

'ALL IN THE INTEREST OF THE BRITISH'

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# 'ALL IN THE INTEREST OF THE BRITISH': IMPORT CONTROL POLICIES IN NIGERIA DURING THE INTER-WAR YEARS, 1919-1939

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## Abstract

The colonization of Nigeria especially after the 1914 amalgamation necessitated the formulation of various economic policies that put the Nigerian economy under the firm control of the British. Historians, political scientists, sociologists, economists and scholars of various disciplines have, through their works, interrogated colonial Nigeria. Colonial system of transportation, monetary policies, land ordinances and colonial healthcare policies are typical examples of Nigeria's colonial past. Similarly, scholars have interrogated the impact of the First World War on the colonial enclaves of the European powers in Africa, the quest for economic recovery of the metropolitan powers during the inter-war period, the breakdown of democratic ethos in Europe and other parts of the globe during the inter-war period, the acute economic hardship necessitated by unemployment of the inter-war period and the exploitation of African resources, particularly Nigeria, for the benefit of metropolitan capitals during the interwar years. These intellectual efforts have not comprehensively interrogated how import control was used by the British in Nigeria as a strategy for economic recovery of the post-World War 1 economic hardship as well as the sustenance

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of the recovery through import restrictions. The paper in its conclusion argues that import control in Nigeria during the inter-war Nigeria was used for the revamping of the British economy through import control policies that comprehensively protected the British economic interests in Nigeria.

**Key Words: Nigeria, Colonialism, Import Control, Interwar Years**

### **Introduction**

Import control is a potent instrument for sustaining cultural values of a particular society through restrictions on the importation of goods whose free flow into such a society was previously unhindered with the capacity of reducing or obliterating cultural values of such a society. Is a policy of government designed for the purpose of achieving a particular objective? In other words, import restrictions do not emanate in abstract without legal instruments as their vehicle while their implementation aims at achieving a particular purpose in a country. Control on import is an effective strategy of encouraging the production and consumption of goods produced within a country. It could be defined as tariff and non-tariff barriers imposed on goods entering a country from another.<sup>2</sup>It constitutes important barriers to free flow of goods or commodities as well as services from one country to another. By the late seventeenth century, mercantilism with its monopolistic tendencies had been well entrenched as one of the fundamental rules of international trade.<sup>3</sup> The manifestation of industrial revolution in Britain and other parts of Europe further intensified trade rivalry among

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<sup>2</sup>*Business Dictionary*. 2016. London: Web Finance Incorporation

<sup>3</sup> Moky, J. 2003 *Mercantilism, the Enlightenment and Industrial Revolution* Being a Paper presented in Honour of Eli Heckscher in the Department of Economics and History North Western University, p.14

European powers through control on imports which became an important calculus of global trade in the early nineteenth century.<sup>4</sup>

In Africa, the evolvement of import among various kingdoms and Empires like Ghana and Mali Empires necessitated the control of goods entering these empires.<sup>5</sup> It is worthy of note that industrial revolution in Europe in the nineteenth century led to the intensification of international capitalist competition among the European powers as this competition reverberated in Africa through scramble for the continent.<sup>6</sup> These European struggles over African territories were further accentuated through the usage of Chartered Companies whose activities had been *e-tal* as potent instruments of scramble for African territories.<sup>7</sup> The commencement of colonialism in Nigeria in 1900 firmly placed the obligation of import control on the shoulders of the colonial regime as regulators of importation into Nigeria. The outbreak of the First World War in 1914, however, led to the erection of rigid import structures that were unfriendly to the enemies' business interests in Nigeria.<sup>8</sup> Thus, literature abounds on the origins of import regulations in terms

<sup>4</sup> Muojama, O.G. 2007. *The Dynamics of International Economy: From Deglobalized and Globalized Capitalism*. Being an M.A Dissertation Submitted to the Department of History, University of Ibadan, p.4

<sup>5</sup> Between 11<sup>th</sup> and 12<sup>th</sup> centuries, the Soninke traders of the Ghana Empire were used by the state as middlemen between the Berbers of North Africa and traders from Western Sudan. See, Shillington, K. 1989. *History of Africa Revised 2<sup>nd</sup> Edition*... p.44-45. The strategic location of the Ghana Empire enabled it to control two main Trans-Saharan Trade routes that stretched north to Morocco and Libya and West to the Bornu region near Lake Chad, where it connected the Nile Valley. Mali Empire also used effectively the imposition of tax on goods entering its territory as a strategy of controlling the flow of goods from other states within the Western Sudan. See also, Mendosa, E.L. 2002. *West Africa an Introduction to its History, Civilization and Contemporary Situation* California: California Academic Press, p.241

<sup>6</sup> Crowder, M. 1968. *West Africa Under Colonial Rule* London: Hutchinson and Co. Publishers Limited, p.60

<sup>7</sup> Anene J.C., Ayandele, E.A. and Afigbo, A.E. 1966. 'What Part did Chartered Companies Play in the Partition of Africa.?' *Essays in African History 19<sup>th</sup> and 20<sup>th</sup> Centuries*. J.C. Anene. Ed. Ibadan: Onibon-Oje Press Publishers, p.7

<sup>8</sup> See, Ogbogbo, C.B.N. 1987. *A History of Petroleum Industry in Nigeria 1906-1979* Being an M.A Dissertation submitted to the Department of History, University of Ibadan p.25. See also, Muojama, O.G. 2013. *Nigerian Cocoa Exports and Global Capitalism, 1914-1960*. Being a Ph.D Thesis Submitted to the Department of History University of Ibadan. p.59

of services,<sup>9</sup> currency flow,<sup>10</sup> goods<sup>11</sup> and competition.<sup>12</sup> This paper focuses on the analysis of the operation of import control policies in Nigeria in the inter-war years, starting from 1919 when the First World War ended and 1939 when the Second World War broke out. By so doing, the study notes that discussions on the Nigerian economy in the inter-war years have been centred on trade and commerce generally. In this way, scholars have paid adequate attention to various dynamics of the Nigerian economic such as how government policies affected trade in the inter-war years<sup>13</sup> almost to the exclusion of restrictions on imports of the period.

The conventional wisdom on the nature of Nigerian economy in the inter-war years focuses on the expansion of industries as well as trade control.<sup>14</sup> However, Olukoju, A, drawing on the strength of the motives behind European enterprise in the colonial territories of Africa, challenged the conventional wisdom, arguing that the basis for colonial fiscal policy was to generate revenue through taxes from trade with the aim of sustaining the colonial economy and to ultimately protect the metropolitan economic interests.<sup>15</sup> Muojama, O.G. corroborates this evidence by arguing that metropolitan economic interests which were

<sup>9</sup> Ofonagoro, W.I. 1979. *Trade and Imperialism in Southern Nigeria 1881-1929* London: Nok Publishers International, p.191.

