THE DECLINE OF CASH CROP ECONOMY IN THE LOWER NIGER 1943-1976
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Abstract
The objective of this study is to examine the interlocking factors which determine the decline of cash crop economy in the Lower Niger region in the period 1870-1976. The study is significant because it ascertain the effects of such decline and the economic changes on development of Nigeria. In the colonial period, trade in agricultural commodity served as a major source to earn European currency. Transnational corporations, which purchased these commodity crops, left Nigeria soon after political independence when the Nigerian government promulgated several laws in attempt to indigenize the economy. This action spell doom for agriculture produce export and poverty for producers engaged in the business. Both the Nigerian government and its citizens have been battling to resuscitate agricultural export crop since the late 1970s, but the Nigerian people are already used to petro-dollar economy and the white collar jobs. The study adopts inter-disciplinary methodology in collation and interpretation of data. The study recommends among others that, Nigerian government should revamp cash crop economy on the Lower Niger to serve as viable alternative to crude oil export.

Keywords: Lower Niger, cash crops, economy, decline

Introduction
The history of cash crop economy in the Lower Niger region witnessed a century of development from 1870 to 1976, when it eventually decline and the business became a shadow of its former self. The history of cash crop economy in the Lower Niger region is worth a study in African affairs. The reason for the decline of cash crop economy is important when it is considered that water transport pre-date other modern modes and serves as substitutes to road and rail transport but later faced competition from roads and railways. The revival of cash crop economy and return to boom in the economic life of Nigeria agricultural export must be with a new government policy to revamp agriculture from the days of decline when it went into economic back water in the 1970s, and 1980s.

Statement of problem
In spite of the significant contribution of agricultural cash crop trade to the growth and development of the Nigerian economy before and after independence, the cash crop trade on the Lower Niger was left to decline to the extent that it has become a relegated past. In consequence, the historic role played by the cash crop economy in Nigeria’s development, turned to become neglected and causing the citizens to be poor and comparatively backward as there are no industries to substitute. The level of capital investment in agriculture was very low since the 1970s.

The period 1870, is significant in the annals of history of cash crop trade in the Lower Niger because it was during this period that the first transnational corporations penetrated into the hinterlands of Nigeria via the Lower Niger from the sea port at Burutu to the confluence of the Rivers Niger and Benue at Lokoja. This period was marked by serious inland port activities in the Lower Niger. On the other hand, the year 1976, is significant to this work as a convenient terminal date in history representing a period of decline in Nigeria’s agricultural cash crop trade in the Lower Niger.

Literature review
Ali (2012) opined that trade and transportation in the Lower Niger between 1830 and 1960, was focused on external trade relations between the peoples of the Lower Niger and the various European trade firms and individuals since trade with the Europeans was a major source of income or ‘cash’. The nature, extent and volume of trade in export crops and on imports constituted a major activity of the Lower Niger region in the colonial period.

Ogunreemi and Faluyi (1996) noted that, after the successful abolition of the slave trade and the shift in emphasis to trade in agricultural crop production and export highly successful European and African merchants entered the export trade in staple crops. John Flint corroborated this view when he wrote that, the motivating factor of the ‘cash crop’ trade was the cash earned by producers.

Hopkins (1973), earlier argued that, the vent for surplus brought about development in the West African sub-region, first in the sense that the people of West Africa needed the new currency which was
introduced in the 1880s to replace the traditional currencies to enable them purchase imported products, pay tax, pay school fees, and afford other necessities of life. Obaro Ikime (Obaro Ikime, 2006), in Groundwork of Nigerian History explained that from 2003, the West African sub-region attracted a good deal of foreign trade from European transnational corporations.

Cash crop economy
From 1870, when major European powers like Germany, France, Italy, Portugal and Spain joined the race for industrialism, they embarked on fierce competition for acquisition of colonies in Africa so as to establish trade relations in search of raw materials. In 1884-5, these European powers met in Berlin, Germany, to agree on the territories in Africa which each of them would colonize. This is today referred to as effective colonization. According to Ali (2012), trade in Nigerian merchandise such as palm oil, palm kernel, cotton, cotton, groundnut, beniseed, shea butter nut and other commodities was the purpose for British empire building in Nigeria. Trading firms acted as rivals competing for the trade of the area.

