

**IGBO BUSINESS AND INVESTMENT PATTERN IN THE POST NIGERIA-  
BIAFRA WAR ERA: THE NNEWI EXAMPLE, 1967-2017**

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**Abstract**

*In 1967, Nigeria's volatile politics snow-balled into a civil war that shook the country to its foundations. The post-war era has also witnessed some minor crises that have connections with the politics of the civil war. The Nigerian Civil War has enjoyed wide discussions among the academics. Not many however, if there are any, have directly considered the relationship between the politics of the war and Igbo business history. One of the biggest lessons of the war is that there is a strong nexus between Nigerian politics and Igbo business investment pattern. Using the case of the Nnewi business men, this paper argues that the civil war and subsequent political developments created an unfriendly environment for Igbo businesses in non-Igbo lands of Nigeria which led to capital flights. Many of the Nnewi entrepreneurs had to relocate their businesses from the North and West to Nnewi, despite its lack of good supportive infrastructure. Investment pattern which was more outward-oriented began to have an inward orientation. Post-civil war political developments have also sought to consolidate the new isolationist investment pattern which has consequences for the Nigerian economy as a whole. The paper therefore stresses the need for the federal and state governments to create friendly political environment to attract profitable investments and to avoid unnecessary capital flights. Primary and secondary sources of information are used. Primary source of information*

*used is oral interviews, while the secondary sources include books and internet materials relevant to the subject matter.*

**Keywords:** Nigerian, Politics, Igbo Business history, Nnewi, Business men

## **Introduction**

There is an age-long connection between politics and business.<sup>43</sup> Politics has a way of affecting businesses either negatively or positively. Business men need and seek the goodwill of those in power because that will give them an edge in the business world. Business men also shape the trend of politics through financial powers needed by politicians or go into politics themselves. A balanced relationship between government and business is required for the general well being of the economy and the nation.<sup>44</sup> Government is not supposed to play politics with businesses, but create a conducive environment for them to operate. Constructive politics contributes to the development of the economy while destructive politics or negative politics-business relations, which scares business investors, inhibits it. Political games should be carefully played in a way that will not hamper businesses. Business is sensitive to politics.

In 1967, Nigeria's volatile politics snow-balled into a civil war that shook the country to its foundations. The change in the nature of Nigerian politics since after the war has also occasioned a shift in Igbo business investment pattern. An unfriendly environment for Igbo businesses in non-Igbo lands of Nigeria has led to capital flights from those lands. Investment pattern which was more outward-oriented began to have an inward orientation, with some outward orientations too. Post-civil war political developments have also sought to consolidate the new isolationist investment pattern of the Igbo business men.

This paper shows some of the events and developments that started causing a shift in the investment pattern of Igbo business men using the Nnewi business men as case study. It argues that the gradual forcing of the Igbo business men into isolationism may not turn out well for the nation's economy even if it is beneficial to the Igbo in the long-run. Apart from the properties that are destroyed and looted during political crisis, and the wrong signal it sends to foreign business investors, it breeds disunity which will hinder the effective development of the economy of

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<sup>43</sup> C.P. Bhambhri, "Linkages Between Politics and Business" Published by the *Economic Times*, <https://m.economictimes.com/opinion/et-commentary/linkages-between-politics-and-business/articleshow/5566878.cms>, February 13, 2010

<sup>44</sup> Ibid.

Nigeria as a whole. The authors make case for the creation of a business friendly political environment all over the country as was obtainable before 1966 northern crises and the civil war that followed.

The rest of the paper is divided into five sections. The first section examines the political environment and the Igbo business investment pattern before 1967. In the second section, attention is focused on the civil war and the change it brought in Nnewi businessmen's investment pattern. The third section highlights the post-civil war crises and how they came to consolidate on the inward-looking investment pattern, while the fourth section examines the implication of the isolationist shift in investment pattern to the Nigerian economy. The fifth section is the conclusion.

### **The Political Environment and the Igbo Business Investment Pattern Before 1967**

Before the colonial era, business transactions were carried out across the various ethnic groups and regions in Nigeria. The various trade routes dotting the landscapes of all the regions in Nigeria testify to the existence of these inter-ethnic business transactions and co-operations. These trade routes provided the links for these business transactions and economic co-operations. One of the factors that made this possible was the existence of enabling political environment. The Igbo people, being people that have knack for business was one of the major ethnic groups that took advantage of this trade equanimity. They established businesses across the country.