<sup>10</sup> Ekejiba, F. 1995. 'Currency Instability and Social Payments Among the Igbo of Eastern Nigeria, 1890-1990' *Monetary Matters, Instability, Values and Social Payments in the Modern History of West African Communities* Jane Guyer (ed.) London: James Currey Limited, p.139. See also, See also, Olanrewaju, S.A. 1987. 'The Infrastructure of Exploitation: Transport, Monetary Changes, Banking e.t.c' in Toyin Falola ed. *Britain and Nigeria: Exploitation or Development?* London: Zed Books Limited. See also, Thornton, A.P. 1968. *The Imperial Idea and Its Enemies* New York: Doubleday Publishers, p.113

<sup>11</sup> Boahen, A.A. 1987. *African Perspectives on Colonialism* Maryland: The John Hopkins University Press, p.61

<sup>12</sup> Falola, T., Mahadi, A. Uhomoibhi, M. And Anyanwu, W. 1991. *History of Nigeria: Nigeria in the Twentieth Century* Lagos: Lean Africa P.L.C, p.39

<sup>13</sup> See, Olukoju, A. 'Government, Business Community and Quality Control Schemes in the Agricultural Export Trade of Nigeria, 1889-1929' *African Economic History*, No.26 1998

<sup>14</sup> Lawal, A.A. 1987. 'Industrialization as Tokenism' *Britain and Nigeria: Exploitation or Development?* Toyin Falola Ed. London: Zed Books Limited, p.118. See also, Byfield, J.A. 2002. *The Bluest Hands A Social Economic History of Women Dyers in Abeokuta (Nigeria), 1890-1940* Oxford: James Currey Ltd. p. 166

<sup>15</sup> Olukoju, A. Slamming the 'Open Door': British Protectionist Fiscal Policy in Inter-War Nigeria *The Nigerian Journal of Economic History* Number 1, 1998, p.1

intensified from 1934 after the emergence of Adolf Hitler as the Chancellor of Germany necessitated difficulties in the importation of iron related materials into Nigeria as manufacturers in Europe were busy using these iron materials to construct aeroplanes battleships and guns.<sup>16</sup> In the same vein, Robinson, R and Gallagher, J argue that the concept of free trade as espoused by Britain was adopted as a decoy to acquire colonies and to outsmart its European rivals in the fierce contestation for colonial trade.<sup>17</sup> Lawal, A.A argues that while the British frequently waived their stance on 'open door' policy in their colonial enclaves, they remained unyielding in their quest for self-sustaining capacity of the colonies.<sup>18</sup>

Apart from Olukoju's study on British protectionist fiscal policy in the inter-war Nigeria, no study has been devoted to the examination of how the British protected their economic interests through import control in the inter-war Nigeria. The result has been the neglect of critical examination of the British protectionist agenda in Nigeria in the period under study. Using import control as a case study, this study redresses generic perspectives in the literature on the functions of the Nigerian economy in the inter-war years. The main thesis is to demonstrate that the general notion of the Nigerian economy in terms of trade and commerce was not the only oil that lubricated the colonial economy during this period. The study relies on primary sources such as archival materials as well as secondary sources for its analysis. It is a contribution to the history of inter-war Nigeria and it will move discussions on the inter-war Nigerian economy in new directions. The study is divided into four sections. The first deals with the literature review of the inter-war period of global, African and Nigerian economy. The second examines a survey of import control in the Nigerian geographical area before the inter-war period, colonial import control policies between the wars and the conclusion.

<sup>16</sup> Muojama, O.G. 'The Nigerian Cocoa Farmers and the Fluctuations in World Cocoa Prices in the 1930s' *International Journal of Arts and Humanities (IJAH)* Vol. 5 (4) September, 2016, p.225

<sup>17</sup> See. Robinson, R and Gallagher, J "The Imperialism of Free Trade", *Economic History Review* Second Series, 6, 1 1953.

<sup>18</sup> See, Lawal, A.A. 1987. 'Sharing Profits with Subjects: Anatomy of Colonial Fiscal Policy' in *Britain and Nigeria: Exploitation or Development?* Toyin Falola (ed.) London: Zed Book Publishers.

### The Inter-War Years: A Historiographical Overview

The inter-war period was an important period in the history of the world, Africa and Nigeria in particular because it was an era when the European powers as well as the major actors of the global economic space were struggling to revamp the world economy due to the monumental disaster which the First World War brought to the global economy. It has been argued that the economic crisis caused by acute inflation and hyper-inflation of the global economy in the inter-war years accelerated the process of democratic breakdown in countries such as Chile, Dominican Republic, Italy, Germany, Argentina, Austria, Estonia, Japan and Guatemala in the 1920s and 1930s, as political and economic forces in these countries backed authoritarian regimes in their quest for economic aspirations.<sup>19</sup> In countries such as the United States, Belgium and Britain where democratic process survived during this period, the rate of unemployment in these countries reached unacceptable proportions that intensified social tension.<sup>20</sup> In Africa, the inter-war years has been described as the period when European powers accelerated their quest for economic recovery by transferring the burden of this recovery to African through massive exploitation of the resources of the continent.<sup>21</sup> This massive exploitation was exacerbated by the consistent decline in the prices of primary commodities with shocking instabilities of the market as African colonies grappled with this economic problem that never diminished the rate at which they produced their primary products destined for exports in the inter-war period.<sup>22</sup> As African colonies exported their products for metropolitan benefits, they were not only importing goods at

<sup>19</sup> Moller, J., Schmotz, A., and Skaaning, S.E, 'Economic Crisis and Democratic Breakdown in the Inter-war Years: A Reassessment' *Historical Social Research* 40, 2, 2015, pp.301-318

<sup>20</sup> Eicheengreen, B and Hatton T., 1988. *Inter-War Unemployment in International Perspectives* Berkeley: Martinous Nijhoff, p.2

<sup>21</sup> Ochon, M. 'Conjoined to empire: The great depression and Nigeria', *African Economic History* 34, 2006, p. 103

<sup>22</sup> See, Cashin P., Hong, L., and J., McDermott 2000. 'How Persistent Are Shocks to World Commodity Prices?' *IMF Staff Papers* Vol. 47, 2. pp. 177-217. See also, Cashin, P., McDermott, J., and Scott, A. 'Booms and Slumps in World Commodity Prices', *Journal of Development Economics* 69, 1, 2002, pp.277-296. See also, Deaton, A. 'Commodity Prices and Growth in Africa', *Journal of Economic Perspectives* 13, 3, 1999, pp.23-40

exorbitant prices from Europe, East African colonies of Uganda, Kenya and Tanganyika engaged in clothing consumption from Japan through importation despite the fall in real wages of the 1930s.<sup>23</sup> The Japanese clothing consumption by the British East African colonies created some kind of commercial rivalry and tension between Japan and Britain in the mid-1930s.<sup>24</sup>

In Nigeria, the British, after the war, put in place effective structures that sustained produce inspection from 1929 to the 1930s as this necessitated policies that enhanced the production of quality agricultural produce in Nigeria for exports to the metropolitan capitals.<sup>25</sup> It is plausible to state that the agricultural exports of this period was facilitated through fiscal measures in Nigeria as this advanced metropolitan economic interests through effective monitoring of trade and commercial activities.<sup>26</sup> The zeal with which metropolitan economic interests were pursued benefited the British in 1929 through their dominance of Nigerian trade while <sup>27</sup> Nigerian traders, especially those in Lagos, shouldered the burden which emanated from the British unrestricted dominance of the colony's trade.<sup>28</sup> The economic interests of both the metropolitan and colonial

<sup>23</sup> Kitagawa, K., "Japanese Competition in the Congo Basin in the 1930s," in A.J.H. Lantham and Heita Kawakatsu, eds., *Intra-Asian Trade and the World Market* (New York: Routledge, 2006), 164.

