

Chapter 12

Nigerian Economy During Colonial Era: An Overview



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Abstract This chapter considers British incursion into what is presently referred to as Nigeria. This chapter shows that the colonial government was mainly motivated by the search for cheap human and material resources necessary for the sustenance of British Empire. The colonial rule in Nigeria altered not only the traditional political institution in the name of civilization but also transformed the entire economy of the country. The present Nigeria economy was affected via expanded commercial institution, promotion of inland trade with the sole objective of enriching existing British commercial interest than to develop Nigeria industry. British colonial economy in Nigeria aimed at achieving three primary goals. The first goal is expansion of Nigeria's commerce via exporting of raw materials and importation of finished goods. Therefore, building of roads and railways, provision of telegraph and expansion of waterways and ports are to facilitate this first objective. The second goal is closely linked with the first which is to bring the country into a cash economy based on Britain currency (Pounds sterling), while the last is to force Nigerians both directly and indirectly to work for the cash. Finally, this chapter draws useful lessons from the colonial experience and provides useful suggestions for the future growth of the country.

Keywords British · Colonial · Nigerian · Economy · Government · Agriculture · Nigeria

Introduction

The British incursion into what is presently referred to as Nigeria was mainly motivated by the search for cheap human and material resources necessary for the sustenance of the British Empire (Akpan 2003). Slave trade was declared as illegal in the

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1890s, while trading in goods was declared 'legitimate' following the industrial revolution in Europe. The industrial revolution in Europe further generates two needs which are scarcity of raw materials and insufficient markets for the multinational industrial outputs. West Africa coast was therefore regarded by the colonial masters as a potential source of raw materials for the industries in Europe and as a ready market for the industrial outputs from the advanced countries. These two realisations led to the scrambling for absolute political power over territories in West Africa Coast by the British, France and Germany in the late 1890s (Akpan 2003; Ekundare 1973). Prior to this period, Britain interest in Nigeria was limited to the activities of few private companies (such as the Royal Niger Company) operating then in the various parts of the country.

Furthermore, the search for cheap supplies of resources, human and material to contribute to the sustenance of the British Empire particularly informed British presence in the territory that later became Nigeria and eventually British colonial rule. In addition, it was in the mind of British Empire to ensure that the exploitation of Nigeria's resources for the benefit of the empire was undertaken in a more efficient manner. In order to accomplish efficient exploitation objective, the colonial authorities in Nigeria were concerned with the provision of basic infrastructure and services in the country to the extent that they were required to enhance the sourcing and shipment of raw materials to Britain.

The colonial rule in Nigeria altered not only the traditional political institution in the name of civilisation but also transformed the entire economy of the country. The present Nigeria economy was affected via expanded commercial institution and promotion of inland trade with the sole objective of enriching existing British commercial interest than to develop Nigeria industry. British colonial economy in Nigeria aimed at achieving three primary goals. These are expansion of Nigeria commerce via exporting of raw materials and importation of finished goods. Therefore, building of roads and railways, provision of telegraph and expansion of waterways and ports are to facilitate this first objective. The second goal is closely linked with the first which is to bring the country into a cash economy based on Britain currency (Pounds sterling), while the last is to force Nigerian both directly and indirectly to work for the cash.

This paper seeks to draw lessons from the Nigerian economy during colonial rule with the aim of providing useful suggestions for the future growth of the country.

Agricultural Productivities at the Inception of the Colonial Rule

The colonial authority employed various strategies and policies to stimulate local production of industrial raw materials such as palm oil and kernels, cocoa, cotton, groundnut and rubber. The strategies were adopted in order to satisfy the dominant motives of colonialism which includes the search for cheap raw materials and expansion of markets for the products of the colonialists. Therefore, the economy

Table 12.1 Average cash crop ton export in Nigeria between 1900–1904 and 1925–1929

