

NIGERIA-INDIA ECONOMIC, POLITICAL AND SOCIO-CULTURAL RELATIONS: CRITICAL REFLECTIONS FOR CONTINUOUS MUTUAL CO-OPERATION

*Sulaiman Balarabe Kura**

Usmanu Danfodiyo University, Sokoto

e-mail: suleiyankura@hotmail.com; sybkura@gmail.com

ABSTRACT

The establishment of the Diplomatic House in Nigeria in 1958 (two years prior to Nigerian independence) by India laid the foundation for what was to become solid, warm and concrete bilateral relations between India and Nigeria. The subsequent diplomatic and commercial visits between officials of the two countries crystallised and concretised their cooperative ties regarding political, economic and socio-cultural issues. This paper examines the politico-diplomatic, socio-cultural and economic relations between India and Nigeria. Using a historical approach, the paper argues that although in economic terms the balance of trade is in favour of Nigeria due to increasing importation of Nigeria's crude oil into India, Indian investment activities in Nigeria have exemplified what might be termed an unequal relationship in which India has an edge over Nigeria. Nevertheless, in view of the magnitude of the cordial relations between the two countries, their development potentials and some socio-political and cultural commonalities, they stand a very good chance of further solidifying and enriching their interactions with regard to several important issues, such as the development of democratic institutions and the redefinition of economic relations between the two states. This, the paper argues, would not only strengthen their political and economic relations, but also bring mutual benefits.

* Sulaiman Balarabe Kura is a lecturer with Department of Political Science, Usmanu Danfodiyo University, Sokoto, Nigeria. He was a recent Commonwealth Scholar and obtained his PhD from the University of Birmingham, UK. He has wide interest in political parties, African politics, development studies and international relations. Sulaiman Kura's recent publication include "Towards 'Reinventing Government': The Changing Perspectives of Democratic Governance for Development", *Public Administration and Development*, 28, 234–238, 2008; "African Ruling Parties and the making of Authoritarian Democracies: Extending the Frontiers of Social Justice in Nigeria", *African Journal of Conflict Resolution*, 8(2), 2008; "Democracy, Human rights and rule of Law in Nigeria" in I.S. Oguniye and A.O. Lanre (Eds.), *State and Civil Society Relations in Nigeria* (Ibadan: OFF Publishers), 2009. Also a forthcoming co-edited book with IMB Zagga and A.M. Wali (2009), *Governance and Islam in Nigeria*.

Keywords: politico-economic, socio-cultural, economic bilateral relations, multilateral relationship

INTRODUCTION

The Genesis of the Relations

The fact that Nigeria and India both suffered similar colonial onslaughts from one colonial power – Britain – suggests that relations between the two countries predate their political independence. Relations between Nigeria and India have their roots in colonialism. During the period of British rule, Anirudha (1979: 264) argues that some five million Indians migrated to the different colonies of the British empire, including Nigeria, mostly under the system of indentured labour. This marked the beginning of an informal interaction between India and Nigeria. Factors such as the English language, governmental procedures and common interest in the anti-colonial struggles that earlier began in India (Badejo 1989: 88), as well as contemporary common interests, have continued to bring Nigeria and India into mutual interaction and co-operation.

India achieved political independence earlier than Nigeria, and thus provided an impetus and modus operandi for Nigerian nationalists in their struggle for independence. The Indian struggle for independence was particularly significant for Nigeria because India was a non-Caucasian nation. India was the oldest of all the tropical dependencies of Britain, as it led the way in the struggle for independence; thus, it acted as one of the stimuli in the growth of national consciousness in Nigeria and dictated to some extent the pace of events in that country (Olusanya 1985: 88). Perhaps this was the reason why Nigerian nationalists pursued the method of non-violence (that is, a peaceful constitutional path) in the struggle to achieve independence, in contrast to many African states that employed armed struggle and violence. The belief was that the international balance of forces would force the colonial power to end the colonial domination. This marked the beginning of political interaction between Nigeria and India.

The significance of inspiration derived from Indian nationalism was categorically stressed by the popular colonial newspaper, *the West African Pilot* (1942: 189) when it maintained that:

India has a special significance for the coloured members of the British Commonwealth as such her fate in imperial politics means a lot to the coloured world undergoing British tutelage. The significance of this to

Nigeria cannot be over-estimated because this dependency comes next to the Indian empire in size and population. If the deadlock in India could be successfully resolved by the British Government after many years, then a new era has dawned in British colonial policy.

Apart from the colonialist struggle in general, which acted perhaps as a metaphorical midwife for the two countries' earlier political interactions, the thinking, passion and philosophy of the people of India, including Mahatma Gandhi, Jawahala Nehru and Bose, influenced pioneering Nigerian nationalists and politicians. This admiration was well highlighted in, for example, Obafemi Awolowo's autobiography. It is thus not surprising that when Awolowo became the Premier of the Western Region in 1952, his first foreign trip was to India. Emphatically, the "language of the Nigerian nationalists in the early years of the movement was reminiscent of the language employed by the nationalists leaders" (Olusanya 1985: 188–9) in India. The Nigerian nationalists also borrowed tactics from the Indian Nationalist Congress.

India's success in achieving independence in August 1947 has greatly influenced Nigeria. This is because as a result of independence, India became a sovereign state, and henceforth a member of the United Nations (UN) and Commonwealth. It was on the grounds of having suffered colonial onslaught that India championed the course of decolonisation and eradication of racial discrimination. Prime Minister Nehru demonstrated the commitment of India in support of the decolonisation process when he stressed that "we are particularly interested in the emancipation of colonial and dependent countries and in the recognition of the theory and practice of equal opportunities of all races" (India Council for World Affairs 1964). Coincidentally, this was and has been one of the central aspects of Nigeria's foreign policy objectives, in which case the restoration of human dignity to black men and women all over the world and the eradication of colonialism and white minority rule (or apartheid) from the face of Africa was emphasized (Ali 1987; Olusanya & Akindele 1989; Akpan 1987; Okolo 1987).

Upon attainment of independence in October 1960, Nigeria became a member of the Commonwealth, the UN and the Non-Aligned Movement, among other international groups. Under the auspices of these international organisations, as well as through individual efforts, both Nigeria and India have fought colonialism and racial discrimination in Africa and other parts of the world. Acknowledging the pre- and post-independence influence of India on Nigeria, President Shehu Shagari expounded in a visit to India in 1983 that:

We come to salute India, the largest democracy in the world. We also come to learn from India, as we have been learning, beginning from the example of your [India's] great Mahatma Ghandi, the greatest hero of all colonial peoples throughout modern history. The moral force of his [Ghandi's] passive resistance philosophy ultimately led to victory. This has been the source of inspiration to all of us [as colonial appendages] and has guided us in our own struggles to achieve our own freedom from colonialism and exploitation. We also watched with interest the achievement of your republican status within the Commonwealth. We followed your example and your model.

Interestingly, this has been the foundation upon which future formal relations were built between Nigeria and India. Moreover, it has been on this basis that the two countries have maintained mutually cordial interactions from pre-independence until today. India has indeed served as a great inspiration not only to Nigeria, but also to all developing countries located in the same geopolitical axis.

POLITICAL AND DIPLOMATIC RELATIONS

The establishment of a diplomatic house usually marks the beginning of formal and official diplomatic and political interactions between sovereign states. India established its diplomatic mission (or house) on the 20th November, 1958, in Lagos, which was the then-Headquarters of the Federal Republic of Nigeria, two years prior to Nigeria's independence. To further cement what was to become a substantive relationship, the India mission was eventually upgraded to the status of a High Commission after Nigeria became a politically sovereign state.

