



## **YAR'ADUA'S DIPLOMATIC SHUTTLE: NATIONAL SECURITY PERSPECTIVE**

**BY**

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### **ABSTRACT**

*On assuming the political leadership of Nigeria in 2007, President Umaru Musa Yar'adua undertook so many diplomatic visits to further launder the image of the country and seek international collaborative efforts to tackle security challenges in the country. He utilized Nigeria's foreign policy to attract foreign investors and other international business/development partners to invest in the country assuring them that the domestic environment was safe, secure and clean enough for doing business. There was however underperformance of the country's foreign policy where it failed to support its economic relations instrument for directing the attracted Foreign Direct Investment (FDI) towards boosting the industrial and manufacturing sector and subsector of the economy. These sectors and sub-sectors with the highest volume of production processes in the domestic economy, have the potential of engaging our unemployed youths and of keeping them away from crimes and criminality. The study is a qualitative one and data generated through secondary sources was analyzed through discourse and explanatory method.*

**Key words: Diplomatic Shuttle, Foreign Policy, National Security, Foreign Investors, Manufacturing, Industrialization.**

### **INTRODUCTION**

Alhaji Umaru Musa Yar'adua was sworn-in as President and Commander-in-Chief of the armed forces of Nigeria on May 29, 2007. Nigeria's foreign policy and the seeking of international collaborative efforts at tackling myriads of domestic security challenges was improved upon by Yar'adua. To attain these lofty ideals, Yar'adua maintained the citizen participation through their representatives in the National Assembly, as well as the country's general posture of friendship with all countries of the world. Yar'adua kept pace with internal security and other domestic reforms towards making the domestic environment safe, secure and clean enough for doing business. This he does with the main aim of attracting genuine foreign investors (Foreign Direct Investment and Foreign Portfolio Investment) to invest in the country. However, apart from his protracted ailment that eventually led to his death in office in 2010; his

administration's foreign policy has also underperformed and failed to direct the much attracted FDI towards re-invigorating the industrial and manufacturing sector and sub-sectors of the economy. Manufacturing is increasingly becoming a very strong/reliable anchorage of any serious domestic economy for employment generation, economic empowerment and of minimizing crimes and criminality in the country (Awolusi, 2012).

Apart from the singular act of solving the problem of the Niger-Delta militancy, Yar'adua's administration was plagued by other emergent domestic problems such as infrastructural reversal/comatose (epileptic power/energy supply), Boko Haram insurgency, cattle rustling, ransom abductions/kidnappings, culture of impunity and massive corruption. The massive paralysis experienced in his anti-graft war capped by his introduction of plea-bargain indeed made foreign investors and international business/development partners to be scared and afraid of bringing foreign capital to invest in an unsafe, insecure, unpredictable and risky domestic environment (Onakoya, 2012). This forms the motivation for the study.

### **YAR'ADUA'S DIPLOMATIC VISITS AND ECONOMIC RELATIONS**

President Yar'adua's first major diplomatic engagement was when he paid a visit to China in February, 2008 where he held bilateral discussion with his Chinese counterpart in Beijing. Another top global engagement of Yar'adua was when he attended the Group of Eight most industrialized and developed countries of the World (G8) Summit of Gleneagles in Scotland on June 8, 2008 along with some few invited African leaders like President John Kuffor of Ghana, Ellen Johnson Sirleaf of Liberia etc.

For the first two years of his administration (i.e. between 2007 and 2009), Yar'adua has undertaken other high profile diplomatic visits to Europe and the Western world among which was his official visit to France on June 11, 2008. This was followed by a reciprocal visit almost a year after to Nigeria by the French Prime Minister Francois Philon on May 22, 2009. The two visits by both sides, held so many useful bilateral discussions on wide arrays of issues ranging from security to economic cooperation between the two countries. Yar'adua visited Britain on July 18, 2008 where he and his British counterpart discussed diverse bilateral issues bordering mainly on security and economic matters. He particularly solicited for help from both the governments of Britain and USA to curb the persistent Niger Delta crisis (Awolusi, 2012).

Following the visits of Yar'adua to European countries in 2007 and 2008, the EU responded positively by donating twenty million (€20m) Euros to Nigeria in conjunction with World Health Organization (WHO) to fight polio. So far total EU Contributions in this regard from 2001 to 2008 is Sixty million (€60m) Euros made through the EU Central Bank (ECB). Additional assistance rendered to Nigeria by the EU through a, 'six hundred (€600m) million Euros African assistance', was made on February 17, 2009. This fund which is to be shared by all African countries was aimed at boosting their economic activities. Apart from EU assistance to Nigeria and Africa in the areas of health and general economic development, the security angle was not left behind because a three-day EU-Africa Security Summit was held in Abuja between November 7 and 9, 2009. The German leader Hoestch Koler was in attendance of the security meet. In addition, other foreign goodwill started pouring in, such as the donation of fifty million (\$50m) US-dollars by the Bill Gates foundation to the Nigerian government to assist in fighting polio throughout the country. Bill Gates himself disclosed this while on a courtesy call

on the Sultan of Sokoto Abubakar Sa'ad III on February 1, 2009. After which he (Gates) met with all the thirty-six (36) Nigerian Governors and described the event as a turning point for global health. The USA Secretary of State Hillary Clinton visited Nigeria on August 11, 2009 where she met with President Yar'adua. President Yar'adua visited Brazil in August, 2009 where he and his Brazilian counterpart held so many bilateral talks which included the need for close collaboration between the two countries for the development of hydro-electricity generation aimed at solving Nigeria's perennial energy problem (Brainard et-al, 2009). Another high level diplomatic engagement of President Yar'adua is the visit of the Russian President Dymitri Medbedev to Nigeria on June 24, 2009 where the two leaders held talks on nuclear and gas energy. In the same 2009, President Yar'adua attended the Non Align Movement (NAM) Summit held in Sheikh Al-Sham Holiday Resort of Egypt (Anofi, 2010; Mandara, 2013).

Yar'adua was represented by his Vice Goodluck Jonathan at the Federalism Conference held in India in November, 2007 and again attended the India-Africa Forum held in India in April, 2008. Top level reciprocal diplomatic visits were paid to Nigeria by Indian top officials during the Yar'adua's administration which was capped by the visit of the Indian Prime Minister Manmohan Singh to Nigeria in October, 2007. During this visit, the leaders held bilateral talks that culminated in the signing of the Abuja Declaration on strategic partnership between the two countries (MFA-AR, 2012).

