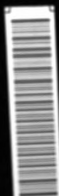




E. A. WALKER

PH.D.

1999



134
179
THS



This is to certify that the

dissertation entitled

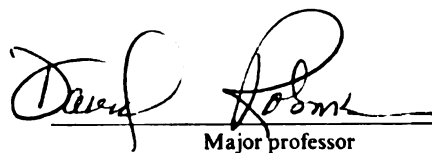
**THE RISE AND DECLINE OF COCOA
PRODUCTION IN SOUTHWESTERN NIGERIA
FROM 1900 TO 1993**

presented by

Ezekiel Ayodele Walker

has been accepted towards fulfillment
of the requirements for

Ph.D. degree in History


Major professor

Date June 17, 1997

PLACE IN RETURN BOX to remove this checkout from your record.
TO AVOID FINES return on or before date due.
MAY BE RECALLED with earlier due date if requested.

DATE DUE	DATE DUE	DATE DUE
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>
<hr/>	<hr/>	<hr/>

**THE RISE AND DECLINE OF COCOA
PRODUCTION IN SOUTHWESTERN NIGERIA
FROM 1900 TO 1993**

By

Ezekiel Ayodele Walker

A DISSERTATION

**Submitted to
Michigan State University
in partial fulfillment of the requirements
for the degree of**

DOCTOR OF PHILOSOPHY

Department of History

1999

ABSTRACT

THE RISE AND DECLINE OF COCOA PRODUCTION IN SOUTHWESTERN NIGERIA FROM 1900 TO 1993

By

Ezekiel Ayodele Walker

This dissertation examines the rise and decline of cocoa production in southwestern Nigeria between 1900 and 1990. This study traces the introduction and spread of cocoa to Agege, Ibadan, Ife and Ondo. In the years following the decline of the cocoa farms of Ibadan and some other northern Yoruba towns, large numbers of farmers migrated to Ife and Ondo where there were still large areas of uninhabited farmland. The influx of migrant farmers into these areas resulted in the commercialization of land, which engendered significant changes in the land tenure system. By the mid 1950s, Nigeria had emerged as one of the most prominent exporters of cocoa on the world with export volumes reaching about 280,000 metric tons. Besides, cocoa became the major foreign exchange earner of Nigeria, accounting for about thirty percent of foreign exchange earnings. Yet, by the late 1970s, the cocoa industry in

Nigeria began a downward spiral from which it has not recovered. This dissertation focuses on the intersection of government policies, cocoa farmer decisions and environmental factors in analyzing the decline of the industry.

Copyright by
EZEKIEL AYODELE WALKER
1999

Acknowledgements

I was privileged to receive a grant from the Rockefeller Foundation in 1988, which allowed me to do the fieldwork for this study. I would like to express my most heartfelt gratitude to Professors David Robinson and Harold Marcus who were responsible for bringing me back to the US after a six-year hiatus in Nigeria. Words are inadequate to express my thankfulness for their compassion and the unqualified support they gave me throughout my stay at Michigan State University. My deep appreciation goes to members of my doctoral committee. Professor LoRomer's friendship during my career at Michigan State University was uplifting and heartwarming. I thank him for taking me through many meaningful excursions into contemporary European history that allowed me to appreciate the global dimensions of this study. Many thanks also to Professor Eldredge for agreeing to serve on my committee at such short notice, and for making many useful comments. My deep appreciation to Professor John Staatz of the Agricultural Economics department for reading my dissertation meticulously, and making many useful suggestions.

The relationship between a doctoral candidate and a dissertation director is a unique one. Professor David Robinson, my dissertation director has an unusual ability to encourage without flattering, and correct without discouraging. On several occasions his perceptive comments

opened up entirely new directions for the dissertation, for which I am grateful. I also thank him for reading the dissertation carefully, and making detailed suggestions. I thank Professor Harold Marcus for his sensitivity to my financial needs at various stages of my career at Michigan State University. I am grateful to him for his insightful comments regarding my work.

I was also fortunate to receive the enthusiastic response of many people in the cocoa growing areas. From the farmers whose unfettered responses made fieldwork a rewarding experience, to my able research assistants, Felix Kokumo and Aderemi Adewale, who went beyond "the call of duty" in their dedication to garnering information, I say a big thank you.

These and many others who have surrounded my life have contributed to giving shape to this work. I owe them an immense debt. To my parents whose unswerving support during my six-year hiatus in Nigeria, assuaged the pain of not being able to come back to the US on schedule, I say a big thank you. Finally, I thank God from whom all blessings flow.

TABLE OF CONTENTS

List of Tables	viii
List of Maps	ix
Key to Abbreviations	x
Introduction	1
Chapter 1: Review of sources and historiography	6
Chapter 2: Historical Background to the rise of Cocoa growing in southwestern Nigeria	34
The Yoruba Wars	35
British colonial economic policy and cocoa production	45
European Missions, Agege planters and the rise of cocoa production in Nigeria	49
Chapter 3: The agricultural and biological aspects of cocoa	62
The origin of cocoa	63
The Botany of cocoa	67
Climate	70
Soil structure	72
Adaptation of the cocoa tree in Nigeria	73
Establishment and maintenance of cocoa farms	78
Chapter 4: The rise and fall of cocoa production in Ibadan	87
British colonial government and cocoa Production	88
Swollen shoot and the fall of Ibadan cocoa	99
Ibadan in the post-swollen shoot era	106
Chapter 5: Migrants, new settlements and new structures of production in Ife and Ondo	110
The rise of cocoa production in Ife and Ondo	111
The establishment of new cocoa farms	136
Chapter 6: The Marketing Board, the appropriation of surplus and cocoa farmer impoverishment	147
Historical background	148