The visit to Nigeria by Indian Prime Minister Jawaharlal Nehru in 1962 opened an important chapter in a long-lasting friendship between Nigeria and India. Today, the political and diplomatic relations have fruitfully blossomed. Though a thoroughly Indian affair, the Sino-India border conflict of 1962 was a litmus test for the bilateral relationships between Nigeria and India. India expected that Nigeria and other African countries would offer political support to India by declaring China the aggressor (Shagari 1983). African states not only remained neutral, but some of them even went as far as openly supporting China. Such states included Ghana, Guinea, and most of the Francophone states. Contrary to the moral support maintained by some African states regarding the Sino-Indian conflict, Nigeria under Sir Abubakar Tafawa Balewa vehemently and openly supported India's position and called for a total condemnation of

China's action against India; this was perhaps due to Balewa's sharp stance against communism, according to Varma (1963), Sir Abubakar Tafawa Balewa declared in his response to a message sent to Nigeria by Prime Minister Nehru that:

I agree entirely with your assessment that the issue involved is not merely that of territorial adjustment but of principles and standards of behaviour to be followed in international intercourse if world peace and civilisation are to endure.

Similarly, there was positive response to India's border conflict with China from the Nigerian press. For example, the *Daily Telegraph* (1962: 90) stressed in an editorial that:

India, which believes solidly in non-violence, has been forced into violence by communist [China], which needs extra territory for her teeming millions, and to do this, she has embarked on an [act of] aggression on Indian territories. The eyes of the world are watching this assault and those who keep an open mind agree that China is committing an [act of] aggression on India.

The *West African Pilot* (1962, cited in Olusanya 1985) similarly opined that aggression against India offered an opportunity for concerted action to cage the dragon, that is, to carry out an act of aggression against India. This clearly demonstrates the moral and political support India enjoys from Nigeria as well as explains the commitment of the two countries towards a cordial co-operation.

However, India did not enjoy similar support during its period of war with Pakistan.¹ Nigeria simply decided to remain neutral, probably either because Pakistan was also a member of the Commonwealth or because Pakistan is, like Nigeria, a predominantly Muslim state. Pakistan did not enjoy any support from Nigeria, either. Both the government and the press, which represented public opinion, turned a deaf ear to the issue.

Perhaps, the most controversial event was Nigeria's reaction to the creation of Bangladesh. For example, Olusanya (1985: 205) argued that the

¹ Since of its creation, Pakistan has been in constant border conflict with India over the Kashmir region, over which both Indian and Pakistan claim ownership. The conflict has been a source of concern to other states in the international community, especially as the conflict has bred enmity between the two states to the extent that both have successfully acquired nuclear weapons. However, Nigeria's neutrality suggests passive support for India's claim over the Kashmir region. The implication is that Nigeria's non-open support for India not only gave a sense of relief to Pakistan but also strengthened the already-good rapport and cordial relations between India and Nigeria.

Nigerian reactions to the creation of Bangladesh represented a major break from the neutrality that Nigeria had maintained during the Indo-Pakistani conflict. Based on principles of international diplomacy, Nigeria opposed the balkanisation of Pakistan but did not offer open support for Pakistan.

Be it as it may, Nigeria had passively and politically supported India. Its attendance to the Commonwealth Summit of 1971, which Pakistan boycotted but which India and the newly created state of Bangladesh attended, demonstrated Nigeria's diplomatic support for India. If Nigeria had boycotted or quit the Summit, as Pakistan did, then there would be a solid justification for suggesting Nigeria's dissatisfaction with India's complicity in the successful partition of Pakistan and the consequent creation of Bangladesh. Overall, Nigeria can be considered neutral in this Indo-Pakistani conflict. Neutralism over delicate issues that involve two or more states is a diplomatic tactic usually employed by foreign policy decision-makers and international relations practitioners.

The fact that Nigeria has maintained cordial diplomatic relations with India cannot be contested. At the international level, the two countries have both supported the rights of nations to self determination and freedom from colonial and foreign subjugation, supported all liberation movements in the legitimate struggle for national independence, and offered unrelenting support for all efforts to dismantle the system of apartheid in South Africa in the 1980s and indeed all forms of racial bigotry and prejudice. In the context of Africa as well as at the international level, this has served as another aspect that continues to bring India and Nigeria into direct diplomatic contact. This is not to say that the mere fact of claiming similar policy towards an international issue shows the concrete nature of the two countries' relations. Yet the implication is clear, namely, that having similar policy towards an international issue more often strengthens bilateral relations between Nigeria and India.

It is perhaps obvious to note that India, of all Third World countries, was the first to focus on the issue of apartheid at the international level. Perhaps because of India's conflict with China and the reaction thereafter from majority of African states, the country decided to revive its image as an anti-colonial and anti-racial power. India as well as Nigeria sent troops to Congo during the Congo's crisis of 1960–1963 under the auspices of UN peacekeeping operations. India also became materially involved in the dismantling of the racist South African regime and the struggle for Namibian independence. For example, India has opened offices in New Delhi for the African National Congress (ANC) and South-West African People's Organisation (SWAPO) of Namibia. India was the first country to take its complaint against the South African apartheid regime to the UN.

For example, in 1946, the government of India highlighted racial discrimination as prohibited under Articles 10 and 14 of the UN Charter. It singled out South Africa as a violator of international law and the Charter because of its many disabling ordinances against residents of Indian and African origin. Consequently, India recalled its High Commissioner and discontinued trade with South Africa (Prasad 1952). The intention was clear. The Indian government was extremely concerned with the ill treatment of Indians in South Africa. But it soon recognised that opposition to racial discrimination could not remain limited to individuals of Indian origin. In the ultimate political and policy analysis, the whole issue rested on the human rights provisions of the UN Charter. India, therefore, extended its support to all groups and communities subjected to racial discrimination in South Africa. This change in attitude and extension of policy was well underscored in President Rajendra Prasad's address to parliament in 1952, in which he reiterated that:

The question is no longer merely one of Indians of South Africa; it has already assumed a greater and wider significance. It is a question of racial discrimination and racial intolerance. It is a question of the future of Africans more than that of Indians in South Africa.

In addition, during the Angolan civil war, which divided the Organisation of African Unity (OAU) into rival camps, India recognised the MPLA (Movements Populaire de Libération de Angola), which Nigeria also openly supported. India gave assistance to the liberation movements through the Deres-Salam-based committee of the OAU. Such contributions had surpassed Rs.5 million by 1977. In the same year, India was reported to have budgeted Rs.31 million for assistance to African movements. The Indian government was also a regular donor to some of the multilateral aid organisations that were set up for the liberation of Southern Africa by the UN. Apart from monetary donations, India also launched propaganda attacks on South Africa. For instance, during the 1978–1979 Anti-Apartheid Year, the Indian government set up a National Committee for the observance of the Anti-Apartheid Year under the Chairmanship of Asoka Mehta. Throughout the year this committee organised seminars, rallies, exhibitions, film shows and meetings, all of which were geared towards exposing the realities of apartheid to the Indian people and the world (Information Bureau 1983: 3).

These attitudes and material commitments of India to what Nigeria considered equally important foreign policy objectives in Africa was quite welcomed by successive Nigerian governments. These commitments also

further endeared India to Nigeria as a partner in progress towards issues that generally affect the Third World. In effect, in order to succeed, the Indian government has regularly held diplomatic consultations with Nigeria on strategies for international conferences and forums aimed at providing moral, political and material support to all African states struggling for independence. The fact that Nigeria has offered so much energy and material resources towards Africa in all aspects of development cannot be contested. It is not within the scope of this paper to discuss or examine Nigeria's political and material support to African liberation movements in southern Africa in order to dismantle colonialism and encourage the decolonisation process.

