

Strategic Implications of Bilateral Relations Between Nigeria and India

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Abstract

The bilateral relations between Nigeria and India date back to 1958 when India established diplomatic mission in Nigeria. The relations cover strategic areas like political, economic, security, religious, education and cultural sectors. Both countries have been benefitting from the bilateral relations. This paper therefore examines the implications of the bilateral relations between the two countries on the social, political and economic sectors. Adopting secondary source of data collection and qualitative analysis of data, the paper argues that India benefits more from the bilateral relations as Nigeria has given too much of its limited comparative advantage and gained too little. The paper still posits that Nigeria does not have the capacity and capability for competition and cooperation with India and other bigger nations. The paper therefore, recommends, among others, development of nationalist leadership with a sense of mission and vision as well as development of indigenous technological capacity to shape Nigeria's relations with not only India but other countries in the international system.

Keywords:

Bilateral relations,
Economic
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Background to the Study

There is no country in the world that can stand alone without relating with others in the international system. The nature of relations could be through bilateral or multilateral interactions. Direct state to state relations emphasize factors like trade investment, profit and other tangibles more with political consideration (Bukarambe, 1989). Thus, bilateral relations between two countries. In contemporary international relations, two new emerging economies are increasingly making more overtures to the other developing world especially Africa. The two are China and India. Much have been written about China and its relations in Africa but more could be written about India who is a competing hegemon with China in Asia.

Nigeria is also an important power factor in Africa and has great potentials in influencing the outside world. If foreign policy is an extension of domestic policy to the international environment, how does Nigeria relate with the new hegemon coming from Asia, most especially India, to realise its foreign policy objectives? Does Nigeria have the capacity and capability to compete and cooperate with India? What is the preparedness of Nigeria to have a symbiotic relation with India? Are there any lessons Nigeria could learn from India in the ways the latter developed its potentials to become real power factor to be reckoned with in the international system?

Statement of the Problem

Relations between Nigeria and India have been warm and friendly. India has established diplomatic mission in Nigeria since 1958, two years before Nigeria got independence. Both countries have had existing relations in many areas including agriculture, defence, commerce, healthcare, infrastructure and socio-cultural relations. The focus of this paper is to examine the strategic implications of these bilateral relations in the two countries.

Objectives of the Study

The aim of the paper is to investigate the strategic implications of the bilateral relations between Nigeria and India.

The specific objectives include:

- i. To trace the origin of bilateral relations between Nigeria and India
- ii. To identify the main thrusts of the bilateral relations between Nigeria and India and the achievements in the areas of focus.
- iii. To examine the challenges of the bilateral relations between the two countries and how to solve the challenges.
- iv. To identify the strategic implications of bilateral relations between Nigeria and India and the cost benefits of such relations.

Research Questions

- i. What is the origin of the bilateral relations between Nigeria and India?
- ii. What are the main focus of such bilateral relations and the achievements of the two countries in the areas of focus?

- iii. What are the challenges of the bilateral relations and how can these challenges be resolved?
- iv. What are the cost benefits of the bilateral relations to each country?

Methodology

The paper relies on secondary sources of data. The data for the study was generated from edited books, journals, official documents and internet materials. Qualitative method was adopted to analyse the data generated.

The Study Areas

The study areas are India and Nigeria.

Literature Review

Nigeria and India have many things in common. Both countries have exceptionally diverse populations (Cohn, 2013) while Nigeria has a population of 180 million, India has a population of more than 1 billion. India and Nigeria are the largest democracies and the largest economies in their respective regions. Both are multi-religious, multilingual, multi-ethnic and plural societies (Mehra and Yaruigam, 2015). The two countries have similar colonial legacies especially divide and rule legacies from the British Colonial masters. According to Offor (2010), Nigeria and India are members of multilateral organisations such as the United Nations, the Commonwealth, the Non-Aligned Movement (NAM), the Group of 15 (G-15), the Group of 77 (G-77), the World Trade Organisation (WTO), Asian African Legal Consultative Organisation (AALCO) and Afro-Asian Rural Development Organisation (AARDO), among others.