In his assessment of the qualities of white men who had early contacts with the people of West Africa, Thorp (2000) succinctly summed up white men have stood before me in three forms, missionaries, warriors, and traders. Missionaries are good men who teach book .... Warriors are also good men; their trade is to fight, and yet they fight for order, and not to gratify their own passion; .... As for merchants, they come to get what they can; they come for nothing but cowries; they trade with a man and his enemies; In fact, they are liars and rascals ....

Trade and transportation in the Lower Niger between 1830 and 1960, was focused on external trade relations between the peoples of the Lower Niger and the various European trade firms and individuals. The nature, extent and volume of trade in export crops and on imports constituted a major activity of the region (Ali, 2012)

In the early years of British trade on the Niger, the principal export crops in order of the quantities produced were, palm kernel, palm oil, cotton, beniseed, shea butter nuts, groundnut, tobacco, rubber and later cocoa. Groundnut, beniseed, cotton, shea butter nut and tobacco were grown in the northern provinces from where they were transported on the Lower Niger River to the port of Warri and Burutu on the open sea for export (Ali, 2012). With the abolition of slave trade and the institution of the ‘cash crop’ economy in the territory now called Nigeria (River Niger Area). The development of colonial transportation in Nigeria was indispensable to facilitate the export of raw materials in particular, agricultural produce or commodity crops. The improvement of waterways and later the construction of railways boosted commercial activities for both domestic and export market. According to Bell (1983), transportation is a necessary concomitant of the exchange economy and is indispensable to economic growth. Where there is no transportation economic activity is restricted to hand-to-mouth subsistence level.

Cash crop economy in the Lower Niger
Before 1870, four transnational firms established trade stations on the bank of the Lower Niger River. These were; Alexander Miller and Brothers (agent James Craft) with 3 steamers; The Central African Company (agent David Macintosh) 1 steamer; The West African Company (agent James Crowther) with 3 steamers. They dealt mostly in palm produce as palm oil was in much demand in England as valuable vegetable grease used for soap and railway-axle. There was also demand for ivory, shea butter, Hippopotami teeth, wild boars’ tusk required for dentist. All these products were found around the confluence of the Rivers Niger and Benue. (Pedraza,1960).

By the first decade of the twentieth century, the number of commercial companies operating on the Lower Niger River increased and come to include John Holt, and for a time the now forgotten names of J. Fairley and Co.; Pagenstecker and Co; H. Siegler and Co; Christian S. Cole, Tin Areas and Walkdens, all of which were later dissolved or incorporated into the most successful of the companies, the United Africa Company (UAC). In the year 1905, the Anglo African Bank started operation in Lokoja but, its business was later acquired by the Bank of Nigeria which in its turn was absorbed by the Bank of British West Africa. (Ali, 2012).

Other European trading companies also penetrated up the Lower Niger from the coast and established trading stations at river ports on the Niger, Aboh, Burutu, Warri, Onitsha, and other riverside towns. For example John Holt Company was established in the Lower Niger in 1897 as a trading giant and
later expanded its operations to other parts of Nigeria. Elder Dempster and Company Ltd, a British shipping company also operated in the Lower Niger as one of the prominent transnational enterprises of the colonial period. The company was formed in the late 19th century by a merger of the Liverpool West African ship owners as Elder Dempster Line and came under the full control of a British shipping magnate, Alfred Lewis Jones. (Ali, 2015).

Other companies which were involved in trading activities in the Lower Niger in the years of cash crop economy were the Niger River Transport (NRT) Company, the German Company of G.L.Gaiser, Paterson Zochonis (PZ), Societe Commercial de Ovest Africain, G. Goltshalk and Co., London Africa and Overseas Ltd, J.F. Sick and Co., Co-operative Wholesale Society, Union Trading Company (UTC), K. Chellaram and Sons, and J.T. Chanrai and Co. (Onyekpe, 2003). Other companies which had one or few vessels were, Compagnie de transport et Commerce (CTC), Socony Vacuum Company (S.V.O.C.), and Du Campanie Francaise. Water transportation on the Lower Niger also increased as trade boomed. (Ali, 2010).