It was perhaps in view of what appeared to be a marriage of convenience between India and Nigeria that President Shehu Shagari of Nigeria and Indian Minister Indira Gandhi declared in a joint communiqué in January 1983 that:

Both leaders strongly condemned the Pretoria regime [Apartheid South Africa] for its recalcitrant attitude to the Namibian question and endorsed the stand of SWAPO and the fountain states [under liberation movements]. They reaffirmed their opposition to any linkage between the achievement of Namibian independence and the withdrawal of urban troops from Angola. They expressed their hope that Namibia would soon achieve independence in terms of the United Nations Security Council Resolution 435. The two leaders condemned the Pretoria regime's policy of Apartheid, repression and denial of political and human rights to the majority population. They called for the immediate release of Nelson Mandela and other political prisoners languishing in South African jails. Both sides agreed that peace could only be established with the abolition of Apartheid. They reiterated firm commitment of moral, material and diplomatic support to the liberation movements of South Africa.

Moreover, in similar diplomatic interactions, the Indian government has expressed sympathy over the Nigerian civil war (1967–1970) through the Indian High Commissioner in Nigeria; the High Commissioner also noted that since independence in 1947, India too has had to work diligently to tackle the problems such as the vast floods of refugees pouring across its borders. The High Commissioner further added that the problem of the refugees has assumed wider dimensions not only for India but also for the international community, thus requiring the urgent and active support of all nations constituting the UN. He finally solicited Nigerian understanding and support for the refugees in order to help them return to their homes. In reply, the then-Head of State General Yakubu Gowon stated that Nigeria was sympathetically concerned with the events in the Indian subcontinent,

which affected two sister-member countries of the Commonwealth of Nations. The Head of State categorically stressed that:

We share with you [India] the anxiety caused by the dimension of the human problems involved. I am glad to note that the world is not indifferent to the problem in your area. We acknowledge the outstanding contributions being made by the United Nations Organisation and other international efforts at trying to bring succour to the needy in the area (NIIA, 1972: 35).

Such is diplomacy. It was not known whether Nigeria offered any material assistance to India over this problem. However, the sympathy and moral commitment expressed by Nigeria further strengthened the already-strong relationship between the two states. At least Nigeria did not turn a deaf ear towards the plight of India and Indians.

In furtherance of cementing their relationship, Nigeria and India, signed the Bale Convention in 1990 to control the export of dangerous industrial waste and its movements across borders. Since they are bordered by Atlantic and Indian Oceans, respectively, both Nigeria and India signed the convention in order to environmentally protect their waters from industrial waste pollution. Nigeria was the first African country to sign the convention, which bans the export of industrial waste without consent of the importing countries. This means that the two countries have come together on pertinent issues that not only affect them individually but that also affect several Third World countries.

Today, as Nigeria has returned to democratic system, it stands to champion the cause of African countries at the international level. Thus, the Asia-African Strategic Partnership (AASP) is an ideal forum for Nigeria and India to explore "mutually beneficial areas of co-operation that are pragmatic, structured and sustainable" (Asia-Africa Ministerial Meeting, 2005) between the two regions. This is especially pertinent in view of the various conferences and summits in which international agreements have been reached regarding political, social and economic issues, including the Millennium Development Goals (MDG), Monterrey Consensus, Johannesburg Plan of Action, and Doha Development Agenda (DDA).

However, one issue perhaps nearly severed Nigeria's relations with India, namely, the issue of Nigerian nationals languishing in Indian prisons for jails for alleged involvement in drug trafficking. Hundreds of Nigerians are reportedly serving court sentences in Indian jails. The situation has gravely tarnished Nigeria's image in India and in the international community. However, this is suggestive of the extent to which Nigerians

are involved in international crimes, such as child and drug trafficking and money laundering. With accusations and counter accusations rather lopsided in the judicial process, the poor condition of Indian prisons and India's responsibility for extradition of ex-convicts, the Nigeria High Commission in New Delhi and the Indian Foreign Ministry have been at loggerheads over the matter (*The Guardian* 2000: 3). However, the Memorandum of Understanding (MoU) signed between the two countries in April 2000 on the exchange of prisoners has helped to cool nerves. Accordingly, the exchange of prisoners is in line with the Nigerian government's motives to improve Nigeria's image abroad. This MoU, therefore, was vital to strengthen the relationships between the two states.

From 2000–2007, in what appears to warm and friendly relations between India and Nigeria, a series of visits occurred between leaders and officials of the two countries. For example, President Obasanjo paid a state visit to India in 2000 in which he served as the Chief Guest at India's 50th Republic Day celebrations, and in the same year, the External Affairs Minister of India visited Nigeria to co-chair the Third Session of India-Nigeria Joint Commission. In May 2003, the Minister of State for Commerce and Industry visited Nigeria to chair the Conference of Commercial Representatives of Western Sub-Saharan Africa. And in October 2003, the Nigerian Minister of External Affairs visited India to co-chair the Fourth Session of the two countries' Joint Commission. In October 2007, Indian Prime Minister Manmohan Singh visited Nigeria, during which the Nigeria-India Joint Commission (NIJC) was reactivated and the Abuja Declaration on Strategic Partnership was signed. There has also been a series of visits at various governmental and commercial levels between the two countries. These visits are indications of the extent of friendliness, mutual understanding and interactions between Nigeria and India.

SOCIO-CULTURAL RELATIONS

Nigeria and India have various cultural and social similarities. To start with, in 1955, the Indian government started a scholarship scheme for African students. Although Olusanya (1989: 190) has argued that the scheme has not fully justified the hopes of its founders, because many African students have preferred studying in Europe, the United States (US), Canada and Russia, the establishment of the scheme during a crucial period in which Africa was in dire need of manpower is a suggestive of the Indian

commitment to helping Africa in general and Nigeria in particular. Of course, one cannot compare the educational development of India with Western Europe and the US, but the problem of distance was perhaps also a reason why Nigerians prefer going to these countries rather than India. Today, the story is different. Despite distance, there are approximately more than 5,000 Nigerians studying in India. This development is important, because though it is perceived as a developing country, India has successfully achieved technological and scientific breakthroughs. Moreover, studying in India is economically cheaper compared to Western Europe and the US. Yet, many of the Nigerian students in India are self-financed, as Indian scholarships are available to few students (Badejo 1989: 93).

Nevertheless, under the Special Commonwealth African Assistance Plan (SCAAP), India provides eight to ten scholarships to Nigerians for various training programmes. Moreover, since 1984, under an Indo-Nigerian cultural programme sponsored by the Indian government, five Nigerian students visit India for undergraduate or postgraduate research. And, since 1984, two junior and senior research fellowships are granted annually to Nigerians by the Indian government. These facilities for training have been extended to telecommunication, for which technical training has been given to about 150 Nigerian telecommunication personnel from Telecommunications India Ltd (TCIL) (*Hindustan Times* 1964). The implication of this is that Nigeria has benefited from its relations with India. Except the Indians living in Nigeria who financed themselves to acquire an education in Nigerian educational institutions, the Nigerian government does not officially provide similar technical training programmes to Indians. Educational standards in India are far better than those in Nigeria; sending Indians to study in Nigeria would be like sending Americans or Britons to study in Niger Republic.

The high-powered delegation headed by Indira Gandhi in 1964 that visited African countries with a view to effect technical and economic collaboration with African states discovered that there were about 420,000 people of Indian origin settled in Africa, whom Indira Ghandi described as 'Ambassadors of India' (Uppal 1998: 3). Out of this number, there were approximately 25,000 people of Indian origin in Nigeria working in various fields. They have rendered technical assistance to Nigeria's development in education, agriculture, health, construction, paper, cement, engineering, telecommunications, and small-scale industries and, more importantly, in the development of railways and the steel industry, for which India² has

² India was at one time involved in the rehabilitation of the Nigerian railways and has been famous in the development of the Nigerian steel industry.

earned the praise and salute of the international community. It is common knowledge that in the 1970s and 1980s, the Indian community in Nigeria constituted a corps of science teachers in secondary and tertiary institutions, especially in the North.