In the transport business for example, the most prominent Igbo capitalists that emerged between the 1920s and 1960s were J.C. Ulasi, L.P. Ojukwu, Albert Igbokwe, D.D. Onyemelukwe, A. E. Ilodibe, F.A. Obi, D.C. Ubajaka, F.N. Okonkwo, D.C. Emefo and L.C. Amazu, among others.<sup>45</sup> These had their branches in many important towns and urban centres in Nigeria such as Onitsha, Aba, Port Harcourt, Nnewi, Enugu and Nsukka in the East, Lagos and Ibadan in the West, Asaba and Benin in the mid-western region and Jos, Makurdi, Kano and Kaduna in the north.<sup>46</sup> This free movement of business capitals and capitalists across the regions contributed to the

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<sup>45</sup> D.I. Ajaegbo, "Road Transport Entrepreneurs and Road Transportation Revolution in Igboland, 1920-1999: A Case Study of the Nnewi Igbo of Nigeria" in *International Multidisciplinary Journal*, Ethiopia Vol. 7 (4), Serial No. 31, September, 2013:162-173

<sup>46</sup> *Ibid.*, 165

emergence and greatness of big trading or commercial cities like Kano, Lagos and so on.<sup>47</sup>

This cross-regional business linkage continued during the colonial period, although the article of trade encouraged was agricultural products. One factor that even intensified the establishment of businesses across regions was the development of transport infrastructure during the colonial era which made inter-regional movements much easier. The political environment was also business friendly across the regions irrespective of the ethnic extraction of the merchants. Even after independence up to 1966, before the crisis in northern Nigeria and the civil war that followed, the political environment in the country was such that encouraged everyone especially the Igbo to move around freely in pursuit of their business and economic enterprise in the different parts of the Nigeria without fear of molestation and attack.

Onumonu and Anutanwa have argued that the political and economic environment of the immediate post-independent era was business friendly for business men from all regions of the country. This argument was impliedly made when they noted that the political independence of Nigeria in 1960 came with much hope, promises and ultimately economic prosperity which gave a good number of people confidence to invest across the nation of Nigeria, without an iota of fear.<sup>48</sup> It has also been noted that the independence of 1960 further promoted integration and cooperation in Nigeria.<sup>49</sup> Thus the Igbo who are said to have knack for trade and commerce found opportunity of exploring various economic activities all over Nigeria. For instance, in Kano State, the place known as Sabon Gari became so to say an Igbo area where the Igbo people felt comfortable and did their business without fear or molestation. Also in Kaduna south, a place called Television Garage was like an Igbo town. And this was the situation all over Nigeria. They took advantage of the opportunity and established their business empire all over Nigeria.

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<sup>47</sup> J.F.A. Ajayi & E.J. Alagoa “Nigeria Before 1800: Aspects of Economic Developments and Inter-Group Relations” in O. Ikemi (ed) *Ground Work of Nigerian History*, Ibadan: Heinemann, 1980, p.228-229.

<sup>48</sup> U.P. Onumonu and P.O. Anutanwa, “Rethinking the Impact of Nigerian Civil War: Commerce in the Post- Civil War Nnewi and its Challenges, 1970-2000” in *Mgbakoigba*, *Journal of African Studies*. Vol.6 No.2. 155-167, February 2017

<sup>49</sup> B. Ige, *People, Politics and Politicians of Nigeria*. Ibadan: Heinemann Educational Books, 1995

Scholars have also pointed out that Enugu road of Kaduna State was then like an extension of south eastern Nigeria due to the concentration of the Igbo in the area.<sup>50</sup> They further noted that in Lagos, the father of General Chukwuemeka Odumegwu Ojukwu, Sir Louis Philippe Odumegwu-Ojukwu (a native of Nnewi) was rated as one of the richest business men in the West African sub region. His chains of commercial activities were profound in Nigeria. He took commerce to a new level as at that time by delving into Transportation and other services before the Nigerian Civil War. He even became second in command in Lagos Chamber of Commerce.