Although both of them belong to the Third World, India has become a regional hegemon in Asian continent (Offor, 2010). The Nehru administration in India pursued a conscious effort that was geared towards the development of heavy industries in India without neglecting small scale enterprises (Badejo, 1990). This effort according to Badejo (1990) has paid off with the effect that India today is able to produce capital goods in the form of machines and transport equipment, chemicals, processed and semi processed manufactures, military software and hardware, as well as raw commodities. In fact, Indian multinational corporations are engaging western MNCS in keen competition in developing countries. India sees itself as too large and too demographically endowed to be coerced by any power (Offor, 2010). Apart from India's strong support for Africa in the era of decolonization and anti-apartheid struggle, the country has continued to play advocate to other developing countries in sensitive issues, particularly in negotiations at the various rounds of World Trade Organisation (Offor, 2010). To sum it up India also shares the desire to develop without carrying the burden of association with the developed countries (Bukarambe, 1989).

Nigeria on the other hand, is the most populous black nation. At independence, Nigeria was relatively underdeveloped with respect to industrial inheritance from Great Britain (Badejo, 1990). Despite the various plans and other conscious moves like indigenisation

decrees, Nigeria has not departed from the course charted for the country by the metropolitan power. The country remains a producer of primary products especially crude petroleum under the aegis of western oligopolies (Badejo, 1990). Efforts of the country at developing heavy industries in terms of iron and steel as well as petrochemicals are yet to make appreciable impact on the Nigerian economy. In spite of these, at independence, Nigeria's foreign policy thrust was dictated by the country's desire to champion Africa's decolonisation and economic development (Offor, 2010). With the attainment of political independence by virtually all developing nations, Nigeria's focus expanded to embrace independence for Africa and the promotion of international cooperation and universal peace.

Nigeria – India Bilateral Relations

a. Political Relations

Diplomatic relations between the two countries predate Nigeria's own independence in 1960. India established its diplomatic mission on the 20th November 1958, in Lagos, Nigeria, two years before Nigeria's independence (Mehra and Yaruigam, 2015). The Indian mission was eventually upgraded to the status of a High Commission in 1962. High profile visits have been made by both countries. It started with the visit of Indian Prime Minister, Jawaharlal Nehru to Nigeria in 1962. Prime Minister Manmohan Singh also made a state visit to Nigeria in October 2007. This was followed by the visit of Prime Minister Atal Behari Vajpayee in December 2003 to attend the Commonwealth Summit. During this visit after 45 years since that of Nehru, the Abuja Declaration on strategic partnership between India and Nigeria was signed. An MOU between the Foreign Service Institute of India and Nigeria Foreign Service Academy was signed. Also signed was an MOU between the Indian Council for World Affairs (ICWA) and the Nigerian Institute of International Affairs (NIIA). Finally, an MOU on Defence Cooperation and a protocol for Foreign Office Consultations were signed (Offor, 2010; India High Commission, 2018).

Nigeria reciprocated the visits when President Shehu Shagari visited India in January 1983 as a Chief Guest Republic Day Celebration. General Sanni Abacha visited in March 1994 to attend the GIS Summit. President Olusegun Obasanjo visited in April 1999 and still made a state visit to India from January 24 – 28, 2000 as the Chief Guest at India's 50th Republic Day Celebration. Obasanjo also made a transit visit to India from November 2 – 3, 2004. Vice President Goodluck Jonathan visited in November 2007 for the Federation Conference and in April 2008 led a large delegation to the Africa Summit. President Muhammadu Buhari visited from October 26 – 30, 2015 for the Third India – Africa Forum Summit in New Delhi (India High Commission, 2018).

