UJSD

UYO JOURNAL OF SUSTAINABLE DEVELOPMENT

Vol. 4, No. 1 | January - June, 2019

A PUBLICATION OF CLEMENT ISONG CENTRE FOR DEVELOPMENT STUDIES
FACULTY OF SOCIAL SCIENCES, UNIVERSITY OF UYO - NIGERIA

ECONOMIC DIPLOMACY AND SUSTAINABLE DEVELOPMENT: THE NIGERIAN PERSPECTIVE

Uwem Jonah Akpan
Department of History & International Studies,
University of Uyo

Abstract

Nigeria is currently at an economic crossroad, due to the dwindling fortune of crude oil which is the nation's economic mainstay and years of systemic corruption by the ruling elite. The scenario has resulted in hardship and also forced million of Nigerian into extreme poverty. As a panacea out of the quagmire, the present Federal Government headed by Muhammadu Buhari has proposed the idea of diversification of the economy to break the mono crop syndrome. One of the strategies that should be vigorously adopted in the process of fast-tracking the process should be the generation of direct foreign investment into the country and increase in the level of production capacities through the reactivation of dwindling local industries and the establishment of new ones. This objective can be achieved through the primacy of economic diplomacy. Previously, Nigeria had failed to mainstream the economic dimension into her foreign policy posturing because political issues have been occupying the front burner. This paper which adopts an analytical-historical method, examines the doctrine of economic diplomacy which first received attention in Nigeria in 1988, during the military regime of Ibrahim Babangida and suggests that the policy should be deliberately pursued within the prism of "national interest" to ameliorate the enormous economic challenge confronting the country and engender sustainable development.

Keywords: Economic Diplomacy, Sustainable Development and Nigeria

Introduction

The idea of economic diplomacy has generated academic interests in recent times, and drawn divergent views from various sectors of the Nigerian society. This is perhaps a reflection of the failure of the past Nigerian leaders to vigorously utilise the country's foreign instrument to achieve domestic economic objectives during the pre and post oil boom periods. The economic crisis of the 1980s necessitated the adoption of economic diplomacy. Thus, apart from Nigeria's traditional concerns with Pan-African issues and the issues of peace and security, it was from 1988 that a deliberate decision to emphasise the economic dimension in Nigeria's relations with other countries. Indeed, the appointment and posting of Nigeria's Heads of Mission were determined largely by an assessment of the suitability to contribute to this process. The extent to which they attract foreign participation to Nigerian economic activities was the most important criterion in assessing their performance (Uya, 1992). In other words, the emphasis on economic diplomacy was predicated on the notion that a sound foreign policy for any nation must be based on the pursuit of external goodwill based on the reflection of its domestic realities. Though nations have always been involved in external economic relations, economic diplomacy has become a very popular policy instrument open to principally diplomatic missions and all accredited ministries, agencies and representatives of government. It is designed specifically to drive the diplomatic practice in a more aggressive promotion of trade, foreign direct investment and outsourcing of technical manpower than before. It is somewhat a shift from having diplomats or representatives of government concentrate on largely political functions. Increasingly, states are seeking greater economic, financial and market opportunities to access the vast resource opportunities of one another, and to be accessed by others too (Okogwu and Akpuru-Aja, 2004).

It should be noted that no nation's wealth can make it prosperous without external economic and technological linkages. No matter the size and population, every state is both an exporter and an importer. From the concepts of imperialism, colonialism and neo-colonialism, prosperity of states is not the function of domestic resources. It is more the capacity to explore and exploit diverse world resources to strengthen the domestic environment. The more drive a nation adopts to seek resources abroad the more prosperity for it. For instance, the prosperity of the United States of America is primarily dependent on very active conduct of economic diplomacy (Akpuru-Aja, 2012). This development ought to serve as a great lesson to Nigeria.

This paper is divided into nine sections. Section one is the introduction, section two explains economic diplomacy, section three conceptualises development and sustainable development, section four examines the Nigerian economic landscape and the introduction of economic diplomacy, section five looks at the objectives of economic diplomacy, section six examines the Nigerian dwindling economy and the imperatives of economic diplomacy, section seven advocates the re-engineering of economic diplomacy for sustainable development in Nigeria, section eight posits that the African Free Trade Agreement should be maximise by Nigeria for sustainable development while section nine is the conclusion.

The Meaning of Economic Diplomacy

The term economic diplomacy may be defined as the management of international relations in such a manner as to place accent on the economic dimension of a country's external relations. It is the conduct of foreign policy in such a way that gives topmost priority to the economic objectives of a nation. It has to do with the various diplomatic strategies, which a country employs in its bid to maximize the mobilization of external material financial resources for economic development. This however, is a limited view of the notion of economic diplomacy. But, it is in this sense that the term "new economic diplomacy" is used in Nigeria by political leaders and officials. In short, for them, economic diplomacy means simply the diplomacy of economic development (Asobie, 2002).