<sup>24</sup> See, Austin, M., *Negotiating with Imperialism: The Unequal Treaties and the Culture of Japanese Diplomacy* Cambridge: Harvard University Press, 2006

<sup>25</sup> Olukoju, A. Government, Business Community and Quality Control Schemes in the Agricultural Export Trade of Nigeria, 1889-1929 *African Economic History*, No 26, 1998, p.99. See also, Njoku, O.N. 'Evolution of Produce Inspection in Nigeria Up to 1936', *ODU: A journal of West African Studies* 19 1979, pp.43-57. See also, Hopkins, A.G. 1974. *An Economic History of West Africa* London: Longman Publishers, pp.154-156. See also, Olorunfemi, A. 'The Export Trade of the South-Western Nigeria, 1918-36: Expansion and Instability in a Dependent Economy,' *ODU: A Journal of West African Studies* 21 1981, pp.156-157. See also, Olukoju, A, 'Maritime Trade in Lagos in the Aftermath of the First World War,' *African Economic History* 20 1992,, pp.119-135. See also, Smith, S 'Colonialism in Economic Theory: The Experience of Nigeria', *Journal of Development Studies* 15 1979, pp.38-59

<sup>26</sup> Olukoju, A. Slamming the 'Open Door': British Protectionist Fiscal Policy in Inter-War Nigeria *The Nigerian Journal of Economic History* Number 1, 1998, p.2. See also, Ehrlich, C, 'Building and Caretaking: Economic Policy in British Tropical Africa, 1890-1960' *Economic History Review*, 21 1968, pp.337-348

<sup>27</sup> Ofonagoro, W.I. 1976. *Trade and Imperialism in Southern Nigeria, 1881-1929* New York: Nok Publishers International Ltd., p.350

<sup>28</sup> Afolabi, A.S. 'Lagos Market Women during the Inter-war Years: The Water Rate Agitation, 1932-1941' *Journal of the Historical Society of Nigeria* Vol. 25, 2016, p.105

governments during the inter-war years were vigorously pursued in Nigeria through the Income Tax Colony Ordinance as this further enhanced the fiscal profile of the British in Nigeria through huge revenue which emanated from taxation.<sup>29</sup> This fiscal benefits of the British which ameliorated their hardship of the inter-war period dwindled the economic fortunes of Nigerians as their economic capability for survival continued to decline in the 1930s.<sup>30</sup>

### **A Survey of Import Control in the Nigerian Geographical Area before the Inter-War Period**

Geographical and climatic conditions dictated the nature and pattern of pre-colonial economy of various groups that later became Nigeria. These geographical conditions positioned various groups as specialists in certain commodities. Specialization paved the way for comparative advantage, an advantage that was bestowed by nature. Since geographical conditions restricted production capacity of various groups, exchange became an appropriate platform for commercial interactions between these groups. This commercial interaction reveals how the pre-colonial economy of an entity that later became Nigeria was clearly above the level of subsistence. Exchange of goods cut-across communities within the same region and different regions. It should be noted that exchange of these goods was necessitated by the differences in climatic conditions of various geographical zones. For instance, the climatic conditions of the people of the forest region necessitated the need for the cultivation of root crops such as yams, cassava and cocoyam, while the north with an open savannah vegetation cultivated grains such as millet guinea corn and *acha*<sup>31</sup> long before contact was made with Europe.

<sup>29</sup> National Archives Ibadan, Chief Secretary's Office, 30030, V/5, Part 1 Section V, 44, Intelligence Report on Badagry District (Colony),

<sup>30</sup> Afolabi, A.S. 'Lagos Market Women during the Inter-war Years: The Water Rate Agitation, 1932-1941'...p.111

<sup>31</sup> Udo, R.K. 1980. 'Environments and Peoples of Nigeria A Geographical Introduction to the History of Nigeria' *Groundwork of Nigerian History*. Obaro Ikime. (ed.) Ibadan: Heinemann Publishers PLC, p.11

The climatic factor is significant, not only in relation to its effect on the character of the vegetation, but also because climate, to a large extent, played a dominant role in the ways of life, including the pattern of economic activities of the various peoples of Nigeria.<sup>32</sup> Economic activities were largely determined by the exchange of produce as dictated by geography. This exchange engendered economic and dietary intercourse among various groups. By the 9<sup>th</sup> century A.D, exchange of bronze and brass flourished among various communities in the core Igbo area, while conflict was occasionally adopted as a means of import restriction, especially between the border line communities such as the Abam, Ohafia, Abiriba, Ezza and Edda.<sup>33</sup> In the Niger Delta region around 12<sup>th</sup> century, exchange that was made possible through importation was equally established between the Igbo and their Niger Delta neighbours. While some communities such as the Ijo, Okrika and Bonny supplied fish and salt, the Igbo on the other hand supplied yams and other agricultural products needed by the riverine Delta communities.<sup>34</sup>

It is worthy of note to state that that fishing and canoe building which were carried out as economic activities of the coastal people of the Niger-Delta attracted the migration of Hausa and Nupe who were responsible for selling and distribution of fish beyond the coastal region but whose services were restricted through the limited fishing rights granted to them by local heads.<sup>35</sup> It is instructive to state that European contact and the subsequent emergence of the Trans-Atlantic Slave trade changed the import permutation between the Niger-Delta communities and the Igbo because communities the Niger-Delta occupied the

<sup>32</sup>Udo, R.K. 1980. 'Environments and Peoples of Nigeria A Geographical Introduction to the History of Nigeria' ... p.10

<sup>33</sup> Dioka, L.C. 1997. 'Inter-Group Relations Among Nigerian Communities' in Akinjide Osuntokun and Ayodeji Olukoju Eds. *Nigerian Peoples and Cultures* Ibadan: Davidson Press, pp.60-61

<sup>34</sup> Dioka, L.C. 1997. 'Inter-Group Relations Among Nigerian Communities' ...p.65

<sup>35</sup> Ogunremi, G.O. 1996. 'The Structure of Pre-Colonial Economy' *Economic History of West Africa* G.O. Ogunremi and E.K. Faluyi (eds.) Ibadan: Rex Charles Publications, p.14

position of middlemen between the Europeans and the Igbo communities of the hinterland.<sup>36</sup> This distortion was further sustained by the geographical advantage of some groups in the Niger-Delta over others. As Ikime argues, the geographical proximity of the Itsekiri country in terms of its network of creeks to the Lagos Lagoon strategically positioned it as a reliable supplier of slaves to the coast as well as the regulator of slave imports from the hinterland.<sup>37</sup>

The geographical advantage, as Alagoa puts it, sustained the unpredictability of the nature of rivalry among the rulers of the Niger Delta especially those Niger Delta states that were geographically favoured as they had firm control of the hinterland supply centres of the articles required by the Europeans.<sup>38</sup> In the forest region, the Yoruba agricultural skills were used to curb the importation of maize from Europe in the 16<sup>th</sup> century as production of crops such as yam, cotton, sorghum or guinea corn, cassava, orange and various types of vegetables was accelerated for the purposes of trade and local consumption.<sup>39</sup>

However, such import control was unable to curb the importation of cattle by the Yoruba from their northern neighbours from the 16<sup>th</sup> century to the dawn of 19<sup>th</sup> century when pockets of Fulani began to migrate into Yoruba land.<sup>40</sup> It is salient to state that import among various groups in the pre-colonial era was necessitated by the compelling needs of various groups. This can be viewed through the prism of three factors: Surplus production, local interdependence of needs and inadequacy of internal resources.<sup>41</sup> The growth of market as argued by Atanda

<sup>36</sup> Dioka, L.C. 1997. 'Inter-Group Relations Among Nigerian Communities' p.65

<sup>37</sup> Ikime, O. 1980. 'The Western Niger Delta and the Hinterland in the Nineteenth Century' *Groundwork of Nigerian History*. Obaro Ikime (ed.) Ibadan: Heinemann Publishers PLC, p. 362

<sup>38</sup> Alagoa, E.J. 1971. 'The Niger Delta States and Their Neighbours to c. 1800' *History of West Africa Volume 1 Third Edition*. J.F. Ade Ajayi and Michael Crowder (eds.) New York: Longman Incorporation, p. 399.

