphate”. The approach backfired as the president’s failure to mention a massacre at Baga for a fortnight, while immediately condemning a smaller terrorist atrocity in Paris, drew widespread criticism. After Jonathan made a recent appearance at Maiduguri, the Borno state capital that has suffered repeated attacks, his campaign trail suffered the indignity of quickly being caught up in fighting. The gathering pace of the insurgency appears likely to drive voters towards Buhari for his perceived military decisiveness.

Islamist militancy poses a wider threat on the national level, as the jihadists seek to fan existing tension between Nigeria’s Muslims and Christians. A high-impact scenario for this is that a victory for Buhari and army reform could ignite renewed militancy in the Niger Delta, which has lapsed into a restive peace through the combination of a successful demobilisation programme and the financial interests of former insurgent leaders in massive crude oil theft.

Scenarios

- **Most likely**: Victory by a decent margin for Jonathan sets off some unrest in major northern cities, but protests fail to build sufficient momentum to unseat the PDP from its renewed position in power, buoyed by the judiciary and unthreatened by a weakened army that will allow Boko Haram to continue its advance into the medium term

- **Highest impact**: A narrow result in favour of either side that their opponent rejects, leading to a protracted phase of paralysis as the defeated candidates reject the result and use demonstrations to pressure the electoral commission, raising the risk for political violence that will deter foreign investment and deepen divisions between north and south

- **Best case**: An outcome considered fair by both parties, leaving minimal space for a recourse to violence and giving the victor a strong mandate to rebuild or reform weak government institutions, strengthening anti-corruption efforts and building the foundations for a major regional offensive against the Boko Haram insurgency