

# Niger

<b>Status Index</b> 4.3 (Democracy: 2.6 / Market economy: 1.7)		<b>Management Index</b> 4.4	
<b>System of government</b>	Semi-presidential democracy	<b>Population</b>	11.1 mill.
<b>Voter turnout</b>	39.4 % (1999)	<b>GDP p. c. (\$, PPP)</b>	890
<b>Women in Parliament</b>	1.2 %	<b>Unemployment rate</b>	n. a.
<b>Population growth<sup>a</sup></b>	3.2 %	<b>HDI</b>	0.292
<b>Largest ethnic minority</b>	n. a.	<b>UN Education Index</b>	0.17
		<b>Gini Index</b>	50.5 (1995)
Data for 2001 – if not indicated otherwise. <sup>a)</sup> Annual growth between 1975 and 2001. Sources: UN Human Development Report 2003; EIU-Country Profile and Reports Niger.			

## 1. Introduction

On April 9, 1999 members of the presidential guard assassinated Ibrahim Baré Maïssanara, the acting President of Niger in a *coup d'état*. President Maïssanara had, himself, risen to power three years earlier by way of a military coup. In response to pressure from Western donors, the head of the transition government, Col. Douada Mallam Wanké, initiated renewed democratization processes. These ultimately led to a constitutional referendum and parliamentary and presidential elections in July, October and November 1999. Mamadou Tandja of the National Movement for a Society of Development (MNDS) and a coalition of MNDS and the Democratic and Social Convention (CDS) emerged as victors.

This report on the status of the economic and political transformation of Niger concludes that over the past five years, Niger made clear progress with respect to meeting overall political goals. The minimum standards of a functioning democracy, however, have yet to be attained. There were minor improvements on the free market economy, the base level of which was exceedingly low. All areas reflect grave deficiencies. This holds true particularly for efforts aimed at reducing poverty and for the fundamental system required for a social market economy. The country remains dependent on external aid. Niger exhibited moderately positive management success in cooperation with donors and functioning political institutions, a noteworthy success considering the recent historical background.

## **2. History and characteristics of transformation**

Since gaining independence from France in 1960, Niger has been one of the poorest nations on earth. Moreover, Niger endured long periods of authoritarian rule with the military as the dominant player. Economic transformation preceded political transformation, but was also characterized by disruption. Niger, meanwhile, finds itself in its fifth republic.

Contrary to the French territories, Niger has not experienced democracy during the time of decolonization and the first years of independence. The authoritarian rule already begun in the last two years of the formal French rule which brought the repressive one-party system of Hamani Diori to power. In 1974, the military, under Seyni Kountché, toppled the regime of Diori amidst a significant economic crisis (Second Republic). Following Kountché's death in 1987, a civil government was re-instituted under the MNDS.

In the early 1990s, President Ali Saibou came under regional and internal pressure to democratize the country. Based on the precedent of neighboring Benin, a national conference prompted a transitional phase in 1991 and produced the first democratization attempts. A constitutional referendum and relatively free and fair elections followed in 1992 and 1993 (Third Republic).

Mahame Ousmane became the country's first freely elected president. He did, however, encounter conflicts with Parliament after the withdrawal of opposition parties from the government coalition. Early elections in 1995 forced Ousmane to appoint Hama Amadou (MNSD) as prime minister, although this led to immediate conflict between the two. The resulting paralysis of political institutions in this semi-presidential system ultimately provoked Maïssanara's military coup on 27 January 1996, which enjoyed support from large segments of the population. The coup also reflected widespread material dissatisfaction and persistent power aspirations within the military. By contrast, the violent insurgence of the Tuareg ethnic group in 1994-1995 was reasonably settled with a peace agreement.

In response to foreign pressure, Maïssanara called for a constitutional referendum and new elections. Contrary to an earlier promise, Maïssanara participated in the election. Non-competitive conditions and a boycott by opposition parties allowed him to win the presidential election of July 1996 and legislative elections in the fall (Fourth Republic). An independent election committee was disbanded during the election count. Two years of superficially liberalized authoritarianism followed until Maïssanara's assassination, the cause of which can be attributed in part to irregularities surrounding local elections in February 1999.

