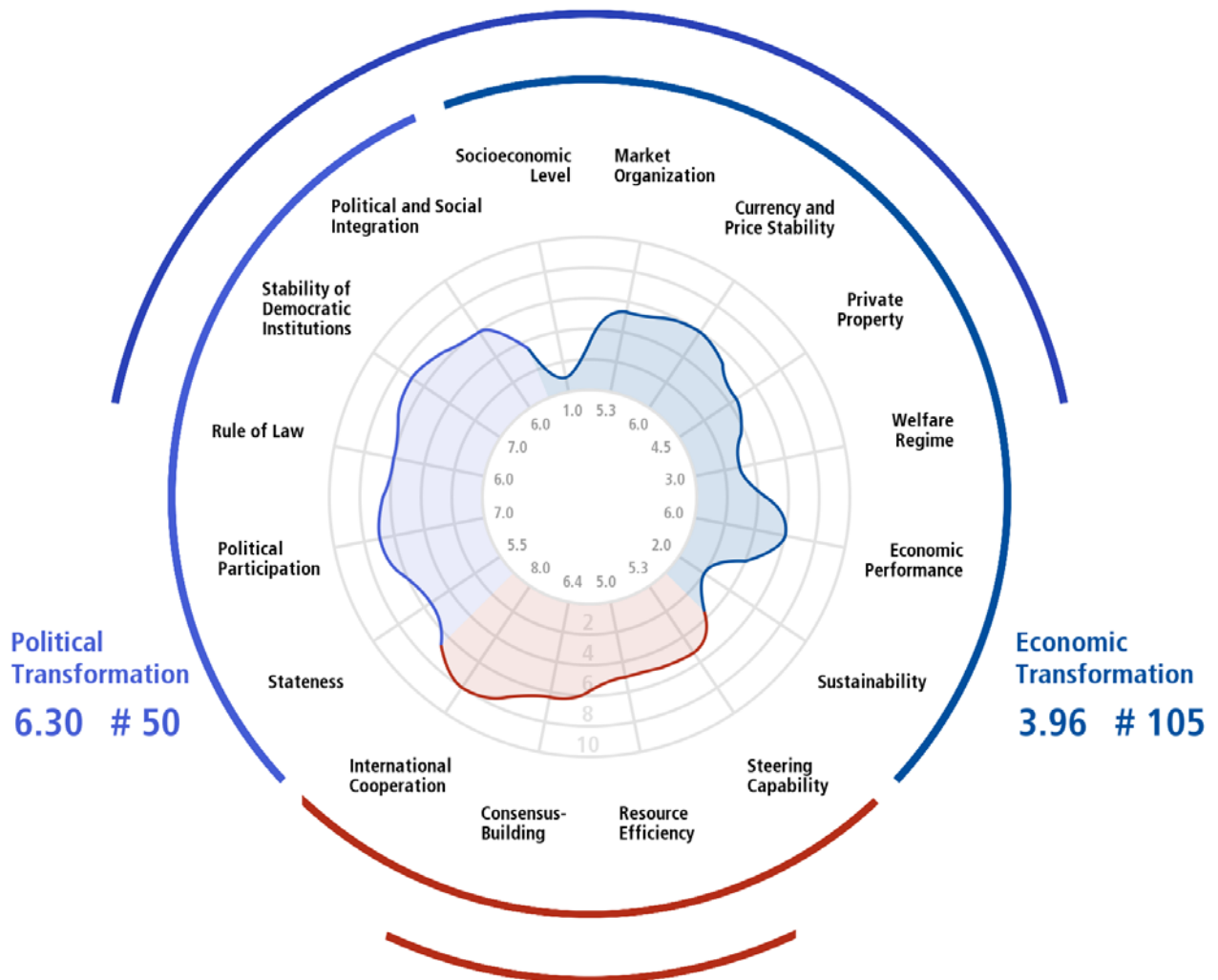


# Niger

## Status Index

**5.13 # 78**

on 1-10 scale out of 129



## Governance Index

**5.87 # 33**

on 1-10 scale out of 129

This report is part of the Bertelsmann Stiftung's Transformation Index (BTI) 2018. It covers the period from February 1, 2015 to January 31, 2017. The BTI assesses the transformation toward democracy and a market economy as well as the quality of political management in 129 countries. More on the BTI at <http://www.bti-project.org>.

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## Key Indicators

Population	M	20.7	HDI	0.353	GDP p.c., PPP \$	978
Pop. growth <sup>1</sup>	% p.a.	3.8	HDI rank of 188	187	Gini Index	34.0
Life expectancy	years	59.7	UN Education Index	0.227	Poverty <sup>3</sup>	% 77.5
Urban population	%	19.0	Gender inequality <sup>2</sup>	0.695	Aid per capita \$	43.5

Sources (as of October 2017): The World Bank, World Development Indicators 2017 | UNDP, Human Development Report 2016. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.20 a day at 2011 international prices.

## Executive Summary

Although the 2016 presidential and legislative elections remained peaceful, the circumstances once more illustrated the fragility of democratic norms and procedures in Niger. President Mahamadou Issoufou's main challenger, former President of the National Assembly Hama Amadou, was forced to campaign from prison. Allegations of his involvement in an international baby-trafficking ring were not definitively proven, with various courts arriving at contradictory verdicts. Ultimately, Amadou was evacuated to France due to severe health complications. His incarceration and subsequent evacuation paved the way for Issoufou's second round victory. The opposition officially boycotted the run-off election, though many opposition supporters cast their vote. Issoufou's crackdown on protestors and journalists critical of the government led to unprecedented political polarization and damaged his democratic reformer guise. Niger's electoral commission, historically considered an independent body, was criticized for failing to update the electoral register. Overall, the 2016 elections did not advance the consolidation of democratic rules and corruption remains endemic. Despite these setbacks, however, the electoral outcome was de facto accepted by all political parties. Issoufou was able to form a stable parliamentary majority with his own Nigerien Party for Democracy and Socialism (Parti Nigerien pour la Democratie et le Socialisme –Tarayya, PNDS-Tarayya) and the National Movement for the Development of Society (Mouvement National pour la Société du Développement, MNSD-Nassara).

A major challenge remains the fight against Islamic terrorism in the Diffa region. Military confrontation between the Nigerien military and Boko Haram have turned the region into a humanitarian disaster area. The integration of thousands of internally displaced people and refugees from Mali and Nigeria pose a serious challenge to the state and society at large. So far, Niger has coped with these challenges in a remarkably positive manner. Its dedication to domestic stability and regional peace has turned Niger into a major international ally in the fight against terrorism.

Niger's macroeconomic performance appears promising: economic growth is fairly high and inflation low. However, the debt burden has significantly increased. Also, Niger failed to achieve most of the Millennium Development Goals and there is still no coherent strategy for creating a dynamic and diversified economy. A rapidly growing population, fragile infrastructure and poor education system constitute major obstacles to economic progress. Lifting the population out of poverty thus remains an elusive goal.

## History and Characteristics of Transformation

Since independence in 1960, Niger has endured lengthy periods of authoritarian, military-dominated rule. Since the onset of multiparty democracy in 1993, the country has had five constitutions and one interim civilian government (1991 – 1993), three periods of civilian governments (1993 – 1996, 2000 – 2009 and 2011 – present), one period of military rule (1996 – 1999), and two interim military governments (1999 and 2010 – 2011). In April 2011, a civilian government led by Issoufou (PNDS-Tarayya) was democratically elected. In April 2016, the PNDS-Tarayya government was reelected. It must be noted, however, that Niger has yet to experience the peaceful handover of power from one civilian president to another.

