

The Encouragement of European Investment in Agriculture :the Case of Colonial Nigeria (1920-1929).

M^{elle} HALLOUCH Nadjouia

Maitre de Conférences B Université Djillali Liabes –Sidi- Bel-Abbes

The nineteenth century belief that British presence should have a civilizing effect on Africa was re-considered by the end of the First World War. The new British attitude towards their colonial possessions was the result of a number of factors. The rise of the Russian Revolution , the success of the Communist Party and the spread of anti-imperialist ideas from the United States such as the one expressed in Wilson's principle of self-determination in 1918 ¹ were among the main factors that influenced post-war British colonial policy. Protection of the natives from foreign exploitation became the dominant subject of discussion especially after the defeat of the Germans in the war.

In spite of the hard competition of the palm-oil plantations from the Dutch East Indies, Malaya and the Congo, primitive methods of extraction were still used by the Nigerian farmer after the end of the First World War. Since the Nigerian system was hostile to the establishment of European owned-plantations of palm oil, a means to assist the native producer to improve the quality of oil became urgent.² Besides this, as a response to the European merchants' demands, the colonial government sought to induce European investment in palm oil production.

In a budget speech of 1920, Sir Hugh Clifford ³ cited the major reason for the supply of agricultural extension officers as follows:

*"The average native of West Africa derives little benefit from a European agricultural station because he cannot be induced to visit it. Similarly, an experience in the Gold Coast was shown, the only instruction which can be rammed into the understanding of the average African farmer is that which is imparted to him personally and directly by officers of the Department to visit him in his own village and accompany their advice by practical demonstration"*⁴.

This work of demonstration could not operate unless model farms and research stations were established. In 1921, the two Departments of Agriculture-the Northern and the Southern were amalgamated into a single department. This newly established Department of Agriculture maintained three agricultural stations in Northern Nigeria, in Ilorin, Margaina and Kaduna. In the South, there were stations namely in Ibadan, Onitsha, Calabar and Agege.⁵ Such stations had two functions: they served as research centres for local agricultural crops and for collecting useful information to producers.

This expansion of the Agricultural Department was followed by a policy of cooperation with the native producer. This work was emphasized by O.T, Faulkner, Director of Agriculture, who declared that modern methods should be required for extracting the oil after crushing the fruit. In 1924, an agricultural chemist, A.C. Barnes, with the assistance of the Department of Agriculture stressed the establishment of central oil mills. Sir Hugh Clifford, who supported Barnes' view, wrote in March 1924:

"The only remedy alike to prevent this immense loss and to enable the forest-grown palm produce to compete on equal terms with the produce of European-owned plantations, lies in the construction

*without delay of central factories for the manufacture of oil for export by machinery and upon scientific principles.*⁶

It was only after great pressure from the Joint West African Committees of Liverpool and Manchester Chambers of Commerce that the colonial government appointed a committee in 1924,⁷ whose main aim was to provide the ‘best means of securing improved and increased production’ of palm produce in Nigeria and elsewhere in British West Africa. So, in order to invest in palm oil processing, members of the committee put forward some conditions: first, their protection against foreigners establishing mills within a given distance, second, their right to establish their own plantations, and third, their exclusive rights to use transport means. These terms were accepted at the beginning by neither the Colonial Office nor the colonial government. Instead, it was suggested to form a Palm Oil Association which would have the right to monopolize the processing of palm oil which was rejected by the merchants because they feared the unavailability of a sufficient supply of oil.

After long discussions, Faulkner and Sir Graeme Thompson⁸ introduced a subsidy scheme to offset their losses in case of an irregular supply of palm oil. In addition, mill owners were to be given what was called “nucleus plantations” of about 2,000 to 3,000 acres⁹ in order to provide the factories with palm oil fruits. Opposition then continued not only from the merchants but also from the Colonial Legislative Council whose member, Dr C.C. Ardeniyi Jones, enquired about the source of labour force in case the plantations were used in sparsely populated areas. The merchants’ demands were namely: the exclusion of a minimum price system, larger subsidy and the extension of the period of the deletion to twenty years. It was not until 1927 that the colonial government offered a generous subsidy and withdrew the minimum price system.

Although the report of the committee was not implemented by the British government, direct action in agriculture started with experiments to improve oil-palm through the establishment of 27 acres of experimental palm in the Aba Division. In 1928, the Department of Agriculture in Nigeria drew up the Produce Export Regulations.¹⁰ The aim was to control and standardize the purity of palm oil, palm kernels and cocoa that were exported by distributing to producers the best type of seedlings from its station at Calabar.¹¹ For instance, Regulation N° 20 of 1928¹² enforced grading and inspection of palm produce by government agents.

The result was that palm-produce witnessed a great increase. Table 1 shows total exports of palm oil increasing from 90,352 tons in 1920-24 to 124,716 tons in 1925-29 while the total of the palm kernels was estimated at 203,021 tons in 1920-24 and reaching 255,469 tons in 1925-29.

Table 1

Palm Oil Production Estimates, and Palm Oil and Kernel Exports, Nigeria, (1920-1929) tons.