What further underscores the number of Indians in Nigeria is the Nigeria-India Friendship Association (NIFA), which was formed and inaugurated on 11th November, 1978, at the Nigerian Institute of International Affairs (NIIA), Lagos (Nigeria Bulletin on Foreign Affairs, 1981: 187). The premise that led to the formation of the association was that the position of developing countries vis-à-vis the industrialised nations with regard to trade, science and technology is unsatisfactory. The UNESCO, it was observed, was concerned with a New International Economic Order (NIEO). Developing countries wanted the prevailing order, in which less than 18 per cent of the world's population controls more than 60 per cent of the world's income, to change. Efforts directed at achieving a more equitable economic order would not make much impact unless there was co-operation among developing nations in areas such as trade and technology.

Accordingly, the NIFA was formed in order to promote mutually beneficial co-operation between Nigeria and India in the areas of culture, sports, science, technology, exchange of information and tourism. To achieve this, an organisation was formed: (i) to strengthen understanding and goodwill between the people of Nigeria and India and (ii) to strengthen the industrial and technological ties between the two countries.

It is this kind of co-operation that Bolaji Akinyemi called "Middle Power Solidarity."³ It could also be argued that co-operation between developing countries like that between Nigeria and India should be relatively stable, since they share several commonalities. The transfer of technology and its subsequent absorption should be relatively easy, because these countries have technologies in accordance to their shared values. The association further observed that it was only when developing countries lessen their dependence on global superpowers that they are able

³ Middle power denotes a state that, through its "population, territorial extension, material resources, geopolitical strategic location, institutional organisation and leadership influence and stability," has relatively broad interests as well as the capacity and readiness to achieve these interests (Nwosu 1987: 547). A middle power state is therefore a state that has all necessary factors essential for realising its interests, which are relatively abundant compared to other similar states. It is a state that has the capacity and capability of becoming a regional great power. Thus, both Nigeria and India can be defined as middle (regional) powers in Africa and Asia, respectively. This is the case of India, even though the country can be challenged militarily by Pakistan.

meaningfully talk about a New International Economic Order (NIEO). In related developments, other organisations were formed in Nigeria by the Indian community, including the Indian Professionals Forum (IPF), the Indian Women's Association (IWA), and the All Indian Cultural Association (AICA). These associations, for which membership is strictly Indian, not only work to unite the Indians in Nigeria but also serve as forums through which cordial friendships and mutual understandings can be achieved and enhanced between Nigerians and Indians.

These associations have also organised symposia, seminars and social gatherings during which Indian cultural heritage is always on display. This demonstrates the extent of cordiality between the two countries. For instance, on 4th December, 1998, the Indian Women's Association (IWA) and the Indian Professional Forum (IPF) organised a "Talk on Fulani-Hausa Tradition," during which Alhaji Suleiman Baffa and others presented papers. Similarly, on 15th November, 1998, the AICA displayed Indian culture, including classical Indian dancing and singing.⁴ Moreover, an Indian language school was also established in Lagos. These and other associations mentioned above have underscored the large number of Indians in Nigeria, but most importantly, their activities have helped to bridge the cultural disparity between the two countries towards mutual understanding and appreciation. In fact, because of this cultural dialogue and understanding, an executive member of NIFA, Chief G.L. Kesawani, stressed that:

The Indians have a lot to learn in Nigeria, just as they also have something to offer to Nigerians... [Nigerians are] the most accommodating and rational people. [T]he best asset of this country is not oil boom but the friendly attitude of the people towards stranger (*Vanguard* 1998: 5).

These friendly understandings and cordial accommodations are key ingredients for peaceful co-existence and essential for economic relations, including trade and investments. As such, it may be worthwhile for the Nigerian community in India to establish similar kinds of associations in India as a way of strengthening mutual cultural understanding.

MILITARY INTERACTIONS

The historic visit in 1961 to India by Alhaji Muhammadu Ribadu, the then-Defense Minister of the First Republic of Nigeria (1960–1966), marked the

⁴ It is important to stress that these socio-cultural events have since become annual programmes.

beginning of post-independence, formal military interaction between Nigeria and India. During the visit, the Minister solicited Indian assistance in building Nigerian Armed Forces. Militarily, India is a power to be reckoned with, as it is a nuclear power state. It is thus not surprising that India has helped Nigeria to develop its military capabilities in the following ways:

- (i) India helped Nigeria build various military institutions, including the Nigerian Defense Academy (NDA) in Kaduna and the Command and Staff College (CSC) Jaji in Kaduna.
- (ii) India assisted Nigeria build the physical structures for the institutions mentioned above.
- (iii) India has sent officers to the above military institutions to train Nigerian officers.
- (iv) India has provided scholarships for officers in Nigerian Armed Forces to be trained in Indian military institutions.
- (v) India has engaged in consultancy military interactions with Nigeria.
- (vi) India has sold defence equipment to Nigeria.
- (vii) India and Nigeria have engaged in collaborations regarding military technologies.

To date, the exact number and names of Nigerian officers that have received part of their military training in India remains classified; in addition, there are likely too many to be listed here, even if their names were known. However, it is public knowledge that a number of high-ranking military officers have received their training in India, including the late General Murtala Mohammed, General Olusegun Obasanjo (Rtd) (the current democratically-elected president of Nigeria), General Ibrahim Babangida (Rtd), Brigadier General Mohammed Daku (Rtd), Real-Admiral Augustus Aikomu (Rtd), and Air Vice Marshal Ibrahim Alfa (Rtd). However, among these military interactions between Nigeria and India, there has only been little co-operation in the procurement of weapons. Although there is lack of available information on the procurement of military weapons, in 2007, a group of Nigerian military officers and soldiers received training in fighting terrorism and urban guerrillas. Similarly, the Indian government donated military hardware worth over USD1 million to Nigeria. India has also installed IT equipment at the Nigerian Defence Academy (NDA) and the National War College Abuja (NWC) (Abonyi,

2007). All military relations between the two countries are subsumed under the popular Indo-Nigeria Defence Co-operation.

ECONOMIC CO-OPERATION

International economic relations have always been a critically important component of a country's international policies; foreign policy transactions as well as the economic well being of a nation's citizens are ultimately the hallmark of a successful government policy (Olusanya 1989). It is in view of this that greater attention is usually given to economic initiatives in the context of a nation's international activities. It is also in view of this that in practical terms, greater attention has been duly given to the economy in the context of bilateral co-operation between Nigeria and India.

As such, special treatment is given here to important areas of economic relations: trade, technical relations and aid. This section examines the level of trade and as well as major negotiations that have ensured the course of economic co-operation between the two countries. Statistical data are cited in order to ascertain an accurate picture of economic relations between the two countries and as well as calculate the balance of trade.⁵

Trade Co-operation

Just like Indo-Nigeria's political and social relations, which began during the pre-independence period, economic co-operation between the two countries also had its genesis during colonialism. The 1923 establishment of Indian trading company K. Chellaram marked the formal beginning of economic relations between Nigeria and India. Since 1923, economic co-operation between the two countries has continued to flourish. Accordingly, Nigeria is now India's largest trading partner in Africa (Ndujihe et al. 2006).