Asobie (2002) also opines that the second and equally limited notion of the concept is that which sees economic diplomacy as the application of economic instrument in negotiation and bargaining with other countries. The foreign policy goals in view may be economic, social or political. The diplomacy is economic when the means employed to achieve them, in terms of either "carrot" or "stick" or both, involve the mobilization and application of the economic resources of the nation. This may entail extension or denial of financial benefits, petroleum products, food supplies, the granting, denial or withdrawal of trade concessions, the establishment or disinvestment of foreign investment and so on.

Conceptualising Development and Sustainable Development

The word development has passed through different phases of interrogation adopting different meanings and implications in the process (Inyang, 2016). Historically, the concept of development arose from attempt made in the 18th century to define and explain the changes which followed the industrial revolution in Europe leading to the emergence of capitalism. These changes increased output per head. Technological. economic and demographic changes occurred which together brought about a greater advancement in material well-being and more sweeping change in people's way of life than occurred in any previous century of human history (Nwabughuogu, 2008).

It is not surprising, therefore, that the concept of development was generally perceived as economic growth explained in increased production, technological innovation and high consumption. Thus, throughout the 1950s, economic development focused on growth and economists and economic historians measured growth in terms of Gross National Product (GNP) and per capita income. The United Nations (UN), which tagged the 1950-1960s as "Development Decade", used the twin indices as its yardstick to measure the development status of any country. Thus, a country was reported as developed if it attained "a 60 per cent annual growth rate" (Arokoyo, 2004). Dudley Seers captured this trend of thought when in 1969; he raised pertinent questions whose answers provide functional definition of development. He noted thus:

> *The questions to ask about a country's development are therefore: what has been happening to poverty? What has been happening to unemployment? What has been happening to inequality? If all of these have declined from high levels, then beyond any doubt, this has been a period of development for the country concerned. If one or two of these central problems have been growing worse, especially if all three have, it would be strange to call the result "development", even if per capita income doubled (Seers, 1969).*

Since the 1970s, development has come to be seen from Seer's point of view and a proper definition of development has since incorporated the concept of distribution of the results of growth. The narrow concept of development as entirely an economic phenomenon has been de-emphasized and explained to include non-economic aspects of people's lives. Thus, Michael Todaro aptly defines development as a "multi-dimensional process involving changes in structure, attitudes and institutions as well as an acceleration of economic growth, the reduction of inequality and eradication of absolute poverty". Todaro further shares another opinion of another scholar, Denis Goulet "that the core values of development are life sustenance. that is: food, shelter, health and protection; self esteem, that is a sense of worth and self-respect described variously as identity, dignity, respect, honour or recognition; and freedom from servitude; that is to be able to choose and freedom from the forces of ignorance and human misery" (Goulet, 2006). In 1990, a new dimension was added to the concept of development by the United Nations Development Programme (UNDP). The philosophy which is known as "sustainable human development" posits that:

> *Development that not only generates economic growth, but distributes its benefits equitably; that regenerates the environment rather than destroying it; that empowers people rather than marginalizing them. It gives priority to the poor, enlarging their choices and opportunities; and provides for their participation in decisions affecting them. It is development that is pro-poor, pro-nature, pro-jobs, pro-women and pro-children (Seers, 1969: 250)-267.*

In 2006, the United Nations World Commission on Environment narrowed it down to a more generic term "sustainable development" which is development "that meets the needs of the present without compromising the ability of future generations to meet their own needs" (Cited in World Bank, 2005).This paper views development from the perspective of Seers, Todaro, Goulet, UNDP and World Bank. It follows that Nigeria's diplomatic initiatives could be properly reinvigorated to serve as a veritable tool in the reduction or elimination of poverty, and reduction of inequality in the country. The bundle also includes ensuring food security, shelter, health, protection, increase of income level of Nigerians, job creation which would help in the reduction of unemployment, and the creation of an environment for larger social and economic choices where the people are freed from ignorance and human misery.

As the issue of development continued to occupy the front burner in global discourse, the United Nations Millennium Development Goals consisting of are eight goals were adopted by the 191 UN member states. They agreed to try to achieve the goals by the year 2015. The United Nations Millennium Declaration, signed by the world leaders, committed them to combat poverty, hunger, disease, illiteracy, environmental degradation, and discrimination against women. The MDGs era came to a conclusion in 2015 and 2016 ushered in the official launch of the bold and transformative "2030 Agenda for Sustainable Development" adopted by the world leaders in September 2016 at the United Nations (www.We Can End Poverty – Millennium Development Goals and beyond 2015).