The trade volume that accounted for Nigeria's comparative advantage is due largely to proceeds from oil and gas (O&G) which accounted for over 90% of the country's total export to the USA. While, the Nigerian non-oil exports to the USA accounted for the remaining 10%. The highest export to the USA was recorded in 2008 with \$38,068 million from a mere \$4,385.1 million in 1999. Whereas, the highest balance of payment of -\$29,992.3 was recorded by the USA in 2007 when Nigeria's exports to USA stood at \$32,770.2 against its import from USA, which stood at \$2,777.9. While, the downward trend of Nigeria's export to the USA between 2009 and 2010 was attributable to Late President Yar'adua's protracted ill health that almost paralyzed economic and diplomatic relations between Nigeria, and other countries (USCBFT, 2011, Onakoya, 2012).

The solidification of the Nigeria-USA friendship was attained most during the Yar'adua administration where the first US-Nigeria Bi-National Commission (UNBNC) was signed in April, 2010. The UNBNC was aimed at establishing a mechanism for sustained bilateral and high-level dialogue to promote and increase diplomatic, economic and security cooperation between the two countries with the main objective of promoting and coordinating the diplomatic, economic, military, commercial, technical, social and cultural cooperation between the two countries.

Yar'adua has pursued the same diplomatic and economic engagements with Britain as Obasanjo; but with less numbers of trips comparatively. Exports from Britain to Nigeria in 2009 increased from one billion and three hundred million (£1.3 billion) British Pound Sterling; while exports from Nigeria to Britain remained stagnant at six hundred million (£600m) British Pound Sterling made up of largely oil and gas exports. This lopsided trade relations between Nigeria and Britain has been acknowledged by the Deputy Chief Executive of the UK Trade & Investment, Susan Haired in August, 2010 where she stated that trade in services from the UK to Nigeria in 2008 amounted to approximately one billion two hundred and seventy million (£1.27

billion) British Pound Sterling. She went on to add that exports from Nigeria to Britain in 2009 remained at six hundred million British Pound Sterling. As stated earlier, the trade balance heavily tilted in favour of Britain, which had a total net advantage of seven hundred million (£700 m) British Pound Sterling; while Nigeria was comparatively at the disadvantage side (MFA-AR, 2012).

Nigeria's economic relations with Asian countries started blossoming as from 2007 during the administration of Yar'adua which was anchored on the solid foundation laid by his predecessor President Obasanjo. The trade relations with India provide a good example where it started from a humble beginning of \$75.64 million US-dollars against India's \$565.49 million US-dollars in the 2003/2004 to an unprecedented peak of \$8,900.25 million US-dollars against India's dwindling comparative trade of \$1,529.26 million US-dollars in 2008/2009. Although it later dropped to \$7,287.91 million US-dollars against India's \$1,408.25 million US-dollars in the 2009/2010, yet the total trade benefit is tilting heavily in favour of Nigeria (IHCN, 2011).

### **YAR'ADUA'S EFFORT IN TACKLING NATIONAL SECURITY CHALLENGES**

President Umaru Musa Yar'adua inherited seemingly intractable security problems more especially in the Niger Delta region that almost paralyzed economic activities. The activities of plethora of Niger Delta militants in vandalizing oil pipelines and kidnapping of foreign oil workers; made some of the main oil companies to shut-down production and left the shores of the country. Oil being the major source of foreign revenue to the country, made Yar'adua to come up with the Amnesty programme where the Niger Delta militants were talked into abandoning their militancy, surrendering their arms in exchange for foreign training and other largesse. In fact, Yar'adua's Amnesty programme was a magic wand that brought to an end the protracted Niger Delta militancy that had lingered on for over three decades (MFA-AR, 2012).

Apart from the singular act of dousing the Niger-Delta militancy, Yar'adua's effort to stabilize the national security equilibrium and make the domestic environment clean enough for doing business; was frustrated because it was plagued by other emerging domestic factors. Such include infrastructural reversal/comatose (epileptic power/energy supply), Boko Haram insurgency, cattle rustling, ransom abductions/kidnappings, criminal-gang activities, culture of impunity and massive corruption that characterized his three years in office. The massive paralysis experienced in his anti-graft war capped by his introduction of plea-bargains; made those convicted of the same offence to fight-back through their cronies that unleashed terror on innocent citizens. All these made foreign investors and international business/development partners to be scared and afraid of bringing foreign capital to invest in an unpredictable and risky domestic environment (Oladele, 2016).

In his effort to obtain foreign collaborative effort to tackle the problem of insecurity in the country, President Umaru Yar'adua began his African engagement with the country's immediate neighbours such as Niger, Cameroun, Chad, Benin, Cape Verde, Ghana as well as Sao Tome and Principe where he made periodic consultations with them on diverse issues principally security and economic. However, as from 2009, more emphasis was on security because of the rising challenges of terrorism/insurgency (Boko Haram insurgency), Sea piracy and other criminal activities within this region. He continued with joint economic programmes such as the Niger River Basin Commission and the Chad Basin Commission. Pursuant to this,

and as the result of the Boko Haram insurgency in Maiduguri Borno State, both Nigeria and Chad held bilateral summit in Maiduguri on December 8, 2009 to build on the first summit held in 2008. The Summit principally discussed economic and security matters between the two countries. Its main thrust was to solicit for strong cooperation and collaboration between Nigeria and its contagious neighbours towards setting up a Multi-National Joint Task Force (MNJTF) to patrol their common land and maritime borders (MFA-AR, 2012; Adegboyega & Saleh, 2017).

Other global engagements by President Yar'adua to curb security challenges in the country include his call for a joint national security force in the Gulf of Guinea which should comprise of military personnel from the Gulf of Guinea countries where he said that assistance can be required from the USA and other partners. He made this call on February 2, 2008. It will be recalled that the Gulf of Guinea Energy and Security Summit (GGESS) was initiated by Nigeria and USA in 2005. A month after Yar'adua's call, the Eight Summit of the GGESS was held in Abuja on March 26, 2008 with France, Switzerland, Britain, United States of America, Canada, European Union, Holland, Norway and USAID in attendance. Others in attendance were all the Governors of the Niger Delta region of Nigeria. The main aim of the Abuja Summit was to devise further strategies towards stemming conflicts and criminality in the Niger Delta region of Nigeria and to generally improve security of oil installations. A day after the GGESS meeting of Abuja, the USA promptly responded by donating body scanning machines worth One Million (\$1m) US-dollars to the National Drug Law Enforcement Agency (NDLEA) of Nigeria. The purpose of employing these scanners was to ensure security and to fight merchants of drugs and narcotics at Nigeria's airports and other entry ports. The presentation of these body scanners to the NDLEA officials was done through Robin Sanders the US-Ambassador to Nigeria on March 27, 2008 (MFA-AR, 2012; Oladele, 2016; Saleh & Adegboyega, 2019).