<sup>39</sup> Atanda, J.A. 1980. *An Introduction to Yoruba History* Ibadan: Ibadan University Press, p.25

<sup>40</sup> Atanda, J.A. 1980. *An Introduction to Yoruba History* p.26

<sup>41</sup> Atanda, J.A. 2007. *A Comprehensive History of the Yoruba People Up to 1800* Ibadan: John Archers Publishers Limited, p.147

necessitated the erection of standard and acceptable medium of exchange such as currency. One may suggest that the spread of currencies such as cowries, beads, precious stones and silver served as a policy of regulating the movement of goods among various groups that occupied the Nigerian geographical area before the advent of colonialism. This argument has been buttressed by Hopkins when he asserts that general purpose currencies which were designed to assist liquidity were equally used for exchange of goods and services irrespective of social status of the parties concerned.<sup>42</sup>

It, therefore follows, that currency was used as a potent economic policy of controlling trade in terms of importation of goods from one society into another. One reason that emanates from this argument is that, the imposition of special currency such as beads as a means of exchange would have slowed down the export of some goods into the market of other societies. A good example of such a society, according to Bohannan, a proponent of substantivist was the Tiv society which made use of special purpose currency that was not adopted by the people of present day eastern Nigeria who adopted copper as a means of exchange as this made it difficult for the people of the two regions to exchange their goods.<sup>43</sup> By the 1840s, the missionaries had penetrated the Yoruba hinterland but were prevented by the Ijebu who had become powerful middlemen of the legitimate trade between the coast and the hinterland.<sup>44</sup> The Ijebu nation jealously guided its vantage position against European penetration. However, such restriction was strategically cloaked with religious conservatism. From the perspective of the Ijebu, there was need to remain implacably hostile to the penetration of missionary influence due to the destructive capacity it had for

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<sup>42</sup> Hopkins, A.G. 1974. *An Economic History of West Africa* London: Longman Publishers, p.69

<sup>43</sup> Hopkins, A.G. 1974. *An Economic History of West Africa...*p.69

<sup>44</sup> Crowder, M. 1968. *West Africa Under Colonial Rule* London: Hutchinson and Co. Publishers Limited, p.124

traditional organization of the Ijebu society.<sup>45</sup> They turned down all requests for the possible removal of trade restrictions and monitored all strangers on their roads.<sup>46</sup>

It must be noted that in the area that later became northern Nigeria, weaving and dyeing of linen and cotton fabrics in Timbuktu started as far back 13<sup>th</sup> century as these textile materials imported into Kano market<sup>47</sup> compelled Hausa producers to intensify the production of their own cotton fabrics as a form of restriction against cotton fabrics entering the Kano market from Timbuktu and the whole of Western Sudan.<sup>48</sup> Despite its unassailable skills in textile production, the Igala society in the mid-19<sup>th</sup> century imported cloths from its Hausa neighbours, the Igbo and the Ebira for normal dressing as well as ceremonial dressing and ritual purposes as this determined social status.<sup>49</sup> The weaving of some of the cloths required special skills. To this end, the Attahs, who were the rulers of Igala society imported the services of foreign weavers who were known as Aloko in Hausaland in the 19<sup>th</sup> century.<sup>50</sup> This gesture however, was not extended to the importation of raw materials used in producing *okepe* cloth due to its rituals and political values.<sup>51</sup> The use of certain articles of dressing with particular colours was not allowed into the Igala society by the members of political class because they believed that such was capable of undermining their exalted position as well as the conservative symbolic value of their power and wealth.<sup>52</sup>

<sup>45</sup> Crowder, M. 1968. *West Africa Under Colonial Rule*...p.124

<sup>46</sup> Smith, R.S. 1971. 'Nigeria-Ijebu' *West Africa Resistance The Military Response to Colonial Occupation* London: Hutchinson and Co. Publishers Limited, p.175

<sup>47</sup> Brooks, G.E. 1998. 'Climate and History in West Africa' *Transformation in Africa Essay on Africa's Later Past* Graham Connah Ed. London: Leicester University Press, p.25

<sup>48</sup> Olaoye, R.A. 2009. 'The Concept of Science and Technology' *History of Indigenous Science*...p.10

<sup>49</sup> Abdulkadir, M.S. 2002. 'Cloths Production in the 19<sup>th</sup> Century Igala land' in Aliyu, A. Idrees and Yakubu Ochefu (eds). *Studies in the History of Central Nigeria Area Vol. 1* Lagos: CSS Limited, p.313

<sup>50</sup> Abdulkadir, M.S. 2002. 'Cloths Production in the 19<sup>th</sup> Century Igala land' ...p.320

<sup>51</sup> Abdulkadir, M.S. 2002. 'Cloths Production in the 19<sup>th</sup> Century Igala land' ... p.320

<sup>52</sup> Abdulkadir, M.S. 2002. 'Cloths Production in the 19<sup>th</sup> Century Igala land' ...p.320

By the 1880s, the importation of European goods into the interior was facilitated through the development of roads. By 1886, the British had granted a charter to Royal Niger Company (RNC) under the leadership of Tubman Goldie. The company assumed full political and economic responsibility of the Oil Rivers Protectorate. The company ensured the signing of treaties that strategically positioned Britain to lay claims to territories either directly or through the agency of the company especially to all lands bordering the Niger up to its confluence with Benue.<sup>53</sup> This territorial policing was enhanced through the establishment of Elder Dempster shipping line as the company enhanced the efficacy of shipping industry which had been in existence since 1868 in the importation of European goods into the entity that became Nigeria. The importation of European goods into Nigeria by this shipping line and other European importing firms was however, regulated when the "Custom House Pier" Ordinance was enacted by the Governor of Lagos Colony with the advice and consent of Legislative Council in 1892 and it stated that:

All goods imported by water into the colony or Protectorate, except Gunpowder, Firearms and Ammunition within the meaning of Ordinance No.12 of 1889, shall be landed at a Custom House Pier of any merchandise or other goods upon which all Customs duties and fees payable in respect thereof shall have been duly paid. All fees, penalties and cost recovered under or by virtue of this Ordinance shall be paid into the Treasury and form part of the general revenue of the Colony: provided that shall be lawful for the Governor to award to any person or persons by whose means or aid any such penalty as aforesaid shall have been recovered any sums not exceeding in the aggregate one moiety of such penalty.<sup>54</sup>

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<sup>53</sup> Crowther, M. 1968. *West Africa Under Colonial Rule* ...p.116

<sup>54</sup> National Archives Ibadan, Custom House Pier Ordinance of 1892. The Nigerian Gazette of 1892.

The above legal instrument reveals the extent to which the British made use of revenue generated from imports into Nigeria by the European trading firms. The revenue was used as an important strategy of transforming the pre-colonial economy into an economy that suited the British economic motive of exploitation. The 1892 Ordinance also shows that the intervention of the British in the importation of goods into an entity that later became Nigeria was perfected through legal instruments. The absence of other institutions enabled importing firms to enjoy a considerable level of freedom in terms of importation for the benefit of metropolitan government.

However, the restrictive measure of Jaja over European goods compelled the British to adopt an aggressive policy against Jaja as espoused by (RNC) which led to his subsequent deportation in 1893.<sup>55</sup> Similar stance was taken against Nana Olomu of Itsekiri who controlled the trade of the Benin River and its tributary, the Ethiope River with high degree of firmness that could be compared with that of Jaja who controlled his river-based state.<sup>56</sup> The ingenious commercial and military resistance of Nana was equally subdued in 1894 when Nana's capital Ebrohimi fell to the British.<sup>57</sup> The imposition of import control against these various groups was equally exhibited by the company in Oil Rivers Protectorate. For instance, the Brass traders who were not privileged to live within the company's territories were commercially maltreated by the company as foreigners as they paid an exorbitant fee of fifty pounds for a licence to trade in the company's territories.<sup>58</sup>

The unpleasant commercial treatment meted out to traders by the (R.N.C) ignited sharp reaction from various groups of southern Nigeria. A good example of this was the Aro, one of the most skilfully organised political and economic systems put in place by Africans. Aro's enviable commercial position

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<sup>55</sup> Crowder, M. 1968. *West Africa Under Colonial Rule...*p.121

