

Can Niger cope with a political and potential food crisis?

1. **Niger has enjoyed a steady growth rate of about 5.0 percent since 2000.** The newly elected government which came into office in early 2000, following transparent and fair general elections in 1999, reformed economic policy with substantial achievements over the last decade. This was eased by the national consensus among political parties and unions for creating a stable socio-political environment, which was lacking in the nineties and jeopardized efforts to put the economy on the right track. The country was eligible for the HIPC initiative which reached completion point in April 2004. The country's debt burden, which handicapped former governments in the nineties, was hence reduced. The debt service to exports ratio was reduced from 23.8 percent in 1998 to 2.9 percent of exports in 2008. Additional fiscal space was used in the social, rural, water and sanitation sectors with encouraging results in basic social indicators and poverty reduction.

2. **The current political situation may jeopardize the democratic and institutional gains of the late decade.** As the New York Times [reported](#), the current President expressed interest in staying in power, after his second term, against the provisions of the Constitution. He called for a referendum on August 4th for a new constitution, giving more power to the executive branch under a presidential regime. The Constitutional Court ruled three times against this move. His second term ends on December 22, 2009. The President dissolved Parliament in May, and the Constitutional Court in June and appointed a new Constitutional Court, contested by main political parties, civil society and lawmakers. The country's political situation is closely monitored by the international community, whose aid is crucial for sustaining recent gains in improving social indicators and reducing poverty.

3. **Niger's budget depends largely on external financing.** In 2007 and 2008, donors' financing in the initial Budget Law (excluding HIPC and MDRI debt relief) represented respectively 45.8 and 44.2 percent of the total budget. The current political situation is perceived as a breach of good governance by many donors and could result in less external financing. This may reverse the positive patterns in terms of the fiscal stance over the last decade, with an improved fiscal deficit, which may deteriorate if external assistance is reduced.

4. **But for most Nigeriens, the low rainfall of the ongoing rainy season are a matter of greater concern than the political deadlock.** The majority of Nigeriens rely essentially on agricultural production to make their living. Recent studies showed that about 25 percent of people in Niger are subject to permanent food insecurity. Preliminary analysis of the current rainy season estimates that rainfall is weak or moderate compared to average estimates of the last three years. The country faces recurrent food crisis even in the case of a moderate food production deficit. This is also due to the rapid population growth of 3.3 percent which cannot be matched by the historical low average agricultural sector output growth, even though the country has important potential in agriculture that has been poorly exploited.

5. **While the international community focuses on the political deadlock, more attention should be given to developments during the rainy season.** The last food crisis in 2005 claimed hundreds of casualties among children under five. The current political turmoil coupled with potential food shortages would again threaten the living conditions of numbers of people. This calls for a smooth resolution of the political crisis, maintenance of the national consensus and building effective institutions with the support of the international community to lift more Nigeriens of poverty.