

## ASPECTS OF NIGERIA'S POLITICAL ECONOMY FROM IMPERIALISM TO INDEPENDENCE

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### **Abstract**

*Majority of the African countries were dominated by the global north. However, this paper discusses aspects of Nigeria's political economy from imperialism to independence. Nigeria's political economy was basically based on the traditional system that is an agrarian society before the coming to the European who came to introduce what they called 'civilization' capitalised on this booming sector of the nation and exploited it. The imperialist invaded the territory through missionary movement and later on full colonialism this act of the imperialist has never gone down well the Nigerian political economy as the sector began to face various challenges during and after their participation. However, the objectives of this paper are to discuss the various aspects of the Nigeria's political economy, the nature of this political economy between imperialism and independence and ascertain its impact on the development of Nigeria. The paper adopted a descriptive research methodology to discuss the above objectives. Findings of the research has revealed that in spite the growth in over dependency on the agricultural export during this period the sector has decline to the extent that it has not be able to serve as an engine of growth for the nation. Also, the internal structure of the agricultural sector has become more fragile when compared to other developed and developing countries.*

**Key words:** *Politics, Economy, Imperialism and Independence*

### **Introduction**

The concept of political economy is not new in sociological and political discourse. It was developed in the 18th century as the study of the economies of states, or politics, hence the term political economy. Today, political economy, where it is not used as a synonym for economics, may refer to very different things including Marxian analysis, applied public choice approaches emanating from the Chicago School and the Virginia school, or simply the advice given by economists to government or public on general economic policy or on specific proposals (Gronowegen, 2008)

In line with the above the discussion of political economy is not a recent phenomenon in the Nigerian society. Nigeria is a vivid example of the colonial and post-colonial developing nation which contains a very curtail lesson on the issues of political economy retardation in the developing world. The country as colonial entity has enjoyed drastic boom in the agrarian and mining sector and this earned the nation foreign exchange.

The different part of the country were known for their different comparative advantages, the north were known for their groundnut production, the west for their cocoa and the east for its palm oil productions. During this period the politics of development was already on high gear and the imperialist begun the constructions of rail line to enable them explore the various areas for raw materials which also brought revenue to these entities. According to Njoku, he stated that the British political economy in Nigeria was along with economic exploitation of the colonised by foisting I into the European capitalist economic system.

Nigeria has embarked on a plethora of post-colonial developmental plans which equally have not achieved its desired objectives as stated in the second national development plan. This unpleasant situation can not augur well in the development of a stable political and economic institution necessary for building a strong and successful nation. However, it is based on the above that this research discusses the aspect of Nigerian political economy from imperialism to independence.

### **Territorial History of Nigeria X-rayed**

History has it that for several centuries there were a number of mega states dotting the present Nigerian state. These states evolved complex systems of government. These include the Hausa kingdoms and the Borno Empire in most of what is today the North-West and the North-East zones respectively; the Igala and Jukun Kingdoms in the Middle-Belt; the Oyo Empire in the West and the Benin Kingdom in the mid-West. Interspersed with those were numerous petty kingdoms, chiefdoms and communities at various stages of socio-political developments. The various polities contained numerous peoples speaking several immutable languages put variously from 200 to 350-the major ones being Hausa-Fulani in the North, Yoruba in the South-West, Igbo in the South-East and the Ijo and Ibibio in the South-South. While the Hausa states, Borno and their

satellites such as Biu/ Babur, Bolewa and Mandara were Muslim states, the other centralised states such as Oyo, Benin and Igala where divine kingdoms with sprinkles of animism while the smaller states and communities were more or less animists.

The Hausa States and Borno were linked to the trans-Saharan trade along which African goods such slaves, leather goods, elephant tusks, gum Arabic etc were transported in exchange for North African, Middle-Eastern and European goods such Islamic books, garments and jewellery in exchange for leather goods, elephant tusks, slaves etc. The Hausa and Borno traders served as middlemen through whom the tran-Saharan trade radiated further inland linking much of the present northern and middle-belt areas of Nigeria and beyond. Through the agency of the Arab merchants Islam and Muslim culture was introduced into Hausaland and Kanem-Borno and subsequently carried by the Hausa and Bornoan itinerant merchants further inland although for centuries it remained more or less a court religion. At the southern end of the study area i.e. along the coastal region, another external trade which also radiated inland had been going since the 16th century. There Europeans had been trading mainly from their hulks through the intermediary of coastal middle men largely in slaves in exchange of European goods including guns and liquor. Unlike their Arab counter-parts there were no attempts by the Europeans, who felt they were there only to make profit, to interfere in the socio-cultural traditions of their coastal trade partners.

Two events, one internal and the other external, which took place almost at the same time in the beginning of the 19<sup>th</sup> Century, were to radically change the *status quo*, laying the background for the emergence of modern Nigeria and shaping the course of its political development and setting the stage for some of the intractable challenges now facing the political elite. One was the Fulani *Jihad* of Shehu Usman Dan Fodio and the other the industrial revolution in Europe. While the latter was the *raison d'être* for the conquest and unification of the various states and communities into what is now Nigeria, the former dictated the form and shape of the unification.