Authoritarian rule began in 1958, two years before the country gained its independence from France, when Hamani Diori established a repressive one-party regime. In 1974, the military, led by Seyni Kountché, toppled Diori amid an economic crisis and severe drought. Following Kountché's death in 1987, the (civilian-led) Second Republic was established under the National Movement for the Development of Society-Nassara (MNSD-Nassara) party. Responding to regional and domestic pressure from trade unions, students and those behind the Tuareg rebellion, then-President Ali Saibou initiated democratic reforms in the early 1990s. Niger held a national conference in 1991 that resulted in a constitutional referendum and relatively free and fair elections in 1993 (the Third Republic). Mahamane Ousmane of the Democratic and Social Convention (CDS-Rahama) party became the country's first democratically elected president. He came, however, into conflict with parliament after opposition parties withdrew from the government coalition. Early elections in 1994 forced Ousmane to appoint Hama Amadou (MNSD-Nassara) as prime minister, although this immediately led to a conflict between the two men. The resulting paralysis of political institutions in this semi-presidential system ultimately provoked a military coup led by Colonel Ibrahim Baré Maïnassara on January 27, 1996, which drew support from large segments of the population. The coup reflected widespread dissatisfaction and persistent aspirations to power within the military. By contrast, the violent (first) Tuareg insurgency of 1994 and 1995 was settled with a peace agreement. In response to foreign pressure, Maïnassara held new elections. Non-competitive conditions and a boycott by opposition parties allowed him to win the July 1996 presidential election and November 1996 legislative elections, which ushered in the Fourth Republic. Three years of superficially liberalized authoritarianism followed until Maïnassara was assassinated during a military coup launched in April 1999. Its leader, Major Daouda Malam Wanké, relaunched the process of democratization. This process led to a

constitutional referendum and parliamentary and presidential elections in July, October, and November 1999, respectively. President Mamadou Tandja governed with the help of a coalition between the MNSD-Nassara and CDS-Rahama. The Fifth Republic (2000 – 2009) marked a period of comparative stability. Until August 2009, the work of political institutions progressed relatively smoothly despite the potential for conflict in the semi-presidential system. The free and fair general elections at the end of 2004 confirmed Tandja and his governing coalition. This government was the first since 1992 to ensure that public sector and military personnel received regular payment. In doing so, it prevented another vicious cycle of general strikes, which had crippled Niger's economy throughout the 1990s and been a major source of political instability. Stability was nonetheless threatened by a renewed Tuareg rebellion that lasted two years, from 2007 to 2009. The rebellion had a negative impact on speech and press freedoms in Niger. Journalists reporting critically on the government's activities regarding the Tuareg or on alleged government corruption were subjected to arbitrary arrests and police violence. Beginning in 2005, Tandja and then-Prime Minister Amadou (both from the MNSD-Nassara) began to fall out of favor with each other and, in June 2007, Amadou was forced to step down and replaced by Seyni Oumarou. Tandja's subsequent attempts to change the constitution to allow himself to remain in office beyond 2009 initially proved successful. However, Tandja was eventually ousted by the military in February 2010. The military organized a transition to democracy that resulted in a constitutional referendum and free and fair elections being held in early 2011. In April 2011, the newly elected civilian government under Issoufou took office. It was reelected in April 2016 under controversial circumstances. At this stage, democratization is not under threat; all political parties have by now accepted the 2016 electoral outcome. Recent years have again seen crackdowns on journalists and protestors.

The appalling socioeconomic conditions in Niger account for many of the political upheavals of the last decades. Since the early 1970s, drought, desertification, government intervention and bad governance have aggravated a weak economic environment. The uranium boom of the late 1970s subsided rapidly in Niger, whose economy is dominated by agriculture. The considerable national debt incurred by the country between 1983 and 1986 necessitated an IMF structural adjustment program. Given the political instability of the era, there were several irregularities in implementing the IMF program, which led to its intermittent suspension. The implementation of the Enhanced Structural Adjustment Facility (ESAF) between 1996 and 1999 met with the approval of international financial institutions. After a brief disruption, the transitional government and the Tandja government normalized relations with international donors, which paved the way for several subsequent Poverty Reduction and Growth Facility (PRGF) programs. In April 2004, Niger reached the completion point under the enhanced Heavily Indebted Poor Countries Initiative (HIPC), with debt relief totaling \$663.1 million. Niger has continued to receive extensive loans under the IMF's extended credit facility. Although in the last few years growth has been stable and inflation low, Niger continues to be plagued by extreme poverty, unsustainable and inefficient public spending, widespread illiteracy, a fast-growing population, and remains dependent on uranium and oil revenues.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

## Transformation Status

### I. Political Transformation

#### 1 | Stateness

The state holds a monopoly on the use of force throughout most of the territory. The northern region, however, remains controlled by Tuareg elements and bandits. In addition, the border with Mali and Libya is not secure. Large parts of rural areas throughout the country remain crime-ridden. The ongoing security crisis in neighboring Mali has led to an increase in weapons along the Mali-Niger border. The border with Libya is known to be better protected.

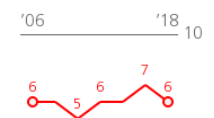
The Nigerien army has fought Boko Haram, a Nigerian Islamic terrorist organization, on Nigerien territory several times throughout the last two years. The Nigerien army has been more capable than its Malian counterpart in fighting off outside terrorist elements. To some extent, this is due to foreign (especially American and French) military support. At the same time, the Issoufou government is dedicated to the fight against terrorism. The successes of the Nigerien army notwithstanding, large areas of the Diffa region constitute a humanitarian disaster, with thousands of Nigerien citizens displaced.

The nation-state is widely accepted as legitimate. Having for decades perceived themselves as a marginalized group, the Tuareg – themselves a socially and politically heterogeneous group – have initiated several rebellions (1961 – 1964, 1990 – 1995 and 2007 – 2009). Their basic demands, which include improving their access to state services and political representation in Niamey, have not been met. The (secret) peace agreement between the former Tandja government and the Tuareg rebels called for improvements with regard to both. The current prime minister (in office since April 2011) is a Tuareg, but this has had little effect on the relationship between the central government and the Tuareg in the north. Slavery was made illegal in the early 2000s. Yet, according to international estimates from a decade ago, 43,000 individuals live in servitude. The Nigerien government has systematically obstructed research into this topic. The lack of a functioning judiciary means that these individuals have no means of exercising their rights, even in known cases.

Question  
Score

Monopoly on the  
use of force

6



State identity

8



Traditionally, the government has tried to maintain a balanced representation of ethnicities among its employees and within the cabinet. Although ethno-regional cleavages do exist in Nigerien politics, they have little effect in day-to-day party politics. It is notable that recent social relations between Nigerien communities have remained stable while in neighboring countries they disintegrated.

Like previous constitutions, the constitution of the Seventh Republic calls for a secular state. Leading Nigerien politicians, both in the government and opposition, are clearly committed to this constitutional requirement.

However, the situation looks different at the societal level. Conservative Islamic groups, promoting Shariah law, are gaining popularity in several parts of the country. The Islamic Council of Niger has consistently advised the government to do more to monitor sermons. The Islamic Council and Nigerien government have been good at integrating conservative Salafi clerics into the Nigerien state. Contrary to its neighbors, political Salafism and jihadi Salafism do not enjoy a meaningful presence domestically. In early 2016, most catholic churches in Niger were burned to the ground in response to the government's participation in the Charlie Hebdo solidarity marches in Paris. Therefore, while the state and leading Islamic clerics consistently call on their followers to respect religious tolerance and secularism, there is reason to be worried that an influential segment of the faithful think otherwise.

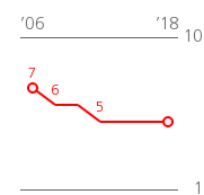
The territorial scope of basic administration is limited. This is partly due to the vast territory of the country; the government would require substantially more resources to increase outreach. Its scope is much stronger in the urban south than in the rural north. The last Tuareg rebellion further impaired the government's influence in the northern regions. Initiatives to establish a decentralized administration have proven largely ineffective so far. Both the public administration and the judiciary suffer from a lack of resources. In total, there are around 100 registered lawyers in Niger, almost none of whom practice outside Niamey. In the rural areas, chiefs collect taxes and frequently fail to transfer that money to the state. The government is often inefficient and plagued by corruption, which is further exacerbated by salaries that are low even by African standards. Only 9% of the population have access to sanitation, while only 52% have access to a water source. Outside of urban areas, citizens have little to no access to even the most basic public services.

## 2 | Political Participation

Since the introduction of multiparty democracy in 1993, Niger has experienced several rounds of elections. With the exception of the elections in 1996 (rigged by the armed forces in favor of their candidate) and 2009 (boycotted by the opposition after President Tandja tried to circumvent the constitutionally prescribed two-term limit), the elections (1993, 1999, 2004 and 2011) have qualified as free and fair. The most recent elections, in January and March 2016, proved highly contentious. In the

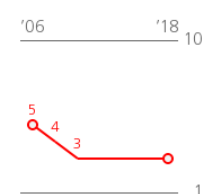
No interference of religious dogmas

5



Basic administration

3



Free and fair elections

7

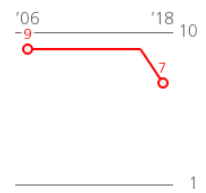
presidential elections, President Issoufou faced his former ally, Hama Amadou, one of the most influential political power brokers in the country. In November 2015, Amadou was arrested on the charge of baby-trafficking. The politician subsequently was forced to run his campaign from prison. Contradictory verdicts by various Nigerien courts make it impossible to determine whether these allegations are true or fabricated by his opponents. Amadou quit the run-off after receiving 17% of the vote and coming second in the first round.

As reported by the U.S. State Department, some election irregularities were observed. The government intermittently banned opposition political party activities and limited opposition access to state media. In addition, the electoral management body came under fire for the first time in history – traditionally regarded as relatively impartial – as it allowed individuals without documentation to vote, provided that they brought two witnesses to confirm their identity. This was partially due to the failure to introduce biometric ID cards and a revision of the voter list. Opposition and civil society also criticized voter registration efforts, noting that some citizens were not able to register and citing concerns about inflated registration figures in some regions. While there is no evidence that the elections were “rigged,” many Nigerien commentators feel that their politicians lack dedication to democratic norms and procedures.