Cash crops export	1900–1904	1925–1929	Actual change	% Change
Groundnut	475	109,068	108,593	22861.68
Cotton	132	6038	5906	4474.242
Cocoa	305	45,483	45,178	14812.46
Palm oil	53,729	124,716	70,987	132.1205
Palm kernel	120,778	255,469	134,691	111.5195

Source: Eicher and Lietholms (1970:11)

was targeted mainly on agriculture and trade. Locals were encouraged to produce the needed raw materials, while the colonial investors were encouraged to export these raw materials into Britain and at the same time import finished products into Nigeria for local consumptions. However, most of the raw materials are bought at a relatively cheaper price, while the finished products are bought at a relatively higher price (Charle 1967; Eicher and Lietholms 1970; Forde 1941; Igbafe 1979).

As a result of the encouragement given by the colonial authority to local provision of cash crops, exportation of these crops rose rapidly within a very short time, however to the detriment of local provision of food crops. For instance, from Table 12.1, while a yearly average of 475 tons of groundnut was exported in Nigeria between 1900 and 1904, it rose to a yearly average of 109,068 tons between 1925 and 1928 which was about 22861.68 percent increase. Within the same period, average export of cotton rose by about 4474 percent from 132 tons in 1900 to an average of 6038 tons in 1925. The table also indicates that average export of cocoa rose from about 305 tons between 1900 and 1904 to about 45,483 tons between 1925 and 1929 which was about 14,812 percent increase. In the case of palm oil export, it rose by about 132 percent from 53,729 tons between 1900 and 1904 to about 124,716 tons per annum between 1925 and 1929. In addition, palm kernel export from Nigeria to Europe also rose by about 112 percent from 120,778 tons between 1900 and 1904 to around 255,469 tons average per annum between 1925 and 1929 (Tamuno 1980; Usoro 1974).

Development Plans Under the Colonial Rule

There were colonial economic plans in Nigeria prior to the country's political independence in 1960. The colonial government's idea of development and how to pursue it were summarised in two documents which the administration described as 'development plans'. These were the popular Ten-Year Plan of Development and Welfare for Nigeria from 1946 to 1956, which was terminated in 1954, and the plan of 1955–1960 (Ayo 1988).

For the first 10 years development plan of 1946–1956, the colonial administration planned to allocate national resources mainly to activities that would bring about improvements in the general health and mental condition of the people and to

the provision of those physical facilities (infrastructures) which has been regarded as the minimum necessary for the general improvement of the country and its population (Helleiner 1966:332; Usoro E. J 1977).

In terms of specific sectors, the colonial administration development policy meant concentrating public resources on the provision of social services, as well as transport and communications. The colonial government belief, then, was that these facilities would induce private entrepreneurs to invest in industry and agriculture that would bring about the jobs, the goods and services and the modern skills and production techniques (i.e. technological capability) necessary for the growth of the economy and the improvement of people's material well-being (Helleiner 1966:332).

Thus, the private sector was entrusted with the task of establishing and running directly productive activities (DPAs), while the colonial government concentrated on the provision of physical and social infrastructure (Olaloku et al. 1979:139). The 1955–1960 development plans showed a slight modification of the colonial government's approach to development. In the second development plan, the colonial authorities began to participate in directly productive activities by setting up and running industrial and agricultural enterprises. The modification was brought about by the realisation from the first development plan that indigenous business had not yet developed the necessary productive capacity. This realisation was in response to the prompting of eager indigenes in government, who then constituted a significant force in policy making, following the 1954 constitutional changes.

In monetary value, for the first 10 years (1946–1956), the colonial government planned to make a total capital expenditure of £55million. A substantial proportion of this was allocated to social services (water and health) and transport and communication in accordance with the development orientation of the authorities. A closer look at the plan shows that the improvement of water supply and health services was allocated as much as 25 percent, whereas industry and agriculture, the directly productive sectors, were allocated only 6.4 percent of the budget. However, in the second development plan for the 1955–1960 periods, though the total planned capital investment, £330 million was much larger than that of the previous period, but the allocation for industrial and agricultural development, although higher than in the first plan, was still small, being only about 9.0 percent of the total sum.