First, the internal factor; In 1804 Shehu Usman Dan Fodio declared a *Jihad*- in Gobir, one of the Hausa states. In less than half a century the movement led to the creation of one of the largest political units in 19<sup>th</sup> Century West Africa. It was

made up of 15 major emirates spread over 466,000 kilometres, which required 4 months to cross from east to west and two months from north to south. While uniting almost all the Hausa states, and making them the core of the caliphate, the state included several areas now in Jigawa, and Bauchi states which were conquered from Bornoempire. The Jihad also led to the creation of new emirates out of loosely none-Muslim communities where none existed in what are now Bauchi, Taraba, Gombe and Adamawa states. The latter, are the most extensive in the Caliphate, incorporated areas now in Adamawa and Taraba as well as the largest part of northern Cameroon Republic. Further south, the Jihad incorporated the Nupe kingdom and amputated Ilorin from the tottering Oyo Empire. The unity of such a heterogeneous polity was based on the religion of Islam, the Hausa language and commerce which the Jihad helped to spread extensively. It was a literate polity, based on Islamic language and Muslim tradition; the religion hitherto more or less confined to courts now being the religion of the majority.

The *Jihad* and emergence of Sokoto Caliphate had other dire consequences: although it failed to incorporate Borno, it was able to amputate much of its western dependencies as we have noted as well as precipitating the eventual collapse of the over 1000 year-old Sefawa dynasty and its replacement by that of the Shehus. The latter were in the process of consolidating themselves when Rabeh, a predatory conqueror from Sudan, overran Borno and many of its eastern satellite states. Rabeh was himself killed by the European imperialists before he could properly establish himself. Elsewhere, the Jihad contributed in no small measure in precipitating the collapse of the tottering Oyo Empire, its relocation southwards where it embarked on efforts to build a new polity, contributing to the Yoruba civil wars which were only terminated by the British colonialists. In the meantime the efforts of the Jihadists to extend the Caliphate to the Middle Belt was hardly successful before the British imperialists came to stop it, leaving most of the populations with only the bitter memory of Fulani raids for slaves. Sokoto Caliphate and Borno passed wholesale, more or less, into colonial Nigeria meaning they nearly formed half of the Nigerian state in terms of space and population. Added to this was the adoption of their socio-political system by the colonialists under what was known as 'indirect rule' by the British and the attempt to impose it on the parts of Nigeria. Such were some of the issues that successive political elites have been battling to resolve from the colonial period to date.

### **European Incursion and Imperialism wave in the Niger Area**

The external event which drastically changed the course of events in the Nigerian area was the industrial revolution, first in Britain followed by other European countries. This was when the Europeans, more particularly Britain, realized that instead of buying the Africans and transporting them as slaves to the Americas and Caribbean plantations it would be more profitable to leave them in Africa to produce the industrial raw materials needed and their countries to serve as markets for the industrial finished products. This, of course, took sometimes to crystallize and even when it did it was ostensibly cloaked under the toga of civilizing mission of suppressing what was now termed 'obnoxious' slave trade and promoting 'legitimate' trade in commodities such as palm oil desperately needed by their factories in exchange for European manufactured goods, and, as a complement, replacing the customs and traditions of the indigenes now termed 'reprehensible' with those of the Europeans. Thus, in 1807- four years after the declaration of the Jihad in Gobir- Britain formally abolished the slave trade and tried to persuade all those involved in it to agree.

There were, however, obstacles in implementing the 'newday realism'. The coastal populations and most of their European trading counterparts were not ready to give up the slave trade which they found lucrative. In fact it took sometimes for the coastal chiefs to accept the fact that the British were actually serious about the abolishing of slave trade of which they were hitherto its leading practitioners. According to Crowder, when King Pepple of Opobo was told of the British decision to abolish the slave trade, he replied 'We tink trade no stop, for all our Ju-Ju men tell we so, for demn say yo country can niber pass God A'mighty' (Crowder:128). Having failed in its persuasion efforts to stop the slave trade, Britain had to take upon itself the role of enforcing its compliance by both the African and European traders.

The resolve by Britain to stop slave trade and replace it with legitimate trade at the coastal areas and to extend same to the populations in the hinterland largely laid the grounds for the eventual conquest and colonization of what is now Nigeria. That was achieved gradually and at times hesitantly. The first step in that direction was by forcing the coastal populations to sign anti-slavery treaties or Treaties of Amity in which the signatories agreed to stop trade in slaves to be replaced by the so-called legitimate trade mostly in sylvan products especially in palm oil and kernel (Alagoa in Ikime, 1980, 249). These were more or less

eventually achieved by the 1840s. Subsequently Consuls were appointed and courts of Equity-to settle disputes between the coastal traders and their European counterparts- established at Calabar, Opobo and other Delta ports. In the western coastal areas the cessation of Lagos Island in 1862 allowed the British Consul, who had been maintained there since 1852, more powers to extend his interference in the political and economic affairs of many of the neighbouring Yoruba states in the name of resolving conflicts and controlling slave trade.