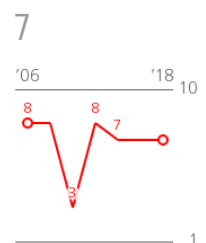
Historically, Niger’s elected politicians have been highly dependent on foreign aid and the local support of chiefs and Islamic clerics. The military has been a constant factor in Nigerien politics, as the current political dispensation attests. The last two military coups (1999 and 2010), however, were undertaken in order to return to constitutional rule and not in order to claim power on a long-term basis (which was the case in 1996). This shows that over the course of the last decade a republican spirit has fostered inside the army. Nevertheless, as in all African societies, the military is a powerful interest group. In late 2015, the Nigerien government arrested a small number of officers who allegedly had planned to overthrow the government. The fact that the attempt failed dismally indicates that anti-government elements in the armed forces constitute a minority and lack sufficient influence within the armed forces.

The growing influence of conservative Islamist groups in society has not resulted in their capacity to act as veto players in government. Instead the government co-opts and consults with Islamic leaders. This provides Islamic leaders with potential influence but, at the same time, ensures their loyalty to the state and its representatives.

The constitution of the seventh republic explicitly protects freedom of association and assembly. The government does not restrict the formation of interest groups nor generally intrude on their right to express their opinions freely. Protest marches against both the government and opposition are a common feature. However, at times, the current government has failed to issue the required authorization to stage a public



Effective power to govern



Association / assembly rights

7



protest. The government banned opposition political rallies in February and April 2016. Likewise, municipal authorities frequently denied official permission for opposition demonstrations and rallies, citing protection of public order. Police are known to sometimes forcibly disperse demonstrators. In the run-up to the 2016 elections, several demonstrations were met with violence from the security forces. In October 2016, police in the city of Zinder forcibly dispersed university students protesting delayed education subsidy payments. These are new and worrisome developments.

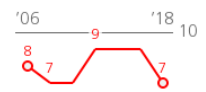
Freedom of the press and media is guaranteed in the constitution. The range and audience of print media is limited, but there is a certain diversity of opinion. Although the Issoufou government publicly states its dedication to press freedom and the current situation is a major improvement on the Tandja years (2000 – 2010), restrictions placed on press coverage have increased during the last two years. Since the end of 2015 and especially in the run-up to the elections, the police arrested a number of journalists. Some of the arrested had criticized the government's handling of Boko Haram. Others had accused leading politicians of involvement in corrupt activities. The international NGO Reporters Without Borders accused the Issoufou administration of conducting a witch hunt against private media. This is a new development, one which many thought Niger had left behind at the end of the despotic Tandja regime (2000 – 2010).

### 3 | Rule of Law

The 2010 constitution explicitly highlights the importance of mutual checks and balances. Like several of those preceding it, the constitution foresees a semi-presidential system that provides for a distinct separation of powers between the president and the prime minister. In contrast to those preceding it, the current constitution strengthens the rights of the legislative vis-à-vis the executive in particular with regard to the right of the legislature to approve the prime minister (the president can propose and dismiss the prime minister); it outlines the respective rights of the president and the prime minister in case of cohabitation (i.e., the majority of parliament can name the prime minister). The constitution further specifies the judiciary's control mechanisms allowing it to scrutinize more carefully the president and the prime minister. The Constitutional Court cannot be dissolved by the president and is the only institution with the mandate to interpret the constitution.

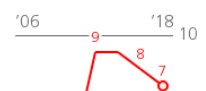
Prior to the Seventh Republic, the judiciary was often subject to interference at the hands of the executive branch. Since 2011, no similar incidents have been reported, but there have also been no reasons for the newly elected government to interfere. In the 1990s and during the Tandja regime (1999 – 2010), the judiciary often demanded that the executive review laws. In recent years, however, the judiciary has been remarkably silent.

During his first term in office, President Issoufou formed a durable parliamentary coalition, which incorporated a large number opposition MPs. Following the



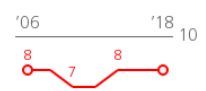
Freedom of expression

7



Separation of powers

8



parliamentary and presidential elections in January and March of 2016, he again managed to form a large parliamentary majority with his PNDS and the opposition MNSD (which together captured 128 out of 171 seats). Parliamentary coalitions in Niger are not based on joint policy projects, but on the ability of the incumbent to provide lucrative rewards. Therefore, the legislature is de facto not in control of the executive.

The Constitutional Court and the Supreme Court have a long tradition of rulings that contradict executive decisions. Often these rulings are simply ignored.

High-ranking politicians are rarely subject to judicial action; if and when they are subject to investigation, cases are either abandoned or delayed indefinitely. If politicians are prosecuted, this is normally a sign that they have fallen out of favor with whomever is in charge of the executive. The trial against Hama Amadou, the former president of the National Assembly and prime minister, was not transparent.

Corruption is a problem in the judiciary. A 2016 Afrobarometer survey reported that 34% of respondents experienced problems in dealing with the courts such as paying bribes, delays and lack of access, though this is below the African average of around 40%.

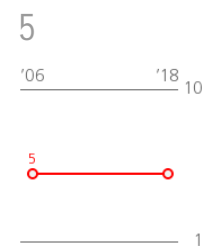
Niger further suffers from a lack of authorized lawyers. Fighting for one's rights in a court of law is very expensive. The vast majority of the population either does not have access to the legal system or cannot afford the legal fees.

Officeholders who break the law and engage in corrupt practices often attract adverse publicity, but are not adequately prosecuted (as detailed in the section "Independent judiciary"). Trials of officeholders are often informed by political considerations.

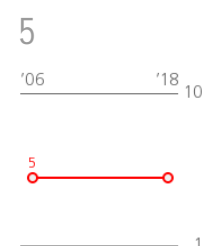
As most newly elected Nigerien governments before his, President Issoufou initially displayed great enthusiasm for the fight against corruption. In October 2011, the government also inaugurated two new institutions in order to curb corruption in the public sector. The "Bureau d'information de Réclamation contre la Corruption" is solely responsible for fighting corruption in the legal System, and the "Haute Autorité de Lutte contre la Corruption" (HALCIA) aims at fighting corruption in the public sector at large. In August 2011, an anti-corruption hotline was also set up. These laudable initiatives were not followed up and remain largely dormant.

The current administration's actual track record is disappointing and has provoked mass protest against the government's consistent failure to achieve any progress. International human rights organizations have raised concerns that the administration has cracked down on journalists reporting on corruption involving high-ranking politicians and civil servants. A few cabinet ministers and former President Tandja were forced to resign and take responsibility for their actions. By and large, personal and political proximity to the president and other members of the ruling elite ensures impunity.

Independent  
judiciary



Prosecution of  
office abuse



Civil rights are guaranteed by the constitution, yet these rights are often violated in practice and not respected throughout the country. In the run-up to the 2016 parliamentary and presidential elections, the government arrested several journalists and opposition protestors without providing a justifiable reason. In addition, several journalists were arrested for criticizing the government's handling of the Boko Haram insurgency. These are worrisome developments and reminiscent of the autocratic Tandja era.

Outside Niamey, where lawyers and sufficiently trained legal aid are rare, citizens have almost no legal recourse. Access to legal protection is very expensive and thus impossible for 95% of the population. Despite constitutional protections, nomadic peoples have little or no access to government services. Significant traditional structures prevent large segments of the population from expressing their civil rights. In the eastern part of the country, women among the Hausa and Peul (also known as Fulani or Fulbe) communities are often not allowed to leave their homes without a male escort. In the Diffa region, the military confrontation between the Nigerien state and Boko Haram has displaced thousands of people. Anyone in that region is without sufficient legal protection.

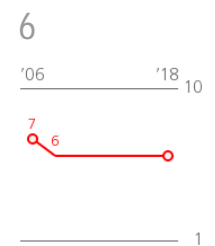
Family law gives women inferior status in property disputes. According to human rights groups, around 7% of the population are subject to forced labor. Slavery still exists despite an official parliamentary ban in 2003. Child marriage and child prostitution is a problem across the country. Human and drug trafficking is very common in the north of the country, the city of Agadez is particularly afflicted. In addition, bribery is pervasive among Nigerien security personnel.

#### 4 | Stability of Democratic Institutions

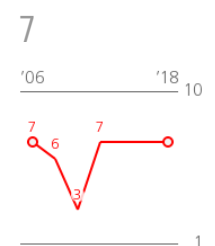
The return to democracy in April 2011 entailed re-establishing Niger's democratic institutions. Historically, such institutions have been unstable and weak, as evidenced by several military coups between independence and 2010, and former president Tandja's highly contested attempt to prolong his term of office in 2009.