President Yar'adua on June 2, 2008 undertook a high profile diplomatic visit to South Africa that lasted for two days. He was the first African leader to visit that country since the xenophobic attacks on Nigerians and other black Africans in that country in May, 2008. This was aimed at protecting Nigeria's strategic interest in South Africa because of the large numbers of Nigerians working and doing business in that country. Moreover, both Nigeria and South Africa are looked upon by the rest of the African countries for providing leadership in the African continent.

## **NIGERIA'S GNI/GNI PER CAPITA AND HUMAN DEVELOPMENT INDEX COMPARED WITH FIVE OTHER THIRD WORLD COUNTRIES AS AT 2009**

In spite of Yar'adua's effort in tackling the security challenges in the country, the performance of his administration in terms of GNI/GNI per capita and human development index compared with five other third world countries shows Nigeria trailing behind in all the three indicators. Nigeria recorded 5% in terms of Gross Nation Income (GNI) against Vnezuela's 53% (leader of the six countries). Nigeria was the least in terms of GNI per Capita as well as Human Development Index with scores of 3% and 11% respectively. This is as presented in Table 1 and Figure 1 below:

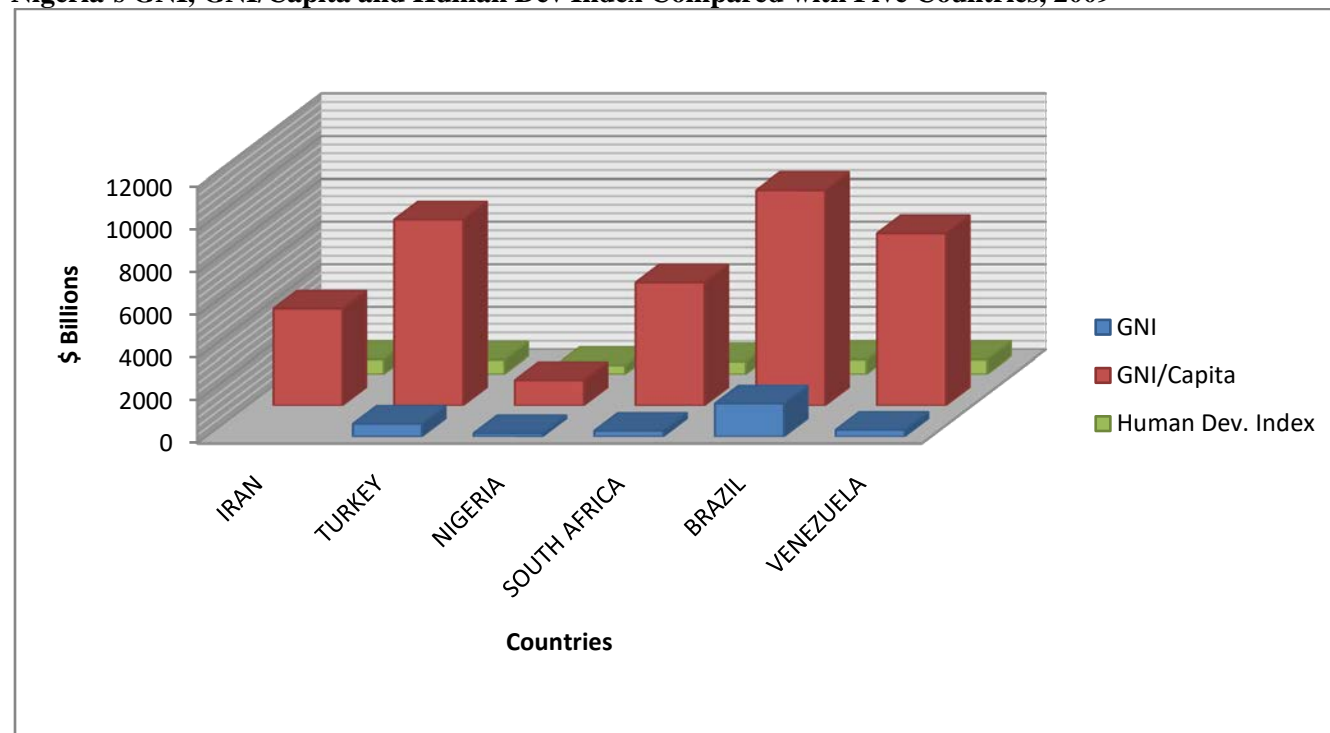
**Table 1: Nigeria's GNI, GNI/Capita and Human Development Index Compared with Five Countries, 2009**

S/No.	Countries	GNI	%	GNI Per Capita	%	Human Dev Index	%
1.	Iran	-	-	4530	12%	0.702	19%
2.	Turkey	607	21%	8720	23%	0.697	18%
3.	Nigeria	163	5%	1190	3%	0.423	11%
4.	South Africa	279	10%	5760	15%	0.597	16%
5.	Brazil	1562	26%	10090	26%	0.699	18%
6.	Venezuela	323	11%	8070	21%	0.696	18%
	<b>Total</b>	<b>2934</b>	<b>100%</b>	<b>38360</b>	<b>100%</b>	<b>3.796</b>	<b>100%</b>

Source: Generated by the Researcher in 2019 as adapted from World Bank Countries & Economies Data Base, 2009

**Figure 1:**

**Nigeria's GNI, GNI/Capita and Human Dev Index Compared with Five Countries, 2009**



Source: Generated by the Researcher in 2019 as adapted from World Bank Countries & Economies Data Base, 2009

### **NIGERIA'S GROSS DOMESTIC PRODUCT UNDER YAR'ADUA'S ADMINISTRATION, 2007-2010**

With the dousing of the Niger Delta militancy in a region considered to be the major foreign revenue earner for the country, summary of Nigeria's Gross Domestic Product (GDP) performance under Yar'adua's administration shows that it started well in 2007 and dropped in 2008. It later picked up in 2009 slightly above that of the previous years. It performed very well in 2010 even during Yar'adua's absence on sick leave abroad. The total GDP for period is \$28,640billion. This is as presented in Table 2 and Figure 2 below:

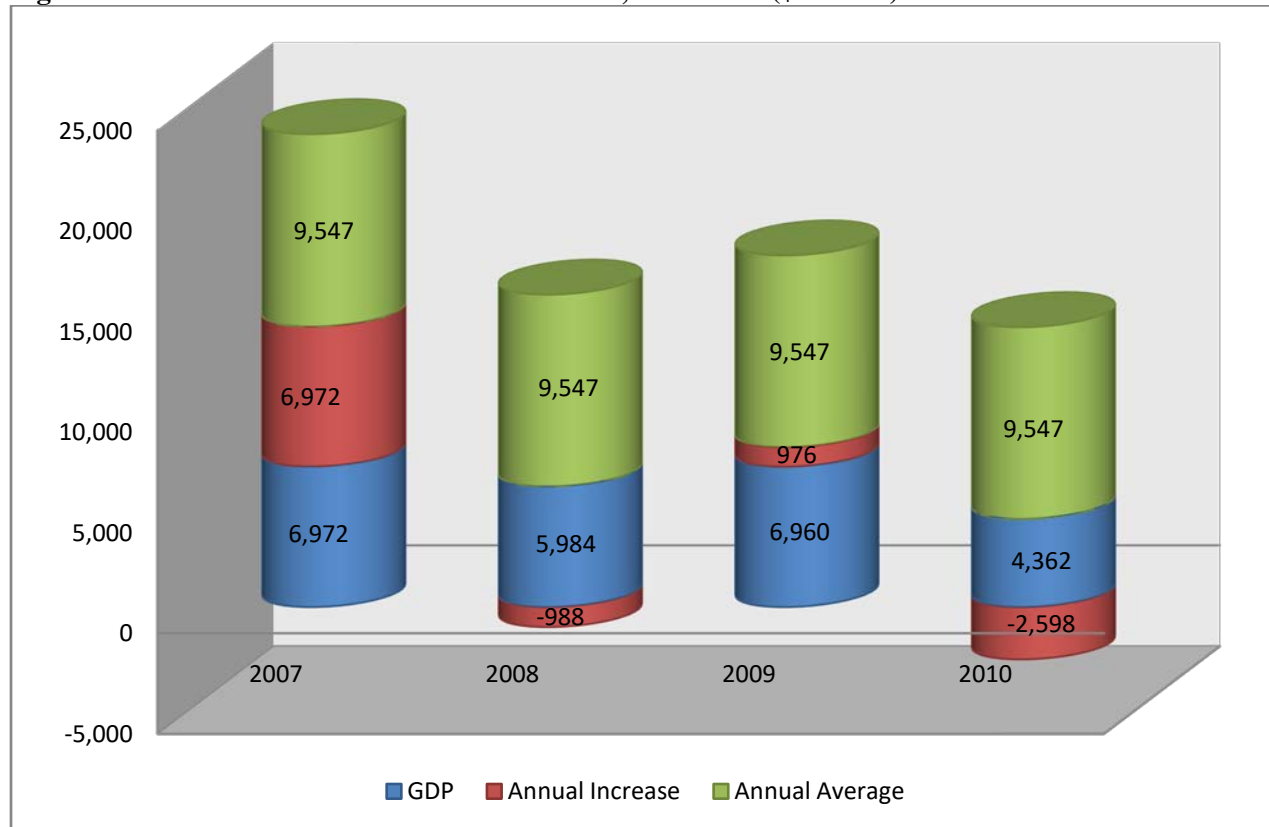
**Table 2: Nigeria's Gross Domestic Product under Yar'adua, 2007-2010 (\$Billions)**

S/No.	Year	GDP	Annual Increase	Annual Average
1.	2007	6,972	6,972	9,547

2.	2008	5,984	-988	9,547
3.	2009	6,960	976	9,547
4.	2010	4,362	-2,598	9,547
	<b>TOTAL</b>	<b>28,640</b>	<b>7,938</b>	<b>28,640</b>

Source: Generated by the Researcher in 2019 as adapted from International Monetary Fund, 2012, 2018

**Figure 2:**  
**Nigeria's GDP under Yar'adua's Administration, 2007-2010 (\$Billions)**

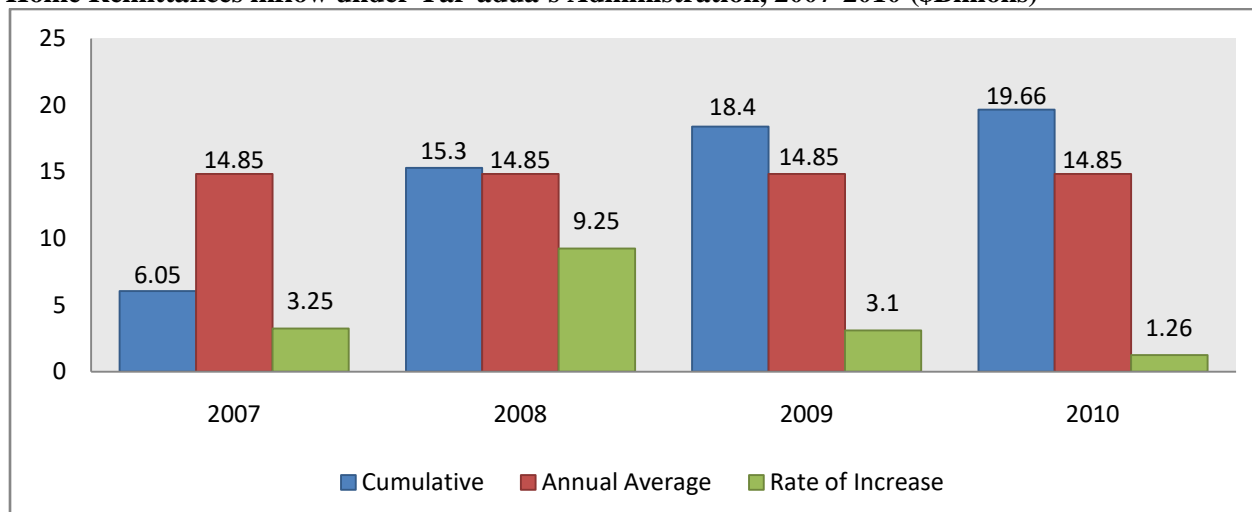


Source: Generated by the Researcher in 2019 as adapted from International Monetary Fund, 2012, 2018

### **INFLOW OF HOME REMITTANCES BY NIGERIANS IN THE DIASPORA UNDER YAR'ADUA'S ADMINISTRATIONS 2007-2010**

Building on national security stabilization measures, President Yar'adua continued with the image-laundering visits and active engagement with Nigerians in the Diaspora; which was started by his predecessor President Obasanjo. This personal high profile diplomatic attention given to Nigerians in the Diaspora indeed motivated them to repatriate back home huge chunk of their incomes/profits for investment in the domestic economy. Therefore, the breakdown of home remittances from Nigerians in the Diaspora between 2007 and 2010 shows that the sum of \$6.05 billion was remitted back home in 2007. In 2008, NIDO remitted the sum of \$15.3 billion. The sum of \$18.4 billion was, realized in 2009. In 2010, \$19.66 billion was, sent home by NIDO. Total home remittances from NIDO between 2007 and 2010 stands at \$59.41 billion with an average of \$14.85 billion (Ojapinwa, 2012; World Bank, 2016; Migration Policy Institute, 2016; World Bank, 2017). This is, presented in graphical form in Figure 3 below:

**Figure 3:**  
**Home Remittances inflow under Yar'adua's Administration, 2007-2010 (\$Billions)**



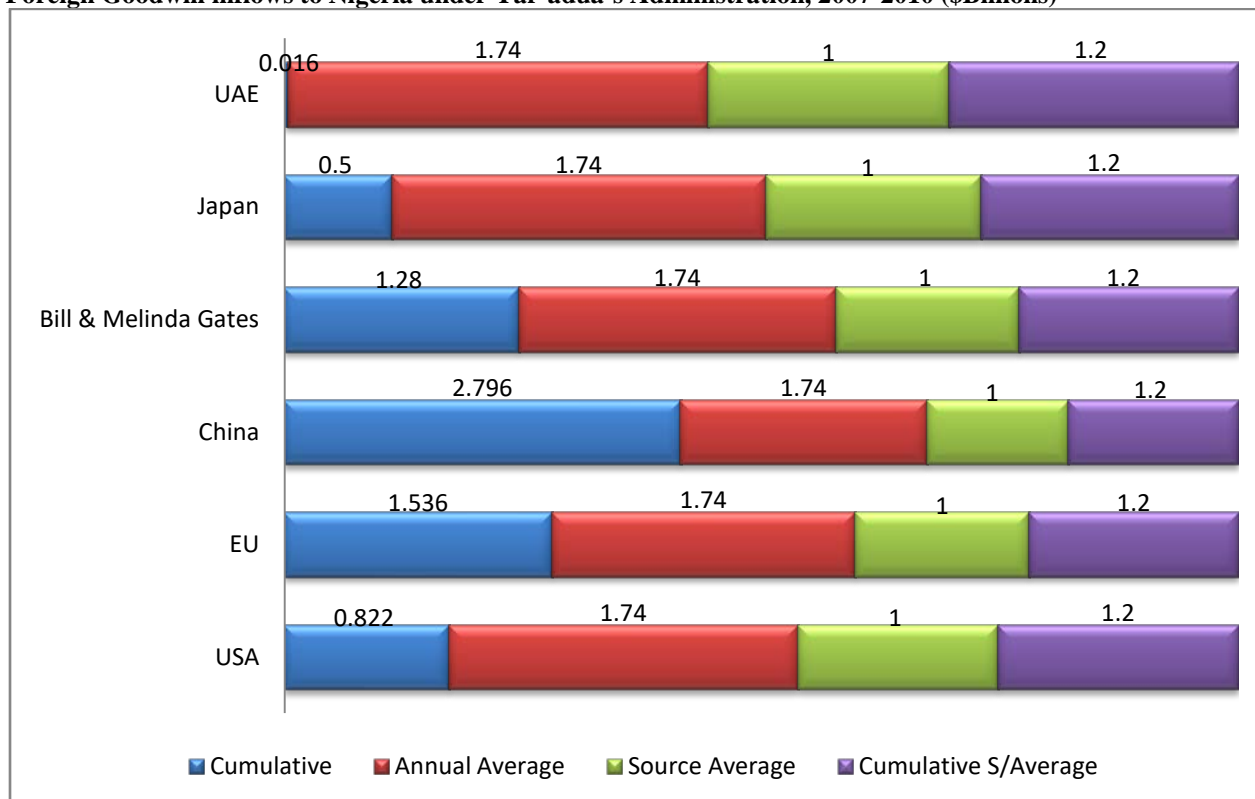
Source: Generated by the Researcher in 2019 as adapted from Ojapinwa, 2012; World Bank, 2016; Migration Policy Institute, 2016; World Bank, 2017, 2018

### **FOREIGN GOODWILL INFLOW TO NIGERIA UNDER YAR'ADUA'S ADMINISTRATIONS, 2007-2010**

President Yar'adua maintained the status-quo of domestic reforms (security, infrastructures, power, etc.) and diplomatic visits to foreign countries between 2007 and 2010, which increased the inflow of foreign goodwill on a sustainable basis. The USA is one of the leading countries that came to the aid of Nigeria with a total assistance and donations put at \$822 million for development, disease control, military training and equipments between 2007 and 2010. The European Union ranked also donated the total sum of \$1.54 billion to boost agriculture, fight diseases and eradicate poverty. Bulk of the EU assistance to Nigeria came from the ACP-EU partnership. The highest donor to Nigeria between 2007 and 2010 is China with a total assistance of over \$2.796 billion. Japan also assisted Nigeria with \$500 million within the same period. United Arab Emirate assisted Nigeria with the sum of \$16 million in January, 2009. While, NGOs like Bill and Melinda Gates Foundations have from 2009 to 2010 assisted Nigeria with the total sum of \$1.28 billion worth of material and cash to fight malaria and kick polio out of the country (Mandara, 2013, Wafure, 2010; Adeleke, 2014; World Bank, 2015). The total is \$6.95 billion with an annual average of \$1.74 billion is as presented in Figure 4:



**Figure 4:**  
**Foreign Goodwill inflows to Nigeria under Yar'adua's Administration, 2007-2010 (\$Billions)**



Source: Generated by the Researcher in 2019 as adapted from World Bank, 2010, 2017, 2018

### **NIGERIA'S FOREIGN DIRECT INVESTMENT (FDI) DRIVE UNDER YAR'ADUA'S ADMINISTRATION, 2007-2010**

This section dwells on how Nigeria has utilized its foreign policy instrument of economic relations with selected countries from at least each region of the world for the attraction of Foreign Direct Investment (FDI), more especially genuine foreign investors and other international business partners into the country under Yar'adua. This is done to ensure balanced and fair representations in the analysis. These countries can be regarded as great powers, emerging global powers or critical key players in the nascent global economic events which most of Nigeria's foreign direct investments comes from. The countries and sub-regional groupings selected include; United States of America, China, the European Union, Brazil, Russia, India, and Britain.

Trade relations between Nigeria and the Britain have also remained cordial. Key trade items include oil and gas, financial services and agriculture. In August 2010, the Deputy Chief Executive of Britain Trade and Investment, Susan Haird, noted that trade in services from the Britain to Nigeria in 2008 amounted to approximately £1.27 billion, while exports from Nigeria to the Britain in 2009 stood at about £600 million. These figures reflect the towering significance of the Britain's trade advantage over Nigeria. It is alarming that of the £600 million exports from Nigeria to the Britain, only a miserable £12 million was, derived from non-oil exports. These are agricultural products such as cocoa, coffee, tea and spices. Exports from the Britain to Nigeria, in 2009, increased to £1.3 billion; while exports from Nigeria to the Britain remained at £600 million, the bulk of which continued to be oil and gas. Britain exports to Nigeria are about

double Nigeria's exports to the Britain. Goods exported from the Britain to Nigeria were £1.235 billion in 2009. The increase in trade seems to be a result of both countries' realization of the potential to explore new areas in their relationship. The advent of democracy in Nigeria has encouraged improvement in their trade links. Even though the administrations of President Yar'adua sustained Nigeria's membership of IIC; it underperformed where the total FDI inflows to country stood at \$12,273.65bn between 2007 and 2010 (World Bank, 2017).