The Nigerian Economic Landscape and the Introduction of Economic Diplomacy

Since independence in 1960, Nigeria's pattern of economic growth has been similar in several aspects to that of most developing countries which experienced colonial rule. The economy was tied to that of Britain and other industrialized Western countries. It was basically mono-cultural in the sense that agricultural sector was dominant and heavily relied upon, accounting to above 70 per cent of the labour force and 80 per cent of government revenue. Nigeria's pattern of trade took the form of export of primary products to Europe in exchange for finished products. The contribution of manufacturing sector to Gross Domestic Product was virtually non-existent. The level of foreign investments in the economy was very low, little or no promotional incentives were put in place to attract foreign capital outside the general "open economy" policy. The financial sector of the economy was dominated by few foreign commercial banks, while the role of the Nigerian Stock Exchange was limited, and the role of the indigenous entrepreneurs in the national economy was minimal, although the Lagos Chamber of Commerce and Industry had been established before 1900 (Adeniji et al, 1992).

In addition, as a measure for ensuring rapid and balanced economic growth, the government embarked upon "development planning" the first which lasted from 1962 to 1968. This was followed by the Second National Development Plan, 1970 to 1974, the Third National Development Plan, and 1981-1980, and the fourth National Development Plan, 1981-1985. The implementation of the First National Development Plan was hamstrung by internal political crisis and Civil War; others came on stream at a time when the economy enjoyed considerable financial upswing arising from the oil boom years. It should be noted that through these post-independence plans, significant improvement were recorded in the level of social and economic infrastructure and the general well-being of the people. However, a common feature of all these development plans was ineffective implementation which contributed and explains the persistence of under-development of the economy (Adeniji et al,1992).

In the early 1980s, the economic crisis began because the price of petroleum products the mainstay of the economy, fell drastically. The situation resulted in a fall in foreign exchange earnings and the revenue accruing to government. Government was forced to cut down on its spending, and this negatively affected the quantum of goods and services provided to the public. Subsidies on some goods were removed and public sector employment reduced. Imports were also reduced and this meant a shortfall in the domestic supply of goods with consequent rise in prices. Besides, imports could no longer be paid for on current basis and this led to increase total external debt, shooting the figure from 2 billion Naira in 1980 to 13.96 billion Naira in 1985, and to 32 billion Naira in 1998 (Nwabughuogu, 2008).

In the mid 1980s, the crisis resulted in visible decline in the standard of living, budget deficits, high international indebtedness, high rate of unemployment and inflation. Nigerians were exposed to socio-economic hardships unprecedented in the post-independence history of Nigeria. The Shehu Shagari's administration resorted to the adoption of austerity measure which among other measures included the rise in the rates of tariffs and strict control of import licences with severe penalties on defaulters. These policies did not ameliorate the problem. Consequently, the Shagari's government was toppled in a military coup d'etat led by General Muhammadu Buhari in December, 1983.

Following the overthrow of General Buhari's regime in August, 1985 the incoming government of General Ibrahim Babangida, embraced the World Bank and International Monetary Fund, which led to the

Structural Adjustment Programme (SAP) The programme was aimed at "altering and re-aligning aggregate domestic expenditure and production patterns so as to minimize dependence on imports, enhance the non-oil export bases and bring the economy back on the path of steady and balanced growth". The economy defied this intervention programme, the budgetary deficit rose to unprecedented height leading to a fall in the value of the Naira. The removal of subsidies, especially on oil products, the establishment of the Second Tier Foreign Exchange Market (SFEM), and later the Foreign Exchange Market (FEM) were some of the off-shots of SAP which placed enormous burden on Nigerians. The cost of transportation of essential commodities skyrocketed out of the reach of the common man. Unemployment rose to unprecedented levels and poverty became widespread (Nwabughuogu, 2008).

There was also retrenchment of workers by the private sector, greater concentration on the non-productive sectors of the economy, while industrial activity centred more on the establishment of Bureau De Change for currency speculation. On the other hand, enterprises that "require high levels of intermediate goods, technology and capital" were not established. Many industries either folded up or produced at minimal levels because of the high cost of foreign currencies needed to buy manufacturing inputs. Productivity was lowered and the external debt continued to rise. Generally, SAP was a failure because after more than four years of its implementation, the economic performance was unsatisfactory as macroeconomic fundamentals moved in the wrong direction. On the social front, more Nigerians entered the poverty circle. The provision of basic social services was nothing to write home about (Tell, January 25, 2016).

Objectives of Economic Diplomacy

According to Akpuru-Aja (2012), practically, economic diplomacy is the use of political influence and relationship to:

i) promote the flow of trade investment
ii) diversify external markets for resource seeking
iii) secure private property rights or investment protection agreements
iv) develop appropriate capacity building in human resource development (technical expertise)
v) develop international telecommunication on energy and transport networks
vi) conduct and network research and development findings
vii) create a more favourable political climate to facilitate the conduct of effective foreign policy
viii) enter into bilateral and multilateral negotiations on trade and related agreements/treaties
ix) resolve incidental bilateral disputes and coordinate the flow of aid, grants, and economic assistance
x) secure external debt management
xi) promote bi-national commission

In view of the above, the federal government embraced the doctrine of economic diplomacy. It was realised by the Nigerian leaders that diplomacy without the economic component was nothing more than empty rhetoric. Additional effort was geared towards opening up the Nigerian economy, which was previously largely state controlled, to private enterprise, including non-Nigerian enterprises. Indeed, the project deliberately considered integrating private enterprise into the conduct of foreign policy. Also, it involved an express desire to redress the imbalances in international economic and monetary systems which were identified as partly responsible for the continuing economic difficulties of developing nations. In matters of acquisition of appropriate technologies of production, there was the decision to give greater prominence to the middle-power, industrialized nations of Asia and Latin America in the conviction that such nations would be more willing to share their technological knowhow in the spirit of South-South Cooperation (Uya, 1992).