⁵ Balance of trade is the relationship between a country's payment for visible imports and its receipt of visible exports within a given period, usually a year. In other words, the balance of trade is the difference between visible export and visible imports. When a country is exporting a greater value of goods than it is importing (i.e., when exports are greater than imports), it is bound to have a balance of trade surplus (favourable balance of trade). The account of any country is said to balance when the value of its imports is equal to the value of its exports (i.e., when the difference between visible exports and visible import is zero). When visible imports exceed visible exports, there is an unfavourable balance of trade deficit (i.e., when imports are greater than exports). However, this is nothing to worry about, because the deficit can always be offset by a surplus in invisible items of trade.

Table 1
India's Joint Ventures with Selected African States.

| S/N | Countries | In operation | | | Under implementation | | |
|--------------|------------|--------------|-------------------------|-------------|----------------------|-------------------------|-------------|
| | | No. of JVS | India equity (Rs. '000) | % Total | No. of JVS | India equity (Rs. '000) | % Total |
| 1 | Kenya | 10 | 121,636 | 26.2 | 2 | 6,018 | 0.8 |
| 2 | Nigeria | 6 | 26,181 | 5.6 | 12 | 132,705 | 18.5 |
| 3 | Mauritius | 5 | 4,509 | 0.9 | 1 | 1,340 | 0.2 |
| 4 | Uganda | 1 | 2,809 | 0.6 | – | – | – |
| 5 | Liberia | – | – | – | – | 6,800 | 0.9 |
| 6 | Seychelles | – | – | – | 1 | 13,450 | 1.9 |
| 7 | Tanzania | – | – | – | 1 | 267 | 0.1 |
| 8 | Botswana | 1 | 500 | 0.1 | – | – | – |
| 9 | Zambia | – | – | – | 1 | 3,000 | 0.4 |
| 10 | Senegal | – | – | – | 1 | 169,000 | 23.6 |
| 11 | Sudan | – | – | – | 1 | 36,000 | 5.0 |
| 12 | Others | – | – | – | 1 | – | – |
| Total | | 23 | 155,633 | 33.4 | 24 | 369,180 | 51.4 |

Source: New African, No. 185, February 1983, p. 67.

Note: *JVS – Joint Ventures

Table 1 above presents the Indian Joint Ventures in Africa (see the Appendix), which cover a wide range of technical projects. The majority of these joint ventures are at various stages of implementation, though have already been completed. These manufacturing projects include paper and pulp, machine tools, razor blades, light engineering, tractor assembly, steel re-rolling, textiles and wood, synthetics and cotton, ready-made garments, jute products and sugar. The data indicate that Nigeria is one of three countries in which India Joint Ventures are a large percentage of total ventures. The joint ventures constitute a viable avenue for the export of Indian capital and, at the same time, a source of foreign exchange from returns on investments. Indian involvement in joint ventures in Africa in general and in Nigeria in particular is no different from other foreign direct investments on the continent (Badejo 1984). Suffice it to say that the character of international aid could not be distinguished from the character of Indian Joint Ventures in Africa. The difference may be that Western aid to Nigeria and Africa in general is larger than that of India's investments, and so their effect might be more pronounced.

Nigeria is the third largest importer of Indian goods and services in Africa and the second largest African exporter to India (*Thisday* 1999). Economically and strategically, Nigeria is one of the most important countries to India. Nigeria provides the largest market for the Indian economy in Africa. Despite the relative advantage Nigeria enjoys in its trade

with India, from 1960–1965, India imported from Nigeria only palm oil and later, after abandoning palm oil, crude oil. That is why Mathew has sceptically observed that:

The fact that India is buying from Nigeria only one commodity is inhibiting the future prospect of India's exports to Nigeria. It will be a folly on our part to believe that any country will be interested in continuing to buy from us while we are not inclined to buy from it (Mathew 1967: 17).

Although this observation is plausible, the fact that India imports from Nigeria only crude oil does not inhibit Nigeria from continuing to buy from India, nor does it make India unlikely to export to Nigeria. The importation of crude oil by India ceased during the 1970s, likely due to the distance between the two countries and the price of crude oil in the international market. Paradoxically, since the beginning of its trade relations with India, Nigeria has continued to import a wide range of semi-manufactured and capital commodities.

Table 2 indicates that the balance of trade is not in Nigeria's favour. This is because the total visible imports from India have exceeded Nigeria's total visible exports to India for the years under review.

Table 2
Nigeria's Imports from and Exports to India (N'000).

| Year | Imports | Exports | Balance of trade |
|--------------|----------------|--------------|------------------|
| 1969 | 3,532 | 40 | -3,492 |
| 1970 | 6,064 | 30 | -6,034 |
| 1971 | 13,614 | 24 | -13,590 |
| 1972 | 10,870 | 114 | -10,756 |
| 1973 | 11,466 | 122 | -11,344 |
| 1974 | 12,132 | 92 | -12,040 |
| 1975 | 23,790 | 1,290 | -22,500 |
| 1976 | 36,037 | 63 | -35,974 |
| 1977 | 33,423 | 36 | -33,387 |
| 1978 | 43,447 | 10 | -43,437 |
| 1979 | 24,731 | 363 | -24,368 |
| 1980 | N.A | N.A | N.A |
| 1981 | 74,354 | 694 | -72,660 |
| 1982 | 50,284 | 5,948 | -44,336 |
| 1983 | 41,707 | 280 | -41,427 |
| 1984 | 26,452 | 371 | -26,081 |
| Total | 411,903 | 9,441 | -40,2462 |

Source: Federal Republic of Nigeria, Annual Abstracts (Lagos: Federal of Office Statistics), 1958–1982 Editions.

Table 3 presents India's exports to and imports from Nigeria. From Table 3, it is clear that from 1981 to 1990, the balance of trade was in India's favour. This is because the total visible exports to Nigeria exceeded the total visible imports. In fact, according to Table 3, in 1988, the balance of trade between Nigeria and India was zero, because the visible exports equalled the visible imports. Ironically, from 1991 to 1995, India started running into trade deficit with Nigeria. This is because its total imports unimaginably exceeded its exports to Nigeria. This may be related to the fact that India has increased its total imports of crude oil from Nigeria.

Alternatively, Table 3 shows that from 1981 to 1990, the balance of trade was not in Nigeria's favour, as its exports to India were greater than its imports from India. Although there was no period when trade balanced, from 1991 to 1995, the balance of trade became increasingly in favour of Nigeria, because its exports were greater than its imports during that time. As stated above, the reasons for this perhaps involved India's increased crude oil imports from Nigeria.

Table 3
Nigeria and India: Exports and Imports Analysis (Millions of Dollars).

| INDIA | | | | NIGERIA | | | |
|-------|------------------|--------------------|---------------------|---------|------------------|------------------|------------------|
| Year | Exports | Imports | Balance of trade | Year | Exports | Import | Balance of trade |
| 1981 | 70 | 18 | 52 | 1981 | 1 | 120 | -119 |
| 1982 | 94* | N.A | - | 1982 | 1 | 107 | -102 |
| 1983 | 89 ^X | N.A | - | 1983 | N.A | 98 ^x | - |
| 1984 | 80 ^X | 1 | 79 | 1984 | 1 | 88 | -87 |
| 1985 | 72 ^X | N.A | - | 1985 | 2 | 79 | -77 |
| 1986 | 58 ^X | 1 | 57 ^X | 1986 | 1 | 63 | -62 |
| 1987 | 52 ^X | 37 | 15 | 1987 | 1 ^Y | 57 | -56 |
| 1988 | 43 ^X | 43 ^Y | 0 ^Y | 1988 | 39 ^Y | 44 | -5 |
| 1989 | 51 ^Y | 46 ^Y | 5 ^Y | 1989 | 42 ^Y | 45 | -3 |
| 1990 | 56 ^Y | 49 ^Y | 7 ^Y | 1990 | 38 ^Y | 67 | -29 |
| 1991 | 104 | 125 | -21 | 1991 | 388* | 84 | 304 |
| 1992 | 148 | 625 | -477 | 1992 | 569* | 163 ^X | 406 |
| 1993 | 121 | 771 | -650 | 1993 | 701 ^X | 134 | 567 |
| 1994 | 120 ^S | 469 ^S | -349 ^S | 1994 | 426 ^Y | 132 ^Y | 294 |
| 1995 | 72 ^E | 407.7 ^E | -335.7 ^E | 1995 | 308 | 80 ^E | 228 |

Source: Direction trade statistics Year Book, 1988 and 1995 Editions and International Funds (IMF) Publication Services, Washington, DC 20431, USA.