In contrast to the previous regime, the second democratization effort (Fifth Republic) did indeed lead to improvements, although the new government attaches little value to honoring the freedoms of speech and the press. The work of

political institutions progressed surprisingly smoothly. After all, the coalition of MNSD and CDS within the Alliance of Democratic Forces (AFD), which comprises another 15 political parties, operates within the unchanged semi-presidential system and with the participation of central figures from the first democratization attempts of 1993-1996. Sustained political protests and the unpredictability of the military constitute grave threats to political stability.

The cause of this unpredictability can, of course, be linked to appalling socioeconomic conditions characteristic of these transformation processes. Since the early 1970s, drought, desertification, government intervention and bad governance have aggravated the poor economic environment even further. The uranium boom of the late 1970s subsided very quickly in Niger, a country dominated by agriculture. As a result, significant national debt incurred from 1983 to 1986 necessitated an IMF structural adjustment program. The implementation of this program was plagued by substantial irregularities, which can be attributed to political instability. Political instability also led to intermittent suspension of the program.

President Maïssanara succeeded in improving relationships with both the World Bank and the IMF. The implementation of the Enhanced Structural Adjustment Facility (ESAF) between 1996 and 1999, characterized by privatization and budgetary discipline, met with the approval of international financial institutions. After a brief disruption, the transitional government of President Wanké normalized relations with international donors, paving the way for the Poverty Reduction and Growth Facility (PRGF) from 2000 to 2003. A Poverty Reduction Strategy Paper (PRSP) submitted in January 2002 was accepted by the IMF and the World Bank. The relative satisfaction expressed by the financial institutions, however, must not distract from the appalling conditions pervading all socioeconomic levels.

### **3. Examination of criteria for democracy and a market economy**

#### **3.1 Democracy**

In the central assessment criterion regarding free and fair elections of decision-makers and the institutional stability of the legislative and executive branches, Niger has made substantial progress in the transformation of its political regime. Nevertheless, the minimum standards of democracy have yet to be attained. Formidable transformation deficiencies persist with respect to state identity, rule of law (independence of the judiciary, freedoms of speech and the press) and socio-political integration. Restless interest groups and the unpredictable military endanger the current standards.

### 3.1.1 Political organization

(1) *Stateness*: Niger is confronted with significant problems of state identity. The state's monopoly on the use of force is not fully guaranteed. Although the definition of a people and the issue of what constitutes a people, as such, are not politically relevant, there exists only a moderately developed sense of national togetherness. The Toubou and the Tuareg, groups who consider themselves disadvantaged, have repeatedly tried to secede or stage insurgencies, although these attempts were largely resolved over the past few years. The government must enforce the secular notion of state identity against Islamist groups, who appear to be gaining influence, although they are still mostly powerless. An efficient administration is not guaranteed. Law and order are substantially deficient.

(2) *Political participation*: Universal suffrage and the right to campaign for office, as well as sound implementation of elections, are largely present since 1999, as opposed to the period from 1996 to 1999. Deficiencies pertain to administrative irregularities but also to voter turnout. Cultural restrictions inhibit, in particular, women's right to vote. The military constitutes a significant destabilizing factor owing to a lack of cohesion, unremitting claims to power and periodic mutinies (largely due to inadequate pay, the last ones took place from June to August 2002).

Political and civic groups can form freely. Frequent protests by civil servant unions and student groups occasionally trigger restrictions on the freedom of association. Freedoms of speech and the press are subject to more significant intervention. The period of assessment was characterized by repeated reprisals (arrests, imprisonment) against journalists and activists critical of the government. These contradict general democratic principles.

(3) *Rule of law*: The semi-presidential system of government grants formal and de facto reciprocal control to both the executive and legislative branches. In the past, problems were rather more associated with a risk of blockade, which never materialized even though no single political party holds the absolute majority in parliament. The independence and operating ability of the judiciary, by contrast, are compromised by grave deficiencies.

Apart from administrative deficiencies, the government failed to honor the rulings of the Constitutional Court, particularly when they were directed at the government itself. Eventually this led to a voluntary retreat of the constitutional judges in September 2002. Abuse of authority and corruption appear to involve all levels of administration and government. Judicial and political penalties are primarily incurred following the change of government. Most recently, this affected ministers of the toppled government of former President Maïssanara. In

practice, civil liberties are frequently violated but there is only limited legal recourse owing to the aforementioned judicial deficiencies.