In the same plan, the transport sector alone was to take 38.7 percent (Olaloku et al. 1979:139). As part of the effort to change the structure of the economy, the governments (both federal and regional) decided to specifically encourage and induce foreign investments in the country, especially for industrial production. In order to achieve the objective of attracting foreign investors, both the federal and the regional authorities mounted a campaign in Europe by which they sought to make known to European industrialists, in particular, the opportunities that were available for investment in Nigeria. To further encourage foreign investors, both governments further announced a number of generous incentives to attract them. These incentives included the Aid to Pioneer Industries (1952) and the Industrial Development (Income Tax Relief Ordinance) (1958). Other incentives included guarantees on the security of foreign investments and freedom to repatriate their capital at any time they wanted to do so.

Thus, to achieve moderate development in Nigeria, the colonial administration used the above incentives to nurture private entrepreneurs and rely on them to take the necessary decisions, such as the choice of projects in which to invest and, therefore, the types of goods to be produced in the economy; the materials to use in producing the goods and the sources from which to procure them; the techniques to employ in production and their sources; the locations of such activities in the local economy; and who to collaborate with on the projects and the terms of such collaboration.

Because these are the crucial decisions in the development process, the colonial administration's approach amounted to leaving the task of developing the economy and society to private business men and women. No wonder, the post-independent economy of the country followed the colonial legacy of emphasis on private ownership of resources to the detriment of the general public interests (Ezera 1964; Onimode 1981, 1983; Todaro 1979).

Discriminating Economic Policies of Colonial Authority in Nigeria

The age long adage that 'He who pays the pipers dictates the tune' was clearly demonstrated by the discriminating policies of the colonial authority in Nigeria. Prior to the outbreak of the World War I, there were considerable commercial interests of the Germans in Nigeria. However, Germans were deported, and their trade passed to the hands of British merchants following the complete taking over of the country and the aftermath of the World War I. British colonial authority in Nigeria took advantage of the World War I to expand its strongholds in the country and at the same time eliminates the influence of other competitors from the country. For instance, in 1916, British parliament devised a scheme to permanently divert all shipments to England by imposing 2 pounds duty per ton on all palm kernels shipped from West Africa to other destinations. Between 1919 and 1922, the restriction led to increase in production in other countries outside British control as well as decline in Nigerian production. For instance, Sumatra productions at 8500 tons as at 1918 rose to 28,000 tons in 1922. This policy of the British authority was a clear subordination of Nigeria interests to those of the British merchants (Aghalino 2000:19; Ahazuem & Falola 1987:250; Aghahowa & Ukpabor 1999:157).

In 1934, Britain demonstrated her discriminating economy policy in the country by using her tariff power to help her manufacturers but at the same time took certain steps to curtail Japan cheaper textiles import to Nigeria which was about 11 million square yards in 1933. In order to restrict fair market competition, British government in Nigeria set quotas on Japanese textile imports by fixing a maximum of 1.5 million square yards in 1934. The economic implication of the policy led to increase in the local price of textiles in the country. However, the restriction was retained despite protests by Nigerians. Due to the restriction, Japan import to the county

Table 12.2 Prices of exported products from Nigeria to Britain in 1940 and 1944

Products	Price in 1940	Price in 1944	Actual change in price	% change in price
Palm oil	16	23	7	44
Palm kernels	11	18	7	63
Groundnut	15	23	8	53

Source: Edwin G. Charle (1967)

Table 12.3 Prices of exported products from non-empire to Britain in 1940 and 1944

Products	Price in 1940	Price in 1944	Actual change in price	% change in price
Palm oil	13	35	22	170
Palm kernels	10	20	10	100
Groundnut	16	36	20	125

Source: Edwin G. Charle (1967)

remained at 3.5 million even in 1938 just less than one-third of their 1933 volume (Njoku 1987; Shokpeka and Nwaokocha 2009).