Notes: S-6-11 Months of Reported Data, 1-6 Months of Estimates; Y – Estimated by other method, sometimes including the used of partner records; * Derived solemnly from partner records; X – Data extrapolated for the entire Year; E – Extrapolated by other methods.

At this juncture, it is pertinent to note that despite an imbalance in the trade relationship between Nigeria and India, Satinder Kumar Uppal (India's trade representative in Nigeria) has strongly stressed that both India and

Nigeria are large countries, and their trade relationship has been mutually beneficial for a long time. Nigeria is the third largest importer of Indian goods in Africa, after South Africa and Egypt. In terms of exports to India, Nigeria is the second largest African exporter to India, after South Africa. It actually used to be first until recently, when India began depending on South Africa for gold. Uppal has further stated that the balance of trade is in favour of Nigeria. The March 1999 report of India shows that Nigerian imports from India were worth five times the size of Nigerian exports. The figure for the end of 1999 financial year was USD1,190 million, and major imports from India include rice, pharmaceuticals and motor vehicles. Uppal, however, has posited that India will increase its exports to Nigeria in the areas of computer software, rural telecommunication and machinery. In general, he has characterised the bilateral trade relations as quite good (*Thisday* 1999).

In addition, in order to boost trade co-operation, India organised a trade fair in 1972 in India, in which Nigeria participated. Also, in January 1981, a similar ten-day trade exhibition was organised by India in Nigeria during which machine tools and agricultural and textile machinery were displayed.¹⁰ Although aimed at presenting the goods of India's semi-capitalist economy, this initiative also had the advantage of enhancing the trade relationships between India and Nigeria.

Similarly, statistics show that the Indian Oil Corporation (IOC)'s demand for Nigeria's crude oil rose by over 186.64 per cent within five years from 1994 to 1998 despite the distance between the two countries.

Table 4
India's Imports of Crude Oil from Nigeria.

| Years | Quantity (Million Barrels) |
|-------|----------------------------|
| 1994 | 23.424 |
| 1995 | 34.179 |
| 1996 | 60.295 |
| 1997 | 58.678 |
| 1998 | 67.142 |

Source: Compiled from *Guardian* (2000), 6(7), 813, April 3, p.1.

Table 4 shows that India's imports of Nigerian crude oil have continued to rise, reaching 67,142 million barrels in 1998. Notwithstanding geographic distance, this signifies beneficial, and therefore continued, trade relations between the two countries. The importation of Nigeria's crude oil by India could balance trade relations. It is also important to note that the above quantity of crude oil was bought by India either in the international

spot market or supplied by some of Nigeria's long-term buyers. In fact, India's importation of Nigeria's crude oil has continued to rise, as Table 5 shows.

Table 5 presents Nigeria's crude oil exports to India. It shows that of all East Asian countries that import crude oil from Nigeria, India imports the largest percentage, with the highest percentages reached in February and March 2001 of 86 and 84 per cent, respectively. Notwithstanding the problems associated with these figures however, continuity in trade between the two countries has been maintained. This indicates that economic relations between Nigeria and India have continued to prosper. For example, the volume of trade between the two states in 2006 stands at about USD3 billion. Of this, Nigeria is exporting USD2.4 billion worth of goods, which is mainly crude oil, and importing USD600 million in goods from India, such as textiles, chemicals and pharmaceuticals. Moreover, Nigeria's trade with India is increasing at 20 per cent annually (Ndujihe 2006). No wonder, therefore, that India's High Commissioner Shri Anil Trigunayat has posited that Indian companies are set to invest in areas of power supply, oil refinery, cement and constructions.

Table 5
Nigeria's Crude Exports to India (Quantity of Barrels).

| S/N | Month/Year | Total exports to Asia and Far East | Total export of India only | (%) |
|-----|-----------------------|---------------------------------------|-------------------------------|------|
| 1 | January–December 1999 | 155,859,603 | 104,777,707 | 67.2 |
| 2 | January 2000 | 7,863,896 | 6,005,118 | 76.4 |
| 3 | February 2000 | 10,417,275 | 7,619,781 | 73.1 |
| 4 | March 2000 | 5,679,252 | 3,910,748 | 68.9 |
| 5 | May 2000 | 10,278,584 | 6,679,810 | 65.0 |
| 6 | June 2000 | 11,657,282 | 6,871,733 | 58.9 |
| 7 | July 2000 | 8,939,121 | 5,082,325 | 56.8 |
| 8 | August 2000 | 9,553,447 | 6,759,172 | 70.7 |
| 9 | September 2000 | 10,691,194 | 5,854,560 | 54.8 |
| 10 | October 2000 | 10,913,172 | 7,089,975 | 64.9 |
| 11 | November 2000 | 16,005,216 | 9,697,846 | 60.6 |
| 12 | December 2000 | 13,067,540 | 10,249,291 | 78.4 |
| 13 | January 2001 | 13,127,239 | 10,309,986 | 78.5 |
| 14 | February 2001 | 6,537,478 | 5,648,968 | 86.4 |
| 15 | March 2001 | 5,804,326 | 4,884,596 | 84.2 |

Source: Nigerian National Petroleum Corporation, NNPC (1999): Monthly Petroleum Information Corporation Planning and Development Division (CPD) and NNPC Annual Petroleum Bulletin, 1999.

As a result, as of December 2005, India's Oil and Natural Gas Corporation (ONGC) has acquired an approximate 45 per cent share of

South Atlantic Petroleum⁶ in the Akpo deep offshore oil field. Accordingly, Videsh, the company's overseas enterprise, already owns a 25 per cent share in two other Nigerian deepwater oil blocks, namely, OPLs 321 and 323. In order to further boost the energy requirements of India's economy, Indian Mittak Energy has also signed an MoU with the Nigerian government for the allocation of oil blocks in return for an investment of about USD6 billion in the construction of a coal-fired independent power project (IPP), a 1,000-km railway to run from Port Harcourt to Kano, an export-based oil refinery of 120,000 bpd capacity and large-scale agricultural development in Nigeria (Oduniyi, 2005). Recent trade statistics have indicated that after the return of democracy to Nigeria, the percentage of visible imports and exports between the two regional powers have continued to rise. Table 6 below provides figures from 1999 to 2003.

Table 6 indicates that India's imports from Nigeria have increased from USD1177.73 million in 1998–1999 to about USD2485.00 million in 2001–2002. India imports more oil from Nigeria than from any other country. In other words, India is the second largest importer of Nigerian oil after the US and Spain (India Business 2006). In its formative years, the balance of trade was in favour of India because of the volume of Nigeria's imports from India. However, due to India's technological development vis-à-vis its increasing volume of crude oil imports from Nigeria, the balance of trade between the two countries has increasingly shifted in favour of Nigeria. The increasing imports of Nigeria's crude oil by India are driven by the fact that Nigeria is one of the few countries that produce sweet varieties of crude oil, which is required by Indian refineries.