The establishment of the Nigerian Cocoa Marketing Board	155
The impact of Board policies on cocoa farmers	175
Chapter 7: The oil boom, rural-urban migration and the attenuation of households	183
Agriculture and the immediate post colonial period	184
Agriculture and Development schemes, 1973-1980s	187
The failure of cocoa rehabilitation	200
Chapter 8: Structural Adjustment, new marketing arrangements, and the empowerment of labor	214
Historical background	215
Structural Adjustment and cocoa marketing	217
Resolution of crisis	237
Chapter 9: Conclusion	247
Bibliography	260

List of Tables

Table 1: Dates on which cocoa was first planted in several Ondo villages.	p.119
Table 2: Dates of establishment and arrival of migrants in some Ife towns.	p.120
Table 3: Previous occupation of some migrant farmers in Akeredolu and Ago-Gboro.	p.131
Table 4: How hired laborers were used in selected cocoa villages in the 1950s.	p.137
Table 5: Accumulation of reserves by the Marketing Board.	p.163
Table 6: Nigerian cocoa producer prices as percentage of World prices.	p.169
Table 7: Cocoa production in Nigeria as a percentage of world production from 1900/1-1986/87 in metric tons.	p.188
Table 8: Government revenue from SFEM	p.218
Table 9: Trend in nominal producer price of cocoa per metric ton for pre-SAP and SAP Periods.	p.220
Table 10: Annual average exchange rate (1970-1989)	p.221

LIST OF MAPS

1.Map of Ibadan Empire	61
2.Map of Ondo State	143
3.Map of selected cocoa villages in southeast Ife	144

Key to Abbreviations

ANCE	Association of Nigerian Cocoa Exporters
BCGA	British Cotton Growing Association
CBN	Central Bank of Nigeria
CMS	Church Missionary Society
IJAHS	International Journal of African Historical Studies
JHSN	Journal of the Historical Society of Nigeria
NAI	National Archives Ibadan
NISER	Nigerian Institute of Social and Economic Research
SAP	Structural Adjustment Program
SFEM	Second-Tier Foreign Exchange Market

INTRODUCTION

Over the past twenty-five years agricultural production in Nigeria has been on a downward spiral. Between 1945 and 1964, Nigeria had become the second leading world producer of palm oil and palm kernels. In the early 1960s, Nigeria accounted for approximately eighteen percent of the world output of and was second only to Ghana in volume of production. Besides, in 1960, the role of cocoa as a foreign exchange earner was unsurpassed. In fact, about twenty percent of Nigeria's foreign exchange earnings were obtained from cocoa. From 1970, however, Nigeria's share of the world market output for some of the major cash crops began to decline. For example, in 1972, Nigeria's share of the world market output for cocoa dropped from eighteen to sixteen percent. This trend was exacerbated by the neglect of the agricultural sector of the Nigerian economy that occurred, with the advent of the oil boom in the mid 1970s. By the late 1970s the petroleum industry was responsible for about ninety-one percent of Nigeria's foreign exchange earnings.

The impact on the cocoa industry was almost mortal. From an output of 280,000 tons in the 1979/80 season, there was a progressive decline to 155,000 tons in 1980/81, and then to 151,000 tons in 1984/85. Nigeria's cocoa production

has fluctuated between 95,000 and 150,000 since the 1986 season.

Using archival and oral sources, this dissertation examines the remote and proximate factors responsible for the decline and present stagnation of the cocoa industry. In chapter one, I discuss the historiography on cocoa production in southwestern Nigeria. I argue that although significant amounts of work have been done on various aspects of the cocoa industry, namely: its growth and development, the role of marketing boards and the impact of the oil boom on agricultural production, there has been no systematic study of the decline of cocoa production.

In the second chapter, I provide a historical background to the rise of cocoa cultivation. I divide this chapter into two parts. In the first part, I discuss the Yoruba civil wars during which various Yoruba city-states fought for self-determination after the collapse of the Oyo Empire. To be sure, the degree of involvement of the belligerents in the civil wars determined their responsiveness to the new economic opportunities that came with the transition from the slave trade to "legitimate commerce."

In the second part, I focus on the normalization of British colonial authority. I discuss the formulation of British colonial economic policy and its contribution to the

growth of cash crop production in Nigeria. I examine the demand for cocoa on the world market and the efforts of missionaries in disseminating knowledge on the economic potential of cocoa. I trace the role played by the Agege planters not only in starting new cocoa farms, but also in financing the African Church that became pivotal in spreading cocoa to the city-states in the interior of Yorubaland.

In chapter three, I examine the agricultural and biological aspects of cocoa. I trace the origin and spread of cocoa cultivation from the Amazon Basin in Central America to Southeast Asia and Africa. I focus particularly on the adaptations of the cocoa crop to the peculiar climatic and soil conditions of West Africa.

In chapter four, I discuss the rise and fall of cocoa production in Ibadan. I examine the introduction of cocoa to Ibadan and its emergence as the largest producer of cocoa in southwestern Nigeria. Besides, I examine the structure of cocoa production in Ibadan with particular emphasis on land rights. I also show how the outbreak of the swollen shoot disease contributed to the demise of the Ibadan cocoa belt.

In chapter five, I focus on the migration of stranger-farmers from Ibadan and other older cocoa growing communities to Ife and Ondo. To be sure, although the Ifes had planted cocoa in the southwestern part of the town, the

southeast forests were still largely uninhabited by the late 1940s. So also were the forests along Ondo-Akure road. I show that migrants constituted the bulk of the population of these uncharted areas and that their influx in large numbers resulted in the commercialization of the land tenure system.

In chapter six, I analyze the impact of the marketing board on the cocoa industry. I focus on how the marketing board reserves were spent and how the policy of price stabilization affected producer prices. I examine the residual incomes of the farmers and how they influenced their investment patterns. How did cocoa farmers spend their money? Did they expand their acreage's? To what extent were they able to control the spread of diseases?