### 3.1.2 Political patterns of behavior and attitudes

(1) *Institutional stability*: The democratic institutions of the executive and legislative branches work in accordance with their function. A recurrence of the massive blockade of 1995-1996 was successfully prevented, although almost all the identical actors (persons and political parties) remain active, albeit within a somewhat different alliance constellation (see below). The failure to accept the judicial branch as an independent and operative control mechanism presents a grave deficiency. Opposition parties also appear to support the democratic system. Nevertheless, there is no reliable base of support due to the proximity to the relatively authoritarian predecessor regime and questionable practices, such as the boycotting of parliament. The military, in particular, embodies both a historic and an acute danger to democratic stability. Likewise, the threat of regionally organized violent upheavals remains.

(2) *Political and social integration*: Volatility is negligible due to a party system whose actors are, for the most part, regional (also in contrast to 1993-1996; number of effective parties: 3.3). Civic society in the classic sense is inadequate. The degree of fragmentation is moderate, while polarization is somewhat higher. The AFD, as an entity close to the government, includes the government coalition of MNSD and CDS and controls more than 55 of the 83 parliamentary seats. The opposition, in contrast, is organized in the Coordination of Democratic Forces (CFD). The CFD attracted attention through parliament boycotts and as a result of the recent changeover of the Niger Alliance for Democracy and Progress (ANDP) to the AFD.

The topography of interest groups has thinned. Civil service unions and radical student groups, who engage in active recruiting, dominate civil society. The unions were weakened by a schism in March 2000 that followed a decision of the *Union des syndicats des travailleurs nigériens* (USTN) to accept early retirement options presented by the government. The proposal was part of an attempt to reduce the size of the civil service. Islamist groups, meanwhile, work against secular principles and women's rights. The government takes assertive action against these groups.

Surveys of the population on its approval of democracy do not exist. Based on the soaring approval in support of the constitutional referendum and the rejection of the relatively authoritarian regime of President Maïssanara on the one hand, and low voter turnout on the other (in part due to limited female voter participation), a mixed picture emerges. Social self-organization is poorly developed (2.3 NGOs

per 100,000 inhabitants). This is probably mitigated by traditional family networks, but the significance of these is difficult to assess.

## **3.2 Market economy**

Niger represents one of the least developed countries in the world and is heavily dependent on foreign aid. Membership in the CFA Franc zone guarantees relative price stability and, thus, must be viewed as positive. During the period of investigation, some progress emerged with respect to structural adjustment programs. Overall, Niger has a long way to go in the transition to a social market economy.

### **3.2.1 Level of socioeconomic development**

Key development indicators point to an exceptionally low level of development. With regard to the HDI, Niger ranks next to last. Social exclusion is strong, both quantitatively and qualitatively, and is structurally well rooted. Income disparities (Gini coefficient 1995: 50.5) signify that freedom of choice does not exist, due to the proportion of absolute poverty among the population (more 60 % earn less than \$1 per day and fall below the national poverty line) and the relative deprivation of women. Women ranked last in the GDI. Due to divergent developments there is no overall evidence of progress.

### **3.2.2 Market structures and competition**

The fundamentals for market-based competition exist only on paper. The informal sector already generates two-thirds of all economic activity. In Niger, the issue of non-governmental monopoly formation has little priority, nor does it present a palpable problem. Membership in the West African Economic and Monetary Union (UEMOA), a customs union, entails a considerable degree of protectionism.

Economic conditionality of foreign aid over the past few years has led to some liberalization of foreign trade. The banking system of Niger constitutes one of the weakest within the UEMOA. Banks have not been able to make required deposits with the Central Bank of West African States (BCEAO), although they are controlled by the BCEAO. Private business loans represent only 6 % of GDP.

### **3.2.3 Stability of currency and prices**

Membership in the CFA Franc zone, which is linked to the Euro, prevents Niger from pursuing independent inflation and currency policies. This is in compliance with BCEAO directives. This decision must be considered prudent in view of the low inflation rate. IMF and World Bank structural adjustment programs endeavor to improve macroeconomic stability. The two institutions largely approve of Niger's performance to date, although much remains to be done. In August 2002, a further tranche in line with the Poverty Reduction and Growth Facility (PRGF), from the international financial institutions, was allocated.

Deficiencies persist with respect to outstanding wages owed by the government and tax revenue. Some progress was evident in budgetary discipline and reducing the inflated civil service apparatus, although these measures met with considerable social resistance. If Niger succeeds in meeting World Bank and IMF requirements, particularly in poverty reduction as spelled out in the PRSP (improved governance, budget transparency and improvements in education and health care), it can expect substantial reduction of its formidable foreign debt by the first half of 2003, through the Initiative for Heavily Indebted Poor Countries (HIPC). The PRSP was submitted in January 2002 and met with IMF approval (see above). This also holds true for the interim PRSP, submitted in October 2000.