<sup>56</sup> Crowder, M. 1968. *West Africa Under Colonial Rule...* p.121

<sup>57</sup> Crowder, M. 1968. *West Africa Under Colonial Rule...*p.122

<sup>58</sup> Crowder, M. 1968. *West Africa Under Colonial Rule...*p.127

comprehensively controlled the imports of European goods into Ibo, Ibibio and non-Igbo trading states of the Niger-Delta.<sup>59</sup> Import control was exhibited by Aro with unwavering security arrangement from Ibo land to the coast. An ingenious import control structure similar to that of Oyo Empire in its heydays. As import restriction and complete embargo on foreign goods were imposed by the Aro system, the British commercial position was further threatened. By 1900, the dismantling of the Aro system was initiated by the British and this was completed by 1901.<sup>60</sup> The Awka, Nkwerre, Abariba and Aro people determined the extent of volume of imports from the European traders and the Niger Delta traders.<sup>61</sup> With the advent of colonial rule in 1900, European import of goods and services was shouldered by the various trading firms with the supervision of the British colonial administration. The supervision of imports by the colonial administration was implemented through Ordered in Council Customs Ordinance of 1904 which stated that:

Collector of Customs shall direct all goods after being landed on importation, shall be carried to the warehouse. It shall be lawful for the Collector of Customs, or Officer in charge of any Government Warehouse, to detain the goods of any person or persons who omit, neglect or refuse to pay any money due for rent under this Ordinance, until the same shall have been duly paid. Collector of Customs, subject to the directions of the Governor, may approve for the payment of the full duties of importation on all such goods.<sup>62</sup>

<sup>59</sup> Crowder, M. 1968. *West Africa Under Colonial Rule*...p.129

<sup>60</sup> Crowder, M. 1968. *West Africa Under Colonial Rule*...p.129

<sup>61</sup> Ekejiba, F.1995. 'Currency Instability and Social Payments Among the Igbo of Eastern Nigeria, 1890-1990' *Monetary Matters, Instability, Values and Social Payments in the Modern History of West African Communities* Jane Guyer (ed.) London: James Currey Limited, p.136

<sup>62</sup> NAI, Ordered in Council Customs Ordinance of 1904, *The Nigerian Gazette* of 1904,

It is important to add that the colonial regime equally regulated the services of other companies of European origin in the colony. For instance, the colonial regime allowed the services of a German company named Nigerian Bitumen Corporation Limited (NBCL) into Nigeria after the discovery of oil in 1906 in Araromi in the present Ondo State.<sup>63</sup> The company after its admission into Nigeria by the colonial government for the purposes of oil exploration in 1906 started with a capital of £200,000 for exploration activities.<sup>64</sup> The outbreak of the First World War few months after the amalgamation of Nigeria in 1914 led to the expulsion of the company from Nigeria by the British since it was a company from Germany- an enemy state.<sup>65</sup>

Apart from (NBCL), the services of over one hundred and fifty German firms operating in Nigeria were terminated and these included L. Pagenstecher & Co.; G'L. Gaiser; Witt and Busch, Woermann Linnie, Niger Benue Transport Company, German West African Trading Co, e.t.c, while Austro-Hungarian firms were equally expelled from Nigeria.<sup>66</sup> Furthermore, O.G Muojama argues that the restrictions necessitated by the war compelled the colonial government to impose restrictions on imports.<sup>67</sup> These restrictions made government to be involved in trade<sup>68</sup> especially imports. In order to prosecute the First World War successfully, the British colonial government promulgated the Explosive

<sup>63</sup> Ogbogbo, C.B.N. 1987. *A History of Petroleum Industry in Nigeria 1906-1979* Being an M.A Dissertation Submitted to the Department of History, University of Ibadan p.25

<sup>64</sup> Ogbogbo, C.B.N. 1987. *A History of Petroleum Industry in Nigeria 1906-1979*...p.20

<sup>65</sup> Ogbogbo, C.B.N. 1987. *A History of Petroleum Industry in Nigeria* Being an M.A Dissertation...p.27

<sup>66</sup> Muojama, O.G. 2013. *Nigerian Cocoa Exports and Global Capitalism, 1914-1960*. Being a Ph.D Thesis Submitted to the Department of History University of Ibadan.p.59

<sup>67</sup> Muojama, O.G. 2013. *Nigerian Cocoa Exports and Global Capitalism, 1914-1960*...p.66

<sup>68</sup> Muojama, O.G. 2013. *Nigerian Cocoa Exports and Global Capitalism, 1914-1960*...p.59

It should be noted that the importation of services of over one hundred and fifty German firms excluding that of Austro-Hungary through trading activities in Nigeria was restricted during the First World War. See. Muojama, O.G. 2013. *Nigerian Cocoa Exports and Global Capitalism, 1914-1960*.

Ordinance of July, 1915 and the Ordinance stated that:

The Governor in Council may make regulations for all or any of the purposes following: Prohibiting or regulating the importation or landing of explosives. Regulating the transport and storage of explosives. Regulating the sales and dealing in explosives. Prohibiting the introduction of explosives into specified area. Prohibiting the possession of explosives by any specified class of persons. Providing for the seizure and forfeiture of any explosive in respect of which any offence against the regulations has been committed. This Ordinance shall make provision for regulating the importation, conveyance, storage, safe, possession and use of explosives.<sup>69</sup>

Restrictions against the importation of explosives and arms-related materials were necessitated by the war as this enabled the Allied powers to sustain their war efforts in Europe. Restriction was also placed on the importation of woven and cotton related materials into Nigeria in 1917 through the Folded Woven Goods Ordinance of June, 1917 as the ordinance stated that:

No folded woven goods, other than those specified in the Schedule, shall be imported into Nigeria for any purpose, except for shipment to or in transit for any other country, port or place in which the manner of folding or marketing such goods is regulated by law, unless the same shall be folded in folds of not less than thirty-six inches in length and each piece be marked with the number of yards and inches (if any) contained. Any person persons contravenes the provisions of either of the last two preceding sections shall be liable on summary conviction to a penalty of one hundred

<sup>69</sup> NAI, Explosive Ordinance of 1915. The Nigerian Gazette of 1915.

pounds for each offence and the goods in respect of which the offence is committed shall be forfeited.<sup>70</sup>

The end of the war in 1918 accelerated relaxation of restrictions and bottlenecks such as shipping shortages with various war time policies of government amended, modified and relaxed. For instance, Aliens Restriction Ordinance, 1914, Trading with the Enemy Act and Trading with the Enemy (Extension of Power) Act, 1915. Another important Ordinance enacted as the war was drawing to a close was the Petroleum Ordinance of January, 1918 and it stated that:

This ordinance shall make provision for regulating the importation, conveyance and storage of petroleum and other inflammable oils and liquids. The Governor in Council may make regulations for all or any of the purposes: Prohibiting the importation of petroleum except at such ports or places as may be prescribed. All regulations made under this Ordinance shall apply to the whole of Nigeria or to such part thereof as shall be mentioned in such regulations.<sup>71</sup>

It must be noted that all these Ordinances were all relaxed by 1919.<sup>72</sup>

### **Colonial Import Control Policy between the Wars**

As Britain consolidated its position in Nigeria, it strove towards achieving a unified type of administration. After the amalgamation of 1914, it became expedient for the British to centralize the system of administration in Nigeria. Before the

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<sup>70</sup> NAI, Folded Woven Goods Ordinance of 1917. The Nigerian Gazette of 1917.

<sup>71</sup> NAI, Petroleum Ordinance of 1918. The Nigerian Gazette of 1918

<sup>72</sup> Muojama, O.G. 2013. Nigerian Cocoa Exports and Global Capitalism, 1914-1960...pp.72-73.

outbreak of the First World War, social amenities such as piped water, electricity, dispensaries and hospital were adequately provided mainly in the urban centres with the aim of enhancing the living conditions of the expatriate communities.<sup>73</sup> It is worthy of note that the provision of these amenities by the colonial government had commenced since Lagos was made a crown colony in 1861. This was consolidated upon after the commencement of effective colonization in 1900 while infrastructural expansion such as roads, railways and harbours were provided<sup>74</sup> after the amalgamation. All these were obviously provided through the importation of heavy machinery for infrastructural expansion and were designed to perpetuate British colonization of Nigeria. It is important to state that as the colonial administration took charge of Nigeria, the importation of machinery and equipment for infrastructural expansion was within the purview of the colonial administration.