In chapter seven, I focus on the impact of the oil boom of the 1970s on the cocoa industry. I show how the rural-urban migration that occurred during this period resulted in the attenuation of the household and increased the cost of maintaining cocoa farms. I also examine the impact of the scarcity of labor on cocoa production.

In chapter eight, I examine the impact of the Structural Adjustment Program on the cocoa industry. I discuss the main features of the program and their implications for the cocoa industry. I argue that the deregulation of the Nigerian economy and the withdrawal of subsidies on fertilizers and farm implements made the cost

of maintaining cocoa farms prohibitive. I also show how hired laborers have become the primary beneficiaries of the SAP program as cocoa farmers, most of whom are over sixty years old, have to share farms with laborers to keep down the cost of production.

In chapter nine, I provide a conclusion that draws on the information in the preceding chapters to reflect on the decline of the cocoa industry.

CHAPTER ONE

HISTORIOGRAPHY AND REVIEW OF SOURCES

In studying the rise and decline of the cocoa industry in southwestern Nigeria, I employed a combination of different sources such as eyewitness accounts, oral traditions, private papers and diaries, government publications and archival materials. These sources, in varying degrees, presented challenges and evoked critical questions.

In this chapter, I discuss the merits and weaknesses of the different categories of evidence. I begin by analyzing the relevant archival materials on the cocoa industry. I also evaluate the strengths and prejudices of government publications such as the Annual Reports of the Ministry of Agriculture and Natural Resources, and Central Bank Reports. Finally, the extensive eyewitness accounts in the cocoa growing areas are assessed.

This study has two main parts. The first analyzes the rise of the cocoa industry from the 1900s to the 1960s. This section focuses on the spread of cocoa cultivation to Ibadan, Ife and Ondo. The 1920s and 1930s witnessed Ibadan's emergence as the major cocoa producer in Nigeria. By the mid 1940s, however, cocoa production in Ibadan had declined, in part because of the swollen shoot disease and also because of the diminishing fertility of the soil. The late 1940s were the period of migration to the relatively new cocoa

producing areas of Ife and Ondo. Migrant farmers came from all over Yorubaland in the wake of the high prices that were being paid for cocoa in the 1950s.¹

The second part of this dissertation begins in the mid 1960s and ends in 1993. In this section, I focus on the activities of the marketing board and the appropriation of surplus. I analyze the investment patterns of cocoa farmers. How much do they realize from cocoa production? How much of their income do they re-plow into establishing new farms or rehabilitating existing ones? To what extent does the marketing board policy of price stabilization limit their capacity to expand their holdings? In this section, I also look at the decline of cocoa production. I analyze the impact of the oil boom and the Structural Adjustment Program on the cocoa industry.

The archival materials correspond to these two broad periods. Documents are kept in the Search Room at the National Archives in Ibadan. The materials for the period between 1920 and 1960 consist primarily of colonial government reports such as provincial papers, intelligence reports, letters and memoranda. Colonial office documents also include Blue Books, which contain copious figures on imports and exports, custom duties, freight charges and tariffs.²

The colonial government reports deal disproportionately with different aspects of the colonial administration. For example, the majority of the documents in the Ibadan

archives pertain to the Indirect Rule system. They include correspondences between British officials regarding the running of their different areas. They also include petitions from various southwestern Nigerian personages on questions relating to the Indirect Rule system.³

Although archival documents are skewed towards political history, there is adequate information on economic and social history. Accounts of land disputes, the land tenure system, and letters regarding the swollen shoot disease feature prominently in these documents. There is also considerable information on the marketing boards. They consist primarily of annual reports and memoranda between the board and the Federal Ministry of Trade. Files for the immediate post colonial period focus primarily on cocoa marketing under the re-structured commodity board.⁴

The documents on the colonial period, for the most part, reflect the hierarchy of the colonial administration. They also give a good sense of the main outlines of British colonial policy. In addition, they provide adequate information on the workings of the Indirect Rule system, and the reactions of the indigenous population to it.

A district officer who was expected to write an annual report of his activities administered each province. The district officer was also the "man on the spot," and was expected to be a liaison between the people and the Resident. The district officer transmitted information about local conditions to the Residents. Although the district

officer mediated local disputes as much as possible in the provincial courts, matters of policy were left to the Resident.⁵

There are provincial files that contain valuable information on the different provinces of the defunct Western Region. The district officers who presided over these provinces were faced with the daunting task of collecting accurate and comprehensive information. This task was made difficult by the lack of good communications system such as roads, and the paucity of support staff. Colonial officials had to rely on interpreters not only in mediating disputes, but also in collecting information on different aspects of life in the provinces.⁶

There are several official publications that complement archival sources, such as the Annual Reports of the Ministry of Agriculture and Natural Resources, the Annual Reports of the Cocoa Research Institute of Nigeria and publications of the Association of Nigerian Cocoa Exporters. For the most part, these documents tend to give a positive image of government contribution to agriculture. In fact, some of their figures do not reflect actual village conditions. A careful analysis of these documents, and the social and political context in which they were compiled, should be done before they can be used as source materials.⁷

Another important source of information for this study is newspapers. The majority of newspaper reports on the cocoa industry is investigative, and as such contain a

substantial amount of valuable information. Yet, they have to be used with caution. For the colonial period, some newspapers tended to toe the line of government. Newspapers that were particularly critical of colonial government policy were denied advertisement. Owing to the fact that this was the most important source of revenue for most of the newspapers of this era, a great number of the more militant ones had to fold up.

The post-colonial period was not different. Government newspapers such as Daily Times and New Nigerian have tended to give intellectual cachet to government policy. In using government newspapers, one has to look beyond their narrow, provincial interests and prejudices, and analyze the "facts." Regional newspapers, especially those in the cocoa producing areas, are a goldmine of information on the cocoa industry.