By the mid-19<sup>th</sup> Century, the slave trade and slavery has been largely abolished in the coastal areas and replaced by the legitimate trade mainly in palm oil in exchange for European goods. However, both African and European traders in palm oil were still not different from their slave trade predecessors, in that they still prevented the new comers from penetrating inland so as to reach the rich interior markets in order to maximize their profits.

The British were, however, determined to by-pass the coastal populations and their European collaborators in order to establish direct economic relations with the populations in the hinterland. The first effort was to obtain more detailed information of the geography and people and the means through which regular traffic could be established between them and the coast. Thus, from 1805 the British Government sponsored many explorers and travellers to penetrate the interior both from the coast and across the desert. They were directed to learn about the people, their environment, their socio-political and economic organizations, their main products as well as their needs. They were to provide information of not only how to stop the slave trade and replace it by trade in British products but also on how to divert the interior trade towards the coast by way of Niger- Benue waterways and their tributaries. Finally, it was to be appreciated if the explorers could provide information on how to bring Christian civilization to what was regarded as a 'blighted region of darkness and death'. The mine of information about the people and environment of the interior which emanated from the reports and publications of those explorers, more than ever before, convinced the English industrialists and traders that there was very much to gain from establishing direct economic relations with the populations in the interior.

In addition, in 1830 John Lander has settled the question of the River Niger as the super way linking the Niger Delta to the interior. What was more, the effective

use of quinine as a prophylactic against malaria has by the mid-19<sup>th</sup> Century proved that it was possible for the Europeans to survive in the interior. There was more determination by the traders to go into the interior and coerced their authorities to back them. The endeavours to and eventual success in achieving that effectively laid the background for the colonization of Nigeria. The explorers, were the forerunners of British imperialism in Nigeria and *avant-garde* of the missionary, the trader the soldier and the empire builders.

The first missionaries, who were Anglican and Methodists liberated slaves and converted in Brazil or Cuba, landed in Badagry in 1842, but finding the town unsatisfactory moved on to Abeokuta, a new town struggling for survival and seeking access to the sea. From there the returnee missionaries were able to expand Christianity to other Yoruba towns such as Lagos, Ibadan, Ijaiye and subsequently to the neighbouring villages.

In what is now South-eastern Nigeria, it was the Scottish missionaries that pioneered evangelisation in Calabar in 1846 but their work was very slow (Aye, 2000:162) until the arrival of the returnee ex-slaves from Sierra Leone, most of whom were Methodists or Anglican that the number of converts swelled. They first settled at Duke Town and Creek Town which were considered potentially Christian. From there they started extending towards the Niger first at Abo then Onitsha in 1857, Brass in 1861, Brass in 1861 and Bonny in 1864 (ibi. 350). They made more progress by establishing schools affording the Delta communities opportunities to train as clerks (ibid.). Expansion of the mission field outside Calabar inland occurred mostly after 1880s and the Igbo areas after the destruction of Long Juju at Orochukwu and the establishment of British rule in the early 20<sup>th</sup> century.

In the North attempts to convert the Muslims since the Niger Expeditions of 1841 and 1854 up to the close of the century did not succeed. Having failed to convert the Hausa Muslims the missionary shifted their evangelisation to areas outside core of Hausa land. Up to 1910, however, there were only 45 churches and about 650 pupils in mission schools in northern part of Nigeria compared to about 116 churches in Ijebu-Ode District alone and over 4,000 children in mission schools in Abeokuta.

The transition from slave to legitimate trade as well as the advent of the missionaries and the British consuls changed the perceptions of the traders on the situation on the coast. Very soon there were European traders spread all along the lower Niger and its tributaries. However not only do they belong to the different British firms but there were other traders from other European nations- especially the French- as well. To make matters worse, the traders were involved in serious cut-throat competition. That of course seriously affected profits which were the main motivating factors for colonialism.

The above scenario was to change by the arrival Captain George Goldie in Nigeria in 1877. Goldie was able, in 1879, to amalgamate the rival British firms in the Niger delta into the United African Company (UAC) so as to consolidate British trade in the area. Then, through shrewd diplomacy, by beguiling the communities to enter into agreements to place themselves under the British protection and buying out rivals he successfully eliminated the French commercial competition on the lower Niger (Afaha, 2011:674). Two years later, Goldie organised the company into the National African Company, NAC, to enable it exercise political power over the Niger district. By then 'Scramble for Africa' amongst the European powers was well on the way. That was when the Europeans became intensively involved in outmanoeuvring each other in grabbing as much of African territories as possible. It soon became clear that if care was not taken those rivalries may degenerate into bloodsheds. On the suggestion of Portugal, Bismarck, the German Chancellor, called for a European roundtable Conference in Berlin in 1884-5 where it was decided to share Africa 'gentlemanly' around a table than shedding European blood scrambling over its territories. To prepare for the Berlin Conference the European powers embarked on what was called the era of 'treaty-making' where African chiefs were persuaded, beguiled or at times coerced into signing documents- which they hardly understood- giving their territories to the European powers. The British involvement in what is now Nigeria was not different. These pieces of paper were used as evidence of possession during the Berlin Conference.

The suspicion over the genuineness of such treaties must have contributed to the caveat at the Berlin Conference that whichever country was allocated an African territory was to justify it by effective occupation, i.e. conquest, in order to keep the others away. It was in order to render River Niger safe as a gateway into the interior, the British colonizers proclaimed protectorates in the Delta Regions.