### **3.2.4 Private property**

Property rights and acquisition of property are, in principle, guaranteed by law. Expropriation is possible but has not been enforced over the past several years. The high proportion of the informal sector within the economy and the weak judiciary largely prevent the protection of private property. Notwithstanding the resistance of unions, privatization efforts pressed ahead (e.g. national water utility, April 2001, national telecommunications company, November 2001).

### **3.2.5 Welfare regime**

Niger essentially lacks an efficient government network to fight poverty. The country lacks financial and administrative means (health care spending amounted to approximately 1.2 % of the GDP). The informal sector and traditional structures alleviate the situation to some extent, but this is difficult to quantify. Significant endeavors are implemented in line with the PRGF. Priorities of the PRSP, as submitted in January of 2002, focus primarily on improving macroeconomic management, agricultural conditions and infrastructure, as well as increased spending in education and health care. Nigerian society is highly segmented. To date there are no facilities to balance blatant social disparities.

Women experience limited access to public office due to Islamic and cultural considerations.

### 3.2.6 Strength of the economy

Between 1998 and 2003, annual GDP growth fluctuated between 1.4 % and 9.6 %. Economic contraction incurred in 1999 and 2000 was largely related to the suspension of aid following the 1999 coup. Growth returned in 2001 and 2002. Stability of prices was largely guaranteed. The current account balance shows a structural deficit and the country remains dependent on foreign aid. The economy presents low potential, in part due to climatic conditions. Hopes, however insecure, can merely be attached to natural resources—uranium, gold and petroleum. Bad governance, however, prevents the country from tapping its full potential.

### 3.2.7 Sustainability

With respect to growth aspirations, environmental compatibility is only significant in as far as escalating desertification presents a formidable barrier to development. Apart from that, environmental considerations are negligible in sparsely populated Niger. However, in 2001 the government imposed a ban on lion and giraffe hunting. The education sector is fraught with appalling conditions. Facilities for education, training, research and development exist only marginally. Underfunding at the University of Niamey is so severe that the university is occasionally forced to shut down. Spending for education is low (1995-1997: 2.3 % of GDP). There is no modern physical infrastructure; only 8 % of all roadways are paved. Important transportation links to the seaports of neighboring countries (Togo, Ghana) have, however, been improved.

## 4. Trend

(1) *Democracy*: The downfall of the Maïssanara regime and the ensuing democratic elections in 1999 marked the beginning of significant progress. Nevertheless, sustained deficiencies pertaining to state identity, rule of law and freedom of expression impair compliance with minimum democratic standards. The independence of the judiciary and the predictability of the military may even be characterized by a regressive trend, a trend that only the future can confirm. With respect to state identity, there were positive developments surrounding the integration of the Tuareg and the Toubou. These were initiated or continued by former President Maïssanara in 1998. The government of Mamadou Tandja also adhered to the agreements. There was progress concerning the relatively stable cooperation of the government coalition in comparison to the period from 1993–

96 (Third Republic). Overall, however, the degree of democratic consolidation has not improved significantly since 1999. Significant change thus pertains only to the elections of 1999.

(2) *Market economy*: The level of development over the past few years has not changed significantly. Based on the change in the Index of Economic Freedom from 3.9 to 3.5, there was moderate improvement with respect to institutional ambient structures. This, nevertheless, implies “mostly unfree.”

**Table: Development of socio-economic indicators of modernization**

	<b>HDI</b>	<b>GDI</b>	<b>GDP Index</b>	<b>UN Education Index</b>	<b>Political representation of women</b>	<b>GDP per capita (\$, PPP)</b>
1998	0.293	0.280	0.33	0.15	1.2 (1996)	739
2000	0.277	0.263	0.34	0.16	1.2 (1999)	746

Human Development Reports 1998, 2000, 2002

Key indicators demonstrate mixed results. Economic growth fluctuated but reflected an upward trend during the past two years. Other indicators are ambivalent (e.g. inflation, budget deficit). Rudiments of a social market economy barely exist.