Thus the political environment in Nigeria at that period was quite conducive for Nigerians and especially the Igbo to advance and pursue business interest in any part of the country and feel safe and comfortable. This therefore made a lot of the Igbo people to spread throughout the Northern and Southwestern Nigeria seeking for new opportunities for investments and business expansion. This situation changed with political crisis that erupted in the country from July 1966 with the second coup d'état by some military officers from the north. After the coup, Northerners turned on the Easterners most especially the Igbo civilians living in the north and unleashed waves of brutal massacres that Colin Legum of *The Observer* (UK) was the first to describe as a pogrom.<sup>51</sup> This made lots Easterners in the North and other parts of the country to flee back home. According to Achebe, it was said at the time that the number of displaced Nigerian citizens fleeing from other parts of the country back to Eastern Nigeria was close to a million. This situation was what laid the background to the bloody civil war that followed after, where millions of Igbo people lost their lives. Their means of livelihood and various investments and business interest scattered all around the country including the Igbo areas were totally lost. Hence after the civil war which lasted between 1967-1970, the Igbo people had to start afresh to rebuild their lives, investments and business interest, but this time they paid more attention on developing their business establishments more at home, within the Igbo areas. Since most of their business efforts outside the Igbo areas had become irrecoverable.

### **The Civil War and the Change in Nnewi Businessmen's Investment Pattern**

Down the road of history, Nnewi people and their neighbours have been great travelers to different places in Nigeria and the world. And wherever they found

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<sup>50</sup> Onumonu and P.O. Anutanwa, "Rethinking the Impact", 156

<sup>51</sup> C. Achebe, *There was a Country, a personal history of Biafra*. London: Penguin Group, 2012

themselves they are always industrious, making meaningful economic contributions. But at the end of the Nigerian-Biafran war they learnt a lesson from the losses they incurred, which is that investing at home is better than investing outside. Hence, barring any formal agreement, a good number of Nnewi people made up their minds to remain in Nnewi, to invest and establish their businesses.

Thus, Nnewi business men after the civil war preferred to establish their investment very close to their home towns. The sentiment and passion for home investment began to find its root in Nnewi as at that period- the immediate post war era. According to Bley & Harding, it is mainly on the account of this that large and medium-scale industrial concerns are to be found in various parts of Igboland, especially in Nnewi.<sup>52</sup> They further noted that, this development with respect to commerce could be seen as the legacy of the Nigerian Civil War which had some build-ups in forms of crises that took place in 1966. Without doubt, some of the best known success stories in the field of post-war-owned enterprises come from Nnewi. Accordingly it has been argued that Nnewi had a “head start in the period of reconstruction, especially because of its role as a major market during the War, and because of the international connections of its traders.<sup>53</sup> In the oil-boom period of the mid-1970s, local business men in Nnewi diversified into new fields of enterprise which by the late 1980s had resulted in a “silent industrialization of Nnewi”. Hence Nnewi’s success was not by coincident.<sup>54</sup> It was a product of initiative, rugged determination, courage, perseverance, hard work and discipline as seen in their resilience.

So with their compulsion to come home occasioned by the civil war, it became clear that the market in Nnewi needed to be enlarged so as to accommodate more traders. Thus the traditional ruler in Nnewi at that period saw to it that the Nkwo market in Nnewi was moved to where it is currently situated to make room for more traders. This therefore encouraged the trade in vehicle parts. Nnewi people had an earlier trade link with Japan in the late 1950s for the importation of motor parts. This changed in the 1980s; Taiwan took over with their low-priced products as exchange

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<sup>52</sup> H. Bley, and L. Harding, (eds). *A Social History of the Nigerian Civil War: Perspective from Below*. Jemezie Associates, 1997

<sup>53</sup> T. Forrest, *The Advance of African Capital: The Growth of Nigerian Private Enterprise*. Edinburgh: Edinburgh University Press for the International African Institute, 1994

<sup>54</sup> Onumonu and Anutanwa, “Rethinking the Impact”, 156

rate movement dislocated businesses.<sup>55</sup> Taiwan also took over from India and Hong Kong companies who withdrew from India and Hong Kong because of deterioration of trade and credit conditions. The Taiwan flexible trading practice was more acceptable and Taiwan also became a source of technology acquisition and training. China and other countries have almost taken over. This early trade link with the foreign community contributed to the gradual migration from trade to motorcycle assembly and to manufacturing. The above stated facts were corroborated by a scholar when he stated that the Nnewi industrialists moved tools and gadgets made in Europe to places like Taiwan, Japan, and China so they could be reproduced and brought back to the country.<sup>56</sup> This made Igboland to be seen during 1970/80's as a place for imitation industries and this made cities such as Nnewi and Aba to become popular.