The outbreak of the First World War few months after the amalgamation of Nigeria in 1914 compelled the colonial administration to restrict the activities of trading firms in terms of importation of goods and services. As argued earlier, the outbreak of the war necessitated the expulsion of firms of axis origin. For instance, Nigeria Bitumen Corporation Limited (NBCL) a German company, was expelled from Nigeria by the British.<sup>75</sup> These restrictions made the colonial government in Nigeria under the instructions of Allied Powers to intervene in the trade<sup>76</sup> of other European enemies like Austria apart from Germany.<sup>77</sup> As argued by Olukoju, war-time conditions compelled Britain to reconsider its 'Open door' policy by obliterating completely the importation of the services of German firms

<sup>73</sup> Boahen, A.A. 1987. *African Perspectives on Colonialism* Maryland: The John Hopkins University Press, p.59

<sup>74</sup> Boahen, A.A. 1987. *African Perspectives on Colonialism* Maryland: The John Hopkins University Press, p.59

<sup>75</sup> Boahen, A.A. 1987. *African Perspectives on Colonialism*...p.60

<sup>76</sup> Ogbogbo, C.B.N. 1987. *A History of Petroleum Industry in Nigeria 1906-1979* Being an M.A Dissertation Submitted to the Department of History, University of Ibadan p.27

<sup>77</sup> Muojama, O.G. 2013. *Nigerian Cocoa Exports and Global Capitalism, 1914-1960*...p.59

exporting 44 percent of Nigerian palm kernel before the war through the encouragement given to industrialists in Britain to invest in kernel crushing mills which was then an emerging industry in Britain.<sup>78</sup> The fears of the British investors were allayed as they were assured by the British government that their dominance of the export trade in palm kernel would continue after the war through restrictions on the services of the German exporting firms into the Nigerian economy.<sup>79</sup>

Though these economic measures were heavily criticized in London by anti-protectionist movements and the Lagos Auxiliary of the Aborigines Protection Society (A.P.S.), the Select Committee of the British House of Commons, under the chairmanship of Arthur Steel-Maitland who was also Parliamentary Under-Secretary, recommended that the imposition of restrictions against the services of exporting firms of countries of other European origin, especially Germany into Nigeria should continue unabated during and after the war through the imposition of heavy tax on palm kernel destined for other European capitals.<sup>80</sup> This economic policy of Britain in Nigeria during the First World War reveals the façade of free trade while the nature of fiscal structure of the metropolitan government during the war brought to the fore this contradiction as this is key to the understanding of British economic policy in the inter-war years.<sup>81</sup>

The end of the war in 1918 placed importation in the hands of the European firms.<sup>82</sup> By implication, this commercial autonomy positioned the European firms as regulators of imports into Nigeria. This restriction was however, carried out systematically by these firms through the intensification of post-war import

<sup>78</sup> It should be noted that the importation of services of over one hundred and fifty German firms excluding that of Austro-Hungary through trading activities in Nigeria was restricted during the First World War. See. Muojama,

<sup>79</sup> Olukoju, A. Slamming the 'Open Door': British Protectionist Fiscal Policy in Inter-War Nigeria *The Nigerian Journal of Economic History* Number 1, 1998 pp.2-3

<sup>80</sup> Olukoju, A. Slamming the 'Open Door': British Protectionist Fiscal Policy in Inter-War Nigeria *The Nigerian Journal of Economic History*...p.3

<sup>81</sup> Meredith, D. The British Government and Colonial Economic Policy, 1919-1939 *Economic History Review, Second Series*, Vol. 28 No 2, 1975, p.486

<sup>82</sup> Boahen, A.A. 1987. *African Perspectives on Colonialism*... p.61

restriction measures. Probably, the precarious economic condition pushed few Nigerian businessmen who had the financial clout into importation. Adu Boahen argues that these attempts were thwarted through the dominance of importation by foreign importers as this did not allow Nigerian importers to compete due to the influence of foreign importers within the colonial bureaucracy.<sup>83</sup> This restriction on import attempt made by Nigerian businessmen was further perpetuated by expatriate owned banks that discriminated against African entrepreneurs in their granting of loans.<sup>84</sup> As the European firms continued their restriction on attempts made by Nigerian businessmen at importation, the importing firms of European origin continued to grow financially due to profits which emanated from their dominance of import trade.<sup>85</sup>

The entrenchment of their commercial position in the inter-war years created unequal commercial relationship between these expatriate firms who were positioned by the colonial administration as a channel of import into Nigeria.<sup>86</sup> This unequal commercial relationship created a class of commercial elite that became an instrument for the distribution of imported manufactured goods in Nigeria.<sup>87</sup> As this commercial relationship between the commercial elite in Nigeria and the importing expatriate firms blossomed during the inter-war years, some of these European importing firms with their commercial pre-eminence succeeded in keeping other importing firms who were equally their rivals at bay.<sup>88</sup> Firms such as United African Company (U.A.C), John Holt and Co, SCOA, CFAO and Lever Brothers regulated and controlled prices of imports on the one hand and determined what was imported for consumers'

<sup>83</sup> Boahen, A.A. 1987. *African Perspectives on Colonialism* ...p.61

<sup>84</sup> Boahen, A.A. 1987. *African Perspectives on Colonialism*...p.61

<sup>85</sup> Falola, T., Mahadi, A. Uhomoibhi, M. And Anyanwu, W. 1991. *History of Nigeria: Nigeria in the Twentieth Century* Lagos: Lean Africa P.L.C, p.39

<sup>86</sup> Falola, T., Mahadi, A. Uhomoibhi, M. And Anyanwu, W. 1991. *History of Nigeria*...p.39

<sup>87</sup> Falola, T., Mahadi, A. Uhomoibhi, M. And Anyanwu, W. 1991. *History of Nigeria*...p.39

<sup>88</sup> Njoku, N. 1987. Trade with the metropolis: An Unequal Exchange. *Britain and Nigeria*:...p.126

consumption on another hand.<sup>89</sup> These firms justified their monopoly of import trade as well as high cost of imported goods based on high tariff paid to shipping lines whose financial gains were equally affected by very heavy ports charges and other dues on shipping visiting Nigeria.<sup>90</sup> The intimidating commercial status of these firms no doubt, relegated Nigerian businessmen in the import ladder.

The domineering status of the importing firms was not only noticeable in the Nigerian economy, the importation of services of trading firms who exported agricultural produce like cocoa and palm kernel to Britain and other parts of the globe ignited sharp reaction from some colonial officials in Nigeria in the 1920s. One of such was O.T. Faulkner, who was appointed as the Director of Agricultural Department in 1922 opened his relentless campaign against the unrestricted services of exporting firms especially those of British origin, who compromised the system of quality control administered by the Customs through the export of inferior produce.<sup>91</sup> Opposition to Faulkner's campaign emanated from the official circles as Governor Huge Clifford argued that government's intervention in the inspection of cocoa and other produce destined for export was not enough justification for the restriction of services of trading firms responsible for the export of agricultural produce by the colonial government<sup>92</sup> but Clifford's explanation did not dissuade some members of business community in Nigeria from lending their support for Faulkner's campaign.<sup>93</sup>

While some members of Association of West African Merchants (A.W.A.M) expressed some degree of sympathy with this view, the campaign was rejected by London Chamber of Commerce by arguing that export of produce, quality and prices obtainable

<sup>89</sup>Njoku, N. 1987. Trade with the metropolis: An Unequal Exchange. *Britain and Nigeria*...p.127

<sup>90</sup>Olukoju, A. 'Helping Our Own Shipping' Official Passages to Nigeria, 1914-1945' *Journal of Transport History* Volume 20, no 1, 19..p. 37