### **COMPARISON OF OIL AND NON-OIL FOREIGN DIRECT INVESTMENT UNDER YAR'ADUA'S ADMINISTRATION, 2007-2010**

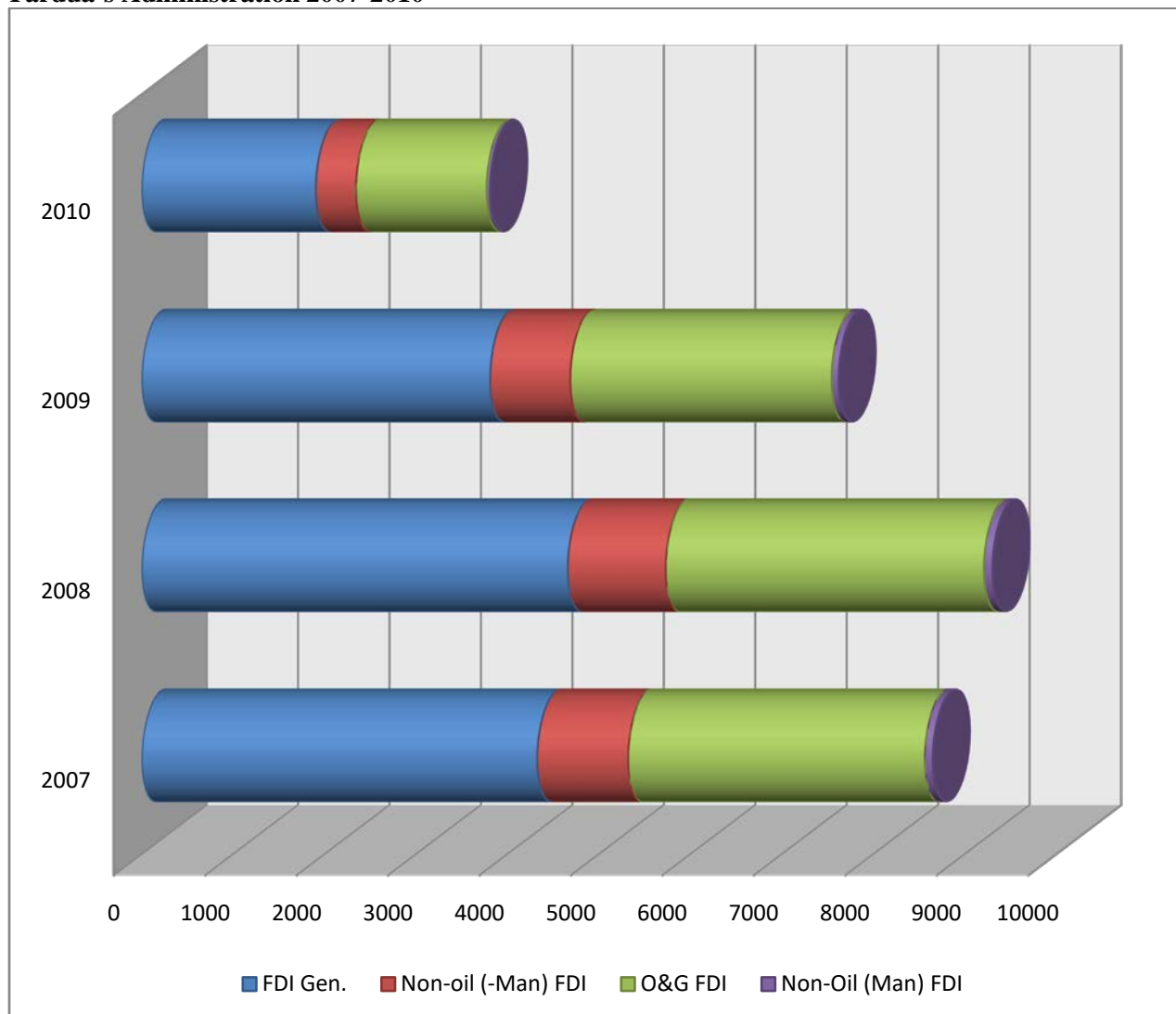
For the period covered by this study, Nigeria has continued to benefit from Foreign Direct Investment (FDI) with the tip tilting in favour of Oil & Gas (O & G). The trend in oil and non-oil FDI between 2007 and 2010 is as shown in Table 3 and Figure 5. The share of Oil & Gas FDI far outweighs FDI in the non-oil sector from 2007 to 2010. Policymaker believes that investments in the oil industry are being encouraged to provide significant evidence of backward or forward linkages with local industries that could result in economic diversification and job creation. Manufacturing will make Nigeria a leading favourable destination for raw materials and FDI as well as a leading global haven for manufactured products and goods. This is as presented in Tables 3 & 4 and Figures 5 & 6 below:

**Table 3: Comparison of Oil & Gas, Non-oil (minus Manufacturing) and Non-Oil (Manufacturing) Foreign Direct Investment Inflow to Nigeria under Yar'adua's Administration, 2007-2010**

S/No.	Year	General FDI Amount	Non-oil (minus Manufacturing) FDI Amount	Oil & Gas FDI Amount	Non-oil (Manufacturing) FDI Amount
1.	2007	\$4,324.86bn	\$994.72bn	\$3,243.65bn	\$86.50bn
2.	2008	\$4,659.15bn	\$1,071.61bn	\$3,479.36bn	\$93.18bn
3.	2009	\$3,810.25bn	\$876.36bn	\$2,857.69bn	\$76.21bn
4.	2010	\$1,905.13bn	\$438.18bn	\$1,428.85bn	\$38.10bn
	<b>Total</b>	<b>\$14,699.39bn</b>	<b>\$3,380.86bn</b>	<b>\$11,024.55bn</b>	<b>\$293.99bn</b>

Source: Generated by the Researcher in 2019 as adapted from Central Bank of Nigeria Statistical Bulletin, 2014, 2016, World Bank, 2017, World Bank Development Index 2017, 2018

**Figure 5:**  
**Comparison of Oil, Non-oil and Manufacturing Foreign Direct Investment Inflow to Nigeria, under Yardua's Administration 2007-2010**



Source: Generated by the Researcher in 2019 as adapted from Central Bank of Nigeria Statistical Bulletin, 2014, 2016, World Bank-Development Index, 2017, 2018