**Table: Development of macroeconomic fundamentals (1998-2002)**

	<b>1998</b>	<b>1999</b>	<b>2000</b>	<b>2001<sup>a</sup></b>	<b>2002<sup>b</sup></b>
GDP growth (in %)	9.6	-0.5	-1.4	7.6b	3.0
Exports, \$ million	334	287	283	273	293
Imports, \$ million	404	335	324	333	368
Inflation in % (CPI)	4.5	-2.3	2.9	4.0	3.0
Debt, \$ million	1,653	1,640	1,638	n.	n. a.
Debt service ratio	17.8	11.2	9.2	n. a.	n. a.
Budget deficit (% of GDP)	0.4	2.4	3.4	4.7	n.a.
Current account balance, \$ million	-152	-137	-108	-131	-145

Sources: EIU Country Report Niger December 2002, African Development Report 2002; a. Actual; b. EIU Estimate.

## **5. Transformation management**

### **5.1 Level of difficulty**

The conditions in Niger that affect transformation management are exceedingly challenging. All available indicators suggest that the country is one of the least developed countries (LDCs) within the group of low income countries. Based on the UN Education Index, the level of education ranks lowest in the world (2000: 0.16). Ethnic heterogeneity is relatively high. Corresponding violent conflicts, which were primarily peripheral, were largely put to rest at the onset of this study. Islam, to which 80 % profess belief, functions to some extent as an integrating factor. At the same time, fundamentalist Islamist groups, which hitherto have been relatively weak, represent a growing issue.

Civic traditions are weak. Civil service unions and student groups constitute the most important elements of civic organization but, at the same time, embody a great destabilizing factor owing to massive protest activity. The protests mainly base on the economy measures imposed by the donors. Facing the dependence on these donors this poses a dilemma. Grave administrative inefficiency, deficiencies surrounding the independence and operating ability of the judiciary and the lack of freedom of expression must be considered problematic. Since re-democratization in 1999, the relatively stable coalition government and executive institutions symbolize the sole bright spot. Specific aggravating conditions are the dependence on Nigeria and on external western donors as well as the susceptibility of the economy to climatic conditions (droughts, desertifications).

### **5.2 Reliable pursuit of goals**

In evaluating reform goals, care must be taken to distinguish between economic and political dimensions. Politically, democratization attempts at surpassing the *status quo* are negligible. The political priority for the current government is to improve control over the military. In 2000, civilians replaced all military prefects. In addition, the “High Council for National Defense” was established to advise the president on appointing important officers. A representative of the reformist faction of the military was appointed to head the council, thereby clarifying policy choices.

The transitional government of President Wanké in 1999 was the most determined in implementing reforms and working toward re-democratization. External pressures relating to the dependence on external financial transfers also play a central role in the economic reform politics of the Tandja government. Sustained conditionality imposed by the World Bank, the IMF and other donors ensures compliance with continued reform priorities and policies. These are implicit conditions of the PRGF and the self-formulated PRSP.

The next goal lies in qualifying for the HIPC Initiative for debt relief. In this respect, the government imparts reliability in expectations. This may be compromised, however, by negative overall conditions and the resistance of civic actors toward socially sensitive measures such as reduction of the civil service. Giving in to their demands will clearly contradict the requirements of the IMF and World Bank.

### **5.3 Effective use of resources**

The government does not optimally utilize available economic, cultural and human resources. In the past grave deficiencies existed with respect to efficient utilization of resources. These deficiencies are subject to external economic conditions which have led to some improvements, particularly concerning the bloated and inefficient administrative apparatus and budgetary policies.

Deficiencies exist with respect to debt and outstanding salaries, which constrict the government's leeway. The government's reform policies largely enabled compliance with external conditions. Within the scope of the PRGF review processes, most objectives were met by March 2002. Budget policy objectives fell short only marginally in areas such as outstanding wages, amount of government wages, external debt and public financial management. The UEOMA evaluation in July 2002 concluded that Niger largely complied with convergence criteria.

The government, however, does not guarantee adequate services for the development of the country. These deficiencies are the object of reform. Elimination of corruption constitutes one of the external demands. A motion of no confidence presented to Parliament in 2001 based on allegations of government corruption was rejected. Several higher officials accused of misappropriation were, however, arrested. There is no indication that cultural heritage is being utilized for development.

### **5.4 Governance capability**

Relatively clever political leadership allows the government to enforce its political priorities in spite of some political resistance. Politically, the actors have learned something from the polarized cohabitation that led to the decline not only of the Third Republic but of the authoritarian regime of the Fourth Republic, as well. Consequently, the former political actors (Ousmane, Hama Amadou) have learned to cooperate within the current governing coalition. The political authority of the government is somewhat impeded by the resistance of unions, students and the military. Nevertheless, it possesses adequate internal authority, which is reinforced by external factors. Within the scope of economic conditionality, the government did improve the allocative efficiency of the markets.