In the field of industrialisation, the emphasis was placed on the creation of an appropriate atmosphere that would allow for the involvement of foreign technologies in the industrialization of the Nigerian state. A package of incentives embodied in a document entitled: Nigeria's New Industrial Policy, was put in place. These include: the creation of an industrial development coordinating department as a one stop clearing agency to facilitate approvals and application, thereby eliminating heretofore bureaucratic bottlenecks: abolition of import licences which was a major bottleneck in our trade; privatization and commercialization of public enterprise; free access to foreign exchange, through the Foreign Exchange Market; guarantee for free repatriation of profits, dividends, fees for consultancies, royalties and technical management services; review of the Nigerian Enterprises Promotion Decree to allow foreigners to own up to 80 per cent equity shares in enterprises requiring extensive capital outlay and /or sophisticated technology; establishment of the Export Free Zone option where foreigners can own up to 100 per cent equity; and generous tax incentives, including tax holidays, for investing in the pioneer sectors of the economy. The main objectives of the Industrial Policy were the expansion of labour opportunities. increased export of non oil products, dispersion of industries to the rural areas of the country, improvement in the technological skills and capacity utilisation of local raw materials, attraction of foreign capital and increase in private sector participation, both indigenous and foreign (Uya, 1992).

The pioneer industrial areas where the incentives were considered particularly attractive and generous were: cultivation and processing of food crops, vegetables and fruits, manufacture of cocoa products, the processing of oil seeds for vegetable oil; integrated diary production; cattle and other livestock ranching: bone crushing; fishing, whether in deep sea, coastal or in-land waters; manufacturing of salt; mining of lead and zinc; manufacturing of iron and steel and iron ore; smelting and refining of non-ferrous base metals and the manufacture of the alloys; mining of various minerals; manufacture of oil drilling materials; cement: glass and glassware; lime from local limestone; marbles; manufacture of ceramic products, basic industrial chemicals; pharmaceuticals, sugar dressings; starch from plantation crops; manufacture of animals feeds: manufacture of paper; manufacture of leather and various textile fabric and man-made fibres; metal products; machinery; goods made wholly or partly of rubber; of fishing nets with local raw materials: cultivation and processing of local wheat; oil palm plantation and processing; plantation rubber and processing; gum Arabic; integrated wood products; manufacture of fertilizers; and commercial vehicles manufacture. Other sectors crying for enterprising investors are petroleum and the exploitation of the enormous quantities of natural gas (Uya, 1992).

Nigeria's foreign policy from that period was envisaged to focus on how best to use diplomacy to attract the capital and technological know-how needed for the rapid economic transformation of the Nigerian state. Economic diplomacy was thus conceived as an important component of the Nigerian economic recovery project. Indeed, General Babangida's economic diplomacy as a policy choice to revitalize Nigeria's economy and to achieve economic development in order to protect the country's national interest engendered two views. The first view was expressed by proponents closer to the administration who saw economic diplomacy as the only panacea for the country's development. The second came from the members of the academic community, many of whom believed that the policy choice was a deviation from a foreign policy devoted to the total liberation of Africa from foreign domination and exploitation (Okoro. 2002).

Economic diplomacy has been implemented in the nation's foreign policy drive by several governments since then; however, the detail of the practice of the previous governments from 1993 to 2015 is not the focus of this study. Rather the paper's concern is the doctrine has been applied by the Buhari's led administration since his assumption of office on the 29th of May 2015, and the impact the doctrine could have on the economy.

After 16 years of governance led by the Peoples Democratic Party, ending with the leadership of Goodluck Jonathan, the economy seemed to have returned to the era of austerity with recession almost imminent. Unemployment and underdevelopment rates became embarrassingly high; the provision of health and social services had deteriorated to a disturbing level; the growth of GDP declined for two consecutive quarters towards the end of 2015. After unbundling the power authority, the electricity supply has not improved and the real sector remained "dead". The economy was growing by almost 28 percent, yet the rate of unemployment was about 28 percent and higher among youths. The transformation agenda of President Jonathan was not followed to its logical conclusion. There were no efforts to diversify the economy. The government relied heavily on oil revenue to finance development. It is common sense to know that it is dangerous to finance national development from an exogenous source of revenue like oil. The price is not only volatile but, together with its quantity, also outside the control of the government (Ekpo, 2016).

