

## POLITICAL ECONOMY OF 2015 GENERAL ELECTION IN NIGERIA

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### **Abstract**

*The Nigeria's 2015 presidential election marked a watershed in the political history of the country. However, the scenario of the 2015 election has both political and economic undertone. It was the first time in Nigeria's electoral contests that incumbency power at the national level failed despite huge investment by the ruling party to maintain the status quo. Before the Election Day, the polity was heated with high level of political tension emanated the accusation and counter-accusation from the ruling party and the opposition political party. Given this scenario, this paper aims to explore the political economy syndrome of the 2015 general elections. With the aid of secondary data sourced from articles, newspaper, reports, policy statements, the political economy of the 2015 elections is examined. The findings of this paper show that pre, during and after the 2015 election, the polity was heated due to actions and inactions of political stakeholders. In fact, the dimension of the election showcased the diversity of Nigeria's ethnoreligious setting. The division was exploited mainly by the political actors. The contest was a straight political battle between President Jonathan, a Christian from Southern Nigeria, against General Buhari, a Muslim from Northern Nigeria. Because of the postponement of the election (earlier scheduled for 14<sup>th</sup> February 2015), Nigeria was reported to have lost about 2 billion dollars because investors lost confidence in the country's economy. Apparently due to the uncertainty of future of Nigeria investors withheld their investment which had adverse effects on Nigeria stocks (-6.83% and -19.39% WtD and YtD loss). Nigeria GDP growth also reduced by 65 percent during the electioneering period. The paper contributes to the political economy of election discourse using 2015 Nigeria's general election as a unit of analysis.*

**Keywords:** Politics, Economy, Election, Nigeria.

### **Introduction**

According to Dewan and Shepsle (2011), political economy is a burgeoning field with a pedigree dating back more than two centuries. In the modern era, economists and economically inclined political scientists have focused on political institutions and processes. These scholars have produced formal models of various political arrangements, including those surrounding voting, campaigning, and elections. There is no doubt that actions and inactions of politicians pre, during and after elections usually have consequences either positive or negative on the nation's economy. The Nigeria 2015 presidential election was not different.

The presidential election which held on 28 and 29 of March 2015 was the fifth one held in Nigeria since the beginning of the current democratic dispensation in 1999. The results of this election marked a watershed in the nation's electoral cycle as it was the first time in the history of Nigeria that an incumbent president was defeated in an election organised by institutions of government under him. The incumbent president was Goodluck Jonathan who was also standard bearer for People's Democratic Party (PDP) while the eventual winner of the election was General Muhammadu Buhari of All Progress Congress (APC) a former military head of state. The election was essential to Nigeria, Africa and the world; this was evident in the interest generated in preparation for the election. Muhammed Buhari

of APC polled 15, 424, 921 votes (53.96%) defeating the incumbent president and PDP candidate Goodluck Jonathan who scored 12,853,162 (44.96%). Buhari had won 21 of 36 states thereby leaving 15 states to the incumbent president. With the election announced Jonathan conceded defeat and called Buhari to congratulate him thus dousing the tension which had early engulfed the country. Buhari was finally sworn-in on May 29, 2015, for a four-year term (Orji, 2015).

The election has political and economic implication for Nigeria's development. Politically it opened the political arena and provided opportunities for the opposition to displace ruling party where necessary and possible. Economically, from different accounts, it showed that the election had economic consequences on the country. The election is adjudged the most expensive in the history of electioneering in Nigeria (Ahar, 2015; Nwangwu & Ononogbu, 2016; Obi, 2015). An estimated ₦ 67 billion Naira was said to have been expended on the election (this figure could be far higher because there is no mechanism to regulate campaign spending in Nigeria). Prof Wole Soyinka Nigeria foremost winner of Noble prize of literature succinctly put that Nigeria's 2015 election was

*"Most expensive, most prodigal, wasteful, senseless, I mean really insensitive in terms of what people live on in this country. This was the real naira-dollar extravaganza, spent on just subverting, shall we say, the natural choices of people. Just money instead of argument, instead of position statements"(Ajayi, 2015)*

The then ruling party owing to its access to state resources, spent lavishly on media campaign for reelection and promoted the campaign of blackmail and calumny against the opposition leading candidate. This singular action triggered the already tensed political atmosphere resulting to promotion of hate speech along religious and ethnic dimension. In fact, it exposed more the dichotomy of the background of the two major presidential aspirants which to a large extent determined the voting patterns of the electorates in the 2015 elections. By and large, the political tension led to skepticism on the path of investors with regards to investment in the country which affected government revenues (Klmenyl, 2015). The alleged postponement of the election on the request of the country's national security adviser that election could not hold on earlier scheduled date of February 14, 2015 was seen as a ploy by the then ruling party to weaken the opposition and deny it the opportunity to further oil its electioneering campaign. The effect of the heated politics on the nation's economy was enormous. The objective of this paper is to explore the political economy of 2015 general election. In order to achieve this, the paper is divided into five sections. Apart from the introductory remark, the conceptual clarification captures relevant concepts regarding the study. The third section dwells on the overview of the election while the fourth segment gives details of the political economy of the 2015 presidential election. The fifth section concludes and recommends ways to tackle the menace of finance abuses in electoral contest.