Following the formation of a government of national unity and co-optation of many opposition politicians into his ruling coalition, Issoufou successfully circumvented the instability which had plagued previous administrations. The removal of his most influential ally, Hama Amadou, while maintaining the coalition between Issoufou's PNDS and MNSD (and other smaller parties) suggests a high degree of stability. However, this stability is based on the ability of the government to co-opt opponents rather than on joint policy positions. External economic shocks, for example, are likely to provoke a parliamentary crisis and instability. It does deserve notice that ethnicity does not lead to political friction or tension, a major contrast between Niger and some of its neighbors.

#### Civil rights



#### Performance of democratic institutions



The Nigerien parliament has not been involved in formulating any of Niger's most recent policy proposals. Local government officials are often not aware of their competencies and thus remain inactive.

Democratic institutions are accepted by the majority of the political actors. For example, all political parties and civil society groups support multiparty elections. Historically, winners and losers alike have accepted the outcomes of elections, provided they met international standards, which was not the case in 1996 and 2009.

The most recent elections in January and March of 2016 polarized many. The incarceration of the main challenger, Hama Amadou, and contradictory court rulings on his case damaged the image of Niger as a stable democracy. The opposition called for a (last minute) boycott of the presidential run-off. Although the circumstances of the elections raise doubts about the validity of their results, the opposition has de facto accepted the outcome. This means that democratic principles are not being questioned in principle and democracy remains the only institution in which all relevant actors wish to resolve their issues.

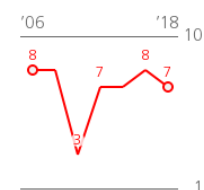
Although conservative Islamist groups have gained political influence in recent years, they do not engage formally in political processes. Currently, there is no alternative to the democratic secular nation-state. A few opponents of democracy within the main opposition party, the MNSD, remain. These forces constitute a minority. Furthermore, the Tuareg rebels do not respect Niger's democratic institutions either, though they might claim otherwise. The military's respect for democratic institutions and processes is mixed. The military intervention in February 2010 illustrated that the army is still able and willing to intervene in civilian politics, but the particular circumstances of the intervention, which had the explicit goal of re-establishing democracy, revealed that the army regards itself as the guardian of democratic rule rather than its opponent. In December 2016, a small number of officers attempted to stage a military coup. They failed dismally, confirming that the majority of the armed forces support the political status quo.

## 5 | Political and Social Integration

Since 1993, Niger has held seven presidential and nine legislative elections. There are no reliable data on party membership. It seems fair to say that most, if not all, parties lack organizational capacity outside of the capital and urban centers in the interior of the country (e.g., Diffa, Dosso and Zinder). The last two elections have seen the rise of several new parties, which are breakaways from older and more established parties such as the PNDS and MNSD. There are now 16 parties represented in parliament, which is an increase of seven parties compared to 2011. Although the party system is now more fragmented than before, there are still not more than four politically relevant parties (PNDS, MNSD, MODEN/FA-Lumana and CDS).

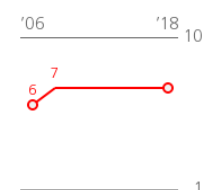
Commitment to democratic institutions

7



Party system

7

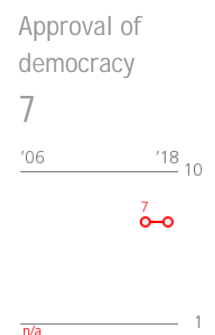
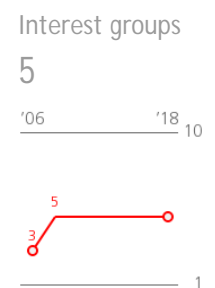


Clientelist linkages rather than ideological cohesion is what unites parties with their followers. A significant share of MPs are entrepreneurs and normally do not serve more than one parliamentary cycle. Political alliances are fickle, which makes the political environment unstable and unpredictable. The ability of the party system to produce different alliances, however, also indicates a low level of ethnic and political polarization.

Compared to previous elections, the voter turnout was comparatively high in the 2016 elections (69% in the legislative and first round of the presidential elections; in 2011: 51.6% in the first round of the presidential and legislative elections). A reason may be the higher degree of polarization surrounding the arrest of the main presidential challenger. There is little evidence that suggests that political parties enjoy deep roots in society. All parties have regional strongholds. Cooperation between parties and civil society organizations is ad hoc. Cooperation between parties and trade unions or other interest groups has never been institutionalized.

Since the early 1990s, a variety of interest groups have formed. Most of these have very few members and lack the ability to aggregate interests, and hence, they lack the ability to influence policy-making. The government did include civil society in the task of drafting a new poverty reduction strategy, but this was an isolated case; civil society rarely, if ever, influences policy-making. For such groups, very few coordination mechanisms exist, the capacity to analyze political issues is severely undermined due to lack of funding, and most lack a clearly defined purpose. The bottom line is that civil society groups lack money, education and active members. Outside of Niamey and the regional main cities (e.g., Dosso, Diffa and Zinder), interest groups are virtually nonexistent. The trade unions have been weakened as the formerly powerful umbrella organization for trade unions, Union des Syndicats des Travailleurs du Niger, has split into several smaller umbrella organizations. The Coalition Équité/Qualité contre la Vie Chère au Niger, which has long demanded better living conditions, is a rare example of a powerful group. Its success can be explained by the fact that everyone in Niger supports its main goal of reducing the cost of living given the extremely dire economic conditions. Furthermore, a number of ad hoc and unstable coalitions have formed in recent years, which challenge governments whenever life conditions become expensive. However, these groups have consistently been unable to establish a stable organizational backbone.

The number of citizens supporting democratic norms and procedures continues to grow. According to Afrobarometer 71% of respondents support democracy over any other form of government. In 2011 only 66% did. Meanwhile, 70% of respondents believe that Niger is either a fully developed democracy or a democracy with only minor shortcomings. 66% of respondents are generally satisfied with democracy in Niger. Therefore, approval of democracy is fairly high and most citizens think the country to be developing in the right direction. 71% trust parliament a lot or somewhat, 70% trust the police and 81% trust the armed forces.



There is little reliable information about self-help groups and the degree to which they are institutionalized. Craftsmen employed in the informal sector are known to be well organized. Feminist groups are also known to form self-organized groups.

Interpersonal trust and solidarity among citizens seems to be limited, although only limited survey data is available. According to Afrobarometer (2016), Nigerien respondents place enormous trust (81%) in their religious leaders. By and large, respondents refrain from associational activities: 88% say that they are not a member or an inactive member of a voluntary association or interest group. Half of all respondents have never attended a community meeting.

Social capital

5

'06 '18 10



1

## II. Economic Transformation

### 6 | Level of Socioeconomic Development

Niger is one of the poorest nations on Earth. In the latest HDI ranking (2015) it ranked 188 out of 188. Since the inception of the index in 1990, Niger consistently has been ranked among the poorest five countries.

According to U.N. criteria, 60% of the population suffer from multidimensional poverty. Life expectancy at birth is 55 years. On average, every Nigerien attends school for around one year of his or her life. The Gini coefficient is 34.6%, which initially does not appear too bad. That 75% of the population live on less than \$2 a day puts this rating into perspective. Less than a third of the population is able to read and write. While 71% of the population receives primary education, only 14% receives secondary education and less than 2% make it to college. The quality of schooling outside the cities is extremely poor. Very often parents do not send their girls to school out of fear the girl might marry a teacher. The formal sector of employment does not extend beyond the civil service. A subsistence economy forms the basis of survival for a large share of the population (though reliable data is difficult to obtain). In general, women suffer more from exclusion and poverty than men. The country's latest score on the Gender Inequality Index stands at a miserable 0.713, ahead of only Yemen. Droughts and flooding in the summer months remain pressing challenges. Rapid population growth (the average Nigerien woman gives birth to seven children) and limited arable land make matters worse.

Question

Score

Socioeconomic barriers

1

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The influx of refugees from Mali and Nigeria as well as a growing number of internally displaced people pose further obstacles to socioeconomic growth. The confrontation between the Nigerien armed forces and Boko Haram rebels have turned the Diffa region into a humanitarian disaster zone. The Nigerien states does not publish reliable data on its military spending. However, it is safe to assume that the

confrontation with Boko Haram has had a negative effect on spending for education and social welfare.

In the last five years, GDP growth has consistently remained between around 4% and 7%. However, it is largely dependent on the export of uranium and oil.

The government is preparing a poverty reduction strategy paper, but in the past, these strategies were not effective. Niger's deeply engrained export economy, uneducated population and poor climate make near-universal poverty very difficult to overcome. The fact that the political elite use the private economy to co-opt potential regime opponents means that only a smaller number of well-paid positions are allocated based on merit.

The country has not achieved many of the Millennium Development Goals. However, the Issoufou government has expressed its commitment to the U.N. Global Goals (Sustainable Development Goals).