Against this background, Nigerians voted into power, President Muhammadu Buhari on the platform of the All Progressives Congress (APC). The President campaigned with the mantra of "change". Buhari had completed his first term in office, began a second term and Nigerians are becoming restive not only over which direction the economy is moving, but also whether "change" is actually taking place. Shortly after the President assumed office, the price of oil dropped sharply thus, affecting government's revenue. The decline in foreign reserve as well as the depreciation of the local currency resulted in unorthodox monetary and exchange rate policies by the Central bank of Nigeria. Some of these emerging issues have stirred stakeholders in the Nigerian project to debate the policy options for the "new" administration (Ekpo, 2016).

Between June 2015 and April 2016, President Buhari embarked on extensive foreign trips to about twenty-two countries including; South Africa, Germany, United States of America, France, Iran, Malta, Chad, Niger, Ghana, Benin Republic, Equatorial Guinea, Cameroon, Kenya, Ethiopia, Sudan, Saudi Arabia, United Arab Emirate, Egypt, Qatar and United Kingdom (The Punch, 21 April 2016). The foreign trips of the President generated a barrage of criticisms from some Nigerians opined that the President should look inwards for solutions to the economic crisis in the country. However, Presidential spokesmen justified the trips as representing "diplomatic shuttle" deliberately engaged to create the basis for the President to re-invent the country's economic growth. It is therefore pertinent to examine the outcome of some of the economic trips of the President.

It should be noted the immediate foreign policy direction of the government was to address the priorities enunciated by the government, viz: security, governance, anti corruption, economy and employment. The government decided to tackle the Boko Haram scourge in view of its extensive implications on the socio-economic development of the country. The President's high-level visit to United Arab Republic, the world's second largest Arab economy marked an indication of the strengthening of relations between Nigeria and Middle-East after many years of being in the back burner. The President held talks with the different heads of government, His Highness Sheikh Muhammad Bin Zayad Al-nahyan, the Crown Prince of Abu Dhabi and other relevant stakeholders. Apart from the bilateral talks at which critical issues such as trade, investment, security, war against corruption and energy were discussed, the President participated in the World Future Energy Summit. The visit was also packed with a wide range of business meetings with business leaders in the UAE to attract investment leading to jobs and the larger goal of economic development in Nigeria. The high point of the meeting was the signing of a wide range of agreements. The agreements covered areas such as; security, economy and corruption (Sahara Reporters, January 21, 2016).

One of the agreements that immediately caught public attention was that on criminal matters to facilitate

"Mutual Legal Assistance" to improve the effectiveness of both countries in the investigation and prosecution of crime and the confiscation of criminal proceeds. Under this agreement, proceeds of crime were defined to include "any assets derived or realized, directly and indirectly, by any person as a result of criminal conduct or the value of any asset, "asset" itself defined as "money and all kinds of moveable or immovable or tangible or intangible property" and include any interest on such property" (Tell, February, 2016).

The next is on criminal matters, which is equally expected to bolster President Buhari's war against corruption is the agreement on extradition between the two states. The two other agreements are for the reciprocal promotion and protection of investment and for the avoidance of double taxation. These ones were drawn to intensify economic cooperation between Nigeria and the UAE and to create conditions conducive to investments by nationals and companies of both states. The leadership of UAE expressed their readiness to invest in the Nigerian economy. There is also the indication that a number of other agreements are in the pipeline to strengthen security and economic cooperation between the two countries. The UAE which parades two of the world's most successful airlines, the Emirates and Etihad declared interested in assisting Nigeria to revive her national airline. Another of these upcoming agreements will lead to the opening of the UAE market for Nigerian exports. The one being worked out on security cooperation is to bind the Ministries of Interior to information sharing to fight corruption and terrorism. The two leaders also emphasized their cooperation on climate change and energy issues. By this, it is expected that the UAE will key into the President's plan to boost access to electricity by tapping into the abundant renewable energy resources available to this country. The UAE has built a whole city that relies on solar energy that is reportedly carbon-free. Another line of discussion between the two states in the nearest future will feature plans on the regeneration of the Lake Chad, to reduce poverty in the region and cut African emigration to Europe (Sahara Reporters, January 21, 2016).

In April 2016, President Buhari also embarked on a one week state visit to China. The visit was aimed at securing greater support from Beijing for the development of Nigeria's infrastructure such as power, roads, railways, aviation, water supply and housing. The trip was also directed at accelerating Nigeria's access to the 60 billion Dollars promised by China to African countries during the China-African Forum held in 2015. The visit also featured discussions on how China can buy more oil from Nigeria and also increase its export volume to China. China has offered Nigeria a loan of 6 billion Dollars to fund infrastructure projects. Also, the Chinese President Xi Jinping, offered 15 million Dollars agricultural assistance to Nigeria for the establishment of demonstration farms across the country in addition, projects such as refineries, power plants, mining companies and textile manufacturing are expected to be established in Nigeria as soon as the enabling environment is provided by the federal government. The offer was in response to President Buhari's commitment to Nigeria self sufficiency in food production and industralisation. China and Nigeria also agreed to strengthen military and civil service exchanges as part of a larger capacity engagement. In addition, China offered to raise its scholarship awards to Nigerian students from about 700 annually while 1,000, while other Nigerians would be given vocational and technical training by China annually (The Guardian April, 11, 2016).