During the World War II, England set up marketing board with the sole authority to buy and export major crops in Nigeria. The marketing board assigned quotas to agents at a priced far below market rate with the sole purpose of benefiting the British Empire and in suppression of Nigerian interest. They also preclude entry of other competitors into the market. The marketing board was sold at ridiculous low prices to British Ministry of food in England (Akinjobi and Ososba 1980).

Tables 12.2 and 12.3 clearly revealed deliberate suppression policy of the Nigerian economy by the colonial masters in favour of the colonial authority home economy in Britain. While we present change in the exported prices of three products from Nigeria to Britain in Table 12.2, that of the non-Britain empire was presented in Table 12.3. The tables show that between year 1940 and 1944, price of a ton of palm oil imported into Britain from non-empire source rose by 170 percent, while that of Nigeria rose only by 44 percent from £13 to £35 and £16 to £23, respectively. Palm kernels rose by 100 percent for non-empire from 10 to 20 pounds per ton, but it rose in Nigeria to 63 percent from £11 to £18. While groundnut price rose in Nigeria by 53 percent, from £15 to £23 per ton, the price rose in British India by 125 percent from £16 to £36 and others countries by 63 percent or from £16 to £26. Nigerian economy was greatly disadvantaged during the colonial era as clearly indicated by the lower actual and percentage change in the prices of these three exported products from the country to Britain compared to other countries in the two tables (Yunusa 2009).

The pound sterling currency was introduced in 1922, backed up by Nigeria reserves held in Britain and other commonwealth countries outside Nigeria. The reserves expanded rapidly after 1940. Importation from dollar countries was discouraged by British government. Nigeria was forced to shift import from United States to other countries. By 1953 Nigeria's total foreign investment exceeded all expatriate companies and Nigeria's national debts. The currency control limited Nigeria's choice of suppliers and diverted numerous investment potentials from the country (Helleiner 1981; Inyang 1981).

British government gave unlimited power to Royal Niger Company including military and police powers throughout a vast section of inland Nigeria for the purpose of protecting Britain political and economic interests. The charter was revoked in 1900 after payment of 150,000 pounds as compensation to the company. It was also given 99 years right to 50 percent of all royalties and rent which the government might collect on minerals mined in its former area of operation. As in 1939, UAC alone controlled about 39 percent of Nigeria export. Within the same period, Unilever the parent body of UAC also controlled about 80 percent of Nigeria's external trade. The monopoly power given to the expatriates' merchants helped them to keep the buying prices of Nigerian products very low, while they sell the finished products at very high prices. The arrangement then further enriched foreign shareholders at the expense of impoverished Nigerian workers (Rodney 2005).

Between 1913 and 1915, import prices from Britain rose sharply, but in Nigeria, export prices fell within the same period. For instance, the price of salt rose by 128 percent, bread by 86 percent, flour by 43 percent and soap by 36 percent, while Nigeria products such as palm kernels and palm oil fell from 18 to 11 pounds and £22 to £20, respectively. Lever brothers and Royal Niger Company later merged in 1920 at a cost of 8 m pounds. With the strength of John Holts, they both dominated every aspect of Nigeria economy (Fieldhouse 1978).

Economic Reforms During Colonial Era

There were several reforms in the country following the complete taking over of Nigeria by the British government. The main reasons for these reforms were to make the administration of the country both easier and beneficial to the British Empire. We briefly explained some of these economic reforms in this section.

Taxation During Colonial Era

In order to ensure smooth running of the colonial government in Nigeria, a uniform taxation was introduced in the entire country unlike the situation in the pre-colonial era. There was an urgent need by the colonial authority to generate revenue internally to cover her recurrent expenditure for the payment of African soldiers, policemen, native authority officers, etc., engaged by the colonial government in their day-to-day administration of the country. The Land Ordinance of 1904 empowered the colonial government to abolish the previously existing tax systems in the country. In addition, the introduction of a uniform tax necessitated commoditisation of the country since taxes were paid in British pound sterling. In order to fulfil their tax obligation, most peasants therefore resulted into an involuntary selling of their labour power, livestock, or grain to get money and pay taxes.

