

# Nigeria - the Evolution of a People

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HIS handle-bar moustache as ever impeccably trimmed, Sir Frederick Lugard, KCMG, former Governor of Hong Kong, stepped triumphantly on to Lagos soil for his second tour of duty in West Africa on October 3, 1912. The British Government had charged him with the task of amalgamating the Northern and Southern territories of Nigeria into one nation, which he would then govern. This was the first of two developments which were to play crucial roles in the unmaking of a Nigerian people.

The decision to form one territory out of dozens of smaller, self-contained territories that were defended by sovereign tribes like the Ibo, Yoruba, Itsekiri and Hausa, was to contribute directly to the genocide in the Federation of Nigeria within ten years of independence. The second factor was the manner in which Lugard was to guide the economic development of the indigenous peoples. His philosophy was one of non-interference with the way of life of the Africans. They were to participate in the running of their own affairs by means of the principle of Indirect Rule, a unique feature in British imperialism for which Lugard has been well acclaimed.

And yet the inconsistencies in the policies which Lugard adopted when he was High Commissioner of Northern Nigeria up to 1906, and those which he expressed in secret memoranda circulated to his political officers after 1912, suggest a fundamental change in the man's political thinking and were to act as impediments to the evolution of a new economy and of this new nation of peoples. Without those impediments the heterogeneous features of the African tribes might have been eliminated and the recent civil war avoided.

The history of imperialism in Nigeria presents one of the best opportunities for studying the evolution of people in relation to their land and to their neighbouring groups. In a condensed view of the period we see the almost laboratory-like evolution of an unharmonious society, and can examine the policies of the authorities who, by design or default, cemented the future of other peoples by proclamation and cartographic delineation.

For reasons of space rather than dramatisation, I shall consider the social developments of the Ibos in the Eastern province, and the tribes of the North, only within the framework of British influence in Nigeria.

In his report to Parliament on his amalgamation of the two territories, Lugard referred to the advanced social and agricultural structure of society in the north. To the east, he said, the Ibo race had "not developed beyond

the stage of primitive savagery." During forty years after 1920 when this comparison was made, the pressure on land forced social and economic adjustments within the Nigerian society which effectively reversed this contrast.

A remarkable change had come over Lugard's economic policies between the time of his first period in command, and his Governorship of a "united" Nigeria. This change concerns the taxation of rent for revenue with which to discharge the expenses of the Administration. The attitude expressed in his memorandum on taxation was that the imperial power ought not to tax rent—or, at least, not to single it out as a special target for fiscal policy—because this would be contrary to tribal custom. Was this so?

One of Lugard's political officers in Northern Nigeria, Capt. Charles Orr, wrote a detailed account of his experiences which was largely based on official reports. (i) In it he records an analysis of a sophisticated land tax structure used in every Hausa state (except Sokoto). The tax "was looked upon as rent for the use of land," collected annually, and called Kurdi-N-Kassa (literally, "land money.") The tax was based on a two-tier system which acknowledged the concept of differential rent. The first involved a tax levied at a uniform level throughout any one village. The second a tax which took into account the greater fertility of some lands which enabled their possessors to grow sugar cane and tobacco.

Thus, it is contradictory for Lugard to later claim that a tax on economic rent would be an innovation.

Further, in a proclamation of 1902, Lugard gave expression to a firm Georgist principle, namely that when an authority representing the people taxed rent, this was in effect an acknowledgement of communal ownership of the land. Indeed, it was asserted that all the lands in the Protectorate (except for land inherited from the Royal Niger Company, which was deemed Crown Land) were public lands, the right to which was vested in the Government but without prejudice to the existing tribal rights.

Orr writes that the proclamation ensured that rentals from land acquired by non-natives should also accrue to the public revenue. "In this way natives of the Protectorate were safeguarded from the alienation of their land by private individuals or companies from outside."

Lugard resigned in 1906 due to ill-health, and returned to England where the storm clouds were rapidly gathering—breaking with claps of thunder when the Liberals pressed their land taxation bills in Parliament. Lugard

(i) C. W. J. Orr, *The Making of Northern Nigeria*, MacMillan, 1911.



went to Hong Kong, and when he returned to England for six months before sailing for Nigeria, he had plenty of opportunity to take note of the fact that on a wave of popular support, the Liberals had asserted the principle that the community had a right to single out rent as a target for special taxes.

If there was any ambiguity about the trend of events during Lugard's first tour of service, there can be little doubt about the constitutional and administrative arrangements which he found on his return.

His successor in 1906, Sir Percy Girouard, had speedily instituted enquiries into the form of native tax collection. When the full extent of the Hausa land tax became evident, he deemed it of sufficient importance to refer the matter to the Secretary of State. A Committee was set up in June 1908 to investigate land tenure and taxation, the result of which was to firmly establish that:

- (a) throughout the Protectorate, land was by custom transferred and inherited, but that it was the *use* of the land, and not the land itself, which was thus dealt with; and
- (b) power to revoke the grant of land lay with the Chief, although such a drastic measure could be carried out only under clearly defined conditions.

The report of the committee to Parliament (1908) as a blue book, asserted that the Protectorate was under the control of the Government, which should exercise its authority in a manner compatible with lawful customs; and that there should be security of possession of the land. On taxes, it recommended that as a preliminary to the preparation of a land revenue survey, the present taxes should be divided into rent payable to the State for the use of land, and taxes on crafts and trade.

Under the "Natives' Rights Proclamation" (1910), it was made clear that assessment of site rents should not include the value of expenditure on the land.