Table 6
India-Nigeria Trade.

| | 1998–1999 | 1999–2000 | 2000–2001 | 2001–2002 | 2002–2003 |
|-----------------------------|----------------|----------------|----------------|----------------|-------------------|
| Indian exports to Nigeria | 248.09 | 293.71 | 384.66 | 563.15 | 449.09 |
| Indian Imports from Nigeria | 1177.73 | 2928.39 | 2704.18 | 2485.00 | 78.13 2389.00* |
| Total | 1425.82 | 3222.11 | 3088.84 | 3048.15 | 2916.21** |

Source: India Business (2006).

Note: *Oil imports; ** excludes software exports

⁶ The South Atlantic Petroleum was owned by former Defence Minister; General Theophilus Danjuma (Rtd.) is located in Akpo deep offshore oil field. It has the capacity of producing 225,000 barrels of oil per day (bpd).

Table 7 below provides data for India's import of Nigeria's crude oil from 1999 to 2003.

Table 7
India's Import of Crude Oil from Nigeria.

| Year | Quantity | Value in US\$ Million |
|-----------|----------|-----------------------|
| 1999–2000 | 15.450 | 2597.7 |
| 2000–2001 | 12.570 | 2140.4 |
| 2001–2002 | 11.320 | 2001.9 |
| 2002–2003 | 11.578 | 2389.0 |

Source: India Business (2006).

Thus, it can easily be discerned that there is great potential for the development of economic relations between the two countries. The overall relations between India and Nigeria have continued to be reinvigorated by series of visits at the governmental and commercial levels. For example, in October 2007, Indian Prime Minister Manmohan Singh visited Nigeria. During the visit, the Abuja Declaration on Strategic Partnership and three additional MoU on political and economic matters were signed by the Nigerian President and India's Prime Minister. Similarly, as a consequence of the visit, the Nigeria-India Commission⁷, which held its last activities in 2003, was reactivated. It can be argued that these visits and the increasing economic relations between the two countries have redesigned, refocused and redefined the bilateral relations between the two countries.

Foreign Aid

Other areas of economic relations between Nigeria and India include the activities of private companies of Indian origin in Nigeria that can be qualified as "multinational corporations" as well as India's direct foreign investments made through public corporations. As of 1987, Indian investments in Nigeria were estimated at about 5 billion across various locations and industrial establishments (Badejo 1989). Today, India has an impressive investment record in Nigeria. The only sectors in which Indians may make a substantial impact are oil exploration and construction industries. However, India has seriously invested in manufacturing (*Thisday* 1999). As part of the foreign aid, in 1984, India provided USD100 million in aid to Nigeria, which was intended to finance Nigeria's short- and long-

⁷ Since the establishment of the Commission in 1979, only three sessions had been held in 1981, 1989 and 2003. The commission is concern with effective management of the economic, scientific and technical cooperation between the two countries.

term debts. In September 1983, aid was granted to Shagari's government by the State Bank of India (*Daily Times* 1984).

K. Chellaram and Sons (Nigeria) Ltd. is an example of private Indian investment in Nigeria, the activities of which have enhanced economic interaction between the two countries. Moreover, there are also publicly owned Indian corporations that operate in banking, machine tool manufacturing and consultancy services. For instance, the Indo-Nigerian Mercantile Bank was opened towards the end of 1981 with an upfront capital investment of USD3 million. Forty per cent of this capital was provided by the Indian State Bank (ARB, 1981). Similarly, the Hindustan Machine Tools Company (HMT⁸) is a partner in Nigerian Machine Tool Ltd., which produces machine tools for Nigeria. In addition, USD5 million in aid was provided to Nigeria by Indian authorities in order to enhance the revitalisation of the Nigerian machine tools industry at Osogbo. Although this aid has been available since 1997, the implementation of the deal was delayed by "disagreement on the point of principles"⁹ (*The Punch* 2000: 18).

Although aid was revived following an Indo-Nigeria Commission held in Nigeria in April 2000, when Indian Foreign Minister Jaswan Singh paid an official visit to Nigeria, Nigeria's disagreement with India over how the USD5 million grant should be used is not a farfetched explanation for the temporary suspension of aid. Allowing India to monitor aid implementation through direct involvement of its machine tool industry would mean that India, a semi-capitalist economy, could install obsolete technology that would only serve to further destabilise the Nigerian economy, thereby increasing the Nigerian economy's dependence on India. The revival of this grant was therefore a positive development in Nigeria's drive towards technological innovation and economic development.

Technical and Consultancy Co-operation

India has executed a number of turnkey and consultancy projects in Nigeria. For instance, the Metallurgical Consultancy (MECON), which is an Indian

⁸ The Hindustan Machine Tool Company was one of the frontline organisations involved in India's technological breakthroughs and development.

⁹ While Indian authorities insisted on providing the company with materials and expertise from the famous Indian Hindustan Tools Company to cover the USD5 million grant, authorities at the Nigerian National Planning Commission requested that the grant be provided in cash to the Ministry. The commission would then decide how the funds would be used in accordance with the needs of the factory at Osogbo. The Indian position was that as the object of the aid was to help the technological development of Nigeria, and so New Delhi should monitor its implementation through the involvement of its popular tools company.

joint venture in Nigeria, has been involved in developing the Nigerian steel industry. MECON has also been involved in training personnel from the Delta Steel Complex. As a consultant to the Delta Steel Complex, MECON has supervised the completion of the design bureau and operation of the complex. Indeed, the most famous consultancy service is the three-year management of the Nigerian Railways by Rail India Technical and Economical Services Ltd. (RITES) (Badejo 1989).

Indian experts have also been sent to Nigeria under the Indian Technical and Economic Co-operation (ITEC) agreement since 1971. Under this programme and with the help of India, Nigeria has enjoyed: (i) provisions for training facilities; (ii) financial assistance for conducting feasibility studies and economic surveys; and (iii) the undertaking of specific projects due to economic agreements (Dewan 1980).

Nevertheless, in 1975, a MoU was signed between India and Nigeria to provide services for 500 teacher trainees. In a visit by the Nigerian oil corporation delegation in 1974, requests were forwarded to India regarding training facilities for Nigerian engineers, geologists and technicians in the oil and fertilizer industries. During the visit, arrangements for a special training programme at the Institute of Petroleum Exploration at Dehra-Dun were completed. Nigerians also requested training facilities for their technicians in the steel industry. Thus, a batch of 22 trainees underwent training in oil exploration at Dehra-Dun in 1974. More personnel have also undergone training in hydrographical surveying at the Hoogly River Development Board in India (Dewan 1980). This is a clear indication that the technical co-operation between the two countries is another strong aspect of their bilateral economic interactions.

Despite the blossoming relation between the two states, problems of distance affect India's imports of Nigerian crude oil. First, India imports much of its crude oil from the Middle East, which is closer than Nigeria. Mathew's (1967) warning is therefore still relevant. Second, the long military interregnum into Nigerian politics has affected relations between the two countries. It is on record that Nigeria's bilateral and multilateral interactions during military rule have been severed by various economic and military sanctions as well as by their boycotts of international conferences and forums. There has never been a time when the two countries were at loggerheads, but the period of military rule has in practice affected economic co-operation.

