

Revisiting Nigeria's absence from the AfCFTA

By:

Ohio Omiunu

June 12, 2019

Introduction

The <u>AfCFTA entered into force on the 30thof May 2019</u>, having met the required minimum threshold of 22 ratifications. However, Nigeria is yet ratify the agreement. As one of the biggest economies and the most populous black nation in Africa, Nigeria's hesitancy to commit to the AfCFTA has continued to be a topic of debate. It will be argued in this post that the pressure from domestic interest groups within Nigeria demonstrates a changing attitude in the politics of international trade diplomacy in Nigeria. However, internal dialogue and engagement must translate to a clear negotiating position for the Nigerian Office for Trade Negotiations (NOTN) at the AfCFTA negotiating table.

The politics of international negotiations: a two-level game

According to Putman:

The politics of many international negotiations can usefully be conceived as a two-level game. At the national level, domestic groups pursue their interests by pressuring the government to adopt favorable policies, and politicians seek power by constructing coalitions among those groups. At the international level, national governments seek to maximize their own ability to satisfy domestic pressures while minimizing the adverse consequences of foreign developments. Neither of the two games can be ignored by central decision-makers, so long as their countries remain interdependent, yet sovereign.[1]

Putman's description of a two-level game/logic in international diplomacy in some ways describes Nigeria's current situation with the AfCFTA, except that Nigeria seems stalled at level one of the game (the domestic level) and has taken a backseat at level two (the continental level).

The Buhari government has been emphatic that it will eventually sign up to the AfCFTA but only when it has a clear indication of its impact and benefits for Nigeria. This is not surprising, because as Katzenstein argues, "*The main purpose of all strategies of foreign economic policy is to make domestic policies compatible with the international political economy*."[2] In essence, during the negotiation of international agreements, domestic politics/interests often intertwine with, and impacts on the negotiation process. As such, forging a strong negotiating position abroad requires alignment or at least compromises between competing interests and stakeholders at home.

The dynamics described above are crucial to our understanding of the Nigerian situation, because the hesitation by Nigeria to commit to the AfCFTA, does not often happen in a country which has a track record of committing to international agreements without any risk assessments being conducted. In this regard, the Buhari government cannot be faulted for opting for caution. However, from the opinions expressed so far, it is clear that skeptics do not question the benefits of the AfCFTA, they are only concerned about Nigeria's readiness to join the agreement. If this is the case, why is Nigeria still stalling?

In a previous post on this forum, I explored some of the <u>concerns about</u> <u>inclusive participation in the AfCFTA negotiations raised by civil society groups</u> <u>across Africa</u>. From Nigeria's perspective, the Organised Private Sector (OPS) and the Nigerian Labour Congress had similar concerns about the lack of consultations at the national level with key stakeholder groups who will be impacted by the AfCFTA. In light of this, it made logical sense for Nigeria to consult nationally before committing to the AfCFTA. More importantly, the pressure from the domestic groups came at a crucial time of a presidential election year, which may have played a role in swaying the Buhari government to stay action on committing to the AfCFTA. As Putman argues in a complex scenario of two-level game diplomacy, "...any leader who fails to satisfy his fellow players at the domestic table risks being evicted from his seat."[3]

Even though the political situation may have delayed Nigeria's commitment to the AfCFTA at the time of the Kigali declaration, public consultations was never a bad idea. However, the government consultation initiated by the Buhari government and facilitated by the NOTN have come and gone. After the consultations, some initial skeptics have been won over about the benefits of Nigeria signing up to the AfCFTA. However, objectors to the AfCFTA remain, who stand their ground that Nigeria is not ready to join the AfCFTA. For example, after the public consultations where concluded, the Manufacturers Association of Nigeria (MAN) issued a press statement stating that the consultations did not address the concerns raised by the OPS, instead, *'...all efforts were geared towards extolling the laudable objectives of the AfCFTA, its potential benefits, and what Nigeria is expected to benefit from its implementation.*'

The way forward: in or out?

The government can ignore the criticisms that the consultations were flawed and join the AfCFTA on the merits of the forecasted benefits alone. However, another option is that the government heeds the critical voices, but joins the AfCFTA while keeping the dialogue open during the implementation stage of the Treaty. <u>Cameroon</u> and <u>Zambia</u> have taken this latter option by signing up first before undertaking public consultation with stakeholders. During the consultation process in Nigeria, Vice President Yemi Osinbajo remarked that Nigeria's decision to delay and consult with stakeholders had *precedential value* because "...fellow African countries consider Nigeria's domestic consultative process with Stakeholders as an applicable model."Nigeria's actions may have been a catalyst for other nations to take consultations seriously. However, the countries that have adopted the agreement while working out their strategy for implementation seem to understand the two-level game logic more than Nigeria.

Whatever option the government takes, timing is essential because as Prof. Benedict Oramah of Afreximbank argues <u>"Whether or not Nigeria joins the</u> <u>treaty, it will in one way or the other be impacted given its size and geographic</u> <u>location in Africa.</u>"In essence, in or out, Nigeria will not be immune from the impact of the AfCFTA. In light of this, rather than take a back seat at the continental level, Nigeria must leverage on the national consultations to forge a stronger negotiating position which ensures that its interests and concerns are better protected.

The pressure is, mounting on Nigeria from external stakeholders to take a cue from the 24 signatories who have committed to the AfCFTA by 30thMay 2019. However, there is value in the Nigerian government reaching a national consensus on its negotiating position before committing to the AfCFTA. The domestic consultations present an opportunity to do so. However, level one (domestic negotiations) is of minimal value if Nigeria is taking a back seat at level two (continental negotiations); both must happen concurrently. It is advocated that the momentum gained at the domestic level to evaluate the benefits of the AfCFTA must be translated to a negotiating position which works for the benefit of Nigerians at the continental level. More so, addressing the concerns about Nigeria's readiness to join the AfCFTA requires time, effort, and sustained commitment over successive government administrations. Given this, can signing the AfCFTA wait? In my view, certainly not.

[1]Robert D Putman, 'Diplomacy and Domestic Politics: The Logic of Two-Level Games' (1988) 42(3) IO 427, 427-460, at 435.

[2]Peter J. Katzenstein, ed., *Between Power and Plenty: Foreign Economic Policies of Advanced Industrial States* (Madison: University of Wisconsin Press, 1978), p. 4.

[3]Robert D Putman n 1 at 434.

View online: <u>Revisiting Nigeria's absence from the AfCFTA</u>

Provided by Afronomicslaw