Several African merchants became owners of canoes, barges, ferries, mostly of small size. These river fleets were built in Nigeria at the boat yard of Makurdi, Opobo, and Epe (ALL ABOUT NIWA, 2001). Also, most of the trading firms established trading stations in the Lower Niger before 1912. They purchased agricultural produce which they exported overseas via the seaports. They also conveyed imported manufactured goods from the seaports to the hinterland. Before the 1960s, hundreds of canoes, tugs, barges and ships owned by expatriates and indigenous merchants and traders plied the Lower Niger.

From the beginning of the twentieth century the colonial government operated fleets on the Lower Niger River. These were controlled by the Nigerian Marine Department (NMD), later by the Inland Waterways Department (IWD) and now by the National Inland Waterways Authority (NIWA). Government crafts or vessels participated in a wide range of government activities including administration, medical, ferry operations, creek services, channels demarcation and river patrols and surveys. River port infrastructural facilities such as sheds, Berths, radio, and telephone communication system were provided. (Ali, 2010)

By the end of the first decade of the twentieth century a large wharves had been constructed on the banks of the river ports at Warri, Onitsha, Lokoja, Sapele. Also, rocky obstacles and snags were blown up, and the river buoyed. This aided the Niger and Benue rivers safe for navigation. Some of the major European trading firms constructed their own wharves separately. (Ali, 1991).

The decline of cash crop economy in the Lower Niger

The building of railways

Before the construction of railways and roads in Nigeria the numerous rivers and creeks served as one of the basic means of communication. The Lower Niger River played an important role as a river port for the British and other transnational corporations which operated business in the Lower Niger region. But the importance of the Lower Niger River was later to diminish and declined when river transport began to suffer serious competition from railway and road transport.

In 1896, the first railway line was commenced to link Lagos and Ibadan. In 1907, a new line was started by the Northern Nigerian government from Baro on the River Niger to Kano. This line was extended northwards to join up with the Baro - Kano railway at Minna. A light railway known as the Bauchi light railway was constructed to Jos in 1913 a distance of 177 kilometres and was extended to Bukuru in 1915. The Eastern railway from Port Harcourt to Enugu was opened to traffic in 1916 (Okoro, 1988).

As soon as the rail line was completed both private and commercial trading firms found it easier to transport their goods by rail. Also passengers preferred travelling by rail as it was faster. In 1929 for example a circular was issued by the Resident, Kabba Province instructing all officers proceeding or returning from leave to use the express train instead of the river route which the officers had been using before 1912. (Jan Hogendorn, 1980: 98). It is obvious that where there is competition between rail and combined rail-water transport, water transport is at a disadvantage. Nevertheless, the rivers provided access to areas which had not hitherto been served by railway and they were still used to some extent even at low water (NEDECO Report Vol. 2, 1959: 682).

The construction of motor roads

The construction of roads embarked by the colonial government had a great influence upon the decline of water transport and in consequence, the decline of commercial water traffic. Roads constructed in Northern Nigeria during the early years of colonial rule linked provincial headquarters and market centres where cash crops are sold. (Samuel Crowder, 1982: 79) Road development policy of the colonial officials was based on expected returns from any such endeavour. During the 1940's as a result of the demands of the war years it became necessary to renovate certain dry season roads so as to make them motor able all the year. Such roads include:

- Yola - Wafanga road in the Adamawa Province;
- Bauchi – Jos road,
- Ture - Azare Toggo road, all in the Bauchi province;
- Ifiagi - Pategi road in Ilorin Province
- Okene - Ajaokuta road, (Ajaokuta is about 35 river miles to Lokoja,
- Isanlu Makato to Egbe road in the Kabba province,
- Cherchichi - Bindawa road in Katsina province,
- Kontagora — Kotonkoro road in Niger Province,
- Guzu — Kawa Namocl — Katsina, Keura Namoda — Sabon Birni and Yelwa - Kontagora road in the Sokoto province.