Economic indicators		2013	2014	2015	2016
GDP	\$ M	7668.0	8245.3	7143.0	<b>7509.0</b>
GDP growth	%	5.3	7.0	3.6	<b>5.0</b>
Inflation (CPI)	%	2.3	-0.9	1.0	-
Unemployment	%	2.5	2.5	2.6	<b>2.6</b>
Foreign direct investment	% of GDP	9.4	10.0	7.3	<b>3.9</b>
Export growth	%	8.9	-0.9	-15.5	-
Import growth	%	5.7	6.2	2.4	-
Current account balance	\$ M	-1150.3	-	-	-
Public debt	% of GDP	26.3	32.0	41.0	<b>46.3</b>
External debt	\$ M	2660.5	2667.9	2918.3	<b>3233.1</b>
Total debt service	\$ M	48.8	62.4	90.2	<b>96.1</b>



Economic indicators		2013	2014	2015	2016
Net lending/borrowing	% of GDP	-	-	-	-
Tax revenue	% of GDP	-	-	-	-
Government consumption	% of GDP	13.1	15.0	16.7	-
Public education spending	% of GDP	4.9	6.7	-	-
Public health spending	% of GDP	2.5	3.2	-	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	1.4	-	-	2.2

Sources (as of October 2017): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

## 7 | Organization of the Market and Competition

Although there has been some progress, Niger remains one of the most difficult countries in the world to do business. The World Bank 2017 Doing Business report ranked Niger 150 out of 190 economies. Market competition operates under a weak framework. In the Heritage Foundation's 2016 Index of Economic Freedom, Niger ranked 125 out of 179. Within sub-Saharan Africa, it ranked 26 out of 46. It takes 15 days and seven procedures to start a business. The country's investment code foresees tax and custom exceptions. Additional tax benefits are possible but need to be discussed with the Ministry of Commerce. The National Council of Private Investors was resurrected in 2007.

Overall, the informal sector is huge, but difficult to quantify. There is a distinct lack of economic diversity and little prospect of a broad-based private sector emerging in the next few years. Niger remains highly vulnerable to external shocks and continues to have an underdeveloped financial sector. It is fair to say that this has been the case since independence. With the exception of petroleum, the market sets prices, but the government influences prices through state-owned utilities. Foreign capital and domestic capital are legally equal. All sectors are open to investment. Land ownership requires approval by the government. As in all francophone countries, the CFA is pegged to the euro.

For more than three decades, Niger has tried to privatize several state-run companies. Under the guidance of the World Bank, it divested itself of monopolies in water and telecommunications. The privatization of other state monopolies has stalled and there has been no significant progress. The state still co-owns around one-third of several uranium companies, including the Compagnie Minière d'Akouta (COMINAK), Société des Mines d'Azelik (SOMINA) and Imouraren S.A. The oil-distribution

Market-based competition

4

'06 \_\_\_\_\_ '18 10



Anti-monopoly policy

6



company (SONIDEP) and national electricity company (NIGELEC) still hold monopolies. However, three mobile phone and two internet licenses have been granted and genuine competition in these sectors has commenced. An independent multi-sectoral regulatory body has been created to help ensure free and fair competition. For 30 years, the French government-owned company AREVA held a virtual monopoly over Niger's uranium. Two years ago, the Issoufou government signed a new contract with AREVA. The details of that contract have not been released to the public.

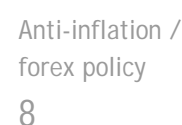
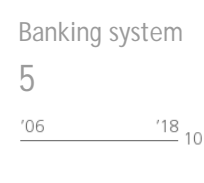
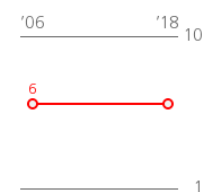
Various foreign firms are competing in the nascent gold and oil sectors, but some businesses are turned off by a bureaucratic investment framework that remains outmoded and non-transparent. Further privatization is also held back because these investments are not likely to generate attractive returns.

In principle, trade is liberalized. Niger has been a member of the World Trade Organization since 1996. Its participation in international trade is very limited with regard to both imports and exports. Niger's average tariff rate is 10.2%. Importation of goods is time-consuming and costly. Domestic and foreign investors are generally treated equally under the law. The Heritage Foundation's 2016 Index of Economic Freedom rates Niger's trade freedom as moderately free, which is in line with the global average. The World Bank states that Niger's trade regime is in line with the trade regimes of other low-income countries. Niger also participates in the West African Economic and Monetary Union (WAEMU). Membership entails a customs union marked by a considerable degree of de facto protectionism and state regulations.

The Central Bank of West African States (BCEAO) governs the banking system. According to the World Bank, Niger has a small banking sector with a moderate degree of concentration. The banking sector is not highly concentrated and the customer base is relatively diversified. Four of the 10 banks account for 80% of total assets, but in relatively equal proportions. The deposits to GDP ratio is one of the lowest in the West African region. The financial sector has not been negatively affected by the financial crisis because it has few links to the world economy. Although liquidity is high, access to credit is difficult because there is a general hesitancy to loan. Participation in banking is very low among the population and confined to the major cities.

## 8 | Currency and Price Stability

Niger's membership in the CFA zone pegs the CFA franc to the euro. This prevents Niger from pursuing its own currency policy. In the last five years, the government has kept inflation low (between 0% and 2.5%). The government is committed to keeping inflation low. This should not distract from the fact that the price for certain commodities can at times increase dramatically. Increases in the prices of food and fuel, for example, seriously threaten the livelihoods of thousands of citizens.



Economic conditions in Niger remain largely dependent on external shocks and weather conditions. There is little to nothing the government has done, or could do, to prevent such a scenario.

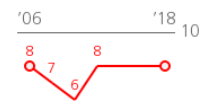
In 2000, Niger qualified for the HIPC Initiative and consequently received extensive debt relief between 2000 and 2008. Consequently, Niger’s debt burden went down significantly. In recent years, it has gone up dramatically. According to the World Bank, the total debt burden currently stands at 41% of GDP. Official figures are difficult to trust, however, because no auditing of the public accounts took place between the mid-1970s and 2003. While the new government promised to be more transparent, these promises are yet to materialize.

For two and a half decades, various IMF credit facilities were granted under the condition that the government create a more efficient public sector. This also has not materialized. All governments tried to promote fiscal stability, yet they all failed due to domestic pressure or unforeseen natural disasters such as drought or flooding. Since the Issoufou government has come to power, Niger has been showered with new development aid packages. On the one hand, this is due to the fact that the Issoufou government has shown more commitment to democratic norms (although that commitment appears to be declining). On the other hand, Niger is a reliable ally in the fight against terrorism and illegal immigration. Therefore, it is not surprising that the deficit continues to increase.

### 9 | Private Property

It takes 35 days and four procedures to register a property in Niger. The international property rights index does not rank Niger. Despite a legal framework for the protection of intellectual and property rights, the government lacks the capacity and resources to fight violations of the law. Law enforcement is poorly trained and there are weak administrative controls. Property rights also remain hampered by an ineffective judicial framework. There are no courts outside the cities and no lawyers outside of Niamey. Furthermore, the court system is vulnerable to political interference.

The registration of land titles is beset with problems. The 1993 Rural Code decentralizes land administration and allows for registration of customary land rights, but confusion exists over what rights can be registered, and the lack of capacity to manage land registration has caused an increase in land disputes. Those with less power to assert claims frequently lose land rights. The laws outlined in the code have significant regional variations in subjects such as the right to inherit land, individual and family tenure, and women’s land access. Most customary practices reflect the influence of Shariah law. International experts view the non-implementation of the existing legal code as a major constraint for economic freedom. While several legal



Macro stability



Property rights



changes are in the process of being adopted by parliament, they have not yet been finalized.

Foreign and domestic private entities have the right to establish and own business enterprises. Private entities can freely establish, acquire and dispose of interests in business enterprises. Legally established private sector companies have the same access to markets, credit and other business operations as do public enterprises. Companies encounter frequent barriers to business. Poor legal and physical infrastructure makes it difficult and expensive for firms to operate and an inadequate regulatory framework hampers private sector development.

Inconsistent regulations impose substantial costs. Niger does not attract significant FDI. Although there is the possibility that some Chinese investments have not been documented. Privatization of the national electricity company and oil-distribution company failed to attract private sector investors.

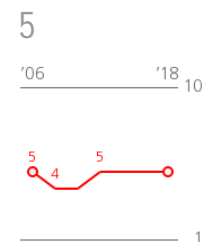
According to the World Bank's Doing Business report, it takes 10 days to start a business and there are four procedures that must be performed. This is an improvement compared to previous years (16 days and six procedures).