Table 12.4 Customs revenue of Nigeria 1916–1920

Year	1916	1917	1918	1919	1920
Export duties (A)	57,624	333,639	490,917	612,124	837,853
Import duties (B)	1,086,625	861,692	896,415	1,221,150	2,278,863
(B)–(A)					

Source: Nigeria handbook, 1919, 150. Annual report customs department, 1923,3

Table 12.5 Tonnage and duties collected on palm kernels produce 1930–1934

Year	1930	1931	1932	1933	1934
Tonnage	26,002	254,454	309,061	259,945	142,291
Duties	278,201	229,111	278,231	233,950	128,063

Source NAL CSO 26/219270 VOL 1 EXPORT DUTIES ON PALM PRODUCTS, 83

Table 12.6 Tonnage and duties collected on palm oil produce 1930–1934

Year	1930	1931	1932	1933	1934; 6 months
Tonnage	135,801	118,179	116,060	128,696	55,992
Duties	194,106	141,817	139,285	154,433	67,191

Source NAL CSO 26/219270 VOL 1 EXPORT DUTIES ON PALM PRODUCTS, 83

The colonial authority also generates revenue from duties on exported raw materials from Nigeria to Europe. Tables 12.4, 12.5, and 12.6 show pattern of government revenue from palm oil and palm kernels. Table 12.4 also indicates wide disparity between government revenue from import and export. The disparity may be connected with the differences in the low prices of exported raw materials and the high prices of the imported finished goods.

Currency and Banking During Colonial Era

There was no generally acceptable currency as a legal tender in Nigeria prior to 1900. Multiple types of money were used by different parts of the country in the pre-colonial era. Some of the money includes iron bar, cowries, copper, Maria Theresa, etc. (Olawajaju 1996:74–76). Uniform legal tender was introduced during the colonial era as a generally acceptable currency for the country in order to facilitate transaction of goods and services. However, the currency was strongly tied to the British sterling, while the country foreign reserves and her foreign exchange were directly controlled in London. Tying of Nigeria currency to British sterling indicates that the country economy was directly affected by the economy of England. It was also susceptible to international fluctuations in prices and goods and services. The currency policy during the colonial era makes Nigeria economy to be an extension of Britain domestic economy as noted by Olawajaju (1996:74–76).

With the growth of foreign trade came the need of modern financial institutions, especially banks, mainly from Britain. Among the early banks were the Bank of

British West Africa (now First Bank of Nigeria PLC) and Barclays Bank (now Union Bank of Nigeria PLC). These banks brought with them British payment instruments, especially silver coins, and the modern practice of banking. Soon, several new banks emerged. But because most of the new banks were ill equipped, they soon failed (Nwankwo 1980). The above experience and several other factors led to the establishment of the Central Bank of Nigeria in 1958 to, among other things, regulate developments in the financial sector (Olukoju 1995).

Land Policy During Colonial Era

In order to facilitate British interests in Nigeria, the British Empire took over the control of the country land. Previous land under the control of Royal Niger Company became the property of the Queen according to a declaration by Lord Lugard on the first of January 1900. The British authority also made several laws that facilitated their taking over of the land in Nigeria. In the first place, Lord Lugard in 1901 ordered for the registration of the land previously under the control of Royal Niger Company. Lugard order was followed by Crown Lands Proclamation No. 16 of 1902 whereby the land of the country was divided into two categories (Buchanan and Pugh 1955).

- (i) *Public lands*: These are all lands administered by the local chiefs under the customary laws across the country. The British authority preserved these lands for the natives for the main purpose of encouraging agricultural production. At this time, no European firms were allowed to invest in agricultural production.
- (ii) *Crown lands*: Crown lands include all lands and minerals that were formerly so-called property of the Royal Niger Company as well as lands that were allegedly granted to the British authority as far back as 1890.