<sup>91</sup>Olukoju, A. 'Government, Business Community and Quality Control Schemes in the Agricultural Export Trade of Nigeria, 1889-1929' *African Economic History*, No.26 1998, pp.106-107

<sup>92</sup>NAI,CSO26/102187 Vol.1, Minute by Governor, 23 February, 1922

<sup>93</sup>Olukoju, A. 'Government, Business Community and Quality Control Schemes in the Agricultural Export Trade of Nigeria, 1889-1929' ...p.108

should be determined by usual economic practice and that any intervention by government in trading transaction was needless.<sup>94</sup> The polarization of the official circles in Nigeria and Britain propelled further consultations which led to consensus that was reached on the ground that, cocoa, palm kernel and palm oil inspection should be restricted to colony of Lagos and adjoining Provinces of Abeokuta, Ijebu and Oyo<sup>95</sup> before shipment by the exporting firms. Though the proposal was rejected, it was acknowledged within the official circles in Lagos and London that there was need for the checkmating of unhindered importation of services of the exporting firms responsible for agricultural export in Nigeria and this led to the enactment of Adulteration of Produce Ordinance Chapter 136 of 24 March, 1926.<sup>96</sup>

The position of Governor Clifford and that of Faulkner appeared contradictory because the thinking of the colonial bureaucracy as spearheaded by Clifford in Lagos against Faulkner's campaign conformed greatly with the British philosophy of exploitation which was *raison de' tre* of colonialism. By implication, Clifford and other British officials in London supported unrestricted importation of services of exporting firms into the Nigerian economy for the benefit of the metropolitan economy. On the other hand, Faulkner's campaign against this unrestricted importation of services of exporting firms into Nigeria undermined metropolitan economic interests. This to Clifford and other officials was what Faulkner attempted to preach. It is however important to contend that, the conflicting positions of Clifford and Faulkner reveals the extent to which the colonial government during the inter-war failed to exploit to the fullest its capacity for import regulations in terms of goods and services vis-à-vis the activities of trading firms who imported goods into Nigeria as well as foreign exporting firms who exported produce for the benefit of metropolitan country. This

<sup>94</sup> Olukoju, A. 'Government, Business Community and Quality Control Schemes in the Agricultural Export Trade of Nigeria, 1889-1929'...p.110

<sup>95</sup> Olukoju, A. 'Government, Business Community and Quality Control Schemes in the Agricultural Export Trade of Nigeria, 1889-1929'...p.109

<sup>96</sup> NAI, CSO 1/32/83 322 of 9 April, 1926, Baddeley to Amery, encl. See also, NAI CSO 1/32/83 342 of 15 April 1926, Baddeley to Amery encl. 1: Regulations No 5 of 24 March 1926.

explains why the Adulteration of Produce Ordinance of 1926 was reluctantly enacted after much ado about Faulkner's campaign.

Be that as it may, the dominance and restrictions on imports by some European firms ignited sharp reactions from some importing firms of European origin as this brought some semblance of open commercial competition among the importing European firms in Nigeria.<sup>97</sup> The competition emanated from the need to extend restriction on imports of firms without strong financial outlook by the highly influential firms. Hardware goods such as brass, copper, zinc manufacture, domestic and cooking utensils, brandy, gin, rum, whisky, potable spirits, arms and ammunition were imported into the country under high tariff regime which increased each of these products from ten shillings to eleven and half shilling amounting to 15% increase as this stifled importing firms of weak financial standing especially that of Africans, including Nigerians from 1924 through Customs Tariff Ordinance, 1924.<sup>98</sup> The Ordinance stated that:

If goods imported are composed of two or more materials, only one of which is dutiable, duty shall be charged on the whole of the goods at the rate applicable to the dutiable material. If goods imported are composed of two or more materials, two or more of which is dutiable, duty shall be charged on the whole of the goods at the rate applicable to that material on which duty is chargeable at the highest rate, provided that if the collector is satisfied that the goods contain only a very small proportion of the material on which duty is chargeable at the highest rate, duty shall be charged on the whole of the goods at the rate applicable to the material chargeable with duty of the goods contain the greatest proportion.<sup>99</sup>

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<sup>97</sup> Njoku, N. 1987. Trade with the metropolis: An Unequal Exchange. *Britain and Nigeria*:...p.126

<sup>98</sup> NAI, Customs Tariff Ordinance 1924. The Nigerian Gazette of 1924

<sup>99</sup> NAI, Customs Tariff Ordinance 1924. The Nigerian Gazette of 1924

The above ordinance though assisted in the revenue generation of the colonial regime, the rigid tax regime on imports could equally be seen as a strategy of allowing the influential importing to dominate imports without active involvement of other importing firms of small financial outlook. These influential firms in the late 1920s further exploited to the fullest their overbearing commercial influence in banking to impose restrictions on both African traders who were restricted from importation due to the discriminatory practice emanating from conditions attached to loans of the expatriate banks and European importing firms without commercial influence in Nigeria.<sup>100</sup> The unhindered financial position of the influential importing firms did not go unnoticed by the colonial government. The attention of the British colonial government was drawn to their importing activities through the importation of some substance such as cyanide of potassium apart from consumable goods into the country. In its quest to regulate the activities of these importing firms that dominated the Nigerian economy, the colonial administration enacted Order in Council Customs Ordinance No 26 of 1926 and stated that:

When licence is issued to an importer, he shall also be supplied by the issuing officer with a duplicate copy thereof. Every such licence issued shall be subject to the conditions: that the importer shall deliver the original licence to the collector of customs (who will retain it); that the importer shall retain the duplicate copy for a period of two years and shall produce it for inspection whenever required by any police officer, administrative officer or officer of the Mines Department; that the importer shall, within forty-eight hours of the receipt of goods, enter (in English) in a

<sup>100</sup> Olanrewaju, S.A. 1987. 'Infrastructure of Exploitation: Transport, Monetary Changes, Banking, e.t.c.' *Britain and Nigeria : Exploitation or Development?* . In Falola, Ed...p.75

book to be kept for that purpose (and no other) a record of the amount imported and the date, and shall produce such book together with the goods in his possession for inspection whenever required by any police officer, administrative officer or officer of the Mines Department. Failure to comply with any of the above conditions shall render the goods imported Prohibited imports.<sup>101</sup>

The Ordinance, from the view of the colonial government, prevented the importing firms from abusing the commercial privilege they enjoyed. This regulation did not, however, obliterate completely the dominant position of the influential importing firms. Attempt was made at challenging this weapon of restriction by few influential Nigerian businessmen who were willing to wrestle from the European firms the import monopoly in the early 1930s. For instance, the Industrial and Commercial Bank established by Candido da Rocha, A.A. Oshodi, P.A. Williams and P.A. Taylor in 1914 in London competed favourably with the Barclays Bank in the 1920s but could not withstand competition from other banks of European origin as this led to its liquidation in 1930.<sup>102</sup> The second African Banking investment called the Mercantile Bank Limited founded in 1931 by three Nigerian Directors, Dr. A. Maja, Mr. T.A. Doherty and Mr. A.A. Subair equally experienced great difficulty in competing with other European banks in terms of deposit or capital from the public as this accelerated its eventual collapse in 1936.<sup>103</sup>

Apart from the monetary weapons used by the European firms to sustain import restriction against African importers, some African importers who served as distributing agents of imported goods were also used as tools of restriction in colonial Nigeria,

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<sup>101</sup> NAI, Order in Council Customs Ordinance No 26 of 1926. The Nigerian Gazette of 1926

<sup>102</sup> Olanrewaju, S.A. 1987. 'Infrastructure of Exploitation: Transport, Monetary Changes, Banking, e.t.c.'...p.75