### **Methodology**

This paper utilizes secondary source of data for the research. This includes journals, relevant books, internet sources and pronouncement. These data were analyzed using qualitatively. This paper was divided into the following thematic section; general introduction to the research; followed by section two which provide definition of concepts such as political economy and election; an overview

of 2015 Nigeria's general election, and finally politics and economic implication of 2015 general election.

### **Conceptual Discourse**

#### **Political economy**

Political economy reflects the interplay between politics, law and economics. It also analyses how public policy is created and implemented. Political economy deals with mode of production and the production of material wealth which entails economic relations between people in the production process which serves as the basis of human interaction in the society. Accordingly, Lenin sees political economy from the social relations of men in production perspectives. It is therefore pertinent to note that political economy entails the economic relations between individuals, the relationship of several social classes to political power and interplay between economics and politics in the determination of power relations within nation states (Abayomi & Osimen, 2015).

#### **Election**

Election is an essential pillar of the democratic process. It gives the populace the opportunity to periodically select their representatives both in legislative and executive positions to govern them and most importantly serve in the interest of the masses. The purpose of election is for the populace to select candidates who will work for the development of state and by extension improve on the living standard of the masses through the provision of the basic societal need for the people. This gives credence to the nexus between politics and economy. This is because through elections the populace elect leaders who will govern them, make life better for the ordinary man and make their country economically viable (Ugbudian, 2015).

#### **Overview of the 2015 Election in Nigeria**

Election is an integral part of any democratic process. It has also become an essential part of Nigeria system, held when military juntas transmit power to civilian administration (1979, 1993 and 1999) or election conducted by the civilian government for consolidation democracy (1964, 1983, 2003, 2007, 2011 and 2015). This election usually had apolitical and economic undertone, because political power aims to control and influence the economy. The pre, during and post-election process also usually have a positive or adverse effect on the state economy (Amuwo, 2009; Mustapha, 2017).

The 2015 Nigeria presidential election marked a watershed in Nigeria electoral contest. This is because election in Nigeria is usually viewed as birthright of ruling party, where the party in power usually records landslide victory due to manipulation of the system. This was the case in 1983, 2003 and 2007. However, 2015 was different because it was the first time an opposition candidate defeated an incumbent. The election was a straight contest between the then ruling party People Democratic Party (PDP) and opposition party All Progressive Party (APC). The opposition party candidate and former Military head of state General Muhammad Buhari defeated the ruling party candidate and country's incumbent president Dr Goodluck Jonathan (Orji, 2015)

Prior to election proper, the polity was characterized by high rate of unemployment, escalation of insurgency in the Northern Nigeria by Boko Haram, rampant corruption, high handedness in handling of state affairs, poor state of

infrastructure such as education (Bello, Othman, Shariffuddin, 2017). Similarly, the campaign slogans were reflections of abusive languages resulting to high manifestation of hate speeches among various political groups. In fact, as noted by Omotola (2015), the political campaign of the 2015 elections enhanced a sharp division among Nigerians based on religious and ethnic lines. The consequence resulted to a political atmosphere soaked with tension and fears. Though the credible conduct of the exercise by the Election Management Body (EMB) doused the tension, yet the political behaviours exposed the dichotomy among electorates on religious and ethnic basis. To Sakariyau, Mohd Sani and Atiyah(2016), the impartiality of the electoral body averted the boiling crisis that could have surfaced aftermath of the 2015 general elections.

However, several factors contributed to the peaceful conduct of the elections. The role of the National Peace Committee headed by the former Head of State General Abdulsalam Abubakar with a member from all strata of Nigeria was significant towards peaceful electioneering contest in 2015 elections. The singular approach that ensured signing of a peace pact by the two leading candidates President Goodluck Jonathan, General Muhammad Buhari and other smaller political parties was remarkable. The terms of the accord was to ensure a peaceful exercise and that all aspirants should employ their prospective supporters to accept the outcome of the elections. This was done with emphasis on litigation as the best way to settle any electoral dispute rather than taking laws into their hand. Not only that, the international community raised alarm that any failure for Nigeria to conduct free and credible election, democratic hope is threaten in the entire African continent. The visitation of the United States of America Secretary of State, John Kelly, was a follow up to engage electoral stakeholders on violent free electioneering(Olowojolu& Ake, 2015).