The Daily Sketch and the Nigerian Tribune are the two most prominent newspapers in the cocoa belt. Because of their proximity to the cocoa belt, they are able to provide up-to-date information on various aspects of the cocoa trade. The researcher, however, also has to be circumspect in using them. The Nigerian Tribune is a privately owned newspaper of the Awolowo family. Before Awolowo passed away in 1987, this newspaper had been used as a conduit for disseminating his political philosophy. For example, the newspaper was less critical of marketing board policies in the 1960s and 70s than most other newspapers, because its

proprietor, Awolowo, was an ardent proponent of using marketing board funds for regional development.

The Sketch, on the other hand, was more liberal. Although it is a regional government paper, it has had the incredible fortune of having at its helm, independent-minded and fearless journalists. It is no accident, therefore, that the Sketch has experienced more forced closings, and more censorship than any Nigerian newspaper. Over the last decade, the Guardian has joined the ranks of the Sketch for its intrepid reporting. Widely respected and acknowledged as the flagship of Nigerian journalism, the Guardian, which is privately owned, has taken a bold and aggressive anti-government position on most issues.⁸

Newspaper reports tend to be influenced by the journalist's ideological position, his or her class interest, and in the case of Nigeria, ethnic background. To be sure, the interpretation of the evidence is conditioned by these factors; and at times, the evidence is completely submerged under the obfuscating canopy of conflicting interests. A good appreciation of these factors is essential to employing this category of sources.

The second part of this dissertation makes extensive use of oral sources. The oral sources for this dissertation are primarily eyewitness accounts and recollections of farmers. These accounts are more personal and less structured than formal traditions. Formal traditions are stories, poems, songs, genealogies and narrations of major

historical events or characters that are either in fixed or free text, and are passed down from generation to generation in a carefully constructed chain of transmission.⁹

This definition is pertinent for the pre-colonial history of most non-literate African societies. One needs to make a distinction between oral traditions and oral history. Oral sources, such as eyewitness accounts, are not included in the conventional definition of oral traditions because they are not reported statements, but remembrances of people who lived at the time of the event they are recounting.

One may ask how oral sources have historical value. One can use them depending on the type of history one is writing about. For the colonial period, oral sources are a useful supplement to the archival materials, and other written sources. Sara Berry in *Cocoa, Custom and Socio-Economic Change in Rural Western Nigeria*, makes extensive use of the personal experiences of cocoa farmers, and Polly Hill more or less does the same thing in her *Migrant Cocoa Farmers of Southern Ghana*.¹⁰

Although eyewitness accounts are different from oral traditions, they do present the same problems. One of the major problems I faced during my fieldwork was the lack of a convenient communications system. The rural areas, where the vast majority of the farmers I interviewed live, don't have good roads. This becomes more problematic during the rainy season when most of the roads are waterlogged. This renders them impassable by car. During the rainy season, I couldn't

travel as much as I wanted, as I had to go by public trucks, which were always packed beyond capacity. Owing to the poor condition of the roads, these trucks were so ponderously slow, that in most cases, a 12-mile journey from Akeredolu to Kere took about two hours.¹¹

Also, most prospective interviewees do not trust strangers whose political affiliations and occupation are unknown to them. Cocoa farmers are, for the most part, apprehensive of anyone who looks westernized; they very often assume that such a person is a government official who has come to tamper with their land. The first order of business for me, therefore, was to look for someone who could introduce me to the influential farmers in a few of the cocoa villages.¹²

I was very fortunate to meet Mr. Aderemi Adewale, a student at the Obafemi Awolowo University. Mr. Adewale, whose father was a cocoa farmer at Kere, agreed to work for me as a field assistant. We made several trips to the cocoa belt together. For my interviews in the Ondo cocoa villages, I employed the services of Mr. Felix Kokumo, a former student of mine and the son of a prominent *Ogun* priest. His father had important ties to the cocoa belt, which fact facilitated my fieldwork in the Ondo area.¹³

Informants were selected from a cross-section of the farming population. For the most part, I interviewed village elders, who were direct descendants of the founding landowning families of the different cocoa villages. The

village population in Ife and Ondo generally regards these elders as repositories of the history of cocoa farming because they have a first-hand account of its origin and growth. Besides, most of the migrant farmers I interviewed in Ife south and Ondo also gave first-hand accounts of their experiences as they arrived in these villages in the 1950s and 1960s, and helped in settling them.

My fieldwork began at Akeredolu village where I talked extensively with the Chairman of the village, Chief Adedewe. The Chairman gave me a good sense of the layout of the cocoa belt of southeast Ife, providing me with names of villages and cocoa farmers that he felt would be able to give me information regarding cocoa production in their villages. Chief Adedewe then introduced me to the prominent ex-landowners at Akeredolu.¹⁴

These former landowners shared their recollections of Akeredolu history with me. They talked about the settlement of the village, the rise of cocoa production and the influx of migrant farmers into Akeredolu. The oral interviews were, for the most part, open-ended. As my informants told me their stories, I interjected with specific questions. I asked them what was the cost of setting up their cocoa farms, the cost of maintaining their farms from the time they established it up to 1991, the number of laborers they have used, the volume of production over time, and the returns from cocoa.