Thus in 1885 the Niger Coast Protectorate was proclaimed, comprising the corridor from the mouth of the Niger to the confluence as well as the territories on both banks of the Benue. In 1886 the NAC, on the basis of treaties allegedly concluded with some emirs, chiefs and community leaders, was conferred with a royal charter becoming Royal Niger Company, RNC, so as not only to trade but to administer the said territories as well (Sa'ad in Ikime, 449). The RNC spurred on by the traders soon embarked on imperialist expansion with the aim of consolidating its position and keeping away other European rivals. For example, in 1897 the constabulary of the R.N.C. subdued both Ilorin and Nupe, installing a more pliable emir on the former and forcing the latter to concede half of his kingdom—the present Kabba chiefdom in Kwara state—to the Company. This was the first inroad by the British into the Sokoto Caliphate. That Sokoto did not come to the aid of her two beleaguered emirates must have given the Niger Committee of 1989 the idea to advise that the emirates should be conquered one after another as will be noted below. However, the failure of the RNC to consolidate itself and, more importantly, keep the other European rivals from the Niger-Benue territory led to the revocation of its charter by the British government in 1900. The territory was declared a protectorate and Captain Fredrick Lugard was appointed its first High Commissioner (*ibid*).

It was in order to render River Niger safe as a gateway into the interior, that the British colonizers proclaimed protectorates in the Delta Regions. In 1885, the Niger protectorate was proclaimed. These protectorates were initially administered by the Royal Niger Company and its sphere of influence reached the north as far as Idah. (Egwemi, 2011, 294) The company took over from the Niger Coast Protectorate the corridor from the mouth of the Niger to the confluence as well as the territories on both banks of the Benue (Ejituwu, 1991, 158). The Niger Coast Protectorate in an area curved out by the Royal Niger Company through “treaties” with ruling potentates, buying out other European trading firms and keeping other Europeans out.) Goldie’s Niger Company had received a Royal charter and became the Royal Niger Company. In 1889 the remaining area under the protectorate after the excision was renamed the oil Rivers protectorate, (Afikpo, 1972:320) with Calabar as its Headquarters. In 1891 Sir Claude Maxwell Macdonald was appointed commissioner and consul-General for the area with instructions “to develop trade, promote civilization and pave the way for placing the territories under British rule” (NAE, 6-7).

In 1893, the Oil Rivers Protectorate was renamed the Niger Coast Protectorate with additional territory excised from the area controlled by the Royal Niger Company (Osae & Odunse, 1974:111) and given instruction to “open up the country, push the trade and hoist the flag” (Anene, 1966:313).

Although the amalgamation of Nigeria took place in 1914 the most important document that actually laid the foundation for the evolution of the Nigerian state was the Selborne Report of 1898. The Report came immediately after the Niger Convention of June 1898 which settled the outstanding differences between Britain and France in West Africa which gave the enormous territory that was already being referred to as ‘Nigeria’ in correspondences to the British sphere of influence. The then Colonial Secretary formed a Committee made of five officials, four of whom largely influenced the Report, were men-on-the-spot to deliberate and advise government of what to do with its acquired territories. It was chaired by the Earl of Selborne, the Under Secretary for Colonies. The Committee submitted its report in less than three weeks. There were several salient features of the Report. The first was the recommendation that the Lagos colony, the Niger Coast Protectorate and the Niger Company’s territories should be eventually amalgamated “under one head” to be named ‘Governor General’ who will be resident in the territory. It was also recommended that River Niger although a natural boundary between the North and the South, should not be made the dividing line. Both banks should be under one jurisdiction in view of the international question which may arise on the use of the river in addition to the difficulty which might arise over the administration of law if the opposite banks of the river belonged to different administrations.

Further, the Committee recommended the division of ‘Nigeria’ into a ‘Maritime Province’ and a ‘Sudan Province’. The former, was to be further divided into West Province with capital at Lagos and East Province with capital at Asaba. ‘Sudan Province’ which was to be left as a whole, should have its capital at Lokoja. It was also recommended that a force to be named West African Frontiers Force (WAFF) be established for the conquest and consolidation of the remaining vast territory which fell under the British sphere. Hausa should be the lingua franca for the WAFF in the ‘Sudan Province’ while Yoruba was to be the lingua franca for that stationed in the ‘Maritime Province’. The only additional recommendation on this was that Sokoto and Borno territories should not be conquered at once but each emir should be taken in turn. A Customs Union was

recommended for all the three provinces and the proceedings be divided according to the budget needs of the provinces. However, since all ports of entry should be at the coast for all the provinces and the 'Sudan Province' has no seaport, it will mean that it will have no revenue and thus would have to be sustained by the 'Maritime Provinces'. Most of the Committee's recommendations were accepted without reservations by the British government. Therein was laid the problem of Nigeria's federalism.