Nzewi highlighted that one of the earliest attempts at establishing an industry in Nnewi was by Sir Sam Anazodo in partnership with foreign investors. There was a plan by Chief J. Edokwe (Jimex) to establish in Onitsha an aluminum factory, but due to the Nigerian-Biafran war the plan did not go through, though he later established a pit-furnace in Nnewi. He was thus seen as Nnewi's first industrialist. In 1983 Cento International came on board producing the plastic components of vehicles. This therefore indicated the arrival novel manufacturing companies in Nnewi. According to Nnewi Chamber of Commerce, Industry, Mines and Agriculture, it is true that during the early stages of Nigeria's short-lived economic reform programme that lasted from 1986 to 1992, manufacturing enterprises responded positively to improved incentives and better availability of inputs.<sup>57</sup> When General Ibrahim Babangida was in power rules and laws that had far reaching effect on the businesses of the Igbo were promulgated. The government in 1986 introduced the structural adjustment program. The provisions of this program gave an opportunity for Igbo business men to prosper. The non-interventionist programs of the government of Babangida made Igbo traders to venture into various trades and businesses. What is

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<sup>55</sup> C. G. Nzewi, *Industrialization and the Nnewi Experience*. Nnewi: Enovic Trust Link Ltd., 2015

<sup>56</sup> I.D. Ikerionwu, The place of Ndi-Igbo in Nigeria's social and economic development. *Journal of Education Research and Behavioral Sciences*, Vol. 2(12), 2013, 239-249

<sup>57</sup> Nnewi Chamber of Commerce, Industry, Mines and Agriculture, in *Compendium of Commercial and Industrial Activities in Nnewi*. Nnewi: Enovic Trust Link Ltd., 2015

particularly interesting, however is that not only does the start of the industrial boom in Nnewi predate this reform episode, but production was sustained well into the 1990s when the manufacturing sector in Nigeria was crippled by foreign exchanges shortages, rapidly deteriorating infrastructure, and depressed domestic demand.

Again, it has to be noted that the Civil War has also had the effect of stimulating a rapid growth of trade and local industry within the town of Nnewi which have been referred to as the 'Japan of Africa.' There has been a tendency to link Igbo industrial dynamism to the economic incentives created by structural adjustment, but a number of scholars have shown that the conditions for local industrial development were laid over a decade earlier in the context of the Civil War.<sup>58</sup> The war precipitated a sudden shift toward the repatriation of capital to Igbo areas for investment at home.<sup>59</sup> The rapid injection of private capital from the diaspora, backed by a 'self-help' ethos of reconstruction, led to a boom in local industrialization within the Igbo states. This industrialization in Igbo areas such as Nnewi owed little to government policies in any direct sense.<sup>60</sup> It is the product of strong community ties, the loss of properties outside Igboland, and the need for security in the aftermath of the northern massacres and the civil war.

Even the Igbo business men in the diaspora, operating in Cotonou and Lomé who had escaped the worst effects of the war, sent money home for investment in houses, trade and manufacturing.<sup>61</sup> In Nnewi, the experience of the war gave rise to a collective decision that Nnewi businessmen should locate some of their activities at home, partly in response to the thousands of refugees from the North, and partly to take advantage of economic changes that arose during the war.<sup>62</sup>

Eastern Nigeria is the home of the Igbo. There are well-recognized characteristics of Igbo culture, most notably- individualism, competitiveness and adaptability to change which fuel entrepreneurialism and capitalism in the region. Igbo people invest heavily in education and training, and have rules of inheritance that encourage specific institutional factors which have played a central role in facilitating industrial development in Nnewi. Other Industries in Nnewi today include the

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<sup>58</sup> K. Meagher, "The Informalization of Belonging: Igbo Informal Enterprise and National Cohesion from Below." in *Africa Development*, Vol. XXXIV, No. 1, 2009, 31–46

<sup>59</sup> Forrest, *The Advance of African Capital*

<sup>60</sup> Ibid.

<sup>61</sup> Meagher, "The Informalization of Belonging"

<sup>62</sup> Forrest, *The Advance of African Capital*



Innoson Vehicle Manufacturing Plant founded by Chief Innocent Chukwuma and recently in December, 2014 the company unveiled its new set of IVM vehicles. There is the Ngobros and Company Nigeria Limited founded by Mr. Humphrey Ngonadi that produces Baby-mate Diapers, a marked departure from the auto and motor parts known to Nnewi. There are also the Kotec Group, founded by Chief Chika Emenike that produces Tummy Tummy noodles and Louis Carter Industries Limited that produces all kinds of plastic products and Agro foods. It is instructive to mention here that Louis Carter started building its facility early in 1985, completed in 1991 but commenced production in 1998.