The chairman then took me on a tour of the village and introduced me to each household. The Chairman felt that this was important in order to dispel any apprehensions the farmers might have about my intentions. After getting to know most of the people in the village, I decided to stay there for three months. I rented a room in the house of Olodu, a hunter and foodcrop farmer.¹⁵

From my base at Akeredolu, I made forays into other parts of Ife south such as Isoya, Osi-Soko, Area 5, Wanisoni, Oloronbo, Kere and Molodo. At Akeredolu, I interviewed 50 male farmers, 1 female farmer and 21 laborers. At Molodo village, I interviewed about 45 farmers and 2 annual workers. At Kere village, I interviewed farmers in 13 households; and at Aroko, Osi-Soko, Oloronbo and Araromi-Oke Odo, otherwise known as Area 5, I interviewed the farmers whose names had been suggested to me by Chief Adedewe.¹⁶

In the Ondo cocoa growing area, my interviews followed a similar pattern. I stayed in Ondo town for about four to five days at a stretch, anytime I went to do interviews in the Ondo cocoa areas. From Ondo town, I went to Omifon Aladura on the Ondo-Ore road, Fagbo, Igbo-Oja, Uloen, Aba Baba-Ibadan, Bamikemo Oja, and Bolorunduro. I also visited four villages in the Idanre/Ifedore local government area, namely: Ago-Gbogi, Isanmore, Legbira and Mofere,. I interviewed 67 farmers and nine laborers in the Ondo cocoa growing areas. In all, I visited 21 villages, and

interviewed 162 farmers and 30 laborers. According to my informants, their experiences was representative of what was going on in the other cocoa producing villages.¹⁷

One major drawback I faced was the issue of remuneration. The majority of my informants wanted financial reward for the information they were providing. Although I did not give informants cash, occasionally I gave some of their children presents. I also tried to make them realize that my research was intended to help make their plight known to a larger audience, and that the information they provided would probably bring greater sensitivity to their situation.

Apart from these logistical problems, there were some epistemological concerns. First, most of my informants sought to advance their own interests. They, therefore, interpreted events in ways, which suited their needs. First, landowners were especially critical of government for enacting the Land Use Decree that abolished the payment of *ishakole*. Migrant farmers on the other hand, viewed it differently. Neither landowners nor migrant farmers were favorably disposed to the growing influence of laborers in the cocoa belt. In fact there was considerable tension between the two groups, and I interviewed both groups separately to avoid confrontation.¹⁸

In most cases, I interviewed farmers individually. This was owing to the fact that most farmers were reluctant to talk in a group for fear that their views might not be

popular. Others did not feel comfortable with divulging intricate details about their cocoa farms to their peers. In cases where I conducted group interviews, I did so with the consent of the parties concerned.

For example, the ex-landowners at Akeredolu were very willing to do group interviews. At Omifon Aladura, the elders of the village suggested that I do a group interview because, for the most part they had good relations with one another, and they each knew what the other had. I also did group interviews at Mofere, Molodo and Aba Baba-Ibadan. Also, laborers were generally more disposed to group interviews than farmers. This was owing to the fact that, in most cases, they worked in groups, and also because they tended to find strength in being together.¹⁹

Group interviews helped to minimize the problems of chronology and the dates of specific events. Although farmers were recounting events in the recent past, they had great difficulty remembering the exact time of these events. The dynamics of group interviews allowed informants to crosscheck the information they were providing one with the other. I had so many instances of some farmers with good memories correcting others when they were talking about their experiences.²⁰

Farmers were able to estimate the approximate time an event took place by linking them to some family occurrence such as the birth of a child, the loss of a loved one and in many cases even a larger national event. For example, many

of the elderly farmers recall, rather tremulously, the Akintola regime during which cocoa prices plummeted to an all-time low. Events such as the Civil War and the oil boom are also easily recounted which fact made it possible for me to contextualize the interviews.²¹

Although it is difficult to prove the veracity of these accounts, I interviewed informants several times to confirm original recollections. The chairman of Akeredolu village was also very helpful in verifying or refuting the accounts of other farmers in his village. In most other cocoa villages, I was able to make friends with a cross section of the population quite easily. I found out that developing an affective relationship with farmers made them more willing to talk about their experiences. Also, once they had me in their confidence, it was not difficult to ask them for comments on what others had said.²²

Oral sources provide a basis for assessing the documentary evidence. In the case of Nigeria, they are almost indispensable because, for the most part, government documents, especially in the post-colonial period, present a reality that is so different from what is happening "on the ground." Although oral sources provide valuable information for reconstructing the past, one should be aware that they also embody the prejudices, frustrations, fears and hopes of the *dramatis personae*.

Historiography

Perhaps the most important question in the economic history of southwestern Nigeria today is to explain the rapid decline of cocoa production over the past twenty years. A considerable amount of literature exists on the growth of export production during the colonial period. These works in varying degrees examine the role of international trade in the development of the cash crop economy of Nigeria.²³ A few studies have been conducted on the post-colonial period. Most of these studies focus on the consequences of Africa's incorporation into the world capitalist system, while other works by agricultural economists and economists, give descriptive accounts of the performance of specific sectors of the Nigerian economy.²⁴

The historiography on agricultural production in Nigeria can be divided into three broad genres. The first group of studies defines the development of cash crop production in Nigeria in relation to the growth of the European market economy. A significant number of these studies are variations of the "vent for surplus" hypothesis propounded by Hyla Myint.

Myint's seminal theory contends that international trade spawned the effective demand which West African economies needed to harness otherwise dormant resources of land and labor. He argues that since West African economies were able to fulfill their subsistence requirements in a

situation where they had copious, underutilized land and abundant labor, they were able to take up export production without any disruption of food production. In short, international trade provided the incentive for surplus production.

Significant proportions of the studies in the colonial period were outgrowths of the "vent-for-surplus theory." For example, G.K Helleiner reiterates the pertinence of Myint's theory in his book, *Peasant Agriculture, Government and Economic Growth in Nigeria*, by stating that the growth of cash crops during the colonial period was created through the acquisition of more land for cultivation and the dropping of leisure activities as a result of the higher incomes farmers were realizing from cash crops. He also contends that the creation of infrastructure such as railroads not only revolutionized West African economies, but also facilitated the expansion of export production.²⁵

Carl Eicher examines agricultural development in Nigeria during the colonial period. Although Eicher agrees that indigenous smallholders made certain internal adjustments during the colonial period, he emphasizes the impact of British policies on agricultural growth. He states that three important British decisions created the conditions for the development of the Nigerian economy.