The return of Nigeria to a democratic system of governance in May 1999 has opened a new chapter in its bilateral and multilateral international relations not only with India but also with other states. Apart from President Shagari, who visited India in 1983, no democratically-elected government in

Nigeria has attempted to reactivate or strengthen bilateral relationships until President Obasanjo visited India in January 2000. The visit has definitely turned over a new leaf in terms of relations between the two countries. After the visit, it was disclosed that far-reaching economic agreements had been concluded that would boost economic interactions between the two countries. The agreement included:

- (i) A pact with India's electricity supply giant, BHBEL;¹⁰
- (ii) An agreement for the state-owned Indian Oil Company to buy about 10 million tonnes of natural gas from the Nigerian Liquefied Natural Gas (LNG) plant;
- (iii) An agreement for the Indian Oil Company to explore the possibility of a joint venture with the Nigerian National Petroleum Corporation (NNPC);
- (iv) An agreement for India to cooperate with Nigeria on the latter's programme to promote small and medium-sized enterprises.
- (v) A renovation of about 25 Jaguar jet fighters owned by the Nigerian Air Force, which had been purchased at the cost of about USD1 billion from India;
- (vi) The reactivation of the Nigeria-India Joint Commission in order to facilitate the harmonisation of various areas of economic interest between both countries; and
- (vii) A high-powered delegation to visit Nigeria.²⁵

Four months after President Obasanjo's visit to India, a high-powered Indian delegation headed by the Indian Foreign Affairs Minister Jaswant Singh visited Nigeria in April 2000, perhaps in fulfilment of the last clause of the above agreements. During the visit, the following agreements were made:

- (i) The Indo-Nigerian Joint Commission was been reactivated, which had been kept in limbo since 1991, thereby resulting in the mismanagement of several joint projects of economic and social importance over the past 10 years;

¹⁰ This is the largest electricity corporation in India, and currently meets about 70 per cent of India's power needs and exports 60,000 megawatts of electricity (about 10 times Nigeria's installed capacity) to other countries.

- (ii) The revival of USD5 million in aid that Indian authorities had voted to offer Nigeria to enhance the revitalisation of the Nigerian machine tools industry at Osogbo;
- (iii) India's provision of technical assistance to Nigeria to cover installation, upgrading and rehabilitation of small and medium-sized enterprises in the areas of engineering, tool manufacturing, leather technology, weaving and textiles, medicine, woodwork, bio-gas and metal work (*The Punch* 2000);
- (iv) Nigeria's supply of crude oil to India on a long-term basis, as these exports would go a long way to ensure an effective balance of trade between the two countries;
- (v) Nigeria's supply of about 25 per cent of crude oil to India. This supply rate, which has amounted to over 3.66 million barrels per month and 43.98 million annually, has made India's direct government-to-government crude oil contract with the Nigerian National Petroleum Corporation NNPC the fourth largest of such contracts;¹¹
- (vi) The agreement of both countries to boost their relations regarding power, steel, railway telecommunication and medium-sized enterprises (*The Guardian* 2000).

In technical terms, the visits by Nigerian President Obasanjo in 2003 and those of Indian Prime Minister Manmohan Singh in 2007 have opened a new chapter in the two countries' bilateral relations. Moreover, Prime Minister Singh's visits constitute the first visit to Nigeria after 45 years from any Indian Prime Minister. These visits have reinvigorated and redefined relations within the context of the contemporary developmental and political challenges facing the two countries. These relations were further consolidated through the quick implementations of the agreements and recommendations that resulted from those visits.

¹¹ The three other countries that enjoy direct-to-government crude oil contracts with the Nigerian National Petroleum Corporation are South Africa, with 55,000 barrels per day (bpd), Kenya, with 30,000 bpd, and Ghana, with 3000 bpd. Moreover, the countries with long-term contracts usually buy Nigeria's crude oil at the official setting price, which is determined by a complex formula involving the future price of North Sea Brent oil plus or minus a premium.

CONCLUSION

Prosperous Future Relations Assured

This paper has historically examined the politico-diplomatic and socio-economic relations between Nigeria and India that predated their political independence. Having been colonised by the same colonial power among other commonalities, the two countries have very strong grounds for bilateral interactions; they also have solid motivations to speak with one voice on international issues. Since the beginning of their relations, Nigeria and India have never been at loggerheads. Their relationship has instead been characterised by mutual friendship and understanding. Despite the lack of adequate data to analyse the extent of their military interaction, India has assisted Nigeria in the development of its military sector. Moreover, economic relations in the areas of trade, technical assistance and consultancy comprise the most important aspects of co-operation between the two countries. It is clear that the balance of trade is in favour of Nigeria due to India's increasingly large importation of Nigeria's crude oil. The volume of Indian aid and investments operating in Nigeria, particularly in the areas of manufacturing, pharmaceuticals, and textiles, help to mitigate the deficit that India experiences in its trade relations with Nigeria. India's booming technological economy and its increasing demand for oil combined with Nigeria's untapped oil reserves and need for technology logically imply that their relations will continue to be mutually beneficial. In other words, because of the mutual "demands and supplies" between these two countries, the prospects of future relations between Nigeria and India are unavoidably assured. Specifically, while Nigeria's future relations will be defined by its needs for India's pharmaceuticals, textiles, and energy resources (namely, oil refining and electricity), India will continue to require resources such as oil and gas from Nigeria in order to continue to boost its technological development.

APPENDIX

List of Indo-Nigerian Joint Ventures in Nigeria

| S/N | Name and Address of Joint Ventures | Field of Collaboration |
|-----|--|---|
| 1 | Nigeria Engineering works, plot No. 49, Trans-Nigeria Industrial Layout, Port-Harcourt, Box 519, Nigeria | Light engineering goods |
| 2 | Pan African Consultancy Services (Nig.) Ltd., 22 Idowu Taylor, St. Victoria Island, Lagos | Consultancy services |
| 3 | Best & Crompton Engineering (Nig). Ltd., 4A Taslim Elias Close, Victoria Island, Ikoyi, Lagos | Execution of contract for transmission lines, substations and rural electrification. |
| 4 | Ranbaxy Montari (Nig) Ltd., P.O. Box 2526, Ikeja, Lagos | Manufacturing of drugs, pharmaceuticals and chemicals |
| 5 | Nigeria Abestos Industries Ltd., Alhaji Tafawa Balewa Road, Bauchi | Technical services and know-how |
| 6 | Nigeria Machine Tools Ltd., Ibadan | Machine tool complex with foundry, tool room and captive training centre for manufacture of machine tools |
| 7 | Chellco industries Ltd. Plot A1 & F2, Kaduna Industrial area, Bye-Pass Road, P.O. Box 1847 | Manufacturing of blankets and allied products |
| 8 | Prestige Assurance co (Nig) Ltd., 34 Balogun Square P.O. Box 650, Lagos | Insurance services |
| 9 | Indo-Nigerian Merchant Bank Ldtr. 42 Adeola Hopewell Street, Victoria Island, P.M.B. 12656, Ikoyi, Lagos | Merchant banking |
| 10 | Allind Nigeria Ltd., 22 Breadfruit Street, P.M.B. 12785, Lagos | Commercial banking |
| 11 | Allind Nigeria Ltd. P.M.B. 0264, Bauchi | Manufacturing of cables and conductors-technical and financial |
| 12 | Telecommunication consultants Nig. Ltd., 108 Bode Road, Industrial Area, P.O. Box 2355 | Consultancy service |
| 13 | Ballarpur Glass Nig. Ltd. Plot 4-8 Kaduna, Bye-Pass Road, Industrial Area P.O. Box 3030 Kaduna | Manufacturing of glass, bottles and containers |
| 14 | Hilltop Bottling Co. Ltd., 13 Rwang Pam Street, Jos | Manufacturing of glass, bottles and containers |
| 15 | MECON (Nig) NUJ Building ground floor, Deyemo Alakiya Street, Victoria Island, Ikoyi Lagos | Consultancy service |

Source: India High Commission, Lagos, in Badejo A. Babafemi, 'Nigeria and India Relations, 1960–1985: A study in South-South Corporation. In Akinyemi, A.B. et al. (Eds.). *Nigeria since independence: The First 25 years: International Relations*: Vol. X (Ibadan: Heinemann Educational Books (Nig.) Ltd., 1989), 101–105.

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