

June 16, 2014

Boko Haram

On April 14, the Nigerian terrorist group Boko Haram kidnapped 276 girls from their school in the town of Chibok, Nigeria. Initially, the group claimed that the girls would be sold into slavery and marriage, but after the girls “voluntarily” converted to Islam, the group said they would not sell the girls. Instead, the girls would be released in exchange for Boko Haram’s imprisoned fighters. Since then, the group has kidnapped more girls and staged more attacks, including abducting 20 more girls from the same area that the government has vowed to protect. Despite President Goodluck Jonathan’s promise to fight the terrorist group unyieldingly, the country’s military seems to be ill-equipped to deal with this crisis. Even with international help, to date the girls have not been located. Although the kidnappings have brought international attention to terrorism in Africa, the viral social media movement using the Twitter hashtag #BringBackOurGirls has sparked widespread women’s rights discussions.

Investor interest in African economies has been increasing over recent years, piquing an interest in the continent’s rising economic and demographic power, Nigeria. Last year, Nigeria’s economy overtook South Africa’s economy as the largest on the continent. It is also Africa’s largest oil producer and belongs to OPEC. The country’s population of over 150 million makes it the most populous country in Africa. Despite its economic improvements, the country suffers

from government corruption and is now fighting a war on terror in its northern regions.

This week, we will take a look at the country of Nigeria, including its history and economy. We will then describe the evolution of the terrorist group Boko Haram and its strategic goals and leadership. We will conclude with items of importance when thinking about investing in Africa, in general, and Nigeria, specifically.

Nigeria

Nigeria is located in West Africa and is often referred to as the “giant of Africa” due to its large population. The country is extremely diverse, with over 500 ethnic groups and over 250 spoken languages. About 50% of the country is Muslim, 40% is Christian and 10% indigenous tribal. Islam mostly dominates northern Nigeria, whereas Christians are concentrated in the south. In the north, Islam came via trade routes that passed along the sub-Sahara. The Islam practiced in this area was Sufi-influenced. Sufi practice can be either Shiite or Sunni; its adherents are mostly Gnostic in theology. Ninety-five percent of Nigerian Muslims are Sunni. Because of the individualistic nature of Sufi practice, reform movements usually press for a stricter adherence to Sharia, the law of Islam.

The History of Nigeria

The Nigerian region has had a long, rich history. Evidence of human inhabitation has been found as far back as 9000 BCE. Although there are numerous ethnic groups in Nigeria, the three most prominent are the Hausa, Igbo and Yoruba.

Prior to colonization, separate empires developed in the north and south. In the southwest, a series of Yoruba-dominated kingdoms developed, which were mostly a loose confederation of cities. In the north, along the sub-Saharan trade routes, the Borno Empire was established.

Europeans began contact with the region in the 15th century. The British began to explore the region in the late 1800s and established a protectorate in southern Nigeria in 1901. A series of conflicts led to further expansion into the north.

Under British rule, Christianity was established in the south. Missionaries established schools which offered a strong Western education. One of the characteristics of British colonization was the practice of using local sympathizers to control the colonial population. Supportive locals allowed the British to expand their control in many states with a relatively small British population. Nigeria followed that pattern. Unfortunately, such behavior tended to create social divisions. These divisions made the colonies easier to manage but also created conditions of potential conflict. At the same time, the British were generally open to allowing local cultural customs to be maintained. This included education.

The north resisted Christian infiltration. Muslim schools were maintained and southern Christians that migrated into the north were generally segregated from Muslims. Unfortunately, the Islamic schools were generally inferior to the British-supported Christian schools. This meant that southerners were able to take positions of influence and power. While northerners could congratulate themselves on resisting the British until the end, they

were generally losing influence compared to their southern compatriots.

The British allowed Sharia law to be practiced in the northern regions but steadily reduced its influence. By the time the British were preparing to grant Nigeria its independence, the jurisdiction of Sharia law was reduced to an appeals court for personal issues between Muslims. The British and most southern Nigerians viewed Sharia law as incompatible with a religiously diverse society. However, most Muslims viewed the reduced scope of Sharia law as elevating Christian jurisprudence over Islam.

Nigeria gained its independence from Britain in 1960. The country was divided into three administrative districts, the northern, western and eastern. Right from the start, there was fierce competition between the regions. This competition undermined the ability of civilian governments to function.