According to a report from an international organization, the commitment of the candidates includes

*“taking proactive measures to prevent electoral violence before, during and after the elections... reaffirm commitment to the constitution of the Federal Republic of Nigeria, [and] desirous of promoting the unity and corporate existence of Nigeria as an indivisible entity, determined to avoid any conduct or behaviour that will endanger the political stability and national security of Nigeria,... to place national interest above personal and partisan concern. They further reaffirmed their “commitment to fully abide by all rules and regulations as laid down in the legal framework for elections in Nigeria” (UNDP, 2015).*

Considering the importance of Nigeria, as the largest economy in Africa and one of top world oil producers any crises in Nigeria would have an adverse effect on the world economy which world powers try to curtail. Another accord that warranted a peaceful exercise was the peace accord led by Kofi Annan, UN former Secretary General, and Emeka Anyaoku, the former Commonwealth Secretary. This peace accord was necessary to showcase the commitment of various actors towards delivering a credible poll(Ojeaga & Odejimi, 2015). The pledge of the candidates to adhere to the content of the agreements boosted the electioneering

process. Although Omotola(2015) pin points that the peace accord significantly played positive impact, the politicians were unable to desist from personalities based campaign. Both ruling party and oppositions were culprates of this ugly scenario. Nevertheless, the commitment to peaceful elections refrained party leaders and their supporters from outright break of law and order as experienced in the 2007 'do or die' elections.

Meanwhile, the 2015 general elections that were earlier scheduled to hold on 14 February 2017 had to be postponed at the behest of state security apparatus with the claim that the election was going to be disrupted by Boko Haram insurgents (Abayomi & Osimen, 2015). This necessitated the Independent National Electoral Commission (INEC) to reschedule the election time table. The rescheduled time table placed the Presidential / National Assembly election to 28 March while the Gubernatorial/House of Assembly elections were slated for 11 April 2015. However, the re arrangement did not go without critics. To the opposition party, the postponement was a ploy by PDP-ruling party to reduce the chance of the opposition and to also perfect their rigging strategies. To some political analysts, it was nothing but a political interference aimed at controlling the electoral umpire towards subversion of the electorates wish. Though, as stated by Omotola(2015), the postponement accorded the electoral commission the opportunity to further improve on the distributions of Permanent Voters Card(PVC) which was less than 70 percent before the rescheduling saga, it was glaring that such postponement had political undertone.

The presidential election held on 28 March but was extended to 29 March to include those disenfranchised on the first Election Day due to technical itches associated with the use of electronic card readers. At the end of collation of results from the 36 states of the federation including the Federal Capital Territory (FCT), Muhammed Buhari of APC polled 15, 424, 921 votes (53.96%) to defeat the incumbent president and PDP candidate Goodluck Jonathan who scored 12,853,162(44.96%). Buhari won 21 of 36 states thereby leaving 15 states to the incumbent president. As the election results were being computed, the incumbent President having realised the direction of the result conceded defeat and called Buhari to congratulate him. This singular act doused the tension and averted the awaited post election violence in the country.

### **Political Economy of the 2015 General Elections**

There is no doubt that the nexus between politics and economy is interwoven, this alludes to the fact that political actions and inactions by those at the helm of affairs usually have either positive or negative consequence on the economy. This is more pronounced in the election cycle because political actors make policy statement to shore up their support base both locally and international. Nigeria is no doubt in Africa is the largest economy endowed with both natural and human resources. Invariably, the political leader of Nigeria controls the largest economy and such ignites the power tussle by politicians to have access to the presidency. Realizing the political economy of the most populous Black Country, vying for elective offices in the country becomes more competitive engulfing large capital. Prior to the 2015 elections, the International Monetary Fund (IMF) forecasted that the Nigeria's economy experienced slow growth which was attributed to the reduction in capital inflows coupled with falling oil prices (IMF, 2014).

Shortly after the postponement of the elections, the forex and equities markets went southwards due to uncertainty on the faith of polity. The uncertainty was alluded to the postponement of the election, revenue decline due to fall in oil prices, allegation of corruption on the incumbent government, and unstable exchange rate value emanating from the unstable political climate within the electioneering cycle. The Nigeria currency lost its value from 155 naira to a US Dollar to 205 to a US dollar within these period of elections. After the postponement, Nigeria stocks recorded negative with a -6.83% and -19.39 Week-to-Dates (WtD) and Year-to-Date (YtD) loss. Coupled with this was fluctuation in the country's exchange especially at the parallel market. This gives credence to the correlation between the economy and political events in any nation-state (Abayomi & Osimen, 2015).