Source: NAK. MIN. AGRIC. 2204 Transport Advisory Board 1934.

There is no gain saying the fact that the opening up of Nigeria by the construction of these roads linking all towns and commercial centers had an adverse effect on river transport especially those roads constructed close to river side towns like Lokoja (NAK/LOKOPROF 1607/1926 Road Traffic Census).

**The building of Kainji and Jebba dams**

In 1955, the Federal Government of Nigeria (FGN) awarded a contract to the Netherlands Engineering Consultants (NEDECO) to report on shipping conditions on the rivers and recommend on how it could be improved and in particular for extending the season when the rivers are open to traffic (Warren,1960). The NEDECO Report which was published in 1959, proposed very extensive works for the Rivers Niger and Benue. Their proposals included the building of a dam on the Niger River to control the water and to generate electricity. The River Niger was also to be dredged so as to ensure that a navigation channel was kept open throughout the year from Lokoja to Warri and Port Harcourt especially during the dry season when the level of water was low between the months of December and April.

The contractor chosen by the Inland Waterways Department (I.W.D) in Lokoja to carry out the dredging works are the Union Maritime De Dragon (U.M.U), which has been based at Jamata thirty kilometers upstream from Lokoja in 1982. up till date the project of dredging the Lower Niger remains a mere ambition of the Federal Government of Nigeria (FGN). The dam was enclosed in 1968. Lake Kainji dams has failed to regulate the water flow on the Lower Niger due to heavy seasonal floods of the River Niger and the great ecological consequence. (Beadle, 1974). The Jebba dam and Kainji Lake have not fulfilled the expected role in making the Niger navigable throughout the year. According to experienced observers the dam has merely worsened the navigation problems on the River Niger. (Interview, Chief Christopher Mawo Lakpini, Lokoja, 30/9 and 7/10/1990)

**Import Substitution and the Indigenization decree**

Since commerce was the lifeblood of activities on the Lower Niger because of its location at the confluence of the Rivers Niger and Benue which were used as the principal means of transport in pre-colonial period. When the Lower Niger River was no longer serving as very important means of transportation, Thus cash crop economy in the Lower Niger declined because the commercial activities which were the main stay drastically decline.

The greatest factor that was primarily responsible for the decline of the cash crop economy was the import substitution industry (ISI) programme which caused a decline of the export trade in Nigeria. With the decline of inland water transportation, the cash crop economy lost its importance and prosperity.

There was also the indigenization decree which more than any other factor contributed to the decline of cash crop economy in the Lower Niger Region. This is primarily because it was the big foreign owned companies who used the Lower Niger River to transport their produce. In the 1970's indigenization policy was a political and economic
strategy adopted by the Nigerian state for the expansion of indigenous control of the whole Nigerian economy which had hitherto been dominated by foreigners. This legislative attempt at reducing foreign domination of the Nigerian economy bears the title, The Nigerian Enterprises Promotion Decree No. 4, 1972. (Enterprises Promotion Decree 1977). After promulgation of the indigenization decree and the departure of all foreign companies especially from the produce marketing business, Nigerians were unable to continue with the business or even take over these transnational companies. This was because Nigerians had not accumulated sufficient capital over the years. A few managed to buy up the European companies, warehouses on the wharves at Warri, Burutu, Sapele, Onitsha, Lokoja, Asaba, and other river stations which are now used as shops for the sale of manufactured goods (Inah, 1991).

**Conclusion**

This study has examined the interlocking factors which determined the decline of cash crop economy in the Lower Niger region in the period 1870-1976. In the colonial period, trade in agricultural commodity served as a major source to earn European currency. Transnational corporations, which purchased these commodities, left Nigeria soon after political independence when the Nigerian government promulgated several laws in attempt to indigenize the economy. This action spelt doom for agriculture produce export in Nigeria. The history of cash crop economy in the Lower Niger region witnessed a century of development from 1870 to 1976, when it eventually decline and the business became a shadow of its former self.

**References**