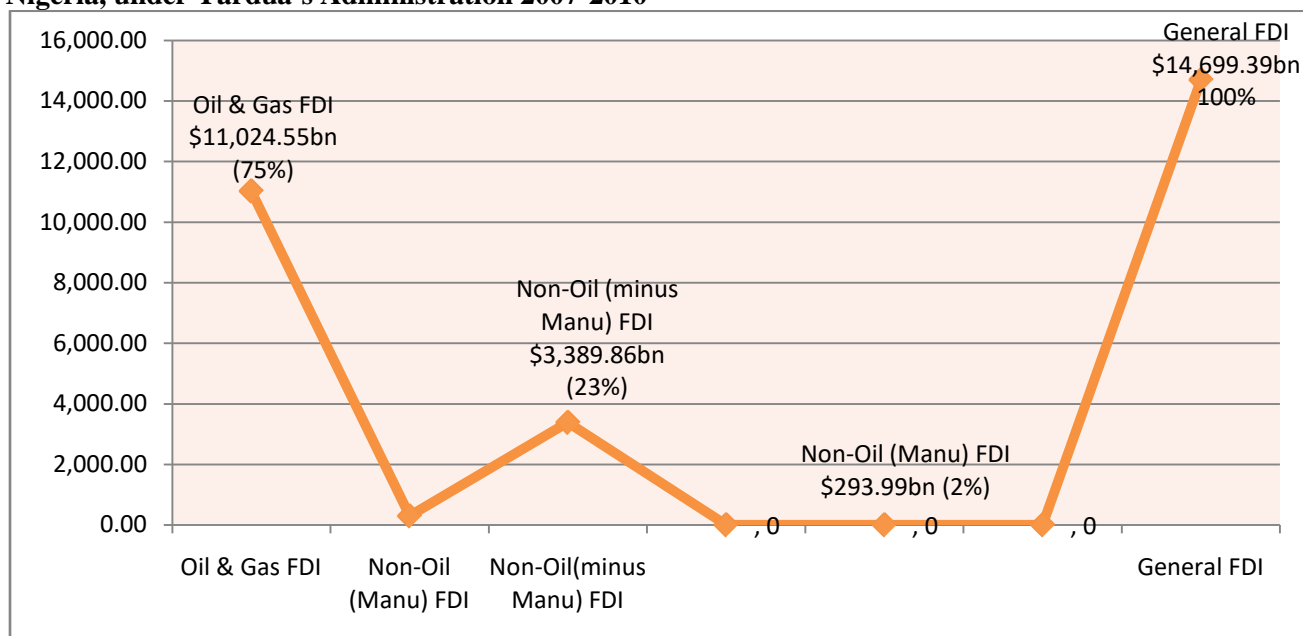
**Table 4: Comparison of Foreign Direct Investment Inflow to Nigeria under Yar'adua's Administration, 2007-2010 according to three Sectors (in \$billions & %)**

S/No.	Sectors	Amount	Percentage
1.	General FDI	\$14,699.39bn	100%
2.	Oil & Gas FDI	\$11,024.55bn	75%
3.	Non-Oil FDI (minus Manu)	\$3,380.86bn	23%
4.	Non-Oil Manufacturing FDI	\$293.99bn	2%

Source: Generated by the Researcher in 2019 as adapted from Central Bank of Nigeria Statistical Bulletin, 2014, 2016, World Bank-Development Index, 2017, 2018

**Figure 6:**

**Comparison of Summary of Oil, Non-oil and Manufacturing Foreign Direct Investment Inflow to Nigeria, under Yardua's Administration 2007-2010**



Source: Generated by the Researcher in 2019 as adapted from Central Bank of Nigeria Statistical Bulletin, 2014, 2016, World Bank-Development Index, 2017, 2018

## SUMMARY OF PERFORMANCE OF NIGERIA'S ECONOMIC RELATIONS IN MONETARY TERMS (\$BILLIONS) UNDER YAR'ADUA, 2007-2010

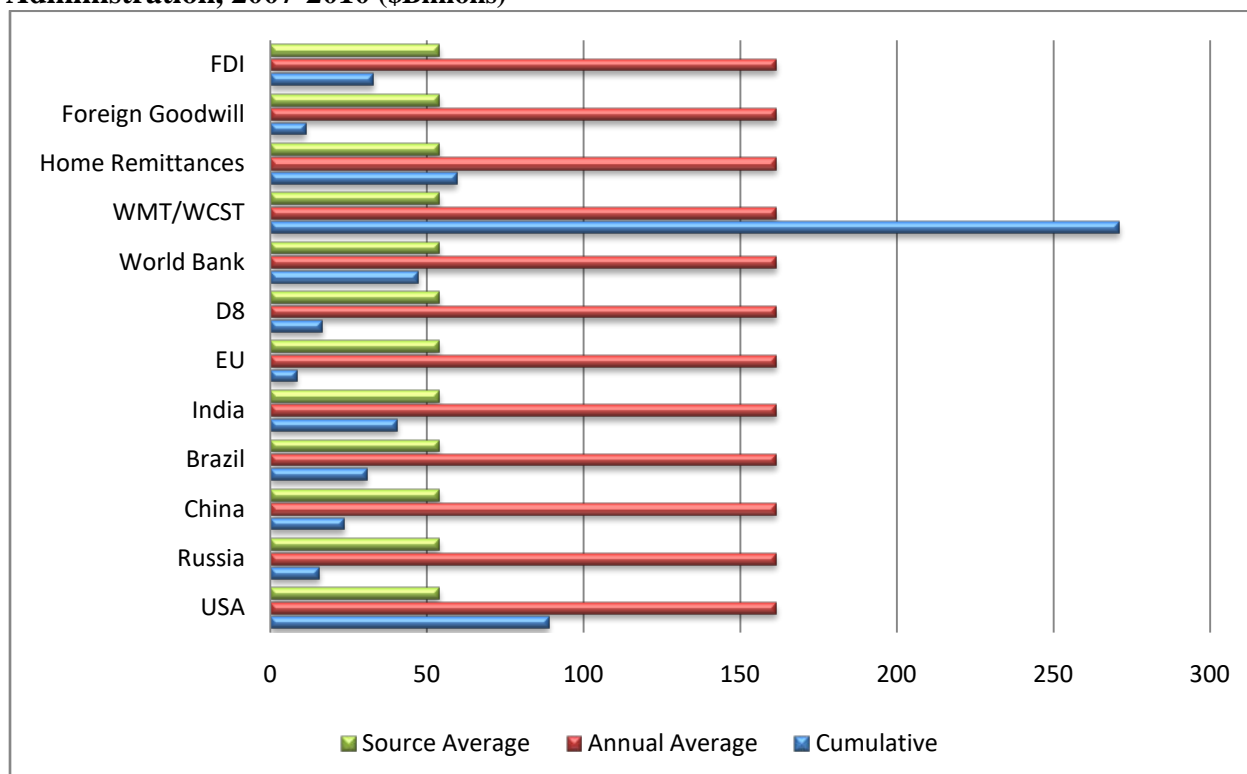
President Yar'adua's administration continued with the effective utilization of Nigeria's foreign policy for the attraction of more foreign revenue for the country. As such, under his dispensation, Nigeria's foreign revenue sources and the values earned by the country from each are as presented in Table 5 and Figure 7 below:

**Table 5: Summary of Inflow of Foreign Revenue under Yar'adua's Administration, 2007-2010 (\$ Billions)**

S/N	Foreign Sources	Cumulative	Annual Average	Source Average	Percentage
1.	United States of America	88.84	161.54	53.85	14%
2.	Russia	15.67	161.54	53.85	2%
3.	China	23.61	161.54	53.85	4%
4.	Brazil	30.84	161.54	53.85	5%
5.	India	40.60	161.54	53.85	6%
6.	European Union	8.33	161.54	53.85	1%
7.	D8	16.63	161.54	53.85	3%
8.	World Bank	47.13	161.54	53.85	7%
9.	WMT & WCST	270.93	161.54	53.85	42%
10.	Home Remittances	59.41	161.54	53.85	9%
11.	Foreign Goodwill	11.27	161.54	53.85	2%
12.	Foreign Direct Investment	32.88	161.54	53.85	5%
	<b>Total</b>	<b>646.14</b>	<b>646.14</b>	<b>646.14</b>	<b>100%</b>

Source: Generated by the Researcher in 2019 as adapted from; World Bank, 2010; MPI, 2013; Osinbajo, 2015; Mandara, 2013; USSD-CBJFO/USCBFT, 2012; Hurst, 2006; Alike, 2006; IHCN, 2011, World Bank, 2014; Saleh, 2008; Awolusi, 2012; Onakoya, 2012; World Bank Report, 2016, 2017

**Figure 7:**  
**Summary of Nigeria's Economic Relations in Monetary Terms (\$bn.) under Yar'adua's Administration, 2007-2010 (\$Billions)**



Source: Generated by the Researcher in 2019 as adapted from; World Bank, 2010; Migration Policy Institute, 2013; Osinbajo, 2015; Mandara, 2013; USSD-CBJFO/USCBFT, 2012; Hurst, 2006; Alike, 2006; Indian High Commission in Nigeria, 2011, World Bank, 2014; Saleh, 2008; Awolusi, 2012; Onakoya, 2012; USAID 2016; World Bank, 2017, 2018

From both the statistics and graph in Table 5 and Figure 7, World Merchandize Trade & World Commercial Services Trade recorded the peak performance by placing first with total net benefit of \$270.93 billion accrued to the country under Yar'adua's administration representing 42%. The USA came second with a total inflow of foreign earnings from that country amounting to \$88.84 billion representing 14%. This indicated a very high level of economic transaction between Nigeria and the USA within the period of the study. The World Bank's financial commitment to Nigeria within Yar'adua's administration amounted to \$47.13 billion thereby placing as the third largest source of foreign revenue to the country (representing 7%). As a surprise package to Nigeria, the effective dialoguing with Nigerians in the Diaspora (NIDO) by Yar'adua's administration earned the country the total sum of \$59.41 billion as home remittances; placing it as the fourth largest source of non-oil foreign revenue to the country for the period of the study (representing 9%). This indeed served as the needed stimulant for the initiation of Diaspora Commission Bill and its subsequent signing into law by the Ag. Vice President Yemi Osinbajo in June, 2017. With the right political will, it is therefore, expected that the Commission will eventually placed Home Remittances as a very viable non-oil foreign revenue source for the country. The overall Foreign Direct Investment (FDI) inflow to the country for the period is \$32.88 billion (representing 5%) and was placed 5<sup>th</sup>. India with \$40.60

billion (representing 6%); was placed in the 6<sup>th</sup> position in view of its modest performance based on its huge investments in Nigeria. Brazil performed appreciably well with a total of \$30.84 billion (5%) as foreign revenue to Nigeria and placed in the 7<sup>th</sup> position. China with the highest volume of economic activities in Nigeria more especially in the construction and extractive sectors relatively underperformed where it was, placed in the 8<sup>th</sup> position with total inflow of \$23.61 billion (representing 4%) as foreign revenue. Russia with \$15.67 billion (representing 2%) and placed in the 10<sup>th</sup> position has also underperformed in view of the historic economic and military relations between the two countries. Another underperformer is the D8 with \$16.63 billion (representing 3%) and placed in the 9<sup>th</sup> position. This has portrayed lack of strategic engagement in the transnational economic organization by Nigeria's political leadership and foreign policy managers. Foreign Goodwill netted-in \$11.27 billion (representing 2%) as a non-oil foreign revenue source for the country and placed in the eleventh position. The European Union as a block with a total of \$8.33 billion (1%) was, placed in the 12<sup>th</sup> position and the least; has underperformed compared to its dominance of Nigeria's Oil and Gas (O&G) sector.

In view of the steady rise in foreign revenue inflow to the country under Yar'adua, a lot still need to be done by our political leadership and foreign policy managers more especially in the area of moving the country towards a Zero-Oil economy. This is based on the fact, that Nigeria has all it takes to be one of the leading global economic giant of the 21<sup>st</sup> Century.

## CONCLUSION

From the analysis so far, conclusion can be drawn that Nigeria's foreign policy and the national security performance under Yar'adua has been so beneficial and rewarding. The amnesty granted to the Niger Delta militants helped to stabilize security situation in the South South region. As the result, statistical data indicated that World Merchandize Trade & World Commercial Services Trade have been improving during the period of the study. The study has also indicated that Nigeria's economic relations with the USA is undoubtedly the most active and most rewarding/beneficial of all state actors under Yar'adua. Another startling revelation of the study is the sudden and steady rise of home remittances by Nigerians in the Diaspora (NIDO) where it was placed as the fourth highest source of foreign revenue for the country for the period. The performances of Nigeria's active business partners such as China and India however fell below expectations in terms of home remittances. In spite of this modest performance, Yar'adua's administration underperformed in the area of directing the attracted FDI into the industrial and manufacturing sector and sub-sector which would have engaged majority of our unemployed youths and stem the tide of crimes and criminality. The manufacture of unique finished products with comparative competitive advantage in the international market will serve as major sources of foreign revenue to the country. This is based on the fact that most serious countries like USA, China, Japan, Germany and France depends less on fossil fuel or other exhaustible energy source to power their economies. As such, manufacturing is not only a vogue, but also a global requirement in the 21<sup>st</sup> Century. Nigeria therefore must key into this if she wants to go nearer her aspiration of being one of the 20 greatest global economies beyond the year 2020.

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