## 10 | Welfare Regime

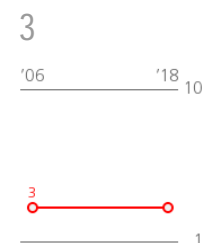
Social safety nets are rudimentary and only cover employees of the formal sector (i.e. public sector workers and their dependents). Life expectancy stands at 55 years. According to dated official data, Niger spends between 3% and 4% of its annual budget on health provisions. While this appears to be an average figure by global standards, one ought to take into consideration that the Nigerien population is one of the fastest growing in the world. The constitution of the Seventh Republic outlines the right to social protection. Various previous poverty reduction strategies and other official documents by the government highlight the need to improve the country's safety net. There are two institutions that are responsible for social security: the Caisse Nationale de Sécurité Sociale (CNSS) and the Fonds National des Retraites (FNR). The CNSS has been in place since 1965 and covers accidents at work, work-related illnesses and disability. It also provides for health protection of mothers and their children. The FNR is the national pension fund. According to government data, only 47,570 people (out of a population of 16 million) are covered by social welfare.

As a result, the vast majority of the population has to rely on family networks or savings. An alternative source of social security is also provided by Islamic welfare organizations. Although the country participated in the HIPC initiative, there is no comprehensive or long-term strategy to fight poverty. In fact, the great majority of the population lacks even the most basic social safety net. Niger failed most Millennium Development Goals. While the new government has issued various strategy papers to tackle the issue and is strongly committed to the U.N. Global Goals (Sustainable Development Goals), these initiatives, which include international aid, are neither innovative nor do they outline specific benchmarks.

### Private enterprise



### Social safety nets



Nigerien society is strictly hierarchical and heavily segmented. Opportunities largely depend on personal background rather than merit. While the very small political and economic elite are free to consider any educational and professional option, the poor have little to no opportunity to advance. The change of government in 2011, reelection of the government in 2016, and Issoufou's allegedly close links to socialist and social-democratic ideology has changed nothing about this situation. The situation is particularly dire for women, due to religious and cultural factors. Women even face legalized discrimination with regard to inheriting property.

Niger's literacy rate is 19.1%, one of the lowest in the world. The literacy rate for men is 27.3% and for women 11.0%. The ratio of female to male enrollment is 0.9 in primary education, 0.7 in secondary education and 0.3 in tertiary education. In 2015, women comprised only about 30% of the labor force (31.2% in 2014).

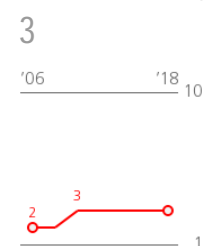
Quota laws increasing the political representation of women in parliament have been passed, but are not enforced in practice. Niger signed the U.N. Convention on the Elimination of All Forms of Discrimination against Women in 1999, but former government representatives have expressed reservations about some of the convention's articles. The new government has not addressed this issue and does not show any indication to do so in the future.

## 11 | Economic Performance

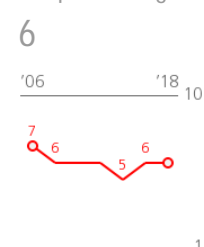
In recent years, Niger has experienced steady economic growth. Over the course of the last six years, the average annual rate of GDP growth was 6% to 7%. Simultaneously, inflation rates have remained low (between 0% and 3% in the last four years). According to the African Development Bank, Niger has been one of West Africa's top economic performers in recent years. Accordingly, GDP per capita increased from \$882 in 2012 to \$954 in 2015. Foreign Direct Investment constitutes between 7% and 13% of GDP. Export growth has been declining (in 2015, export rates decreased by 16%), while import rates have grown moderately (2015: 2.4%; 2016: 6.2%).

While these figures suggest a generally positive macroeconomic outlook, the reality is more complex. The Nigerien economy remains dependent on the world market prices for uranium, oil and agricultural goods. Consequently, it is dependent on external developments. Thus, while the economy's overall output might appear to be satisfactory, the factors influencing it are somewhat arbitrary and difficult for the government to influence. The official unemployment figures (5%) capture people employed in the formal sector, which is minute. The vast majority of Nigerien citizens are either unemployed or underemployed. Large sections of the population struggle for survival on a daily basis.

### Equal opportunity



### Output strength



For over two decades, Niger has tried to enlarge its tax base and modernize its tax system. These efforts have failed despite several extensive multilateral aid packages, and prospects for success in the future appear dim. Niger has consistently failed to meet WAEMU's 17% tax to GDP ratio. Total public debt almost doubled between 2013 and 2015 and now stands at 45% of GDP. This is remarkable given that Niger participated in the Heavily Indebted Poor Country (HIPC) Initiative and had most of its debt written off in 2008. The country's current spending habits are unlikely to be sustainable in the near to medium term.

## 12 | Sustainability

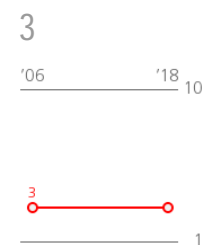
Niger's most pressing environmental issues include the serious depletion of vegetation by the burning of grass for crops, the overgrazing of land, soil erosion and increasing desertification. Pollution and desiccation continue to threaten the Niger River, which is the nation's main source of water and crucial for irrigation. The severe flooding of Niamey over the last four summers showed that the Niger River is highly vulnerable to international climate change. Academic publications predict floods and droughts will become the norm in Niger. These concerns are not new and have been debated in the past, yet these debates have not led to any meaningful improvement.

The only exception to Niger's poor environmental record remains the administration of the "W" National Park (shared with Benin and Burkina Faso), which strives to protect fauna and endangered wildlife. Unlawful hunting and poaching have, nonetheless, become serious issues in the park, which the government has been unable to address.

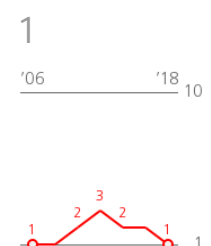
Niger also scores poorly on the Environmental Performance Index. In 2016, the country ranked 177 out of 180 countries. This is a significant worsening compared to previous years and the result of two factors: population growth (and its devastating environmental effects) and the growing exploration of uranium and oil without any regard for the environment.

Niger's literacy rate is a dismal 19.1% and remains one of the lowest in the world. Among women the literacy rate is lower and stands at only 11%. Fewer women than men have access to education – at all levels of the education system. There are three institutions of higher education, the National School of Administration, University of Niamey, and Islamic University of West Africa at Say; three additional universities have been established in Tahoua, Maradi, and Zinder. Four more universities have been founded in Tillabéry, Dosso, Diffa and Agadez. In many of these universities, classes are canceled due to strikes or do not take place because of staff shortages. According to official figures, the government has consistently spent between 4% and 7% of its annual budget on education. However, United Nations reports have criticized the fact that annual budget allocations for education do not reach recipients. This appears to be true given that Niger did not reach the education targets in the

Environmental  
policy



Education policy /  
R&D



Millennium Development Goals (MDGs). The provision and quality of education differs significantly between regions. According to statements by the government, the educational budget has been cut due to military spending related to the ongoing fight against Boko Haram. These statements cannot be verified as the budgetary process in Niger is one of the most opaque in the world. There is also a small research and development sector, though it does not receive sufficient support by the government. Recent efforts to improve the university system have not led to substantial improvements.

## Governance

### I. Level of Difficulty

Niger's structural constraints are very high. It regularly features at the bottom of the HDI index. It suffers from widespread extreme poverty (66% to 75% depending on the source), high gender inequality, high birth rates and high levels of malnutrition. Over three-quarters of the population are illiterate and thus unable to participate in many work environments.

In addition, Niger is landlocked between Mali, Libya, Algeria, Chad, Nigeria and Burkina Faso. As a result, it is gravely affected by the situation in Mali, Libya and Nigeria. Niger's borders with all three countries are a gateway for the Tuareg insurgents, Islamist groups and human traffickers. It is difficult to think of a more challenging context in which to pursue economic and political transformation.

As pointed out by several development reports, there is no functioning infrastructure beyond the capital. A high population growth weighs heavily on an already frail infrastructure. In the last seven years, Niger has been subject to several droughts and severe flooding.

The government is aiming to improve infrastructure, increase uranium exploration and modernize agriculture. All previous governments have highlighted these three goals, but none has achieved them.

Civil society as a whole rests on weak foundations. Most of the regular activities of local NGOs are dependent on donor funding. In the past, several of organizations emerged as serious challengers to the government. Throughout the 1990s, the Nigerien trade unions managed to destabilize the political system (which, among other factors, provoked the 1996 military coup).

In the last decade, various organizations have come together under the umbrella of the Coalition Équité/Qualité contre la Vie Chère au Niger. The main objective of this and several related groups was to protest the growing cost of basic goods. The organization's activities have been confined to urban areas. In day-to-day politics, civil society does not play an active role. Various organizations lack the impartiality required to scrutinize government. Consultations are rare and occur on an ad hoc basis.