Following closely the recommendation of the Committee, the Charter of the Royal Niger Company was revoked on 31<sup>st</sup> December, 1898. An imperial order-in-Council of the same date, following closely the recommendation of the Niger Committee the Niger Coast Protectorate and the area under the control of the RNC as far north as Idah were amalgamated and became known as *Protectorate of Southern Nigeria* with headquarters at Asaba. Sir Raph More was appointed its first Commissioner. It included the present Edo and Delta states, the whole of present south-eastern states and the Owo area of Yorubaland. Sir Ralph Moor was appointed its first High Commissioner. In the eastern provinces-more particularly Igboland-regular administration started with the appointment of Sir Claude Macdonald as Consul-General in 1891(Afigbo in Ikime, 414ff).

Lagos with its headquarters at Lagos Island remained, as it has been since 1862, a *Crown Colony*. Sir Henry McCallum was its governor. Also retained was the *Protectorate of Lagos*, which comprised the remainder of Yorubaland created by order-in council and placed under the jurisdiction of Lagos since 1887. The rest of the country, comprising the Sokoto Caliphate, what remained of Borno and all related areas-virtually the whole of the present North-west, North-east and North-central states, about two-thirds of its landmass and population, was to be administered as the *Protectorate of Northern Nigeria*. It was an area carved out by the Royal Niger Company through "treaties" with ruling potentates, buying out other European trading firms and keeping other Europeans out. Its headquarters was at Lokoja and Captain Fredrick Lugard was appointed its first High Commissioner. It is of interest to note that all the two high commissioners and governor were members of Niger (Selborne) Committee.

After the naming of administrators it was left for Britain to make effective their control on ground as par the agreement of the Berlin conference. In May, 1892, Sir Gilbert Carter sent a military expedition which defeated the Ijebus, making it

the first to be occupied in Yorubaland. The Awujale and his chiefs were forced to sign treaties promising not to block trade, to refer all disputes with neighbours to the Governor, to stop human sacrifice and not to hinder the missionaries. This was replicated throughout the rest of Yorubaland in 1893 through the famous Carter trek.

### **Nigeria political economy before and during amalgamation**

By close of the 19<sup>th</sup> century, Nigeria was being governed as four countries with a common name. Each had come under British rule at different period, in different circumstances and through different means. In the south, except in the Igboland, British control was firmly on ground. In the northern protectorate, however, though being the largest and the most populated, British control was only on paper or as Crowder noted 'nothing but a cartographical claim' (Crowder, 1966, P211). It was left to Lugard not only to bring the area effectively under the British flag but also to establish its administration. In fact it was only on January 1<sup>st</sup> that the British flag was hosted at Lokoja the headquarters of the protectorate. To accomplish the conquest, again following the recommendation of the Selborne Committee, the West African Frontier Force (WAFF) was raised in 1898-99, and on its return from its successful campaign in Ashanti in 1901, the task of dealing with the Muslim Emirates was undertaken in earnest. Kontagorawas the first to be coerced 1902-3, and by April 1901 Borgu, Ilorin, Kabba, Kontagora, Bida, Zazzau, Nasarawa and Muri were effectively brought under Lugard's control.

In Adamawa, the most extensive of the Emirates of Sokoto Caliphate it was a real battle, for, although Emir Zubairu was defeated he withdrew to his territory in the German sphere, replenished his forces and became a throne to both the two colonial regimes until he was inadvertently murdered by some pagans in 1903 (SaadAbubakar 2008:349). Borno having been weakened, by Rabe's army, who himself had been defeated in British territory by a French force, placed itself under the British Government, and General Morland's force, en route thither, brought Bauchi under control. Zaria also offered no opposition to peaceful occupation. The fall Kano the emporium of the Caliphate and subsequently that of Sokoto itself in March, 1903, sealed the fate of the Caliphate as it were. Consequently, most of the minor Emirates found it better to submit than face the seemingly invincible military power of the British (Lugard, para.1). The British, however, found it extremely difficult to bring the loosely organized non-Muslim communities into submission. Not only were most of them located in

hilly and other impregnable locations, but unlike their Muslim neighbours it needed several sorties to subdue each community. Rather than precipitate so much energy many locations of the 'pagan' communities were declared 'closed areas' meaning no member of the administration went there unless necessary and in which case very heavy armed.

Although systematic penetration of the almost wholly unexplored country east of the Niger began in 1900, it was only in 1902 when the Aro Fetish- a cult of human sacrifice and slavery- whose ramifications was believed to extended throughout the eastern portion of the country, was crushed by force of arms that systematic attempts were made to conquer Igboland. To belie that assumption many parts of Igboland were only brought under effective control in 1918 although even then some series of punitive expeditions had to be carried out in order to concretise British administration.

In the south, Lugard reported that the early Administrations were confined to the Coast area, where large revenue was at hand from the duties imposed on imported trade spirits- small though the duties were at that time. Access to the interior was the first desideratum, the creation of roads through the primeval 'bush', the clearing of the waterways blocked with sand, and, later, the creation of a port at Lagos and the commencement of a railway. Any coherent policy of Native Administration was well-nigh impossible in such circumstances, and the material was very unpromising except among the communities in the hinterland of Lagos. Gradually the wall of opposition which barred access to the interior was broken down.