First, the colonial land ordinance of 1910 and later 1917, gave indigenous farmers absolute preserve on agricultural production, as distinguished from East Africa, where the British gave imprimatur to the growth of a white settler agrarian community. Second, the epidemiological research policy for cash crops resulted not only in the discovery of new and improved strains of cocoa, groundnuts and oil palm, but also in the development of insecticides and fungicides for checking cocoa diseases. Third, the British supplanted expatriate trading companies with the marketing boards in the 1930s.²⁶

Szereszewski also uses the "vent-for-surplus" model to examine the radical changes that took place in the Ghanaian economy between 1891 and 1911 with the introduction of cocoa. He states that the incipient cocoa industry benefited from a large supply of labor as labor input increased from 100,000 labor days in 1891 to 37 million in 1911. He submits that the process of capital formation that led to the phenomenal expansion of the industry was a direct result of the monetization of labor.²⁷

The major weakness in all of these studies is that they underplay the role of the smallholders in the development of agricultural production in Nigeria. They give the impression that colonial policy was the "deus ex machina" which created the rapid agricultural growth of the early years of colonial rule, and they ignore the strenuous expenditures of capital and labor by the indigenous producers. For instance, how

was production organized? How was labor mobilized? What kinds of investments did the farmers make?

Polly Hill puts the role of smallholders in proper perspective in her book, *Migrant Cocoa Farmers of Southern Ghana*. Hill argues that cocoa farming in Ghana was established not by settled farmers who owned small acres of individual plots, but by migrant Akwapin, Krobo and Shai farmers who moved into the cocoa regions of Ghana from the southern fringes of the forest belt and bought large tracts of unused land. She maintains that cocoa farming among the migrant farmers involved some degree of capital formation and the investment of capital on land and agricultural tools, and the re-plowing of profit on more cocoa land. Through these uniquely capitalist processes, the migrant cocoa farmers were able to expand cocoa production in Ghana significantly.²⁸

Sara Berry has followed up on Polly Hill's observations in her seminal work on Nigerian cocoa. Sara Berry argues that the "vent-for-surplus" model needs to be modified in the case of cocoa production. While she concurs that large numbers of cocoa farmers sought previously unused land for cocoa farming, actual cocoa production entailed organizational changes which affected the way resources were mobilized. For example, the commercialization of land, finding sources of credit and the organization of labor make cocoa production a more demanding vocation than the vent-for-surplus model suggests.²⁹

The second historiographical trend in the economic history of Nigeria is Marxist. Although most of the Marxist studies do not deal specifically with Nigeria, they extrapolate from studies of different African regions and make general statements about the Third World as a whole. The Marxist tradition has found expression in both the dependency theory and the modes of production school.

The dependency theory was first articulated by Andre Gunder Frank and later applied by Samir Amin, Walter Rodney, Giovanni Arrighi, John Nabudere and John Saul.³⁰ Based on varying trends of development in the Third World, different views of the theory have emerged. The main argument of the dependency school, however, is that the incorporation of the Third World into the world capitalist economy created distortions which have hindered the development of Third World economies.³¹

Extending Frank's frame of thought, Samir Amin, Emmanuel Arrighi, John Nabudere and John Saul argue that underdevelopment is a product of the penetration of capital into the Third World. Amin states that in South Africa a significant capitalist center had emerged with the discovery of gold and diamonds. This resulted in some form of primitive accumulation whereby Africans were dispossessed of their land and consigned to small and impoverished areas where there was very little scope of transforming their agriculture. Consequently, they formed a pool of cheap labor, which ensured the greatest profits to the burgeoning

manufacturing industries in South Africa and Northern Rhodesia. Amin says that elsewhere on the continent, especially in West Africa, integration into the world capitalist economy was characterized by the payment of low wages to local producers, which created not only cheap exports for the metropolitan countries, but also unequal exchange.³²

The dependency theory came into being in the late 1960s and early 1970s after most African countries had become independent. The theory is inherently flawed in that it sees the backwardness of African economies only in terms of external factors. With the failure of government programs and the pervasiveness of corruption in official circles in the Third World, it is time for a closer analysis of the impact of domestic policies on agricultural production.

In a counter-argument to the dependency theory, the "modes of production" school argues that one needs to differentiate between relations of exchange and relations of production. Proponents of this school of thought such as Meillasoux, Pierre-Phillipe R, Aidan Foster-Carter and Catherine Coquery-Vidrovitch, maintain that the coming of capitalism into Africa did not engender the demolition of pre-capitalist modes of production; rather, what happened was a process of articulation of the pre-capitalist modes of production into the world capitalist system.³³

In the works of agricultural economists and economists, there is a movement away from these theoretical issues to a

preoccupation with the statistics of production and marketing. Agricultural economists such as S.M. Essang, Olayide, Olatunbosun and Dina have compiled a considerable amount of statistical information on different aspects of the cocoa industry.³⁴

S.M. Essang has written on wage differentials in the cocoa belt among farmers and produce buyers between 1967 and 1969. He argues that the data on the distribution of earnings in the cocoa belt suggests that large-scale farmers had greater access to credit facilities than smallholders who were in the majority. The smallholders had to resort to borrowing money from moneylenders and licensed buying agents who imposed high interest rates. This situation, according to him, created sharp inequalities in the cocoa belt.³⁵

Most studies by agricultural economists emphasize the role of the Marketing Board in cocoa production. Helleiner, in giving one of the most valid reasons for its establishment argued that the only justification for its continuance long after the end of the colonial period was the fiscal role, which it had come to play. It had become a conduit for mobilizing the agricultural surplus, designed to meet the ever-increasing developmental needs of the country. This view was also shared by S.M. Essang, who stated that earnings from Marketing Board operations should be used for the provision of infrastructures in the country.