During the visit, President Buhari advocated that technical committees be immediately established to finalise discussions on new Joint Nigeria/China rail, power, manufacturing, agricultural and solid mineral projects. During the visit, the Industrial and Commercial Bank of China Limited, the world's biggest lender, and the Central Bank of Nigeria signed a deal on Yuan transactions. Other deals such as the framework agreement between the Federal Ministry of Industry, Trade and Investment and the National Development and Reform Commission of the People's Republic of China to boost the economy were also endorsed.

Others included the framework agreement between the Federal Ministry Communications and the China Aerospace Science and Technology Corporation and a Memorandum of Understanding between Nigeria and China on Scientific and Technological Cooperation. The President and his team also toured the Shangai Free Trade Zone and the Guangzhou Economic and Technological Development Zone to gain more useful insights and understanding of the policies that underpinned China's astronomical economic growth in recent years (The Guardian April 11, 2016).

With Nigeria's inability to refine enough petroleum products to meet local consumption needs, even as it is Africa's largest crude producer, President Buhari needed to see the Ordos Coal Liquefying Project, which is the world's largest coal-to oil project. The President also needed to see what has been described as the world's largest nitrite rubber facility in Lanzhou Petrochemical Company, which is currently the world's largest, with 50,000 tonnes annual capacity. There was also the need to inquire into the secret of how China achieved the technological feat of building the world's largest container ship, COSCO OCENIA, which was wholly manufactured in China.

In view of the fact the Aladja, Ajaokuta and Katsina steel rolling mills remain monuments due to corrupt management, many decades since they were established, President Buhari needed to have information about the workability of the Anshan Iron and Steel Group's 5,500mm heavy plate rolling mill, reputed as the world's largest heavy plate mill. This was in addition to having deep insight about the Gorges hydroelectricity plant, which is currently the world's largest hydroelectricity plant, and generates 1000 kilowatts of energy. In transportation, the world's best Bus rapid Transfer System and China's high capacity high speed rail transport system also served as a reference points to Nigeria. The country's exploits in agriculture, which has helped it lift 40 per cent of its population out of poverty was also worthy of careful analysis (The Guardian, April 11, 2016). However, some aspects of the Chinese deal have been questioned by a Nigerian traditional ruler, and former Governor of the Central Bank of Nigeria, Emir Sanusi. According to him, it was not in the interest of Nigeria for the Chinese to use their labour to fix the rail system, and also provide the drivers. He also noted that the Northern part of the country that would benefit from the rail project is the one of the poorest parts of the world with no industries. He added that the government would not gain from the project (The Punch, April 6, 2017).

The Vice-President Yemi Osinbajo also disclosed that Nigeria's investment projection has started to increase. He disclosed that some multinational companies were responding to the request by government for them to extend their investment to Nigeria. For instance, he noted that General Electric, is about to make a very significant investment in the country, while other investment are already coming in for railing stock for railways because of the fact that the Government was working on the rail lines. According to the Vice-President, a leading Mexican agricultural company has started pine apples, banana, vegetables and fruits investment in ten states of the country (The Nation, August 15, 2016).

Re-engineering Economic Diplomacy for Sustainable Development in Nigeria

Akpuru-Aja (2012), Nigeria is not in want of resources seeking opportunities abroad. He notes that, for example, in the West African sub-region, Nigeria has led the Economic Community of West African States Monitoring Group (ECOMOG) in restoring order and security in Liberia, Sierra Leone and Cote d'Ivoire. In the principle of good neighbourliness, Nigeria has also empowered and prospered its neighbours like Niger, the Gambia, Senegal, Sierra Leone, Sao Tome and Principe, Benin Republic and Equitorial Guinea. The nagging dilemma is the clear absence of mainstreaming Nigeria's national interests. There is a whole lot of disconnect between Nigeria and its sacrifices in peace support operations in the West African sub-region. Empirical studies show that virtually in all the West African states, the foreign countries of China, Russia, India and even Lebanon have taken over the extractive and distributive industries and business activities.