According to ObaroIkime, the area "was now left free for British economic and political manoeuvres" (Ikime,1981; 158). Before Jaja's episode, Goldie's Niger Company had received a Royal charter and become the Royal Niger Company. In 1889 the remaining area under the protectorate after the excision was renamed the oil Rivers protectorate,(Afikpo,1972; 320) with Calabar as its Headquarters. In 1891 Sir Claude Maxwell Macdonald was appointed commissioner and consul-General for the area with instructions "to develop trade, promote civilization and pave the way for placing the territories under British rule"(NAE,6-7).In 1893,the Oil Rivers Protectorate was renamed the Niger Coast Protectorate with additional territory excised from the area controlled by the Royal Niger

Company(Osae& Odunse,1974,111) and given instruction to “open up the country, push the trade and hoist the flag” (Anene,1966,313).

It is a known fact that the colonial economy in the area under consideration had as its mainstay, cash crops and trade in allied commodities. It was this reliance which attracted the appellations “commodity trade”, “legitimate trade” and “oil rivers” constantly used in describing the colonial enterprise along the Cross River Basin. Before the 1960s, Nigeria was a major exporter of commodities namely palms produce, cocoa, rubber, and groundnuts. These exports through various stages of experimentation were produced to meet international standards (Udoka,1996:61).To Lugard, the challenges of administering a territory as vast as Nigeria were daunting the more so as the two countries of North and South were diametrically dissimilar in almost every facet of life, ostensibly due to their culture and period of contact with the Western world. In the report, Lugard lamented thus;

It was clear that so large a country as Nigeria, with an area of 332,400 square miles-of which the North and South were connected only by a single railway and the uncertain waterway of the Niger, while no lateral means of communication existed at all- must be divided into two or more dependent Administrations under the control of a Central Government. The first problem therefore which presented itself was the number of such Lieutenant- Governors, their powers, and relations to the various departments, together with the subordinate Administrative units throughout the country, and the control of such departments as the Railway and Military Forces, which were common to the whole of Nigeria. The functions, and future constitutions, of the Executive and Legislative Councils, the unification of the Laws and Regulations based upon them, and of the Executive ‘general Orders’ and other instructions, the Judicial system, the methods of Taxation direct and indirect and the disposal of the Revenue so as to benefit the country as a whole, without creating jealousy and friction, the assimilation of the policy of Native Administration- these, with many minor problems, had to be solved by any scheme of amalgamation which should have any prospect of permanency. In every one of these matters the systems of the two Governments differed essentially as I shall show in discussing each in detail. The alarm and suspicion caused among the native population of the South by the appointment of a Committee to enquire into the question of land tenure

added to the difficulty of the task. Amalgamation in my view was 'not a mere political, geographical, or more especially a financial expression'. I regarded it rather 'as a means whereby each part of Nigeria should be raised to the level of the highest place attained by any particular part'. Thus regarded each of the two Administrations had much to learn from each other. The North-a younger government- was capable of improvement in its departmental organization, and backward both in the development of its material resources and of the facilities (such as roads) required for the purpose. The South required a better organization of its Native Administration and of its judicial system. (Lugard, Amalgamation Report,1919,para.8)

Sir Lewis Harcourt, then Secretary of State for the Colonies (1910-1915), declared on the eve of the amalgamation of the Northern and Southern Nigerian Protectorates that the British "has released Northern Nigeria from the leading strings of the Treasury. The promising and well-conducted youth is now on allowance on his own and is about to effect an alliance with a Southern lady of means. I have issued the special licence and Sir Frederick Lugard will perform the ceremony. May the union be fruitful and the couple constant."

As noted above, the two protectorates come under British control at different times had, before 1914, been subdued at different times and ruled separately and differently. Even after amalgamation the territories were still governed separately until 1946 when a single legislative council was composed for them as the first step in unifying their institutions. The two paramount reasons for the amalgamation of the two protectorates were (a) administrative convenience, and (b) financial imperative fuelled by a perceived need to cushion the cost of governance by the colonial authorities. Indeed, the core reasons which informed the amalgamation exercise of 1914, according to Lugard, was "to render possible the realization of the direct tax paid in kind, which was in danger of failure owing to the difficulty of finding a market for it, and to cheapen Administration."(Lugard, para.7)

Sir Lugard became the first governor general of Nigeria and ruled until 1919. He was succeeded by Hugh Clifford(1919-1925), Graeme Thompson(1925-1931, Donald Cameron(1931-1935), Bernard Bourdillon(1935-1943), Arthur Richards(1943-1948), John Macpherson(1948-1954)and James Robertson(1954-

1960). The conquest of Nigeria went hand in hand with the establishment structure that would be ideal for the vast and varied colony(Uzeogwe, 1966:7).

On 1<sup>st</sup> October 1960, Nigeria gained her independence from Britain amidst pomp and tumultuous fanfare. The new country was already expected to be an influential factor in global affairs given the sheer potentials she commanded both in size and resources. The first political experiment was a parliamentary democracy which was truncated by a group of trigger-happy soldiers led by major Kaduna Nzeogwu on the 15<sup>th</sup> January,1966. Although the revolution envisaged by these coupists was frustrated and supplanted by Gen.Ironsi regime, it succeeded in setting a stage for almost four decades of unbroken chain of military coups in Nigeria. Despite the promising start made by the Nigeria at independence in1960, and an enviable robust petro-economy, the country was to be engulfed with political schisms both among her politicians and the military class. This state of affairs fuelled ethnic and religious frictions which climaxed in the Nigeria-Biafran civil war of 1967-1970.