Nnewi as time went on became a prominent city for trade and manufacturing enterprises and a leading city in the trade of vehicle parts.<sup>63</sup> Nnewi town is indeed a wonder in manufacturing. Small and medium-sized industries have been built in the city and are manufacturing not for markets in Nigeria alone but, albeit still to a limited extent, for markets abroad especially West Africa. Thus this decision to return home and establish their businesses has thus paid a great deal as the market in Nnewi now booms in trade not just of vehicle and motorcycle parts but other goods and commodities too. And as time went on they moved on from trading to manufacturing. It thus paid off now as the old Nnewi Local Government, made up of Nnewi North and South and Ekwusigo Local Government areas, is filled up with various manufacturing factories with the prospect of completing those under construction and attracting new one. Today, Nnewi domiciles the foremost home-made car manufacturing plant in Nigeria - Innoson Vehicle Manufacturing Company.

### **Post-Civil war crises and the Resultant Consolidation of the Inward-Looking Investment Pattern**

Although immediately after the civil war, many Nnewi business men refused to go back to the North and West, some still went back after some time to continue their businesses there when it appeared that the wounds of the Civil War seemed to be gradually healing. Most of those that went back did so around the 1980s and early 1990s when it appeared that there would not be such occurrences of civil unrest again like that of 1966 and the civil war.<sup>64</sup> Movement back to different parts of the country

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<sup>63</sup> E.A. Orizu, E. A. *Nnewi in Historical perspective*. Enugu: El' Demak Publishers, 2000

<sup>64</sup> Onumonu and Anutanwa, "Rethinking the Impact", 156

actually started in the late 1970s, but became more pronounced in the 1980s and 90s. The return to Lagos was more pronounced in the early 1980s.<sup>65</sup> Lagos as the capital city and the country's business epicenter, was seen as a place that had promise for substantial commercial success. Business men from Nnewi believed that they stood the chance of making more profit in Lagos, some of which they could invest in Nnewi.

But they found that the peace that lured them back was only a shortlived one. Nigerian politics after the war was such a negative one that discouraged Igbo business men and consolidated the change in their investment pattern.<sup>66</sup> At the end of the war, the Federal Government, in a move to punish the Igbo, paid a flat rate of £20 to every Igbo person who lodged his/her Biafran currencies with the banks.<sup>67</sup> This was regardless of the amount of money one deposited. The political environment never remained the same again both in Lagos and in the North.

In Lagos state, government policies and body language towards Igbo business reflected unfriendliness. Even some Lagos indigenes, known as *Omo Ota* or more popularly as "Area boys," began exploiting the Nnewi and other Igbo business men. Even land and property owners decided to make it hard for Igbo business men to rent their properties for business. This they did by demanding for as much as five years rent in advance.<sup>68</sup> The body language of government officials showed that they were behind the Area Boys, and did not intervene to make property renting easy for business. They neither condemned nor punish the boys. Rather, Nnewi traders were made to understand that they were strangers and must comply by paying a certain amount of money to those "Area boys" When this ugly situation persisted, some Nnewi traders in Lagos began to head back home and reestablish their businesses there.

Although, many Nnewi business men remained in Lagos like many other Igbo business men up till now, their experiences have shown that they were extremely determined to stay. When asked if they are being disturbed in any way in the process

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<sup>65</sup> Ibid., 160

<sup>66</sup> O. Adeyeri "Nigeria Federalism and the Challenges of Nation-Building: Issues, Problems and Prospects" in B. Sofela, V.O. Edo et al (eds), *Nigeria at 50: Politics, Society and Development*: Ibadan: John Archers (Publishers) Ltd., 20-29.