However, there was series of land laws subsequent to that of 1902 especially the nationalisation of all lands in the country in 1907 by the colonial authority. The new land proclamation removed all restriction on land whereby permitting private individual alienation of as much land as they could irrespective of the individual nationalities. Due to the land policy of 1907 and many others, many natives lost their source of livelihood as they became landless. Many peasants therefore migrated into the cities in search of wage labour in place of their traditional engagement in farming activities. The multiplier effect of the 1907 land policy was serious food shortage in the country due to a sharp reduction in average food production (Brown 2009).

Labour Policy During Colonial Era

Labour is an essential part of every successful economy. During the colonial era, the objective of natural resources exploitation depends largely on the availability of adequate quality and quantity of labour force. There was a limit to the number of British that can come into the country to execute British Empire agenda in the

protectorate presently called Nigeria. Assuming it was easier for the British to come to Nigeria to execute the colonial authority agenda, it may not be efficient to do so considering the economic interest of the colonial empire. Local labour was therefore needed to work in road constructions, as police men, as military men, in railways construction, buildings construction, as interpreters, etc. Labour policy under the colonial era can be divided into forced and wage labour.

- (i) *Forced labour*: The proclamation of No. 15 of 1903 gave legal power to the colonial authority to execute forced labour. The law specified that ‘all able-bodied men and women are compelled to work without pay under the chiefs for a specific period of time’ (Ohadike 1987). Refusal to abide by this law attracts a penalty of 24 strokes.¹
- (ii) *Wage labour*: The British colonial economy was paradoxical in nature. Forced labour and wage labour were simultaneously practiced in the country. The aim of wage labour was to entrench capitalism in the country for easy exploitation. Wage labour however contributed to shortages in the agricultural sector due to commoditisation of the sector. In addition, the need to pay taxes and levies imposed by the colonial master also necessitated that wages should be paid to workers. However wages to local workers were so ridiculously lower. As in 1933 in Nupe land, a minimum daily wage was 2–3 pence, meaning that a peasant must work up to 90 days in order to be able to meet tax demand of 9.6d to 15 shillings per adult male (Shenton and Freud 1978).

Economic Benefits of Colonial Rule

Most of the benefits Nigerians derived from colonial rule are simply not deliberate but mainly due to multiplier effects of the economy policies of the colonial authority. Long before, and during the colonial period, Nigerians operated considerable market-oriented economies. These were especially in respect of agriculture, including hording and fishing, mining and industries (smelting iron works, bronze works, etc.) and crafts, using leather, wood, raffia, clay and the like. Various articles of trade thereby went into various networks and rings of daily and periodic markets, as well as short- and long-distance ones. Apart from several such local market rings, there were interregional trading centres and linkages in different directions, East West and North South, in the territory now known as Nigeria (Charle 1967; Ekundare 1973; Ihovbere and Falola 1987; Falola and Heaton 2008; Falola 2007). There were also international and intercontinental markets, trading routes and commercial transactions involving Nigerians.

¹ See Ohadike (1987: 149) for more information on this law. For instance, in 1905, about 200 men were forced to work on road construction in Agbor. They were to provide their own food and were compelled to travelled up to about 20 kilometres and worked for 5 days without pay (Goshit).

Thus, there were trans-Saharan, to countries of North Africa and Southern Europe; trans-Atlantic, to countries of South and Latin America; and transnational, to countries surrounding Nigeria (including Cameroun, Niger, Togo and Chad).² The economies of the Nigerian people during both the pre-colonial and colonial periods were able to sustain these trading links; also substantial population increases, and settlement spread into frontier areas or regions as well as urbanisation at that time. Products and art pieces dating even far beyond the colonial period are well-known today in the world of art. During the colonial period, the authorities also tried to encourage this indigenous economic sector, consciously and unconsciously. They recognised and encouraged a dual economy with internal and external (export) components (Mapuva and Chari 2010).

