

Political Risk Update: August 11, 2021

- Nigeria: Increase in defections from Boko Haram may shift nature of conflict
- Mozambique: Regional intervention may change dynamics of Cabo Delgado insurgency
- India: Delhi's edible oil plan comes with environmental risks
- Ivory Coast: Release of political prisoners will help President Ouattara's rivals
- Mexico: Government lawsuit against US gun manufacturers will raise attention

Nigeria: Increase in defections from Boko Haram may shift nature of conflict

Event

On August 7, Nigerian authorities announced the return of a girl kidnapped in a 2014 Boko Haram raid on a school in Chibok in which 276 girls were abducted.

Outlook

The girl was returned by a defector, one of hundreds from Boko Haram in recent weeks. This is partly due to regional programmes designed to encourage defections but is also a consequence of Boko Haram's effective dismemberment following a major military defeat at the hands of its former splinter group, the Islamic State in West Africa Province (ISWAP), and the death of its leader Abubakar Shekau in May.

Analysis

Over the short term, the defections will provide crucial intelligence to military operations in the region and may lead to the return of more kidnap victims. The defections also indicate that ISWAP has consolidated its position as the leading regional jihadist actor. ISWAP's strategy of focusing attacks on state rather than civilian targets will increase military casualties and may provoke more security force abuses against civilians. This would in turn increase ISWAP recruitment.

Mozambique: Regional intervention may change dynamics of Cabo Delgado insurgency

Event

On August 9, President Felipe Nyusi officially welcomed the Southern African Development Community (SADC) intervention force that has deployed to help curb the jihadist insurgency in Cabo Delgado Province.

Outlook

The SADC intervention will boost Mozambique's efforts to restore control in Cabo Delgado and create the conditions for the resumption of liquefied natural gas (LNG) development in the area. However, Rwandan troops already on the ground appear to have done almost all the heavy lifting, while the insurgents have apparently retreated rather than being defeated.

Analysis

The SADC force joins a bilateral deployment of around 1,000 Rwandan soldiers, who have been in Mozambique since early July. The Rwandan troops have already registered major successes, recapturing multiple locations from the jihadists, including on August 8 the key port town of Mocimboa da Praia, once intended to be a major logistics hub for LNG developments in the region but which had been under insurgent control for around a year. With major question marks remaining over the capacity of Mozambican forces and tensions already evident with their regional partners, the real test may be whether security can be sustained over the medium term if the jihadists resume asymmetric tactics or if cracks appear in the regional military support mechanisms.

India: Delhi's edible oil plan comes with environmental risks

Event

Prime Minister Narendra Modi said on August 9 that India will invest more than 1.5 billion dollars in raising domestic oilseed production.

Outlook

The drive for self-sufficiency in edible oil should help cut India's import bill in the long term and may be especially beneficial for some areas of the country. However, Delhi will encounter pushback from environmental groups arguing that its plans for increased palm oil cultivation may lead to water shortages and excessive deforestation.

Analysis

India is the largest importer of vegetable oil, sourcing over half the amount that it consumes annually from abroad. Modi identified growth opportunities for palm oil cultivation in north-eastern India and the Andaman and Nicobar Islands. The agriculture ministry says the proposed spending on the new 'National Mission' for edible oil will be over a five-year period. Indonesia and Malaysia, the largest producers and exporters of palm oil and the main suppliers of that commodity to India, are coming under pressure from EU restrictions on palm oil-derived biofuels, imposed because of environmental concerns. Jakarta and Kuala Lumpur are challenging the EU moves at the WTO.

Ivory Coast: Release of political prisoners will help President Ouattara's rivals

Event

On August 8, President Alassane Ouattara announced the provisional release of 78 political prisoners, mostly jailed for their alleged roles in the violence surrounding Ouattara's highly controversial election for a third term in October 2020.

Outlook

The move follows a request expressed by former President Laurent Gbagbo for the release of 110 political prisoners, dating back to the 2010-11 electoral crisis, but does not include many on the list. Even so, it will help Gbagbo assert his authority within his fragmented political party by allowing him to highlight his success in freeing party activists.

Analysis

The move to release political prisoners comes in the context of public reconciliation efforts between Ouattara and Gbagbo, long-time rivals, that have included a highly publicised meeting on July 27. Ouattara suffers from domestic challenges to his legitimacy stemming from last year's election, and he wants to shore up his political position against an increasingly united opposition. Ouattara's move, which will also increase his own political capital accrued from public reconciliation efforts, forms part of an informal deal with Gbagbo intended to buy short-term political peace.

Mexico: Government lawsuit against US gun manufacturers will raise attention

Event

On August 4, the Mexican government filed a lawsuit against several US-based gun manufacturers, accusing them of "actively facilitating the unlawful trafficking of their guns to... criminals in Mexico".

Outlook

Gun manufacturers are well protected under US law, reducing the suit's prospects of success. The action may nevertheless draw increased attention to the realities of cross-border security dynamics, encouraging Washington to engage more constructively with Mexico on arms trafficking.

Analysis

Companies named in the suit, filed at a US federal court in Massachusetts, include Beretta U.S.A, Glock and Colt's Manufacturing Company. A Colt special edition pistol featuring the image of Mexican revolutionary Emiliano Zapata is cited as one example of companies' alleged pandering to Mexico's criminal market. The lawsuit says 70-90% of guns recovered at Mexican crime scenes came from the United States and that some 17,000 Mexicans were murdered with

US-made firearms in 2019. Gun sales are heavily restricted in Mexico, which has only one gun store nationally. Corruption, theft and defections nevertheless see some weapons leak into the criminal market from state security forces. Gun manufacturers have highlighted that issue, accusing Mexico's government of seeking a scapegoat for its security problems.

About Willis Towers Watson

Willis Towers Watson (NASDAQ: WLTW) is a leading global advisory, broking and solutions company that helps clients around the world turn risk into a path for growth. With roots dating to 1828, Willis Towers Watson has 45,000 employees serving more than 140 countries and markets. We design and deliver solutions that manage risk, optimise benefits, cultivate talent, and expand the power of capital to protect and strengthen institutions and individuals. Our unique perspective allows us to see the critical intersections between talent, assets and ideas — the dynamic formula that drives business performance. Together, we unlock potential. Learn more at willistowerswatson.com.