However, there were few interjections of civil rule during the dark years of military rule in Nigeria; these occurred during the Shagari led governments of 1979-1983, and the short-lived interim experiment of Ernest Shonekan in 1996. One noticeable hallmark of military rule in Nigeria was the abolition of the Regional structure and the incessant creation of states as component units of the nation`s political system as almost all the military rulers created states up to the present number of 36 and 774 local government structure. Another was the propensity to maintain a centrist or unitary administrative system while at the same time balkanizing the country in a federalist manner. The apparent confusion arising from this centro-federal system of government constantly threatens the very soul of the polity-a stark reminder of the very fears expressed by Lugard in his report on Amalgamation in 1919.

The merger of hitherto independent nationalities to form what is now called Nigeria far outdates the 1914 Amalgamation by Frederick Lugard. As earlier submitted, the country`s history is awash with series of mergers through treaties and military effort with the sole aim of protecting British colonial interest. From 1914 immediately after the historic merger, there appeared dissenting opinions especially from those who thought the amalgamation exercise excluded the consent of the parties to the merger and that their identities and interests were



not protected. This suspicion and the apparent lop-sidedness of the merger made some opinion to describe the exercise as a mistake and call for a national dialogue. There has been series of attempts at dialogue by different administrations in Nigeria since independence, each with different agenda and nomenclature but all intended at fostering harmonious coexistence among the over 300 ethnicities in the country.

Constitutional development in Nigeria was gradual depending on what the British viewed as the political maturity of the different countries in the Western sense. With the arrival of Sir Huger Clifford as Governor-General in 1922 it was felt that the some Nigerians were enlightened enough to start partaking in rulership of the country. This as was reflected in what was known as the Clifford Constitution had a legislative council in which the North was represented by European officers in the person of the Lieutenant Governor and the senior Residents of the region. Predictably, laws passed by the legislative council operated only in the South and the Lagos colony. In 1939 the Governor Sir Bernard Boudillon de-amalgamated Southern Nigeria into West and East in what was then stated for easier administration purposes.

By 1946, there was feeling that the country has politically matured for a major administrative reform. The Richards Constitution of that year ended the isolation of the North by having its representatives participate in the legislative council. The Richards Constitution also entrenched the Nigerian federalism by legitimizing Boudillon's three regional system developments noting that the country not only naturally falls into three regions arguing but that the three regions differ widely from one another. Consequently the three regions became constitutional units to develop along their own lines with political consequences for the country upto independence in 1960.

In the area of International trade, Nigeria competed favourably with other world players before her independence. Before the 1960s, Nigeria was a major exporter of primary commodities namely palms produce, cocoa, rubber and groundnuts. These exports through various stages of experimentation were produced to meet international standards. Peasant producers were encouraged to produce the commodities and where peasants respond were discouraging. The colonial government established plantations to boost productions and ensure their constant supply to the international market.

### **Nigeria Political Economy as at 1960**

However, after 1960, a country like Nigeria began to witness a shortfall in the supply of these products in the world market. Indeed, there was a dramatic reduction in earnings from agricultural exports between 1960 and 1972. For instance, while the earning from agricultural exports contributed about 19.8 percent to the nation's economy in 1960, by 1972, contribution from agricultural earnings had dropped to only 5.3 percent.

Historically, given their technological edge, the western nations have governed their terms of exchange in the world and hence decided the direction of accumulation of wealth and the balance of exchange. The role of developing countries of Africa has for long be relegated to the periphery as source of cheap raw materials and closed market for the metropolitan centres of the Western Europe. Such was the lot of developing West African countries throughout the colonial period that the dismantling of glaring inequitable economic set-ups has become a major pre occupation of the post-independence era.

In 1960, developing Africa's per capital GDP constituted only 8.7 percent of the developed market economies but this ratio fell to 6.8 percent in 1982. inherent in the declining share of Africa's output in world production is its relatively slow growth as well as the size and structure of the production base that it inherited at independence. Options differ on the role of international trade on economic development. Basically, there are two camps. The first camp consists of classical and neo-classical economists and some modern economists attach more importance to international trade in a country's development and see it as 'an engines of growth'. According to them, international trade contributes to development in the following ways viz: static gains and dynamic gains.

Suffice to begin here by saying that Nigeria and indeed West Africa's resources were not fully utilized or employed prior to 1960. The quantum of trade with the international community's helped opened up the hinterland and catalyses surplus production to exchange for imported goods it could not produce. In other words, as at 1960s Nigerian economy moved from pre-production to what is called the production possibility frontier. This represented a static gain. This means that when resources are fully utilised, production in Nigeria moved to the frontier stage without much technical change. Export expansion occurred in most

peasant products like; cocoa ,palm oil ,ground nut, rubber and other allied products which it had comparative advantage.