Structural constraints

9



1

Civil society traditions

7

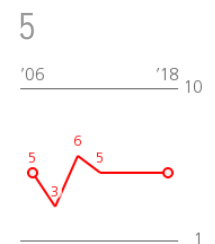


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Interpersonal trust and solidarity among citizens appears limited, although only incomplete survey data is available. According to Afrobarometer (2016), Nigerien respondents place enormous trust (81%) in their religious leaders, but generally refrain from associational activities.

The main violence in Niger in recent years stems from the conflict with Boko Haram which has spilled over from neighboring Nigeria. Otherwise, the political salience of ethnicity is low. This is in stark contrast to other African countries, in particular Niger's immediate neighbors (Nigeria and Chad). There are some, though limited tensions between the Hausa and the Djerma groups that resulted from uneven economic development due to French colonialism and the early years of independence. During the period of military rule between 1974 and 1989, the government tried to maintain an ethnic balance in all public appointments. While political parties have their strongholds, political party competition is certainly not shaped by ethnic exclusion. The political liberalization of the late 1980s was followed by two large-scale conflicts between the central government and the Tuareg. The last conflict, which ended in 2009, left 70 government soldiers and 200 Tuareg rebels dead. The conflict between the central government and the Tuareg has been officially resolved but tension persists. Although the Issoufou government has appointed a Tuareg as prime minister, no reliable information exists regarding Tuareg satisfaction with the current political dispensation. In January 2012, President Issoufou issued a stern warning that Niger could experience a similar fate as Mali. The government designed a development package for the north of Niger in 2012. However, there is no reliable information about the implementation of the program. Since 2012, the government has not publicly discussed the topic. The fact that all major politicians have worked for or were affiliated with the authoritarian regime (1974 – 1991) helps mitigate tensions. Niger's main cleavage is between the wealthy few and impoverished masses. That the latter does not enjoy any political representation has been detrimental to social justice, but beneficial to stability.

Conflict intensity



## II. Governance Performance

### 14 | Steering Capability

The government is willing to tackle long-term problems such as unemployment and poverty. It formulates its strategic goals in cooperation with the international donor community and maintains good relations with the Bretton Woods institutions. Although there has been some progress in the last 15 years in the struggle against extreme poverty, Niger lacks a convincing strategy to uplift its population economically. In line with its predecessors, the Issoufou government has published

Question  
Score

Prioritization  
5



many development plans, but very little has actually been achieved for the population. The desperate socioeconomic conditions make prioritization a real challenge as the vast majority of the population lack access to virtually all basic services.

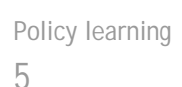
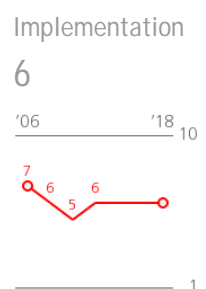
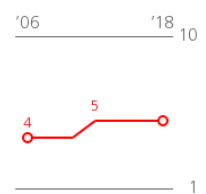
There is no convincing blueprint for future development. Frequent upheavals resulted in a lack of long-term policy planning. Since 1993, every central government has failed to cooperate with representatives from rural areas. As a result, government planning has failed to meet the needs of much of the population. Outside major urban areas, there is a distinct lack of qualified government personnel to plan and execute government policy. Although the government has formed two anti-corruption bodies, these bodies have had little to no effect.

Nigerien elite behavior sacrifices long-term goals in favor of bargaining and office seeking. Although not overtly anti-democratic, deepening and consolidating democracy is not the main goal of the political class.

All civilian governments since 1993 have failed to implement poverty reduction strategies and live up to the expectations of their citizens. There are, for example, no policies in place that mitigate the high population growth; awareness campaigns about the consequences of high fertility rates are nonexistent. Debt relief has not been accompanied by any improvements in living standards. There has been some progress in the exploitation of resources; this has largely been driven by foreign, and in particular Chinese, interest in these resources. However, there is little evidence of the effectiveness of policy implementation in the field of resource exploitation. International NGOs consistently complain about the lack available information concerning resource exploitation.

The country's infrastructure has been deteriorating for many years; improvements were typically the result of external intervention. Shortcomings in implementation can primarily be attributed to poor administrative capacities and corruption. The IMF regularly provides Niger with access to the IMF's extended credit facility. Accordingly, Niger's positive economic outlook is largely due to increases in the export of resources rather than effective policy-making and implementation. The government has been more successful in obtaining and implementing development aid programs. In January 2016, the IMF approved a new three-year agreement for Niger under the extended credit facility (ECF) for about \$19.15 million. The program aims to create the fiscal space necessary to fund infrastructure projects and increase social spending.

Ever since the (failed) implementation of the first structural adjustment programs in the 1980s, Niger has been a recipient of generous funding from bilateral and multilateral donors. Its participation in the HIPC initiative canceled almost all of its debt. Despite this, there have been no visible improvements in Niger's economic and social standing. Policy lessons and innovation remain absent, policy planning is ad



hoc, and there is no long-term master plan of how to stimulate or diversify the economy.

Cooperation arrangements between Niger and China are shrouded in secrecy and little information is available about capacity building initiatives undertaken in Niger by Chinese partners.

Considering past conflicts with the Tuareg and discords between political parties, the Issoufou government has been surprisingly keen on reaching out to all opposition parties. However, the main strategy behind this “inclusiveness” is to co-opt potential regime opponents. Niger’s prime minister is a Tuareg.

Overall, government attempts to ensure internal and external stability while trying to muddle through economically. This is neither innovative nor flexible.



### 15 | Resource Efficiency

The government makes efficient use of only some of its available resources. The government has traditionally been oversized in terms of personnel but under-equipped with regard to technical skills. The Issoufou government is not any different from the previous government regarding resource efficiency. The trade unions of the public sector are a powerful political force and in the past, their political acquiescence was ensured by excluding them from urgently required austerity measures. Recruitment in the administrative sector lacks transparency, and the allocation of budget items is not subject to public or political scrutiny either.



For years, Niger has suffered from severe account deficits. The debt burden is rising but so far has remained at a sustainable level. As mentioned earlier, this is due to the cancelation of debt rather than effective budget planning or prudent fiscal policy. According to the IMF, no budget auditing has taken place for the better part of Niger’s history. Budget International rates Niger as one of the least transparent countries in the world with regard to budget transparency. Deviation of actual budget expenditures from the associated planned expenditures cannot be determined because the government does not release such data.

In recent years, the government has made some progress with regard to decentralization, but efficiency is lacking on the local government level as well. In many areas of the country, government officials are not sure about their roles and responsibilities. Among the local population, there is a distinct lack of knowledge on the mandate of the authorities, so they are not easily held accountable. To be fair: the military confrontation with Boko Haram and subsequent humanitarian disaster in the Diffa region takes up a significant amount of time and administrative capacity.

The Seventh Republic, as the current government is known, has set out to have a semi-presidential system. In the past, this system has led to institutional breakdown and jealousies between the president and prime minister. During its first term in office, the Issoufou administration fell victim to similar dynamics when Issoufou fell out with his largest coalition partner (i.e., Hama Amadou of the MNDS). Following the 2016 elections, reelected President Issoufou was able to form a seemingly stable parliamentary majority. The ability to incorporate conflicting objectives, however, remains largely dependent on the ability to provide financial inducement. The government has been comparatively successful in integrating former Tuareg rebels and in fighting off external jihadi militias. However, military expenditure has been partly responsible for over-runs in the budget.

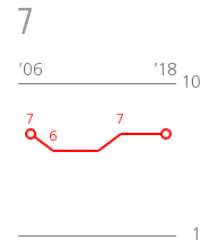
Corruption remains a serious problem at all levels of the state. The Issoufou government initially appeared to take the issue of corruption more seriously. It established various anti-corruption bodies (e.g., the Supreme Authority for the Fight Against Corruption and related Crimes; the Haute autorité de lutte contre la corruption et les infractions assimilées, HALCIA) and a dedicated telephone hotline to which corruption could be reported. In the last two or three years, however, the government has visibly lost some of its drive to fight corruption. It cracked down on several journalists who reported that government officials had diverted public funds. The failure of the Issoufou administration to live up to its anti-corruption promises has fueled various anti-government demonstrations, which have haunted the government.

There is still no effective party finance regulation in place, nor is there an effective auditing mechanism of state spending. In fact, the government does not provide any information on state spending. Even parliamentarians who are members of the budget accounts committee lack access to crucial documents. The poor state of the private media and, more importantly, the poor state of the judicial system mean that many cases of high-level corruption have either never been addressed in earnest or have never been revealed to a broader audience. Widespread illiteracy also contributes to impunity in the political realm.

