



Remarks on U.S. Assistance to Nigeria

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Dr. Morrison, distinguished speakers, and honored guests, I am pleased to have been asked to speak to you this morning about U.S. assistance to [Nigeria](#). First, however, I want to offer a dose of realism. Nigeria is twice the size of California with a population equivalent to that of Russia. Development assistance flows to Nigeria are less than one percent of Nigeria's GDP. Even a massive expansion of donor spending would be unlikely to have a transformational impact on Nigeria. Nor does it need to be dramatically expanded. Despite its tremendous oil wealth and large infusions of donor resources, Nigeria arguably is worse off now statistically than what it was over thirty years ago. A strict "top-down, outside-in" approach has not worked in the past, and we see no reason why it would work in the future. Indeed, any other approach is new and transformational by definition.

U.S. Foreign Policy Priorities

In concert with Nigerians and their government, we are embarking on a transformational approach in the way that we work with both and our development partners around the world to build and sustain a politically stable, democratic, well-governed Nigeria—a Nigeria that will respond to the needs of its people and conduct itself responsibly in the international system. Furthermore, the United States welcomes efforts by other concerned nations to build Nigerian infrastructure, to promote free trade, or to provide humanitarian or legitimate security assistance.

Nigeria is arguably our most important strategic partner in Africa. It is Africa's most populous state as well as its second-largest economy. Nigeria is our largest African trading partner, and a growing key oil supplier to the United States. It is a crucial continental power broker in dealing with African institutions and in resolving armed conflict. It is a vital player in the War on Terror. Located along the Sahel, Nigeria exerts great influence on African political, economic, and socio-cultural trends. A prosperous Nigeria is vital to Africa's growth and stability, and to projecting U.S. influence as a strategic partner.

U.S. policy objectives in Nigeria—which conform to the established goals of the Government of Nigeria—are to enhance Nigeria's ability to deliver social services; strengthen democracy, pluralism, and good governance; promote a more market-led economy; and to enhance Nigeria's capacity as a responsible regional and trade partner. Support for professionalism in, and reform of, the security services is integral to this strategy. Given Nigeria's size and our limited resources, we are trying to focus on the impoverished Muslim North and on the oil-rich and unstable Niger River Delta.

Successes

With our support, Nigeria has achieved a number of policy successes this year and can take pride in several accomplishments. In 2005 Nigeria paid off its arrears to the Paris Club, meeting its deadline under an IMF-linked program to write off its \$30 billion debt to foreign governments. Nigeria has made impressive strides in injecting discipline and transparency into the budget cycle. Key Nigerian officials have worked with USAID to institutionalize internationally recognized and accepted resource management, budgeting and procurement procedures. With help from the Treasury Department, the Central Bank has consolidated the banking sector. This step has sharply reduced the number of weak institutions threatening the viability of the financial system. In another victory for democracy, rule of law, and separation of powers, the Nigerian legislature rejected a constitutional amendment for an executive "third term."

Nigeria has played a major role in advocating peace and democracy. Through diplomatic interventions bilaterally, through the African Union, and through the Economic Community of West African States, Nigeria has helped resolve political disputes in Togo, Mauritania, and Liberia, and it helped broker a ceasefire and initiate a negotiation among contending forces in Côte d'Ivoire. Nigeria continues to provide troops for peacekeeping operations in Liberia and Sudan. With the United States as a witness to facilitate implementation, Nigeria signed an historic border agreement with Cameroon in New York last June. Nigeria already has withdrawn its troops and met its obligations so far under the agreement. Last March, Nigeria also facilitated the transfer of former Liberian president Taylor to the custody of the Special Court of Sierra Leone.

Our Mission in Nigeria has played a more active role in reaching out to Nigerians. This year, we opened three more "American Corners" for a total of ten throughout Nigeria. These Corners are a key source of reliable information on the United States, and an active, vital part of our outreach to Nigerians, including youth and Muslims. We also support an active program of educational and cultural exchange with Nigeria—the second largest program in Africa—that greatly strengthens academic and cultural ties between our two countries. In September, we also finally began Non-Immigrant Visa operations in Abuja, which is facilitating legitimate travel to the United States and enhancing our image.

Specific Country Challenges

Despite the government's macroeconomic feats and commitment to reform, development challenges remain enormous, and forces resistant to change will continue to attempt to hinder progress. Decades of unaccountable rule have eroded health and education infrastructure, failed to adequately address the growing HIV/AIDS threat, suppressed democratic institutions, and stifled job creation. There are major obstacles to lasting peace and security. Deeply entrenched poverty and unemployment breed disaffection in youth and Islamic extremism. Continued pervasive corruption, ineffective governance, and concerns about the integrity of the 2007 electoral process are other serious concerns. As part of our crosscutting concerns to transform Nigeria, we must ensure adequate operational support to the military. It must continue to reform, meet professional expectations in international peacekeeping operations, and remain under civilian control.

U.S. Foreign Assistance Priorities

Investing in People: Our ability to help Nigeria combat public health shortcomings contributes directly to good governance, societal stability, economic growth, and confidence in our concern for the well being of the Nigerian people. The challenges are considerable. Nigeria has the world's second lowest rate of immunization coverage, is the global center of transmission of wild polio virus, and has the world's second highest maternal mortality rate. Our maternal and child health efforts will focus on immunization, polio eradication, birth preparedness and maternity services. Nigeria needs expanded family planning and reproductive health services. Its low contraceptive prevalence rate of 8.2% and high fertility rate of 5.7 children per woman strain societal stability.