The lack of cooperation led to military governments taking power in 1966. The military was as divided as the country, which led to a series of coups and the tragic Nigerian civil war. The Igbo-dominated eastern province declared itself a country in 1967, sparking a civil war; the Biafra republic lasted until 1970 and was defeated in a war of attrition that led to mass starvation.

After the civil war ended, the northern military tended to dominate the government. Northern Nigerians also tended to dominate the military as a consequence. As each general retired, he found he needed a place to rule, and so the north was steadily divided into multiple administrative districts. As noted above, at independence, the country had three districts; by 1996, the country had

36. The goal of each leader was to acquire resources from the central government. The military governments that ruled Nigeria after 1966 all promised to return “soon” to democratic civilian governments. It wasn’t until 1999 that this actually occurred. Since 1999, there have been three presidents, Olusegun Obasanjo, Umarau Musa Yar’Adua and Goodluck Jonathan. The unwritten rule has been that the presidency should rotate between a southerner and a northerner. So far that pattern has been followed as Obasanjo and Jonathan are southerners and Yar’Adua was a northerner. However, Jonathan took power after Yar’Adua died in 2010 and some northerners argued that by finishing the term of the deceased president this represented the south’s “turn.” Jonathan disagreed; in 2010 he announced he would run for president in 2011. He won easily, although there were accusations of voting irregularities. The next presidential elections are scheduled for February 2015 and Goodluck Jonathan has indicated that he will run again. The difficulties that his government has had in combatting Boko Haram could likely impair his chances of being re-elected.

The Nigerian Divide

The north-south divide in Nigeria is the primary separation, although the country is also split by tribal and inter-religious divisions. Northern Nigerians live in deep poverty due to their inferior educational systems and the undermining of local industry due to the dominance of the petroleum industry. The Nigerian central bank has observed that the country’s highest levels of poverty exist in the north. The bank says that 95% of northerners are classified as “impoverished,” with 72% living on incomes of under \$1 per day. Literacy rates are lower than in the south; national examination scores decline as one

moves further north. The only real source of income is what can be received from the government.

The frustration for many northerners is that, for most years since independence, one of their own has been in power, and yet, they remain poor. This factor has led to the belief that the Muslims in power have been corrupted; had they remained faithful to their religion, conditions would improve. And so, this belief has led to the emergence of insurgent groups, described as the “Nigerian Taliban” and “Boko Haram.” The latter is an insightful name, meaning “Western education is a sacrilege.” These insurgent groups, which have been responsible for a recent series of bombings and attacks, are trying to create a Salafist government in the north, one that completely relies on Sharia law. We doubt the movement will be successful, but it does have the potential to disrupt the economy and political system.

Boko Haram

Boko Haram has received relatively little international attention until its mass-kidnapping in April, although the group has kidnapped and killed thousands of people since its inception in 2002. In fact, prior to these attacks, the group was the second deadliest terrorist group after the Taliban, but following the recent attacks Boko Haram is now considered the world’s deadliest terrorist group, according to the number of people it kills per attack. The group was classified as a terrorist group by the U.S. government in 2013, but some analysts have historically disagreed whether one could even call Boko Haram a group in the first place. Until recently, its actions, although relatively sophisticated, seemed rather unsynchronized and uncoordinated. Given that the number one goal of the organization is to establish an Islamic state of Nigeria, its

attacks have been targeted at Christian churches and schools, multinational groups, such as the U.N., and the Nigerian police and military. The group has kidnapped people mostly in the north, but it also carries out car bombings in the south, including a 2011 attack on the U.N. headquarters in the country's capital.

Boko Haram was founded in northern Nigeria in a predominantly Muslim area. The group carried out its first mass killing in 2009. The original leader of the group, Mohammed Yusuf, was a student of Islam prior to founding Boko Haram. Yusuf led the group until the 2009 attacks on a police station, during which he, along with 800 of his supporters, was captured and killed. After the death of Yusuf the group seemed to go into a quiet period for about a year, during which it was believed that the group's other commanders had also been killed in the government crack-down of the group. Instead, in 2010, several of these commanders re-emerged after returning to the country from training with other jihadist groups in neighboring countries, especially Somalia. In 2011, the group carried out multiple deadly attacks, mostly executed via car or suicide bombs. The group used its newfound extensive knowledge in targeted bombing. Following the attacks, the group gained support in the poor northern regions of Nigeria again and became more active.