Because of the absence of a clearly articulated national interest in the conduct of strategic diplomacy. Nigeria's presence is limited to the very prosperous informal sector across West African countries. No extra regional country is in an advantaged position to develop the infrastructural capacity building in railway networks, air line networks and shipping network than Nigeria. The inability of Nigeria to mainstream its national interest in the conduct of diplomatic practice has made the West African markets to be dominated by foreign powers of Europe, America, Asia and even the Middle East. Nigeria has not also benefitted economically from African countries such as Angola, Mozambique, Namibia etc., that have benefitted greatly from supreme sacrifices by Nigeria. These include Gabon, Angola, Zimbabwe, South Africa, Congo and Mozambique. From official trade and investment statistics, there is actually little or no relationship between Nigeria and African countries. For example, the Gambia, Senegal and Liberia import eggs from India; tomatoes from the Middle East, and rice from Thailand rather than a close-by Nigeria. These West African countries should not be blamed for the situation; rather Nigeria should take the blame for failing to employ government-to-government mechanisms to attract patronage to its markets and opportunities (Akpuru-Aja, 2012).

Nigeria has no formal trade and investment agreements with some of the growing economies like Malaysia. Singapore, Vietnam and Indonesia. Even with formal trade and investment agreements or treaties with the developed economies in Europe, America and Asia, the diplomatic missions lack briefings; funding capacity and technical manpower to explore negotiating opportunities between countries (Akpuru-Aja, 2012). In this connection, Aloysius-Michaels argue that:

> *Nigeria's economic diplomacy has not been used to mainstream national interest. It has been rather abused and turned into an instrument of self-perpetuation in public office. Ideally, serving and recalled diplomats should be a reliable source of technical information on the viability, or otherwise of not only host countries but diplomatic missions. This is yet to be until the Ambassadors and High Commissioners are properly briefed and challenged with key performance indicators to guarantee their relevance in foreign service...resources of the world are open to explorations by nations or countries that connect with the conduct of foreign policy (Aloysius-Michaels, 2010).*

There is the strong need for Nigeria to re-focus its foreign policy profile which has been more political rather than economic in utility. This is partly because Nigerian diplomacy has not been different from the country's civil service. In Foreign Ministry/Foreign Service, the vested is on (a) promotion and (b) posting. Officers see the "2Ps" as the beginning and end of Foreign Service duties rather than driven by clearly articulated, coordinated and implemented national interest. Also capacity building of diplomatic staff is quite low. "Think Tank" framework, such as the Nigerian Institute of International Affairs (NIIA), Lagos. National Institute for Policy and Strategic Studies (NIPSS), Kuru, near Jos, Nigerian Institute for Peace Research (ICPR), Abuja, Nigeria Institute for Social and Economic Research (NISER), Ibadan, should be strengthened for effective articulation and conduct of focused research on practical issues and problems of foreign policy. United States has about 4,000 well coordinated think tanks. Even Ghana has more functional and coordinated think tanks than Nigeria, which has only four (Okoro, 2000 and Akpuru-Aja, 2012).

There is the need to provide an environment for manufacturing to thrive, especially small-scale enterprises. The private sector, no matter the incentives in Nigeria, cannot handle or solve the unemployment challenge which has now become a national crisis. There is no doubt that the private sector is an engine of growth but *it* exists within an economy managed by government. The Nigerian private sector, for the most part, is involved in buying and selling and not in manufacturing and so it cannot make remarkable dent on the unemployment situation. The present government must strive to build Nigeria by strategically ensuring that the economy is moving towards industralisation which is not at variance with the policy import substitution and export promotion. The country's agricultural exports could provide the basis for industralisation. For example with cocoa, cassava and cotton, there can be chocolate, starch and textile (Ekpo, 2016).

In terms of appointment of Ambassadors/High Commissioners, priority should be given to career diplomats rather than political appointees to create room for expertise, which in turn would drive economic diplomacy. The government should also improved the level of funding of the foreign missions to enable Nigerian diplomats engage in extensive economic shuttles beyond the capital cities of the host nations to enable them identify resource potentials and opportunities for sustainable development. Challenges that results from policy coordination between the federal government, states and the private sector should be addressed. Information or data control should span the best practices in the host countries to bring about sustainability in educational, agricultural, tourist, human capital development, service oriented sector. Channels should be opened for exchange of technical study teams and greater public-private sector partnership between Nigeria and other countries. Furthermore, security challenges confronting the nation have to drastically address while the high incidence of corruption should be tackled to encourage investment.

Maximising the African Free Trade Area Agreement for Sustainable National Development

After a long period of indecisiveness, Nigeria in the month of July 2019, eventually signed up the African Continental Free Trade Area Agreement, a step perceived as capable of redefining the economic trajectory of the continent's most dominant economy. Having decided to be part of the agreement more than a year after other African countries gathered in Kigali, Rwanda, to sign the agreement, it is now left for the country to make the best out of it. AfCFTA main objective is the creation of a single market for goods and services among the African countries, just as the case in European Union. It is a free trade area with the potential to impact positively on the economies of African countries, many of which hardly carry out any form of trade among themselves. Ironically, intra-African trade has been put at a mere 17 percent in a continent that has 55 countries (The Punch, July 15, 2019).