The statement credited to former US secretary of state, John Kelly that

*“Political interference with the Independent National Electoral Commission is unacceptable, and it is critical that the government not use security concerns as a pretext for impeding the democratic process”*

This statement is said to have shown how unstable Nigeria political climate was and how political leaders influence government institutions which are supposed to be independent (INEC). It is important to note that investors usually pay close attention to the economic and socio-political climate of every nation state before investing fund. The statement of Secretary Kelly has shown how unstable the country is and how it could influence the nation's economy. And surely it had, according to Etege (2015) who quoted Mr Norbert Bielderman, Managing Director of the Nigerian Aviation Handling Company (NAHCO), to have stated that the postponement of the election had adverse effect on the Nigeria's economy because it led to the loss of confidence by the investors. And in financial terms over \$2 billion was said to have been held back due to uncertainty on the political climate.

Foreign Direct Investments (FDI) which is supposed to be channeled to the country was said to have been directed to other countries. Even the investors within the polity withheld their fund to observe where the pendulum was going to swing as a result of the heated polity. Apart from the fall in FDI, due to heightened political tensions prior to the elections, most European countries placed a travel ban and travel warning to Nigerians. The activities of the Boko Haram insurgency created political tension in the country and no doubt affected the state tourism sector and by extension reduced the revenue of Nigeria (Daniel, 2015).

As a prominent feature during elections cycle in Nigeria, borders were shut thereby affecting trade and business thus recording low income regarding tax for the country's economy. Because of the palpable fear and insecurity in the country, there was an increase in the cost of goods and services up to 85%, this was attributed to the fact only few could provide these services. These absolutely affected investors' interest in investing in the country. By implication, the country's Gross Domestic Product (GDP) was reduced by 65 percent. The only sector that received more political patronage was the media sector. The politicians

spent massively on media ranging from political advertisement, documentaries, jingles, advertorials and live campaign programs (Abayomi & Osimen, 2015).

As Onapajo, Francis and Okeke-Uzodike (2015) highlight, the phenomenon of vote buying has been a recurring issue in Nigeria's election cycle. This is because politicians with access to public resources find it easy to buy votes in return for the electorate to cast their votes for them. On the other hand, some voters are of the opinion that selling their votes might be their only benefit from such politicians and coupled with widespread poverty in the country, they are left with no option than to take stipends in return to vote certain politicians. The 2015 contest was characterized by money politics and votes buying. Making the 2015 election one of the most financed election in Nigeria.

As Ross (2015) states that a candidate for House of Representatives needs a minimum of \$1 million for the campaign. Elections into senate, governorship and presidential cost more. Politicians close to government easily loot public purse to finance their re-election while the opposition is left to sort for funds from alternative sources. This has for sure hampered the countries quest to fight corruption because politicians usually recoup their spending after the election when they take office. Vote buying also characterized the presidential election, especially what was later popularized as *stomach infrastructure* which simply means providing basic groceries which includes a liter of cooking oil, a bag of rice, with a monetary inducement for voters in return for their votes, in some cases the voters card is bought for as low as ₦ 500 and given to a party loyalist to cast a vote for the party. Apart from votes buying during general elections, Matenga (2016) states that even parties' primary election are usually characterised by vote buying thereby giving the biggest spender edge over others. This was the case during the All Progressive Party (APC) primary in Lagos state. Delegates were said to have received as much as \$5,000 each from two major candidates, with 8,000 delegates the competing camps could have spent around \$40 million on just primary elections.

With the new government in place, the economy of Nigeria did not easily rebound from the weak stage, due to the pressure of electioneering process. The effect of this was that the country went into recession. Also, the new government was slow in charting a new course for the country. This was coupled with the fact that government policies on economic recovery were not put in the public domain also delay in appointment in cabinet ministers after six months in office made investors sceptical about the new administration.

The 2015 election was adjudged free and fair by the international community; it is pertinent to note that Nigeria must learn to do away with heated polity in the pre-election cycle. As this does not portend well for the country's economic and socio-political well-being.

### **Conclusion**

The paper concludes that the 2015 general election has come and gone but the political economy syndrome persists to date. The actions and inaction of political actors before, during and after the election still has some consequences on the nation's economy and the electioneering process. The election was characterized by a reduction in investors' confidence on the economy which was because of tense

political climate. Also, ineffective economic policies by the previous and current administration have done damage to Nigeria economy.

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