Olatunbosun, Olayide and Teriba, however, argue that despite the accumulation of large reserves by the government

of Western State, it was unable to finance cocoa rehabilitation. They also contend that Marketing Board policy depressed producer earnings for many years; these authors, through some statistical correlations, deduce that low prices kept cocoa output down.³⁶

Granted, cocoa output has dropped significantly over the past twenty years; however, this decline has to be put in historical context. The fact of the matter is that with the commercialization of the cocoa industry, it became necessary for farmers to accumulate surplus in order to maintain their farms. The capacity of cocoa farmers to expand their farms, pay their laborers and spray their cocoa trees was contingent on the amount of surplus they amassed.

Sara Berry offers a different perspective in her book, *Fathers Work for their Sons*. Using empirical data collected from two villages, which she christened Abakinni and Abulekeji and two towns, namely, Eripa and Iree, she suggests that rural stagnation derives not so much from the exploitation of farmers by the Marketing Boards, but by the way farmers have spent accumulated surplus. Berry argues that successful farmers in southwestern Nigeria invest most of their resources not in expanding cocoa production, but in constructing social networks that would enhance political preferment and seniority. She goes on to say that most successful farmers do not see cocoa as "a way of life," but as a vehicle for upward mobility, and that capitalization of

cocoa has not partitioned society into agrarian bourgeoisie and proletariat.³⁷

Sara Berry's observations need to be qualified. There is no question that the majority of successful farmers tended to diversify their activities and use money earned from cocoa to enhance their political and social status within the community. There are examples of erstwhile cocoa farmers who have become prominent politicians, produce buyers, and traditional rulers; but these constitute only a small proportion of the cocoa farming population.

To be sure, the vast majority of cocoa farmers are smallholders who are spread across the cocoa belt in tightly-clustered cocoa villages. For example, about eighty percent of the farmers I interviewed in selected cocoa villages from Akeredolu to Kere, a twelve-mile stretch of road, have been in the area since the 1960s. This is also true of many villages in Idanre, Ile-Oluji and Ondo. For the majority of smallholders, who cannot diversify their economic activities, cocoa is a way of life.

The questions that need to be asked are: what options are available to the farmers? Could they with their limited resources get out of the circumscribed "world" of the smallholder? Further, how have the majority of smallholders in the cocoa belt spent their surplus? These questions are

pivotal to understanding the decline of cocoa production in the postcolonial period.

Although some of the studies on the post-colonial period of the cocoa industry make reference to the decline of cocoa production, there has been no systematic study of this phenomenon. Sara Berry, in her article, *Oil and the Disappearing peasantry*, talks about the exodus of people from cocoa villages during the oil boom. The oil boom led to an unprecedented growth in the Nigerian economy. The civil service expanded and the urban centers blossomed. She opines that owing to the increase in educational opportunities, cocoa farmers encouraged their school age children to go to school in order to take advantage of the new opportunities, rather than prepare for life as cocoa farmers.³⁸

Bola Aluko, in a study of small-scale industries in Western State, states that there was a significant increase in the number of artisans in Ife during the oil boom years. The oil boom produced a consumer society, as cars, appliances, and all kinds of foreign goods flooded the Nigerian market. This created opportunities for learning trades such as automobile repair and repair of electrical appliances. This attracted a large number of youths from the cocoa villages.³⁹

The Structural Adjustment Program in Africa has been the subject of considerable scholarly attention. The majority of these works, however, are skewed disproportionately toward the impact of the program on the

private sector of the economy. *Structural Adjustment and Beyond* edited by Rolph van der Hoeven and Fred Van Der Kraaij is a collection of articles on the political economy of structural adjustment and the long-term developmental implications of the program. *Economic Reform in Sub-Saharan Africa* edited by Chhibber and Fischer examines macroeconomic aspects of the program such as exchange-rate policy, the parallel markets, financial sector policy and trade policy.⁴⁰ There are a number of case studies of structural adjustment on individual African countries. *The Gambia: Economic Adjustment in a small open economy* by Hadjimichael, Rumbaugh and Verreydt is an assessment of the performance of the program from 1985 when it was inaugurated to 1992. The authors contend that although the prices of agricultural commodities have fallen in Gambia, structural adjustment had some positive results such as the diversification of the export sector. The authors, however, do not analyze the social consequences of the program. *Open Economies: Structural Adjustment and Agriculture* edited by Golden and Winters examines the impact of structural adjustment on agriculture. Drawing from the literature on the macroeconomic aspects of structural adjustment, the authors focus on the impact of exchange rate and trade policies on agriculture. Other studies on the impact of structural adjustment on agriculture include Amani et al. who examine the privatization of food markets, and Bloomfield and Lass

who study various aspects of the international cocoa market.⁴¹

With particular reference to Nigeria, Bola Akanji, in two NISER monographs, talks about the Structural Adjustment Program and the proposed government ban on the export of raw cocoa beans. Akanji also talks about the emergence of new marketing arrangements in the cocoa industry, but does not situate the work in a historical context. Julius Ihonbvere discusses the political economy of structural adjustment.⁴²

This dissertation is at once a work of synthesis, but also uses empirical evidence to analyze the intersection between government policies and farmer decisions. For example, how did the movement of people from the rural areas affect the cost of labor in the cocoa villages, and how did this in turn affect the capacity of cocoa farmers to maintain their farms? What were the implications of the changing cost of production on labor relations and how did this affect the volume of production? The same questions can be asked of the Structural Adjustment Program.

Furthermore, we still need to clarify the role of internal domestic policies, as opposed to the world capitalist system, upon agricultural production. For example, how were policies such as the "Green Revolution" implemented. Why is it that in spite of massive amounts allocated for cocoa rehabilitation, cocoa continues its downward spiral? What was the impact of government programs?