Relatively little is known about the group. Alongside changes in leadership, the intensity and form of attacks has also changed. The recent escalation of attacks has proven that this loosely connected band of gunmen has grown into a fully-fledged insurgency. Still, the group has a highly decentralized structure. The unifying force seems to be the jihadist ideology. The leaders of the group, including the current leader Abubakar Shekau, have often

cultivated a cult-like following with very few deputies reporting directly to them. Outside of Shekau, it is unclear who has authority to represent the group. Many soldiers who call themselves leaders of the group have not had direct contact with Shekau, who prefers to communicate through cell leaders. The group also seems to experience in-fighting, often based on ethnicity. For example, after the founder of the group was killed, one of his commanders, Mamman Nur, was believed to have become the new leader. Nur took power temporarily in 2010 but was soon pushed aside by Shekau, and it is believed that he has left Nigeria to fight with jihadists in another country. One of the main reasons why he did not remain in power was that Nur's ethnicity was deemed not well suited for a leadership role in the organization. Shekau's Hausa ethnicity made him a more viable leader as more of the population in the north would support him.

As leader of the group, Shekau has proven to be more radical, unpredictable and ruthless than prior leaders. Again, little is known about him. He is believed to be in his 30s or 40s and from northern Nigeria. He views himself as a holy man and often enjoys preaching to his followers. Shekau first met Yusuf when he was a religion student. He has proven to be brutal in the name of his religion as he has professed in a video recording that he enjoys "killing anyone that God commands him to kill."

Sowing Seeds in Northern Nigeria

There are several reasons why Boko Haram has been successful in recruiting young fighters and gaining support in the northern parts of the country. As we mentioned before, the north is mostly Muslim, so the group's Islamic principles are more accepted. We do note that many Muslims have highlighted that Boko Haram is not

representative of the religion in general, but a very radical form of the religion. Socioeconomically, the north is also much poorer than the south as a majority of the northern population lives in poverty. Unemployment levels are high, partly due to the fact that most of the country's oil fields are in the south. Additionally, educational differences are vast between the two regions. Furthermore, geographically, the north is more isolated from international trade. Although the entire country's government is corrupt, the north seems to be especially dishonest. The north's underdevelopment and local corruption has allowed Boko Haram's call for radical change to fall on a more fertile audience. For many of the people living in the north, conditions are desperate and there seems to be no other alternative.

The military's response to the attacks has been mild and oftentimes has made matters worse. It is surprising to find that according to some sources the population in the north is more afraid of the military than of Boko Haram. The military has tended to be corrupt and harsh, and generally inefficient. A military raid in April in response to Boko Haram's kidnappings allegedly left 180 people dead and more than 2,000 buildings destroyed. The country's president has promised to fight Boko Haram; however, the military's lack of response and divergent accounts of what is happening in the region have undermined the government. For example, the government's accounts of the aforementioned military raid seemed to understate the damage done compared to the satellite imagery used by independent analysts.

The country's military has been accused of doing too little at times and sometimes doing too much to counter the terrorists. The lack of a fair legal system has called

human rights violations into question as the military has matched Boko Haram in brutality. President Jonathan has been accused of not giving the crisis its due attention. Jonathan did not speak publicly about the April abduction for three weeks, and although he vowed to take quick action to secure the northern regions, Boko Haram has continued on its kidnapping spree with the military nowhere in sight.

Meanwhile, according to some reports, the rate of killings has increased drastically. One security analyst said that before the recent escalation of Boko Haram attacks, the rate of terrorism-related deaths in the country was around 100 people per week, but since April it has been near 100 per day.

Ramifications

The recent kidnappings by Boko Haram in Nigeria have not so much highlighted the dangers of Africa, but the dangers of a weak government. Although the current turmoil is based on religious principles, the conflict finds its roots in government corruption, poverty and inequality. The Nigerian government lacks control over the country, and the perception that the government is weak and corrupt makes Boko Haram's message appealing.

Until Nigeria cleans its government of graft and applies transparent and fair criminal and property laws, civil unrest and terrorism are likely to continue. We do not expect Nigerian oil production and exports to be affected by Boko Haram's actions as most of the oil fields are in the south. The country can maintain stability in regions with its oil riches, but the solutions to the religious, ethnic and socioeconomic issues require more than money and a hashtag.

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June 16, 2014

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