

## Solid cabinet, big task

Buhari's team for Nigerian transformation

by Kingsley Chiedu Moghalu

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Nigerian President Muhammadu Buhari's allocation of ministerial portfolios, announced this week, signals the long-awaited composition of his executive team. The outcome should revive business sentiment and investor interest in Africa's largest economy. The task ahead is to transform Nigeria towards a productive, largely self-reliant economy, weaned away from import dependence. Buhari must articulate how he can accomplish a difficult challenge: maintaining fiscal prudence and a welfare-oriented state, despite the constraints of sharply declining oil revenues.

This is a solid cabinet of capable players. Key figures include Babatunde Fashola, former governor of Lagos, minister of an enlarged power, works and housing infrastructure ministry. Ibe Kachikwu, the former Exxon-Mobil executive, who is head of the country's state oil corporation, will also be minister of state for petroleum resources. Geoffrey Onyeama, the urbane former deputy director general of the World Intellectual Property Organisation, a UN agency, becomes foreign minister.

Kemi Adeosun, a former investment banker and finance commissioner in the southwestern state of Ogun, takes the crucial role of finance minister. Adeosun does not have the name recognition of Ngozi Okonjo-Iweala, finance minister in both previous administrations of Presidents Goodluck Jonathan and Olusegun Obasanjo, but she was articulate and clear-headed during her parliamentary confirmation hearings and will grow in stature in the job.

Okey Enelamah, a Harvard-trained investment banker and head of African Capital Alliance, the country's largest private equity firm, takes the investment, trade and industries portfolio. Kayode Fayemi, a former state governor and key Buhari strategist, heads the increasingly important ministry of solid minerals.

The Nigerian constitution requires at least one minister from each of the 36 federal states. Buhari's 36-member cabinet represents a careful blending of interests. The president gave rewards and recognition to key politicians in Buhari's All Progressives Congress party who helped his election victory but are also perceived as possessing gravitas and positive track records – and he rounded off the team with previously non-partisan technocrats.

In Nigeria's fractious democracy, Buhari has satisfied the need for political legitimacy, without sacrificing technical competence. Nigeria's return to democratic rule after 1999 has been dogged by latent tension between frequently incompetent, vacuous professional politicians and accomplished technocrats who frequently feel shut out of the system.

In the next four years, Buhari's cabinet must make progress in achieving his stated priority: diversifying the economy away from a debilitating dependence on oil revenues. This requires careful coordination and sequencing of policy across different sectors, combined with effective execution. And the cabinet must show it understands the principles of economic complexity – allowing Nigeria to advance in manufacturing and commercialising competitive, complex products based on value-adding 'productive knowledge' and specialised skills.

This requires knowledge of production ecosystems for specific goods, and insight into how this can contribute to diversification and ultimately help curb Nigeria's high unemployment.

Agriculture will need a huge dose of innovation to increase crop yields over smaller acreages. The country has to feed itself efficiently and export the surplus, building on reforms initiated by Akinwumi Adesina, minister of agriculture in President Jonathan's government, who now heads the African Development Bank.

In solid minerals, Nigeria must avoid the mistake it made with oil, unwisely exporting crude oil and importing refined petroleum products because of a failure to invest adequately in domestic refining capacity. The country must adopt a new policy that requires mining and mineral projects to add value to products, before they can be exported, through domestic job-creating industries. This will require changes to investment laws and policies.

Buhari's cabinet must communicate a clear framework and policy direction to guide business and the investment community. The predominant task is to promote a transparent internal debate about options in economic philosophy and their implications for policy, governance and transformation. Kingsley Chiedu Moghalu, a member of the OMFIF Advisory Board, is Professor of Practice in International Business and Public Policy at The Fletcher School at Tufts University. He was deputy governor of the Central Bank of Nigeria in 2009-14 and is the author of *Emerging Africa: How the Global Economy's 'Last Frontier' Can Prosper and Matter* (Penguin Books, 2014).