On political relations one could see that it has been warm between Nigerian and India. The zeal to sustain this warmth continues to be shared by both countries (Offor, 2010).

b. Economic Relations

India has been the largest trading partner of Nigeria and Nigeria has been India's largest trading partner in Africa. The commercial activities started since Nigeria got

independence. Of recent, because of global economic recession, the bilateral trade during the year 2015 – 2016 declined by 25% US\$12.17 billions as against US\$16.36 billion recorded during the year 2014 – 15. The period of April 2016 to March 2017 witnessed a 20% decline in India exports to Nigeria to US\$1.77 billion from US\$2.22 billion during the corresponding period in 2015 – 2016. The table below illustrates further.

Table 1: India – Nigeria Bilateral Trade Statistics

Values in US\$ million

	2012-13	2013-14	2014-15	2015-16	2016-17
India export	2738 (+1.5%)	2666.83 (-2.6%)	2681.36 (+0.09%)	2222.0 (-17%)	17711.33 (-20%)
India Import	13862 (-5.9%)	14098.38 (+3.5%)	13682.72 (-2%)	9949.16 (-2.7%)	7659.48 (-23%)

Source: India High Commission Abuja 2018

Crude and petroleum products constitute the large part of India imports from Nigeria. India is the largest importer of Nigeria petroleum products. Out of total imports of US\$7.65billion, petroleum products alone accounted for US\$7.46billion in 2016 – 17 (India High Commission, 2018).

Economic activities and projects include more than one hundred companies operating in Nigeria. The companies are owned and/or operated by Indian or persons of Indian origin. Prominent among them are Bhartil, Airtel, Leyland, ApTech, Ranbaxy Pharmaceutical company, Tata Automobiles, Bajaj, Olam International, Indorama among others (Offor, 2010; India High Commission, 2018).

Except for Dangote that has made mining and cement plant agreement with India, no other Nigerian companies operate in India. Whereas there are about 3,000 unemployed Nigerian in Indian (mainly students), there are about 300,000 Indian employed by Federal or State governments or engaged in private business in Nigeria (Offor, 2010).

a. Cultural Relations

There are cross-cultural links between India and Nigeria. The first lady of Nigeria, Dame Jonathan inaugurated Indian Films Festival in Abuja from March 31 to April 16 2014. Indian films are popular in Kano and other Northern states and local channels regularly telecast Indian films. Indian cultural and dance troupes also visit Nigeria. ICCR cultural troupes of India participated in the Abuja carnivals in 2010 and 2011. ICCR also performed in Lagos, Abuja and Kano cities High Commission of India, Abuja celebrated Yoga Day in June 19, 2016 (High Commission of India, 2018).

b. Tourism

The fragile state of the Nigerian healthcare delivery system, lack of requisite equipment, manpower and expertise are reasons for large exodus of Nigerian visiting India as medical tourists (Mehra and Yaruingnam 2015). India can collaborate to establish

healthcare facilities, build hospitals and share its medical expertise to make healthcare easily accessible and affordable for Nigerian and stop high cost of travelling, and medical expenses paid by Nigerians in India.

c. Security/Defence Relations

India has played a significant role in the establishment of Prestigious Nigerian Defence Academy (NDA), Kaduna in 1964 and provided Indian training team till 1973 (Indian High Commission, 2018; Mehra and Yariungam, 2015). India has also taken part in the building of Command and Staff College; Abuja. The country has also provided scholarship for officers in Nigerian Armed forces to be trained in Indian military institutions. India and Nigeria have engaged in collaborations regarding military technologies, although there has been little cooperation in the procurement of weapons (Mehra and Yariungam, 2015). India has also helped in building iron and steel industries in Nigeria to provide middle level machineries for Nigerian military (Alumonah, 2009).

d. Education

The start of a scholarship scheme for African students by the Indian government way back in 1955 is suggestive of the India commitment to helping Africa in general and Nigeria in particular (Mehra and Yariungam, 2015). The Lagos Business School has a rotating professional chair arrangement with India Council for Cultural Relations (ICCR). There is also Indian Language School in Lagos with 2,500 students. About 5,000 Nigerians students are pursuing bachelor and post graduate level courses in India. ICCR also offers 20 scholarships to Nigerian students to pursue their bachelor and post graduate studies in India (India High Commission, 2018, Abuja).