Year	Total Production (estimated)	Total Exports	
	Palm oil	Palm oil	Palm kernels
1920 – 4	180,463	90,352	203,021
1925 – 9	227,084	124,716	255,469

Notes:

- 1- Figures averaged for each quinquennium.
- 2- Palm oil production estimate is based on the assumptions that all palm kernels produced were exported, and that the proportion of palm kernels to palm oil is 9 to 8.

Source: Ekundare, R.O, *An Economic History of Nigeria 1860-1960*, (Methuen and Co Ltd, 1973) , p 166.

Though priority was granted to palm produce, consideration was also given to the other major export crops. For instance, cocoa which was the first crop to be used in a plantation system was another prominent export crop and despite the fall in its prices and the diseases which attacked it, cocoa production continued to increase. Table 2 shows that in 1920-1924 the export of cocoa accounted for 27.276 tons, rising to 45.483 tons in 1925-29.

Table 2

Exports of Cocoa, 1920-29 (tons)

Year	Total Cocoa – exports
1920 – 24	27,276
1925 – 29	45,483

Source : Ekundare , R.O ,*op.cit*, p 168.

Cotton was another important crop that received government attention. In 1921, the British government established the Empire Cotton Growing Corporation 13 which focused on cotton research and non- commercial activities and gave freedom to the British Cotton Growing Association to deal with the commercial side of cotton cultivation. Starting from 1921, the development of the cultivation of cotton for export became an important item of the colonial policy.

In order to achieve this objective, the colonial government set up an experimental station at Daudawa, Northern Nigeria in 1926. This station started its activities by stressing American types of Allen long staple cotton 14 .Other produce of prime importance was added to the list of export crops and included kola-nut and rice. For instance, in areas affected by cocoa diseases, kola-nut cultivation was encouraged to help farmers who started responding to the new crop by planting many trees in Agege, Ijebu-Ode and Abeokuta.

Improvement of the native methods of extraction was another concern of the colonial government. Research work which started in 1920, distinguished two native methods of extracting soft and hard oil. It was found that almost all of the soft oil was consumed locally because merchants did not give a sufficient premium price for it. In 1923, experimental stations for palm-oil were established in Zaria, Umuahia and Benin. Between 1924 and 1926, A.C Barnes together with the Department of Agriculture recommended a cooker-press process whereby a steamer would be used to cook the fruit and a hand press to extract the oil. The result was that 64% was obtained from this operation compared with 45%-50% 15 by the traditional native 'soft' technique.

Despite the fact that the policy pursued by the British during the 1920s brought some advantages to Nigerian agriculture, it was greatly opposed by a number of the educated elite. Slow economic development, the exclusion of the African businessmen and the lack of opportunities given to them represented the major grievances of the elite.

References:

- (1): Lord Hailey, *An African Survey, Revised, 1956, A Study of Problems Arising in Africa South of the Sahara* , (Second Edition, Oxford University Press, 1957), p 205.
- (2): Cook, Arthur.N, *British Enterprise in Nigeria*, (Frank Cass and CO.Ltd, London, 1964), p 234.
- (3): Governor of Nigeria (1919-1925).
- (4): Ijere, M.O, "Colonial Policy in Nigerian Agriculture and Its Implementation", *Agricultural History*,V 48, N°2, 1974, p 301.
- (5): Ibid, p 301.

- (6): Meredith, David, "Government and the Decline of the Nigerian Oil Palm Export Industry, 1919-1939", Journal of African History, N°25, 1984, p 314.
- (7): Okwudiba, Nnoli, Path to Nigerian Development, (Zed Books, London, 1981), p 98.
- (8): Governor of Nigeria (1926-1931).
- (9): Meredith, David, *ibid*, p 315.
- (10): Okwudiba, Nnoli, *op.cit*, p 99.
- (11): *Ibid*, p 99.
- (12): Meredith, David, *op.cit*, p 325.
- (13): Hinds, Allister, "Colonial Policy and Nigerian Cotton Exports, 1939-1951", International Journal of African Historical Studies, V 29, N°1, 1996, p 27.
- (14): *Ibid*, p 27.
- (15): Meredith, David, *op.cit*, p 322.

Bibliography:

- 1- Cook, Arthur.N, British Enterprise in Nigeria, (Frank Cass and CO.Ltd, London, 1964).
- 2- Ekundare, R.O, An Economic History of Nigeria 1860-1960, (Methuen and Co Ltd, 1973).
- 3- Hinds, Allister, "Colonial Policy and Nigerian Cotton Exports, 1939-1951", International Journal of African Historical Studies, V 29, N°1, 1996, pp (25-46).
- 4- Ijere, M.O, "Colonial Policy in Nigerian Agriculture and Its Implementation", Agricultural History, V 48, N°2, 1974, pp (298-304).
- 5- Lord Hailey, An African Survey, Revised, 1956, A Study of Problems Arising in Africa South of the Sahara, (Second Edition, Oxford University Press, 1957).
- 6- Meredith, David, "Government and the Decline of the Nigerian Oil-Palm Export Industry, 1919-1939", Journal of African History, N°25, 1984, pp (311-329).
- 7- Okwudiba, Nnoli, Path to Nigerian Development, (Zed Books, London, 1981).