Given this framework, both fiscal and philosophical, it was not surprising that by 1910 Orr should be expressing the hope that a cadastral survey would be made of the entire Protectorate, with land classified and valued, and rents fixed accordingly. In the meantime, the Administrative staff had to conduct a "rough and ready assessment" of land values. He was also clearly aware of the effect of public investment on land values (he had in mind the railway being laid to Kano).

One difficulty he perceived was the taxing of urban sites. But to involve the natives in a programme of tabulating urban site values would be an antidote to apathy and eventual discontent arising out of the elimination of tribal wars. "To extend it (the tax) to these (urban sites) will not conflict with any native customs; on the contrary, it is the logical outcome of these, and there is no doubt that the native rulers and officials will readily

## Critics Well Answered

"The enactment which thus nationalised the land of Nigeria was regarded by many as being an innovation fraught with danger, and there were not wanting those who prophesied that no one would invest capital in a country thus administered, and that this law barred the way to, or would certainly hinder, all improvement and development on modern lines. The event, however, proved the contrary. As the law came to be understood it was realised that the interests of capital and of the industrious producer were amply protected, with the result that the demand for 'Rights of Occupancy' as the leases are termed, has been so great as to hurry on the development of the country fully as rapidly as is expedient. So far from capital being frightened away, it is flowing in as quickly as anybody could wish."—*Native Races and their Rulers*, Cape Town, 1918.

perceive this, and give willing assistance in formulating a scheme to carry it out."

No such natural progression existed in Lugard's mind. On his return, in his memorandum on taxation, he declared to all political officers in the North "that the Native Revenue Ordinance does not impose the duty of calculating an 'economic rent,' and under the 'Lands and Native Rights Ordinance' there is no object or use in ascertaining the 'prairie value' of land . . ."

He saw—honourably—his administration as being responsible for a "Dual Mandate" ensuring that the European and the African mutually benefitted from each other's activities. (ii) But Lugard was charged with the moral responsibility for achieving more than that. He had, on behalf of the British Government, arbitrarily encircled the natural boundaries of many sovereign tribes, and called them one nation. To ensure a knitting together of the wide differences between these tribes required some dynamic element more vigorous than Indirect Rule.

Today every developing country regards faster economic growth as the principal target. Material advancement is an end to which everybody will aspire, given the assurance that he will share the benefits. Such would have been the binding feature during the early years of British control of Nigeria. And land-value taxation, given the sound local precedents and political endorsement of the Mother Parliament, could have been the catalyst in a general push forward to prosperity for all.

But Lugard would have none of it. He clung assiduously to the concept of income tax, and in so doing diverted the logical outcome of historical events.

The native, he warned his political officers, "pays no rent for his holding, though he will pay income tax on the profits of the land." From this came the inevitable deduction that the native could not be expected to pay

(ii) Sir F. Lugard (later Lord Lugard), *The Dual Mandate in British Tropical Africa*, Blackwood, 1922.



taxes on land values, which did not exist in any *formalised sense*. He wrote condescendingly in his memorandum on "Lands" dated February 1918, "Even if a portion of the agriculturalists' tax were to be marked in the returns (as suggested by Sir P. Girouard), as 'Land Rents,' not only would the tax have no legal sanction, but it would be without educative value, since the native never sees these returns."

Now let us take a closer look at what he was advocating. The traditional policy of levying a tax according to ability to pay, rather than upon natural advantages enjoyed, was theoretically upheld by Lugard in paragraph fourteen in his memorandum on taxation. This would mean that in a subsistence economy, where all production was necessarily consumed to satisfy immediate needs, there was no surplus to tax. And yet Lugard rejected this in paragraph sixteen, and in doing so revealed his endorsement for land-value taxation:

"In Sir P. Girouard's Memorandum 25 it is remarked that if a community consumed all its corn and stock in feeding itself, 'there being no profits, no taxes could be introduced.' With progress and the exchange of commodities with cities, a tax on profits becomes possible . . . the statement quoted is not correct. The tax in respect of land is imposed on the potential yield, and if a community limits its production to its own needs the amount due is estimated by 'profits' of similar lands. The cultivator must, therefore, exert himself to produce sufficient to pay his tax in addition to his own consumption, as the hypothesis that he would have something to exchange if urban commodities were available, admits that he would be able to do."

In that paragraph, Lugard made plain that possessors of land should be taxed not on the basis of ability to pay, *i.e.* out of current realised income, but on the basis of the advantage they enjoyed over those whose land provided only a bare subsistence. These advantages would become evident when they used their land as economically as comparable holdings which did yield a surplus above subsistence. That "surplus" is what economists call economic rent, which would be payable to a landowner if there were one.

Lugard was aware of the role of taxation in stimulating activity but he refused to conceptualise this function into land-value taxation. Communal land ownership started to disintegrate in the 1940's and attempts to unify the country constitutionally through a House of Representatives died with embarrassment. The substitute in 1954 was regional autonomy.

In 1964, the North had 106 people per square mile. The East had 420 people per square mile. The North, with its new regional powers, instituted in 1955 the first of a series of regional employment policies designed to keep out the likes of the Ibos from *their* land. Warnings during the previous fifteen years of the need for a release in the population-land tension in the East, by means of migra-

tion into unsettled areas in the North, had gone largely unheeded.

The Ibos, confronted with this pressure, were forced into seeking new employment through higher education and the acquisition of new skills. Official Nigerian Government figures show that the Ibos of the East led the way in the civil service, in education, and in commerce. The civil war broke out because the East felt itself restrained by the rest of the country. The North, which the British in the early 1950's felt had become too complacent, had lost the opportunity of being pressurised into greater economic activity through land-value taxation. The ensuing conflict was historically inevitable.