<sup>103</sup> Olanrewaju, S.A. 1987. 'Infrastructure of Exploitation: Transport, Monetary Changes, Banking, e.t.c.'... p.75

especially the inter-war years. These agents did not only ensure outflow of export produce needed in Europe, Britain in particular, but largely determined the inflow of European goods into the country through their distributive obligations that were dictated by the European importing firms in Nigeria.<sup>104</sup> Areas that were not producing any of the export crops or minerals were punished economically as they were completely left out of the benefits of the flow of imports into the country.<sup>105</sup> Despite the commanding position of the European firms on matters of importation in colonial Nigeria during this period, some African traders succeeded in establishing trading companies that competed favourably in the exportation of agricultural produce in the 1920s.<sup>106</sup> These firms could not break the import monopoly enjoyed by the European firms due to the dominance of the import sector as one of the important drivers of the colonial economy.<sup>107</sup> It is worthy of note that the European firms with the backing of the colonial and metropolitan governments, despite the effects of global economic recession on these firms assisted the two governments to generate income through the influx of imported goods into the Nigerian market<sup>108</sup> in the 1930s and this further entrenched their influence in the Nigerian economy. A good example of the influence wielded by the importing firms was their collaboration with the colonial administration when the Customs Tariff Rules of 1932<sup>109</sup> was invoked to ban the importation of synthetic dye called Anchor by Union Trading Company.<sup>110</sup> The Tariff Rules stipulated that:

<sup>104</sup> Bakindo, B., Omolewa, M and Babalola, A. 1994. *Africa and Wider World 3 Africa Since the Scramble* Lagos: Longman Nigeria Limited, p.68

<sup>105</sup> Bakindo, B., Omolewa, M and Babalola, A. 1994. *Africa and Wider World 3 Africa Since the Scramble ...*p.68

<sup>106</sup> Bakindo, B., Omolewa, M and Babalola, A. 1994. *Africa and Wider World 3 Africa Since the Scramble ...* p.68

<sup>107</sup> Boahen, A.A. E.d. 1990. *UNESCO General History of Africa. Abridged Edition VII Africa Under Colonial Domination 1880-1935* Ibadan: Heinemann Educational Books Limited, p.155

<sup>108</sup> Oliver, R., and Atmore, A. 1967. *Africa Since 1800 Fifth Edition* New York: Cambridge University Press, p.153

<sup>109</sup> NAI, Customs Tariff Rules of 1932 The Nigerian Gazette No 1, 1940

<sup>110</sup> Byfield, J.A. 2002. *The Bluest Hands A Social Economic History of Women Dyers in Abeokuta (Nigeria), 1890-1940* Oxford: James Currey Ltd. p. 166

Goods shall not be deemed to have been manufactured within the British the Empire unless the final process of manufacture takes place within the British Empire and the goods contain at least 25% of British Empire labour and material in the factory or work cost.<sup>111</sup>

The above legal instrument provided the opportunity for United African Company (UAC), an importing firm of British origin in collaboration with CFAO, an importing firm of French origin that appeared to have fulfilled the 25% of British Empire labour to mount pressure on the *Alake* of *Egba* land with the support of colonial regime as this facilitated the restriction on the importation and distribution of synthetic dye, a German product into Abeokuta.<sup>112</sup> The rationale behind restricting the importation of this German product into *Egba* land was to replace the product with another brand called cork sold by UAC and CFAO.<sup>113</sup> The resistance of the dyers against such restriction through their lawyer, Sir William Geary, could not change the import permutation as demanded by UAC and CFAO through the British colonial administration<sup>114</sup>

It should be noted that the restrictive strategies of the colonial government through the importing firms were threatened by the influx Japanese textile into the Nigerian market in the early 1930s and this propelled many Manchester merchants in London to call for the cancellation of International Tariff Agreement in West Africa the way Anglo-Soviet Agreement hindered Russia from exporting goods to the British colonies.<sup>115</sup> Sensing the pivotal role of textiles in the British industrialization, the Importation of Textiles (Quotas) Ordinance No 7 of 1934 was passed as this

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<sup>111</sup> NAI, Customs Tariff Rules of 1932 The Nigerian Gazette No 1, 1940

<sup>112</sup> Byfield, J.A. 2002. *The Bluest Hands A Social Economic History of Women Dyers in Abeokuta...* p.166

<sup>113</sup> Byfield, J.A. 2002. *The Bluest Hands A Social Economic History of Women Dyers in Abeokuta...* p.166

<sup>114</sup> Byfield, J.A. 2002. *The Bluest Hands A Social Economic History of Women Dyers in Abeokuta...* p.166

<sup>115</sup> Olukoju, A. Slamming the 'Open Door': British Protectionist Fiscal Policy in Inter-War Nigeria *The Nigerian Journal of Economic History...* p.11

restricted Japanese exports of greys, bleached, printed dyed, coloured, velveteen and artificial silk to specific quantities while exorbitant duties were placed on Japanese iron sheets, cement stockings.<sup>116</sup> For instance, iron sheets increased from less than (£3 per ton) to (£4 per ton) cement from less than (2 shillings per 400lb) to (3 shillings per 400lb) while stockings increased from less than (4d per pair) to (7d per pair) and these duties in form of restrictions were extended to German, Dutch and Italian textile between 1935 and 1937.<sup>117</sup> It was stated in the Textile (Quotas) Ordinance that:

Importation of textiles shall form part of importation of Textiles (Quotas) Regulations and this restriction shall apply to the Colony and Protectorate but not to the Cameroons under British Mandate. This regulation shall be enforced by the Governor in Council.<sup>118</sup>

These restrictive measures were almost undermined by the Japanese who resorted to penetrating the Nigerian market through China and this led to unprecedented rise of Chinese textiles from nil in 1934 to 471, 167 square yards in 1936 but the colonial government dealt with this menace through mandatory presentation of certificate of origin of the Chinese textiles that were manufactured in China with the approval of British Consul and other relevant agencies of the Asian country.<sup>119</sup> The restrictions on Japanese goods and that of other European powers by the colonial government served as measures through which the commercial pre-eminence of powerful importing firms in Nigeria during the inter-war years was sustained. The zeal with which the influence of these importing firms was upheld reveals the extent to which the Nigerian government assisted the

<sup>116</sup> Olukoju, A. Slamming the 'Open Door': British Protectionist Fiscal Policy in Inter-War Nigeria *The Nigerian Journal of Economic History* ...p.12

<sup>117</sup> Olukoju, A. Slamming the 'Open Door': British Protectionist Fiscal Policy in Inter-War Nigeria...p.12

<sup>118</sup> NAI, The Importation of Textiles (Quotas) Ordinance No 7 of 1934. The Nigerian Gazette of 1934

<sup>119</sup> See, NAI, CSO 1/34/40 Confidential Memo of Governor Boudillon to Ormsby-Gore 8 July 1936.

importing firms against the Japanese commercial antics before the outbreak of the Second World War in 1939.

### **Conclusion**

The inter-war Nigerian economy was firmly placed under foreign business interests through import control. These foreign business interests were well entrenched because the colonial government collaborated with them as this sustained the metropolitan economic interests in Nigeria. As the colonial government used the foreign importing firms as instruments of exploitation of the Nigerian economy through import control, the importing firms occasionally abused the commercial privileges bestowed on them by the British import control policy to the detriment of the metropolitan economy. This equally ignited sharp reaction from the colonial regime through the enactment of import policies that diminished the influence of these importing firms of foreign origin. This occasional administrative firmness of the British against the abuse of the importing firms never provided opportunities for the indigenous importers as the importing firms were denied the opportunity to compete favourably with their foreign counter-part during the inter-war Nigeria. This lack of capacity of the indigenous importers was further accentuated by the colonial import control policies that were used as one of the strategies adopted by the colonialists in the revamping of the Post First World War British economy through importing firms of the metropolitan origin who responded to the demands of the Nigerian economy in terms of what was imported carried out this obligations in accordance with the dictates of the British import restrictions policies.