

A CLEAR ARC FROM INDIA TO NIGERIA

Relevant for: International Relations | Topic: Africa, African Union (AU) and India

It was a coincidence straight out of the silver screens in Mumbai or Lagos: the leaders of India and Nigeria both began their respective second terms within a day of each other following their unexpectedly decisive election victories. The challenges faced by Prime Minister Narendra Modi and Nigerian President Muhammadu Buhari during their first terms were uncannily similar: security against terror, monetary and fiscal conundrums, a communal and sectarian divide, chronic unemployment, rampant corruption, rural distress and a fragile neighbourhood being the recurrent themes.

Each of the two leaders is widely acknowledged as an outlier to the system riddled with corruption and nepotism and is admired for his personal probity, hard work and discipline.

For instance, Mr. Buhari, 76, returned to power in 2015 — 30 years after he ruled Nigeria as a military dictator. The intervening decades were spent variously in detention, farming and as challenger-candidate in three presidential elections.

It may be tempting to both Indians and Nigerians to shrug at these similarities as banal trivia; however, under them lies plenty of substance and potential linking the two countries and aspirations of their people. First, Nigeria being Africa's most populous country (191 million) and economy (\$376 billion) as well as the world's sixth largest oil exporter (about 2 million barrels per day) is evidently important to us. According to the latest Indian Department of Commerce statistics, Nigeria is India's largest trading partner in Africa (19th overall) with total trade estimated at \$13.5 billion in 2018-19. As official Nigerian data show, thanks to our booming oil imports, India is Nigeria's largest trading partner. For the same reason, Nigeria enjoys 4:1 surplus in bilateral trade. Nevertheless, it is still a sizeable market for India's manufactured exports, such as (2018-19 figures) miscellaneous machinery (\$500 million), vehicles (\$495 million), pharmaceutical products (\$447 million), textile items (\$299 million), iron and steel articles (\$152 million) and plastics (\$109 million).

In contrast to the stagnancy in India's global exports, its exports to Nigeria surged by 27% last year to reach around \$2,880 million. Indian investments in Nigeria are estimated at around \$15 billion with a further \$5 billion in the pipeline. There are at least 180 Indian companies operating in Nigeria with pharmaceuticals, steel, power, retailing, fast-moving consumer goods and skilling as their mainstay. Approximately 50,000 Indians reside in Nigeria, some of them for decades. Most of them are professionals, such as engineers, accountants, bankers, trainers and health-care experts.

While all these facts go to underline the substantive nature of India-Nigeria ties, they also point to two important contextual factors. First, all these achievements are the outcome of valiant attempts by individual stakeholders with scant official encouragement or support.

For instance, some simple tweaking in our visa procedure can help thousands of Nigerians avail of our medical and educational facilities, benefiting all sides and creating huge people-to-people goodwill. Despite the encouraging numbers, the two governments have not yet been able to facilitate direct connectivity of air travel, banking and shipping — steps which could have promoted the ease of doing bilateral business.

Second, enormous potential still waits to be leveraged in such sectors such as upstream hydrocarbons (despite India being the largest buyer of Nigerian crude), agriculture, health care

and skilling. Despite their growth, Indian exports to Nigeria are still around a quarter of China's.

Although bilateral ties have had to face strong headwinds during the past five years, more could have been accomplished. Mr. Buhari, who was trained in India as a military officer and holds this country in high esteem, attended the third India-Africa Forum Summit held in October 2015 and met Mr. Modi for bilateral talks. Then Vice President Hamid Ansari's bilateral visit in September 2016 broke the hiatus in top-level contact since Manmohan Singh's Nigeria visit, as Prime Minister, in 2007.

Though some ministerial-level visits took place in the past five years, these were mostly for multilateral events in India. The last session of the Joint Commission Meeting was in 2011 and the Foreign Office Consultations were held in 2003. Bilateral ties have not drawn commensurate proportion of the resources offered by India to its African partners largely due to some systemic issues. Defence cooperation has been mostly episodic and training oriented.

As the two leaders begin their respective second innings, they need to give a push to India-Nigerian ties sooner rather than later. Actions along few force-multiplier axes suggest themselves. With oil and other commodities becoming a seller's market, an early summit between the two leaders is an obvious imperative. It could evolve a multi-pronged strategy to leverage evident economic complementarities in sectors such as hydrocarbons, infrastructure, institution-building, defence and agriculture. A purposive follow-up session of the joint economic commission soon thereafter could provide an incremental and sustainable road map empowering the relevant bilateral stakeholders. If handled deftly and with political will, it could usher in an India-Nigeria economic synergy that has been untapped for some decades.

Mahesh Sachdev was the Indian High Commissioner to Nigeria during 2008-13. He is the author of the book, Nigeria: A Business Manual.

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