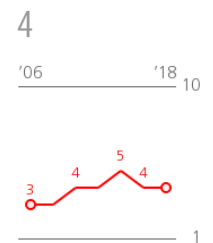
## 16 | Consensus-Building

In principle, all major political actors agree on the desirability of democratic procedures and a free market economy. Even inside the MNDS (the former unitary party) there is no desire to return to autocratic rule. The same can be said for all major civil society organizations. While conservative Islamic organizations are not committed to the principles of democracy, they do not actively challenge democratic rule. Inside the armed forces, there appears to be no appetite to claim power. In December 2015, a small number of officers were arrested and accused of planning to

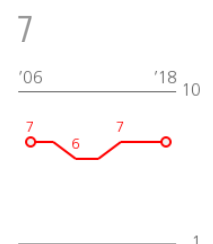
### Policy coordination



### Anti-corruption policy



### Consensus on goals



overthrow the government. Even if that was the case, the armed forces as a whole are committed to civilian rule.

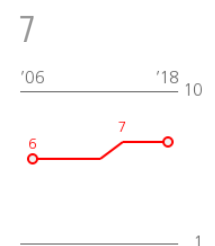
The principles of a free market economy are not under threat in Niger, but privatization has been slow because state-owned companies have the reputation of turning low profit margins after purchase. While government officials and representatives of opposition parties may not wholeheartedly support the principles of a market economy, there are no ardent supporters of capitalism either. Trade unions as well as other civil society organizations are more critical of market economies due to the failure of the Nigerien economy to provide a decent standard of living.

The government, by and large, respects the principles of democracy. In the past, the military was the most powerful anti-democratic force in the country. However, the military's behavior in the aftermath of the 1999 and the 2010 coups, when it supported democratic change, indicates that it has redefined its role. The Issoufou government has also strived to keep the military loyal, raising salaries and ensuring better equipment for the armed forces. Other anti-democratic actors include Islamic groups and self-interested politicians. Islamic groups continue to oppose political liberalization, especially with regard to the rights of women and with regard to secularism. However, they lack the will and capacity to bring about change: in contrast to several neighboring countries (in particular, Mali), conservative Salafi movements do not engage in party politics, but rather remain confined to the religious sphere. Although the political class as a whole has accepted election outcomes, powerful self-interests of individual leaders still have the potential to override democratic principles.

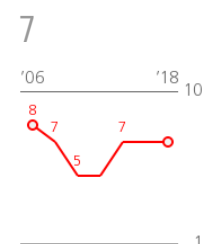
The majority of political actors agree on the goals of developing democracy and the market economy. Political competition is not rooted in ethnic cleavages, but rather in personal rivalry. Personal rivalry and not structural factors are the main challenge to political order and stability. The current and several previous governments tried to co-opt dissenters into the patrimonial political system. This also applies to former Tuareg rebels. There appears to be, however, a growing rift between the current administration and civil society. Leading civil society representatives are concerned about the arbitrary arrests of journalists and human rights advocates. While Issoufou is a very different president than President Tandja (2000 – 2010), there now appear to be some similarities in the manner in which the two manage political dissent.

The growing cleavage in Nigerien society is between the urban secular society and the increasingly radicalized rural poor. People in rural areas have been marginalized, both politically and economically, since the early 1990s. While some progress has been made on this front, the urban-based political elite still tends to disregard rural needs. This neglect accounts for the growing rise of radical Islam in rural areas and, consequently, a growing rift between rural-based radical Islam and the urban-based secular political elite.

Anti-democratic actors



Cleavage / conflict management



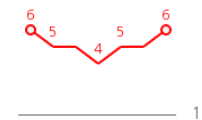
Overall, the impact of civil society in everyday political life is low. The government very rarely takes the advice of civil society into consideration when formulating policy. In 2010, for example, when the government was drafting the new constitution, civil society groups were invited to give their opinions on the draft. The Issoufou government is not known for its desire to consult with anyone who is not represented in parliament. The truth is that links between civil society groups and political parties are weak and the relationship between the political class and civil society leaders is characterized by mutual mistrust. This is especially true in the aftermath of the 2016 elections, when civil society protests against the government were repressed.

Civil society participation  
5



Reconciliation between perpetrators of crimes and their victims has never been addressed in earnest. This applies to the victims of the Kountché regime (1974 – 1987) and the Maïnassara regime (1996 – 1999). The attempts by the National Conference in 1991 to identify previous political and social injustices resulted in the humiliation of the army, which was one cause for the 1996 coup. Perpetrators enjoy impunity while victims have no serious recourse. While various governments have established numerous deliberative councils, all of which are supposed to contribute to national cohesion and reconciliation, in reality, these councils have had no effect.

Reconciliation  
6

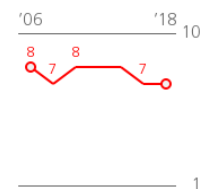


The Issoufou government has made some attempts to rectify these mistakes, at least regarding the deprivation of certain groups. So far, the economic plight of the Tuareg community has not been addressed by any government. The appointment of Brigi Rafini as prime minister – the second Tuareg to hold the position – had great symbolic value, though this should not be overemphasized. In the country’s authoritarian past, Rafini served in key administrative positions.

### 17 | International Cooperation

In principle, all Nigerien governments have pursued political and economic development. All governments have worked closely with bilateral and multilateral donors. Niger qualified for the HIPC initiative and Millennium Challenge Account as well as cooperated with the World Bank and IMF. In the current international climate, Niger has emerged as a key ally in the fight against Islamic terrorism and consequently received generous additional aid from a variety of Western nations. Very little of this money, however, reaches Niger’s poverty-stricken population. Reports and research on the ground indicates that a large share of this money is used to increase the inefficient public sector or co-opt potential political challengers. Overall, short-term expediencies and rent-seeking behavior hamper the effective use of available support. There is no shortage of policy strategies which outline the need to diversify the economy, invest in education and infrastructure, and lift citizens out of poverty. Yes, remarkably little progress has been achieved. There is no coherent roadmap or comprehensive strategy to fight extreme poverty.

Effective use of support  
7



The recently concluded elections were peaceful, but controversial within the country. However, this has not damaged Niger's reputation as a reliable partner at the regional or international level.

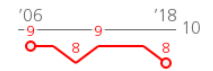
The Issoufou government clearly enjoys international legitimacy and was able to attract generous development packages from Western donors. In January 2016, the IMF concluded a new Development Aid Program with the country. Niger cooperates with all major international institutions. It also closely cooperates with neighboring countries such as Mali, Chad, Nigeria and Cameroun in fighting Boko Haram. Nothing indicates that the newly elected government intends to change its cooperative approach any time soon.

Niger is a charter member of the African Union and the West African Economic and Monetary Union. It belongs to the Niger Basin Authority and the Lake Chad Basin Commission, the Economic Community of West African States, the Non-Aligned Movement, and the Organization of the Islamic Conference.

Once elected, Issoufou's government sought close relations with Niger's immediate neighbors. Its foreign policy toward Mali is in line with other ECOWAS nations. In some areas, Niger is an active partner. Niger has demonstrated its commitment to a U.N. intervention in Mali by providing between 500 and 700 troops. It is a founding member of the "G5," an institutional framework for the coordination of security issues between five Sahel countries.

#### Credibility

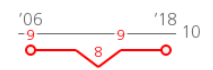
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#### Regional cooperation

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## Strategic Outlook

Despite generating greater income through uranium exploitation and development aid, the Issoufou government has been unable to lift its population out of extreme poverty. For thirty years, Niger has suffered from same fundamental policy challenges: an economic system that is extremely vulnerable to external shocks, endemic corruption and overpopulation. Niger's limited state capacity and unstable geographical neighborhood worsen its outlook.

To address capacity constraints, the government and donor community must include civil society organizations in the policy-making process. In particular, civil society organizations should be involved in the development of poverty reduction strategies; such strategies must be accompanied by better monitoring of international aid. To address corruption, the dated anti-corruption initiative of the Issoufou government should be revitalized by the donor community. It is also crucial that the education system be completely overhauled; here again, the donor community can perform a vital role.

A new, long-term economic strategy is needed. This strategy should address economic diversification, the Niger's economic dependence on uranium and oil exports, and the inadequacy of the country's physical infrastructure.

State institutions must be strengthened. The Issoufou government needs to recover its appetite for reform. In particular, the judiciary needs to be better staffed. Meanwhile, the donor community must ensure that it undertakes regular systematic evaluations of aid its programs. This can be best achieved in cooperation with those segments of civil society who have an expertise on the government's budgetary process, since little scholarly knowledge exists on how the Nigerien government actually spend public funds.

Finally, Niger has the potential to be an important actor in the Sahel. In particular, the country could meaningfully contribute to peace and stability efforts in Mali and Nigeria. To harness this potential, development initiatives must target the country's neglected northern region. To curb the spread of radical Islam, rural areas must be included in the policy-making process. Otherwise, the central government will continue to lose the public relations war to Islamic welfare associations. To mitigate the influx of radical Islamic groups from outside the country, Niger requires military support to secure its porous borders with Nigeria, Algeria and Mali.