The reformers, who are mostly interested in economic improvements, are relatively politically skillful in the implementation of individual reforms, particularly in historical comparison. Attempts to control the military and the peace agreement with the rebels were discussed above. Improved institutional stability prevents erosion of the government's problem-solving capacity in connection with excessive conflict. The government reached partial consensus with unions regarding a reduction of the civil service in June 2000, although this caused a schism within the unions.

Limitations exist with respect to outstanding wages and student stipends, caused by grave economic deficiencies that, in turn, cause social unrest. Furthermore, interference with the freedom of expression and the independence of the judiciary must be viewed as deficiencies with respect to transformation intent.

### **5.5 Consensus-building**

It is unclear whether any of the actors actually aspire to create a fully market-based economy. The main actors' current and past behavior demonstrates reservations with respect to such a transformation. In this context, the government imposes restrictions on fundamental liberties. There is a certain amount of political consensus with respect to political stability and economic prosperity.

At the same time, there remains strong divergence with respect to strategies in attaining these goals. While the government is more or less forced to rely on the concepts of the World Bank and IMF, it experiences strong resistance from the unions and students, but this resistance has largely been overcome. The same holds true of civil society as a whole for drafting the PRSP. Social conflict lines are drawn along ethno-regional lines and focus on individuals or access to power and resources.

There is consensus for political stability among the rebels from the north, in stark contrast to the military, which has assumed the role of a veto actor despite its own internal divisions. The rebellion of June-August 2002 that had been suppressed by loyal security troops serves as an example. Mutinies are also the result of unpaid wages. Vis-à-vis the fact that revolts can easily develop to be politically motivated coups, this last mutiny caused considerable nervousness among the government.

Islamist fundamentalist groups constitute an additional, although hitherto weak, antidemocratic element. Owing to poverty and proximity to northern Nigeria, there is great potential for Islamic fundamentalist tendencies, particularly in the south. In the past the government took a tough stance against Islamic fundamentalists. In 2000, seven groups who protested against an African fashion festival were outlawed. In 2001, Islamic fundamentalist leaders were temporarily

arrested for criticizing US foreign policy. Solidarity within Nigerien society is very limited due to cultural heterogeneity.

The government only impairs improvements to social consensus through tight budgetary policies that perpetuate the conflict with civil servants and students. Concrete deficiencies remain in dealing with inherited political burdens from the past. In spite of international pressure, the government rejects calls for clarifying the circumstances surrounding the death of former President Maïssanara. Wanké, the leader of the 1999 coup, considers the death an accident, a view of limited credibility. Calls for a full investigation and punishment by the *Rassemblement pour la démocratie et le progrès* (Rally for Democracy and Progress, RDP), a political party close to former president Maïssanara, were ignored. The first official act of the newly elected government in January 2000 was the adoption of an amnesty for all perpetrators associated with the military coups of 1996 and 1999. This new beginning, as propagated by the government, has met with mixed approval, although, at the very least, it represents a vital aspect of an informal understanding with the military.

## **5.6 International cooperation**

Domestic political actors are willing to cooperate with external supporters and actors. There is a certain compulsion due to the lack of development and dependence on foreign aid. It is imperative to distinguish between political and economic utility of the reform goals. Beginning with the Maïssanara era in 1996, the governments of Niger have worked well with international financial institutions and other donors. With the exception of a minor disruption related to the rejection of the coup in 1999, the same applies to the Wanké era and the government of Tandja Mamadou. Politically, President Maïssanara was only marginally exposed to foreign reform pressure, democratization deficiencies notwithstanding. Subsequent to the coup, however, this pressure weighed heavily on his temporary successor, President Wanké, who was cooperative and secured Danish and American financial aid to help implement the 1999 elections.

For the implementation of the peace agreement with the northern rebels in 2001 (integration of former rebels into the army), the government relied on French support. External budget support—applied to salary payments—was crucial in preserving social peace. The aforementioned refusal to investigate the death of President Maïssanara led to a delayed resumption of donor aid, which has since been restored.