Part of the objectives of the African Union, the promoter of the free trade area, is to create the largest economic bloc in the world by number of countries. AfCFTA will facilitate the "free movement of business persons and investments, and thus pave the way for accelerating the establishment of the Continental Customs Union and the African Customs Union". Aside from promoting regional and continental integration, it will also enhance competitiveness at the industry and enterprise levels through exploiting the market to scale production, continental market access and better reallocation of resources. As the largest economy in Africa with a large population estimated at 200 million, Nigeria should be the biggest beneficiary of such a market. However, poor governance and weak manufacturing base have raised the fear that the country could become a "dumping ground" for manufactured goods from other parts of the continent, especially those imported from China and Europe, rebranded and shipped in as if produced in Africa.

For Nigeria to be a major beneficiary of the possible benefits embedded in the membership of the economic bloc of this nature, the Federal Government should put its house in order. For instance, it is impossible for Nigeria to compete fairly with manufacturers from other parts of the continent without fixing the power sector. This is because it is believed that power adds almost 40 percent to cost production in the country and any plan to boost the manufacturing sector of the Nigerian economy without an efficient power sector is an exercise in futility. One of the main advantages of belonging to this kind of economic grouping is the prospect of attracting foreign investment. To make this happen, Nigeria has to address the concerns about the ease of doing business. Such concerns include the legal framework for business operation, the length of time for registering business and the complaints about multiple taxation of business (The Punch, July15. 2019).

The deplorable state of road and rail infrastructure is also a matter of serious concern that should be urgently addressed. Besides, the level of insecurity in the country should be seriously tackled to create a safe environment for investors. Also, the threat of smugglers should be addressed. Nigeria's borders have always been very porous. The manufacturing sector in the country such as the textile industry should be revived so that the country can compete in terms of export. To stand a chance, Nigeria has to identify areas of competitive advantage over other African countries. Aside from her large population, the country is blessed with large expanse of arable land, which supports agriculture. Before the advent of oil as the dominant player in the economy, Nigeria relied on agricultural products such as cocoa, palm produce, rubber and groundnuts to build a buoyant economy. Under AfCFTa, Nigeria can exploit her advantage in agriculture but the products will have to be processed and should not be exported in their raw forms. This is where the promotion of small and medium-size business becomes inevitable. SMEs, according to the World Economic Forum, are responsible for more than 80 percent of Africa's employment and 50 percent of the Gross Domestic Product. In India, where they are responsible for 80 million jobs, SMEs help to ramp up production and total exports of the country.

Conclusion/Recommendations

Though nations have always been involved in external economic relations, the new economic diplomacy has become a very popular policy instrument opened principally to diplomatic missions and all accredited agencies and representatives of government. It is designed specifically to drive the diplomatic practice in a more aggressive manner for the promotion of trade, foreign direct investment and out sourcing of technical manpower. It is somewhat a shift from having diplomats or representatives of government concentrate on largely political functions. The military administration of General Ibrahim Babangida adopted the doctrine of economic diplomacy to tackle the economic challenges that faced Nigeria at that time. The policy was used as an instrument for resource seeking abroad, including some Eastern European countries of Romania, Hungary and Bulgaria. Nigeria also employed the Technical Aid Corps (TACs) scheme to diversify its diplomatic relations in Africa, the Pacific and Caribbean States (Okoro, 2002 and Akpuru-Aja, 2012).

The missing link in the practice of economic diplomacy remains the inability to effectively mainstream Nigeria's national interests in its external economic relations. Though Nigeria has an impressive resource based potentials in natural, economic and human resources, it is yet to diversify its economic base through value-added process which is very central to achieving the key foreign policy objectives. As a corollary, Nigeria should adopt a new African and global policy strategy of diplomatic engagement that would improve ties with the emerging and developed countries, including international organisations. This is important because effective diplomacy is about clarity of position and interest on issues and readiness to exercise timely influence on other actors on the world stage. This will increase Nigeria's political leverage not only in the West African sub-region, and Africa, but multilateral frameworks. A review of economic diplomacy instrument should be accompanied by a global market strategy, including creation of practical Economic Community of West Africa (ECOWAS) trade and investment zone. Citizenship diplomacy should be aligned with economic diplomacy, while the Diaspora should be also be integrated. The manufacturing sector of the economy should be revived to produce goods that the nation can exchange with

Okoro, J. (2000). "International Diplomacy and Consolidation of Democracy" (Ed.) Uya, Okon Edet . Civil Society and the Consolidation of Democracy in Nigeria. Calabar: Clear – Lines Publications.

Palmer, N. and Perkins, H. (2007). (Eds.). International Relations. Third Edition. Delhi: A.I.T.B.S. Publishers.

Roetter, C. (1963). The Diplomatic Art: An Informal History of World Diplomacy. Philadelphia: McCaffre Smith Company.

Solomon O (1993). "Nigeria's Foreign Policy under Babangida" Nigerian Forum. The Nigerian Institute of International Affairs. Vol. 13, Nos. 9-10.

The Guardian, April 11, 2016.

The Nation, August 15, 2016.

The Punch, April 6, 2017.

The Punch, July15, 2019.