<sup>67</sup> D.I. Ajaegbo, "Road Transport Entrepreneurs and Road Transportation Revolution in Igboland, 1920-1999: A Case Study of the Nnewi Igbo of Nigeria" in *International Multidisciplinary Journal*, Ethiopia Vol. 7 (4), Serial No. 31, September, 2013:162-173

<sup>68</sup> Interview with Mr Oke-Elias Ozumba, (62) Auto Parts Business man, Lagos, 1<sup>st</sup> of February 2021

of carrying out their businesses, one of them answered in the affirmative. He said I was even because of the various disturbances that the Igbo business men united to build big Igbo-dominated markets where they would have free hands and get free from shylock western landlords.<sup>69</sup> Government has not only shown apathy towards helping the Igbo business men, but have sometimes acted against them. Even younger ones doing street hawking businesses have not been spared. The year 2017 marked a milestone in the war against street hawking in Lagos. In that year, laws discouraging hawking were harmonized as part of the Environmental Management and Protection Law, 2017 by the government of Mr Akinwunmi Ambode. This led to unprecedented mass arrest, prosecution and mass incarceration of street hawkers. Although it was not only Igbo people that were the targets, they formed the majority of the hawkers.

In the North, the politics was even more volatile than ever. What scared Igbo business men from the North was not direct anti-Igbo business politics, but the smouldering fires of the anti-Igbo sentiment generated by the civil war. Several political and religious crises greeted the North especially in the 1990s in the form of riots. Although these riots spread through the North, they were more pronounced in Kano and Kaduna.<sup>70</sup> In the year 2000, the introduction and adoption of the Sharia as a legal system in Kaduna sparked off unprecedented riots that rendered the North unsafe for Igbo business. According to the Anglican Communion News Service (ACNS) based in London, "Much of the infrastructure of the city of Kaduna has been destroyed; churches, mosques, homes and businesses have been burnt. 800,000 people have been made homeless, and hundreds have been killed."<sup>71</sup>

Although the riots ended up most times as religious riots, they were politically motivated.<sup>72</sup> In the event of such riots, the investments of Igbo business men were targeted for destruction and looting by the Northern rioters. Apart from the loss of huge Igbo business investments, lots of Igbo and other Southerners' lives, many of which were business men, were lost.<sup>73</sup> Igbo business was therefore threatened from more than one angle. It was threatened from the angle of the loss of business brains,

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<sup>69</sup> Interview with Oke-Elias Ozumba,

<sup>70</sup> Tribune Newspaper on 28th June, 2016., 18.

<sup>71</sup> Onumonu an Anutanwa, "Rethinking the Impact," 163

<sup>72</sup> Ibid., 162

<sup>73</sup> M.H. Kukah, *Religion, Politics and Power*, Ibadan: Spectrum Books Limited, 1993, pp. 214-242.

scaring of southern customers and from the angle of direct stifling of business investments. Igbo people's properties and business ventures were looted. It was in response to this unfriendly business environment that many Igbo traders, including a lot of Nnewi business men headed back home to Nnewi to re-establish their businesses there. The increasing inward orientation of Nnewi business men's investment pattern during the post-civil war era was occasioned by the prevailing unfriendly political environments in the North and West. The noticeable trend is that political game in these two areas influenced Igbo business investment pattern. The irony is that while the political environment in the North and West grew unfriendly, a conducive environment was created in the East that made the Igbo business men want to stay there for business. The losses suffered by great Igbo business men with the outbreak of the Nigerian civil war, was still fresh on their memory. Especially instructive was the huge losses suffered by Chief Philippe Odumegwu. With the outbreak of the war, Mr Philippe lost the wealth he had accumulated all over Nigeria, especially in the West, through successful business ingenuity. Having their businesses established at home became a preferred option. Even those that went back to the West and North did so without neglecting the fact that they were going there to make money that would be used for investment at home. Home investment became a reigning ideology.

Bound by the common sentiment and painful experience the civil war had put them through, the Nnewi people united after the civil war and decided to reconstruct Nnewi and have their businesses located in their own home. They resolved to help one another. Social clubs sprang up and even gave financial assistance to members. This bond created a business friendly environment in Nnewi during the post-war era, and gave rise to the massive concentration of businesses in there.<sup>74</sup>

### **Implications of Igbo Business Isolationism for Nigeria's Economy**

Although no empirical study has been carried out to ascertain in quantitative form, the amount of losses that the West and especially the North has suffered by the withdrawal of many Igbo business men at different points in time due to violence, yet the losses are real. A study in this direction will definitely help to enrich the Igbo business history literature. The gradation of Nnewi-Igbo business investment pattern to isolationism no doubt has turned out to be an advantage to the Nnewi people. However, the cause of the isolation has negative implications for the

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<sup>74</sup> Onumonu and Anutanwa, "Rethinking the Impact," 160

Nigerian economy. The act of using politically unfriendly environment to scare Igbo businesses away has a lot of disadvantages for the Nigerian economy as a whole. Some of these disadvantages are discussed below.