Equally, international trade also helped to transform the subsistence sector into a monetary sector by providing markets for farm products and raising the income or standard of living of the rural people of West Africa. This implies that by 1960, it was possible for West Africa people to have increased sales and patronage. For example, in the earliest 20<sup>th</sup> century, when the Portuguese came and opened up trade in West Africa, money came to people's hand hence, market economy evolved.

West Africa also benefited indirectly from international trade in what economists called dynamic trade. It is called dynamic trade because of the economic consequences it has on the entire economy. It has been seen that international trade leads to specialization and wide markets. And this in turn leads to economies of scale. In agriculture, for instance, mechanised farming is possible where large areas of land is used or the size of workers, machineries etc .compared to the peasant techniques where crude implements are used. Wider markets encourage the level of production but in the field of specializations resources are pulled together for effective production. These economies of scale make it possible to realise change in technology and skills and thereby contributing to economic growth in a total economy. It is this technical advance and advances in skills that will push out the production possibility frontier and actually increase the economic growth. Additionally, new wants are to be created which will be filled with domestic production especially including production for exports. This also means increase of production techniques.

Thirdly and more importantly, this increase in technical skills and the rising income that they create are also said to spread to other sectors of the economy thereby resulting in what H1a Myint called 'Export-led-growth'. Fourthly, if as a result of international trade, national income rises and the consequent increase in savings lead to productive investment, then the ensuing growth of national incomes is also another dynamic gain of international trade.

In summary, international trade is perhaps indispensable to economic growth of the Nigeria especially in the 1960s. It widens the market and made it possible for machines and techniques to be imported thereby making West Africa to enjoy

direct gain which can produce economic growth and development. Thus, international trade can be said to have been the 'engine of growth'.

On the contrary, there is a certain school of thought which believes that international trade is in itself antithetical to economic growth. In this view are Gunnar Myrdal and Hans Singer who postulated that international trade is equally very harmful to economic development. The main issue here is that international trade has not been beneficial to the less developed countries and sometimes have been detrimental to their progress. One point they made is that international trade and the kind of development it has encouraged has created economic enclaves for example, on plantations and mines which do not have adequate linkages with the rest of the economy. This means that to promote international trade, foreign investors have come and tended to invest in areas of plantation and mining which did not have strong link with the rest of the economy being largely extractive. In these circumstances, profit went primarily to the foreigners and these profits were not always re-invested to stimulate growth domestically. Such gains that went to local wage earners were used to purchase import goods and not local products.

Gunnar Myrdal also posits that this type of economic enclaves did not have 'spread effect' or beneficial effect on the rest of the economy. In some cases, they had harmful effect, for example, slave trade survived through a slave factory whose result was devastation and war in the locality. One way to increase export expansion was these enclaves of mines and plantation. However, where exports expansion was through peasant farmers as in the case of cocoa, groundnut and palm oil, international trade still failed to stimulate lasting growth or to act as a leading sector because of the techniques and the equipment used by the peasants. So that accepting full utilization of land, labour and other resources like capital and hence no lasting economic growth occurred.

Another argument concerns the term of trade and the nature of exports by the developing countries. Most of the exports are primary products (unprocessed produce) such as palm produce, groundnut, cocoa, iron ore and unrefined petroleum. These products tend to have unstable prices in world market and generally command lower prices compared with what West African countries pay for manufactured goods from Europe. Because of this, writers like Immanuel Wallerstein believes that international trade cannot be effective means of

increasing our income and using it to develop. Additionally, according to Wallerstein, the cost of higher wages in industrial countries and lower wages in developing countries, African countries will always pay more to buy what they produce and sell to us than what they pay for what we produce, this is called 'unequal exchange'.

The theory of international demonstration effect (I.D.E.) posits that international trade exposes developing countries to the products taste and the technology of the advance countries and we tend to accept or borrow these things as they are and hence they stifle our initiative while inflicting on us tastes and wants that we are not capable of getting. However, it is also true that international demonstration effect can be put into advantage if the technology and the techniques and the machines can be adapted to local expertise. In that case, foreign trade will be said to have educative effect.

### **Conclusion**

This paper has stressed that the whole colonial enterprise, even as at 1960s, systematically appropriated the surplus earned from the commodity exports of Africa's, imposing as a consequence of this rigid, static, self-perpetuating economic structure on the continent: expanding production capacity even with falling prices. So long as wages could be compressed and profit maintained: neglected investment on improving the productivity of domestic agriculture: and withheld credit and insurance from enterprising small scale African business people; often with the full authority of government ordinances. Africans were taught for generations, often by force and with appalling brutality or by disincentive, to neglect domestic agriculture and food production in favour of export cash crops: to spend their income on imported goods that they could easily and cheaply have manufactured. In aid of Ricardo's theory of comparative advantage: to abandon their calling as small scale farmers and entrepreneurs in favour of joining the plantation and mining proletariat.

However, the paradox for the west Africa's economies is that, in spite of their growing over-dependence on agricultural based international trade, this sector has failed to become the much need engine of growth for most west African countries. True enough, the share on agriculture has shown the downward trend associated with economic transformation: but the internal structure of this sector has grown even more fragile as compared to what happened in the developed

countries. This international trade which was anchored on this background was not without imperialist traits and as such could not be said to have been 'engine of growth'.

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