Unconsciously, the relative peace and security which colonial rule eventually ushered in meant, for instance, that the areas (spheres) for the people's economic activities were widened, as they could have access to farm land, fishing grounds, or pasture land even beyond their ethnic or kindred areas (Charle 1967). The roads and railways constructed in the export crop-producing area and the mineral mining zones also helped in evacuating agricultural surpluses, including the local food crops, to distant markets and consuming populations particularly in the cities. The country's was connected by rail in the following order: Lagos to Ibadan in 1900; Ibadan to Osogbo in 1907; Osogbo to Jebba in 1909 and Jebba to Kano in 1912 (Charle 1967). Through the initiative of the colonial authorities and individual (including expatriate) philanthropists, some innovations were introduced into the local economy. They included nylon fishing nets, new crops (cassava and maize) and new breeds of cattle.

They provided water from earth dams and reservoirs for, and encouraged, irrigation farming in many parts of Northern Nigeria. Some of the industrial and commercial businesses owned by the government or operated during the colonial era helped to organise the local farmers and/or to provide them with funds (capital) for their farming inputs or activities. Examples include cotton farmers (helped by the then British Cotton Growing Association) and tobacco growers (by the Nigerian Tobacco Company).

Perhaps the most significant conscious encouragement from the colonial administration was in research and scientific backup. Many research institutes in Nigeria today started at that time. They include Ibadan (Moor Plantation); Benin (Nigerian Institute for Oil Palm Research); Umudike near Umuahia (National Root Crops Research Institute); Badeggi near Bida (National Cereals [then Rice] Research Station); Vom near Jos (National Veterinary Research Institute); and Kaduna (Nigerian Institute for Trypanosomiasis Research).

There were, indeed, several others. Based on the findings and pilot trials by the research institutes, agricultural extension services were offered to the farmers through government-paid extension workers. With these and several other measures, the colonial era witnessed some boost in the internal economy and well-being of the local people, as well (Ajayi 1999).

² See Charle (1967), Ekundare (1973) and Ihovbere and Falola (1987) for further details.

Conclusion and Recommendation

In this chapter, we considered the Nigerian economy during colonial era. Our discussion shows that the primary motive of British incursion into the country was their economic interest. To this end, the economic interest of Nigeria and her citizens was suppressed and subordinated to the interests of colonial authority. Most of the benefits derived by the country may be regarded as the crumbs falling from the master table of the colonial authority. Though opinions differ concerning the performance of the colonial economy, however, it has to be admitted that the economic policies and measures adopted at the time have affected the nature and character of the development problems Nigeria faces today.

Nigerian economy under colonial rule was tailored to nurture the European economy in general and British economy in particular. Therefore, the economy has been foreign oriented till today. Nurture capitalism has continued, even though it has been largely unsuccessful. Also, the country's industrialisation efforts and, indeed, the entire development process have become dependent on external factors as a result of the initial policy measures. These features of the Nigerian economy will have to be changed in the struggle to improve living conditions in the society. However, the rapid improvements in the productivities of agricultural products at the early years of colonial rule in the country due to colonial policies are an indication that the sector can regain its lost glory with appropriate public policies. It is therefore expedient for the policy makers to look within in order to formulate necessary appropriate policies and restructuring of the country if the current effort to overcome our increasing economic problems in the country is to be successful.

The following recommendations will definitely fast-track an inclusive economic growth in the country. In the first place, agricultural sector should be encouraged through massive investment in mechanised farming in order to regain the lost glory of the country as the world's largest producer of some agricultural products such as palm oil, groundnuts and cocoa. Secondly, governments at all levels should provide conducive environment for the local private investors in order to enhance an improvement in the contributions of the private sector to employment generation and the overall development of the country. In addition, there should be massive infrastructural development in the country in order to aid transportation of goods and services especially agricultural produce from the rural to urban areas. Finally, the present railways in the country inherited from the colonial authority should be extended to every parts of the country in order to reduce the cost of transportation of goods and services and hence the market prices of these products.

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