To meet the aforementioned needs and to eradicate malaria, we will focus on the sale of insecticide treated nets and treatments kits, and provide therapies and intermittent preventive treatment of pregnant women. Nigeria has the fourth highest tuberculosis burden in the world. To reduce death and disability, especially in the vulnerable co-infected HIV/AIDS population, U.S. assistance will strengthen the national Tuberculosis (TB) program, and referral systems between diagnosis and treatment programs for TB and AIDS. One-third (10 million) of Nigerian children are enrolled in primary school. Only 45% of primary-school aged children have functional numeric skills, and only 28% are literate. We hope to bolster basic education, including at Islamiyya schools through teacher training and community involvement, and ensure equitable access to quality basic education.

Ongoing Presidential initiatives with Nigeria include the Africa Growth and Competitiveness Initiative, fighting Avian Flu, the Initiative to End Hunger in Africa, and the Trans-Sahel Counter-Terrorism Program. Nigeria's eligibility for other regional activities include the Famine Early Warning System, Anti-Corruption Initiative; Trafficking in Persons; and the Ambassador's Girls Scholarship Fund. Nigeria is a premier participant in the President's Emergency Plan for AIDS Relief (PEPFAR), for which \$270 million is committed in FY07.

Governing Justly and Democratically: We are helping Nigeria make exceptional efforts to develop inclusive, transparent, and effective institutions of democratic governance. Our assistance will help rebuild basic mechanisms of democratic governance to make elected officials accountable to constituents through free and fair elections, strong government institutions and well-organized, informed citizens who demand performance. We want to advance rule of law by strengthening the capacity and transparency of law enforcement agencies and judiciary. We can support democratic local government and decentralization and improve fiscal administration by maximizing revenue collection in credible audits. We can strengthen civil society by promoting existing watchdog groups that have lobbied successfully for more transparency, accountability, and pluralism in Nigeria's fiscal, electoral, conflict management, political, and human rights affairs.

Peace and Security: We will expand support for the peacekeeping and simulation centers at the Armed Forces Staff College--the only one in Africa and a major regional asset. We will continue to provide equipment and training for Nigerian peacekeeping forces while promoting effective civilian oversight of the military and its adherence to human rights norms. We will build the capacity of ECOWAS to prevent and respond to regional instability and promote the integration of ECOWAS security mechanisms into a broad Africa framework. We will also fund military-sponsored schools, clinics and basic community services to demonstrate our commitment to help build the nation's infrastructure. Beyond fostering maritime cooperation with security services in the Niger Delta, we can support the EU's leading role in helping Nigeria fight corruption, organized criminal elements, document fraud, drug traffickers, and terrorists. We will focus on training, developmental and technical aid, and law enforcement cooperation in border control and against arms smuggling and oil theft. Expanded community policing programs will improve Nigeria's human rights record and restore public faith and cooperation with the security services. We will continue to offer legal reform, training, and technical help to Nigeria's counter-terrorism finance regime.

Economic Growth: We will work directly with the Central Bank of Nigeria, Finance Ministry, National Planning Commission, and others to improve the environment for investment in agriculture through policy reform at the national and state level. Micro-investment is hindered by lack of access to market-driven financial services policy that provides for liberalization of credit institutions and encourages savings plans with transparency in both the private and public sectors. Federal and state policy strengthening are essential as business decisions and banking regulation take place at both levels. Our programs should help develop a policy climate in which micro, small and medium enterprises have access to credit, encourage investment, stimulate job growth and build capacity in both the public and private sectors. Trade initiatives include capacity building in customs regulation and operations, policy reform to encourage internal and external trade, taking advantage of AGOA incentives for bilateral trade, and development of the private sector capacity to meet international trade and export standards.

Niger Delta Engagement Strategy

In the Niger Delta, the United States and other donors are trying to work with Nigerian authorities to transform both development and public security policies. The great inequality between oil wealth and the Delta's grinding poverty, the persistent disappointment of lost economic opportunities, environmental degradation and obscene corruption is a principal driver to the conflict in the region. Ongoing tension and targeted acts of lawlessness have affected oil and gas extraction, limiting energy exports and threatening to slow the expansion of Nigeria's oil and gas sectors. Violence in the Delta coupled with the lack of political accountability creates a potent and troubling brew that will feed a vicious cycle of violence and instability.

Short-term interventions can be conducted in the areas of security and public outreach; but in order to create a stable, peaceful environment, the fundamental issues driving the conflict must be addressed. Difficult as it may be, sustainable development is the only solution to regional conflict. Since last November, the United States has been actively engaged in state and regional initiatives to promote Nigerian public sector-led sustainable development. This includes the US-UK-Nigerian "Gulf of Guinea Energy Security" initiative, which focuses on community development, coastal security, and combating crime and small arms proliferation. It also includes what until recently has been the "Rivers State Sustainable Development" initiative on community development, which the United States, United Kingdom, World Bank, and oil majors intend to expand in order to include other cooperative states in the Niger River Delta.

Summary

I can assure you that the United States is committed to a strategic partnership with Nigeria. Consequently, we believe that helping to build Nigeria's capacity to govern itself transparently and democratically is the key to achieving our mutual goals. Our tactics must focus on carefully targeted areas, to encourage and leverage significant private and other public sector initiatives, and to catalyze Nigerians' efforts on their own behalf. Together, we hope that a pragmatic strategy for Nigeria--one that is heavily reliant on the Nigerians' own capacity and willpower--can serve as a pillar for all of sub-Saharan Africa despite temporary setbacks for lack of sufficient local commitment. We look forward to your best wishes and support. Thank you.

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