Overall, since 1999 the government has demonstrated its reliability to the international community. The government does not appear to be pursuing self-interest in the crisis engulfing Ivory Coast. Unlike the neighbor Burkina Faso the government of Niger did not seem to be involved in the crisis in Cote d'Ivoire

with strong self interests, although several Nigerians had to flee from Cote d'Ivoire and the Muslim background of Niger caused many citizens to sympathise with the rebels. In fact, towards the end of 2002 it agreed to provide nearly 200 soldiers for a regional peacekeeping force. A similar commitment was presented in 2001 for the conflict involving Guinea, Liberia and Sierra Leone.

Internationally, the government maintains a relatively low profile, in line with its organizational capabilities. It mostly waives independent ambitions, including those of symbolic nature. Relations with France, the former colonial power, are stable and friendly in contrast, for example, to neighboring Chad. Bilateral relations with Israel were severed on 21 April 2002. The official announcement was made during a state visit to Libya and might be linked to hopes of obtaining financial aid from Arab states and Libya in particular. Niger is involved in numerous regional and international organizations, including the Economic Community of West African States (ECOWAS), the CFA Franc zone and the subordinate UEMOA.

## 6. Overall evaluation

In view of the starting conditions, current status and evolution achieved, as well as political achievements, this assessment concludes the following:

(1) *Originating conditions*: Overall originating conditions must be considered negative. The onset of the period under study was characterized by a lack of operative and efficient market-based structures as well as by the lack of minimal standards necessary for a democratic political system. Economically, the majority of sectors indicate deficiencies. Relative price stability and the consistent implementation of a structural adjustment program can be regarded as positive in line with a fledgling market-based transformation.

Following the failure of the first democratic transformation, politics in Niger regressed into a liberalized authoritarian regime with only rudimentary democratic features. There were achievements in the reinstatement of the state's unrestricted monopoly on the use of force, first initiated during the highly unstable Third Republic. The Maïssanara regime failed to eliminate deficiencies pertaining to legitimacy. Niger was unable to create democratic resources, such as an institutionalized political party system or a moderate and pro-democratic civic society.

(2) *Current status and evolution*: The evolution pertaining to democratic transformation is significant. The downfall and the death of President Maïssanara quickly initiated processes that led to the democratic election of a new government and parliament. The increased institutional stability and cooperation between the elite and ruling coalition parties must be viewed as positive. That is

the extent of political transformation gains. The areas of state identity, rule of law, political participation and integration continue to be fraught with grave deficiencies.

Restrictions affecting freedom of speech and the failure to acknowledge the independence of the judiciary, as well as the instable military and unions, present an unremitting barrier to a full transformation. The attained level of economic transformation is lower in absolute terms, whereas evolution and persistent dynamics score higher. The successful implementation of externally supported structural adjustment programs continuously presents a formidable challenge. Niger has a long way to go toward becoming a self-supporting social market economy.

(3) *Management.* The evaluation of actors' organizational capability is mixed, but overall slightly positive. Considering the challenging originating conditions, there was nonetheless a substantial gain with regard to democratic transformation. This gain has yet to be secured, and development of a true democracy is improbable. Commitment to further democratic reforms appears limited. Nevertheless, there is considerable determination, which primarily focuses on political stability and the attainment of economic goals.

There was some economic success, though the minimal requirements of a market economy were not achieved. Dependence on external aid implies compliance with donor requirements. Effective use of resources is partially evident, but is largely impaired by the lack of development aid. Yet the government was creative within the limited scope of possibilities and goals. Niger is still far removed from an overall civic consensus, although improvements are evident, in contrast to the Third Republic and Fourth Republic. International collaboration constitutes the priority of the current government.

## **7. Outlook**

Niger's overall negative transformation, interspersed with some positive evidence, emphasizes the need for additional reform. In practice, however, its success is most doubtful. Prospects for political reform are much more positive than for economic reform. This is only seemingly in contradiction to current economic reform dynamics.

In the short term, political progress is more easily attainable than economic progress because the immediate behavior of the actors is more relevant. This can be illustrated by the re-democratization in 1999. For the establishment of a consolidated democracy in line with the analytic model, this is of less importance. Here the emphasis is more on structural and cultural factors and the presence of probable interdependence with the level of market based transformation.

Therefore, the outlook remains poor, particularly in view of political turbulence, whether regional (Islamic fundamentalism in northern Nigeria) or internal (the military), which cannot be ruled out. The future of Niger will depend on maintaining the current level of political stability, step-by-step improvements of the socio-economic conditions and aspirations for a deeper level of political transformation.