No economy thrives in the absence of peace. With the way the politics of Nigeria has scared Nnewi business men to their shells, an ember of bitterness is left smouldering within them. Wholesome economic development results when the various people that make up a country are united and none is feeling unwanted in any part of the country. It is in spirit of oneness that the economy will thrive, drawing from the contributions of all members. It should not be forgotten that Nnewi played a central role in the Biafran war, and wisdom demands that to douse the flame of disintegration, the Nnewi people should be integrated into one Nigeria. One way to do this is to give them a conducive environment to carry out their businesses in every part of the country. The perpetuation of this unfriendly attitude to Igbo business may be construed to be a political game to reduce the economic power of the East, which in itself is inimical to the Nigerian economy.

The Igbo people are known to be successful business men and dominate most of the big markets in the Northern and Western parts of the country. If they are all scared away to withdraw their investments from these places, it may lead to the collapse of many businesses. Many foreign investors who are watching and observing the trend, will also plan their exit as no sane investor will invest in a politically uncertain and volatile environment. The harm already done to the economy by the scaring away of some Nnewi business men may not be so obvious now because of their number, but greater harms are on the way if the trend is not curbed and many more are forced to withdraw, including foreign investors.

The violence that normally precedes the withdrawal of Igbo businesses to the East usually leads to loss of properties and business investments. Thus the capital that would have been used to make meaningful contribution to the economy is unnecessarily wasted. These wastes, also kills the moral of capitalists, and portend the danger of stifling entrepreneurial spirit which usually helps to keep the economy vibrant.

With the loss of these businesses, a lot of people, including youths also lose their jobs. The problem of unemployment which is usually aggravated by the destruction of business centres and withdrawal of Igbo businesses, portend the danger of crimes. If the government in the affected states in the West and North had maintained a reassuring peaceful environment for Igbo business men, these losses would have been nipped in the bud or reduced to the barest minimum.

Another disadvantage is the overconcentration of jobs in one place for few people. Nnewi businesses created a lot of job opportunities. Rather than provide these employments to those that really needed them in the long established commercial centers in the West and in the North, these job opportunities were concentrated in Nnewi and thus was available for few people in the East, where most people love to have their own businesses.

One of the greatest challenges that confronted Nnewi industrialists was poor electricity infrastructure.<sup>75</sup> Many Nnewi investors could have also ventured into more productive ventures that required bulk electricity, but due to the poor electricity infrastructure in Nnewi, they could not.<sup>76</sup> Although the electricity situation in the country was generally poor, yet it was bound to be better in long-established cities like Lagos, Kaduna and Kano. The nation would have therefore enjoyed the business opportunities that the poor electricity infrastructure of Nnewi could not support. Nigerian politics has also made the government to look away from the development of Nnewi and its market and providing needed infrastructure there that will make business easier. By so doing, the government is ignoring the fact that Nnewi is also a part of the country and that the boosting of its economy will definitely rub off on Nigeria's economy as a whole.

## **Conclusion**

Before and during the colonial era, the nature of Nigerian politics encouraged business investments across regions of the country. The Igbo business capitalists made use of the opportunity and invested not only in the Southeast, but also in far away north and west. Since after the civil war crises however, the dynamics of Nigerian politics have been to a large extent unfriendly to Igbo businesses. This has increased the inward orientation of Igbo business investments. The Nnewi business men have tried to concentrate their businesses in Nnewi as a safeguard against unnecessary losses of investments in far-away lands.

Although this shift in business investment pattern is advantageous to the Nnewi people, it has negative implications for the Nigerian economy as a whole. The atmosphere of distrust and disunity that drove the Nnewi business men to increasingly withdraw to their shells is unhealthy for the Nigerian economy in a number of ways. Apart from creating friendly environments for Igbo business all

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<sup>75</sup> Ibid., 163

<sup>76</sup> Ibid.

over the country, the government should also come up with sincere plans and programmes that will further boost the economy and ingenuity of the entrepreneurs of Nnewi. This can only, however, be possible when primordial sentiment is dispensed with. If this is done, the Nnewi economy will extensively influence the overall economic strength of Nigeria in particular and West Africa in general. Also, the unity that will result will help to catalyze economic development.