e. India – Nigeria Joint Commission

According to Offor (2010), Nigeria and India as members of Non-Aligned movement (NAM) seriously canvassed for South-South cooperation. This resulted in the proposed agreement on economic, scientific and technical cooperation on 28 September 1972 which later metamorphosed into the India- Nigeria Joint Commission with the signing of a memorandum of understanding (MOU) on 26 December 1977. The commission has its objectives the transfer of technology and the training of Nigerian therein by Indians. The commission has been able to hold only five sessions between 1979 and 2007.

f. Religious Relations

Nigeria and India are both multilingual, multi-ethnic and multi-religious countries. India has Hindum as its major religion while Muslims and Christians form religious minority in India. Nigeria has its major religions as Islam Christianity and minority traditional religionists. India has been able to establish two temples in Lagos Nigeria to practice Hinduism.

Challenges for Bilateral Relations between Nigeria and India

(Mehra and Yariungam, 2015) identified about five challenges for Nigeria – India relations. One challenge is the one sidedness in trade and investment relations which is

skewed in favour of Nigeria. Imports by Nigeria are mostly manufactured goods whereas imports by India are largely primary commodities especially petroleum products. The second challenge identified by them is that while India businesses are firmly established in Nigeria and more are gaining roots, foreign direct investment in India by Nigerian firms is marginal. Thirdly, under-employment by Indian firms contrary to the stance of Nigerian trade unions on casual labour. This labour practices by Indians hamper the transfer of technological know-how to Nigerians. In the fourth place, Mehra and Yariungam, (2015) also observe that there are no comparable job opportunities for Nigerian in India as Indians in Nigeria. This is corroborated by Offor (2010) that posits that whereas we have about 300,000 Indians that are gainfully employed in Nigeria, 3,000 unemployment Nigerians are in India. Finally, Indian investments in Nigeria face serious challenges of inadequate infrastructures like poor power supply, thereby increasing the cost of doing business. Corresponding smuggling of substandard and fake goods into each other's economy is very rampant.

Another challenge to Indo-Nigerian relations is the criminal activities in Nigeria especially kidnappings armed robbery, piracy and Boko Haram insurgency. For instance, in February 2016, eleven Indian nationals were taken hostage although later released (India High Commission, Abuja, 2018).

Despite economic ties via commonwealth connection, there are also ethnic tensions between Nigeria and India. In 2013, there were xenophobic incitation's which led to protests and a 'law and order problem' in Goa, India. A Nigerian was killed in the incident. Goa's Art and Culture Minister, Dayanand Mandrekar called Nigerian a 'cancer' and said their actions were detrimental to tourism industry. Though the statement was later retracted, some Indians were said to have resolved not to rent out apartment to Nigerians (Wikipedia). All these are serious challenges to Indo-Nigeria bilateral relations.

Strategic Implications of Nigeria – India Relations

This section examines the cost benefits analysis of bilateral relations between India and Nigeria. In the first instance, the bilateral relations especially in the economic sphere have been beneficial to both countries. India has become the largest importer of petroleum products from Nigeria. This is the time when the hitherto largest importer (i.e USA) has been developing alternative sources of energy. The reduction of patronage of Nigeria's crude by the United States was reimbursed with India coming to import Nigeria crude. India also finds ready markets in Nigeria for their manufactured products (Badejo, 1990).

The expatriate system in the bilateral relations satisfies both countries. Nigeria gets skilled labour while India benefits from the remittances. For instance, India sends official experts under inter-governmental arrangement. They fill in job gaps mainly in the teaching, health and agricultural services in the northern states or technical areas like railway where Indians are more represented (Bakarambe, 2005).

Through joint ventures, India export capital, expertise and machinery. India leads with many joint ventures in Nigeria. The whole process generates goodwill and side businesses like consultancy. For example, the Metallurgical and Engineering Consultancy of India (MECON) served as a consultant for Delta Steel Plant, Aladja (Bukarambe, 2005).

Bilateral collaboration in technical and technological fields is very healthy for both countries. The confederation of Indian industries collaborated with the Nigerian investment and promotion commission in bringing investors of both countries together for exchange of investment ideas (Offor, 2010). The Indian iron and steel company, manages the Ajaokuta iron and steel company while Associated Cement Company has gone into partnership with the Dangote Group in construction of cement plants in Nigeria (Offor, 2010). Although the casual labour practices by most Indian companies do not allow Nigeria to benefit maximally from transfer of technological know-how which these joint ventures and collaborations would have brought.

Another aspect which India shares with Nigeria is the politics of anti-colonialism, anti-imperialism and anti-racism. Along with this, India also shares the desire to develop without carrying the burden of association with the developed countries (Bukarambe, 1989). Nigeria could also learn from this by making conscious effort to look inward for, its development initiative by laying less emphasis on foreign direct investment. Nigeria should generate and develop ideas that would encourage its nationals to invest idle funds in development activities in Nigeria.

India's bilateral relations with other developing countries are geared towards giving assistance to those few developing countries that have technological capability and intentions. India has acquired its technologies through indigenous efforts and the country is convinced that Nigeria has technological capability and intentions (Offor, 2010). This has, for instance, resulted in collaboration between Hindustan Machine Tools and Nigeria Machine Tools industry at Oshogbo for the production of machine components needed for Nigeria's industrial take-off and revamping of its railways (Offor, 2010; Alumonah, 2009).

Another lesson Nigeria could learn from India is in the area of realistic foreign objectives. For instance, the India – Brazil – South Africa (IBSA) Forum was born in 2005 to seek a United Nations Security Council permanent seat without veto powers (Offor, 2010). Nigeria is still canvassing for a permanent seat with veto powers.

Besides, the negative implication of Nigeria – India bilateral relations is the suspicion that India's interest in Africa and Nigeria in particular is a smokescreen for a new scramble for the resources of the country. According to Chibuzo (2007) the major forces in the so-called new scramble for African natural resources, cheap labour and market, remain the Western Europe and North America and their multinational corporations. Another group of major forces according to him are the emerging countries of Asia including China, India, South Korea, Malaysia, Indonesia and others. To Chibuzo (2007) the Indians in

Nigeria are well connected to those who have power and can influence policy. They are very mobile and can be seen operating in both the remotest and high-class segments of the Nigeria economy.

Conclusion and Recommendations

Indo – Nigerian bilateral relations have been warm and friendly in virtually all the strategic sectors ranging from political, economic, security, religious, cultural and social sectors.

From the discussion of this paper the following conclusions are made:

- i. That Indo – Nigeria relations started with the establishment of Indian diplomatic mission in Nigeria in 1958 and the bilateral relations blossom till date.
- ii. That both Nigeria and India benefited immensely from the bilateral relations between the two countries.
- iii. That although India records deficit in its balance of trade with Nigeria, the former still has an upper hand as the bilateral relations favour it more than Nigeria as a result of its development of technology through indigenous efforts. For how can one explain 300,000 Indians that are gainfully employed in Nigeria while 3000 Nigerians could not find job in India
- iv. That the bilateral relations between the two countries made Indian business firmly established in Nigeria and more are gaining roots while foreign direct investment in India by Nigerian firms is marginal.
- v. That Nigeria could learn more from India's setting of realistic foreign policy objectives and development of technologies through indigenous efforts
- vi. That Indian companies face infrastructural deficits in Nigeria which make the cost of doing business more expensive in Nigeria while Indians were hostile to Nigerians living in their country.

From the above findings and conclusion, the following recommendations are made:

- i. That strategic policy measures should be designed to deal with the new scramble for Africa to evolve a development plans that would look inward rather than relying on outsiders to develop Nigeria for them.
- ii. That there is the need for nationalist leadership in Nigeria with a sense of mission and vision that would develop the capacity and capability to compete and cooperate with the outside world.
- iii. That there is need to establish indigenous technological research and development centres for excellence to find new and improved ways and means of utilizing local mineral resources as well as developing indigenous technologies that can withstand and compete with western technologies.

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