Finally, not much attention has been given to the study of the effects of ecological factors on the cocoa industry, despite the debilitating consequences of the outbreak of the swollen shoot disease, and the fact that these diseases continue to scourge the new cocoa growing areas. This dissertation therefore is intended to fill these gaps by analyzing the interplay of government policies, ecological factors and market forces, and evaluating their impact on the cocoa industry. In addition, this dissertation is intended to do a systematic analysis of the decline of cocoa production in Nigeria in the post-colonial period.

ENDNOTES

- ¹ Berry, S.S., Cocoa, Custom and Socio-Economic Change in Rural Western Nigeria
- ² National Archives, Ibadan
- ³ Search Room, National Archives, Ibadan
- ⁴ Search Room, National Archives, Ibadan
- ⁵ Search Room, National Archives, Ibadan
- ⁶ The various files of the colonial officials mention the lack of good communications network, and the problems associated with collecting information.
- ⁷ Documents are located in the libraries of the: Cocoa Research Institute of Nigeria; Ministry of Agriculture and Natural Resources, and the Association of Nigeria Cocoa Exporters, Ibadan.
- ⁸ I visited the following newspaper houses during my research in Nigeria: Sketch, Nigeria Tribune, The Daily Times, and I got copious newspaper cuttings on the other newspapers at the National Archives, Ibadan.
- ⁹ Vansina, Jan., Oral Traditions: A Study in Historical Methodology, London, 1965.
- ¹⁰ Hill, P., Migrant Cocoa Farmers of Southern Ghana: A Study in Rural Capitalism, Cambridge, 1963
- ¹¹ Oral interviews conducted at Akeredolu between 1989 and 1991.
- ¹² Fieldwork done in the cocoa belt of southwestern Nigeria between 1989 and 1991.
- ¹³ Messrs. Aderemi Adewale and Felix Kokumo were my field assistants throughout my fieldwork in Nigeria.
- ¹⁴ Chief Adedewe was the Chairman of Akeredolu village during my fieldwork in Nigeria.
- ¹⁵ Chief Adedewe introduced me to the Adereti brothers, Jeremiah Akinwale and the prominent ex-landowners at Akeredolu
- ¹⁶ Oral interviews done in the cocoa belt of southwestern Nigeria at different times between 1989 and 1991
- ¹⁷ Ibid
- ¹⁸ Ibid
- ¹⁹ Interviews with all the laborers in Akeredolu and Mofere at different times in 1990.
- ²⁰ For example, I did group interviews at Akeredolu, Omifon Aladura, Aroko, and Aba Baba Ibadan.
- ²¹ Fieldwork done in the cocoa belt between 1989 and 1991
- ²² Ibid.
- ²³ Helleiner, G.K., Peasant Agriculture, Government and Economic Growth in Nigeria, Homewood, Illinois, 1966. See also Mcphee, Allan., Economic Revolution in British West Africa, London, 1926.
- ²⁴ Eicher, Carl and Leidhom, Carl(eds) Growth and Development of the Nigerian Economy, East Lansing, 1970.
- ²⁵ Helleiner, G.K., Peasant Agriculture...op.cit
- ²⁶ Eicher, Carl., Growth and Development...op.cit
- ²⁷ Szereszewski, R., Structural Changes in the Economy of Ghana, 1891-1911, London, 1965.
- ²⁸ Hill, Polly., The Migrant cocoa farmers...op.cit
- ²⁹ Berry, S.S., Cocoa, Custom...op.cit
- ³⁰ See for instance, Samir Amin., "Underdevelopment and Dependence in Black Africa-Origins and Contemporary Forms"
- ³¹ See also Giovanni Arrighi and John Saul(eds) Essays on the Political Economy of Africa, 1974; and Frank, Andre., Capitalism and Underdevelopment in Latin America, New York, 1976.

³² Amin, S., op.cit.,

³³ See for instance: Foster-Carter, A "The Modes of Production Controversy" *New Left Review*, 1978, p107.

³⁴ See for instance: Olatunbosun, D., *Nigeria's Neglected Rural Majority*, Ibadan, 1975

³⁵ Essang, S.M., *The Distribution of Earnings in the Cocoa Economy of Western Nigeria*, Ph.D dissertation, Michigan State University, 1970

³⁶ Onitiri, H.M.A, and Olatunbosun, D., (eds) *The Marketing Board System in Nigeria*, Ibadan, 1974

³⁷ Berry, S.S., *Fathers Work for Their Sons*, Berkeley, 1985

³⁸ Berry, S.S., *Oil and the Disappearing Peasantry*, Boston, 1986; see also Berry S.S., *No Condition is Permanent*, Wisconsin, 1993

³⁹ Aluko, B., *Small Scale Industries in Western State of Nigeria*, University of Ife Press, 1972

⁴⁰ See for instance Rolph Van Der Hoeven and Fred van Der Kraaij (eds) *Structural Adjustment and Beyond in Sub-Saharan Africa*, Heinemann, 1994; See also Chibber, A and Fischer, S (eds) 1991 *Economic Reform in Sub-Saharan Africa: A Symposium*, Washington DC, World Bank; See also, Hadjimichael, M.T.,

⁴¹ Akanji, B., *NISER Monograph Series No. 1 1992 and No. 3 1993*

⁴² Ihonvbere, Julius., *Nigeria: Politics of Adjustment and Democracy*, New Brunswick, 1994

CHAPTER TWO

HISTORICAL BACKGROUND TO THE RISE OF COCOA CULTIVATION IN SOUTHWESTERN NIGERIA

By the turn of the nineteenth century, cocoa had supplanted palm-oil and palm kernels as the major cash crop of southwestern Nigeria. From the farms of the Lagos merchants in Agege and Sango Ota, cocoa cultivation spread to Ibadan, Ijebu, Ife, Ondo and some other Yoruba towns. From a paltry production level of 206 tons in 1901, cocoa production rose to 31,271 tons in 1922.¹ Yet, in the late nineteenth century, Yorubaland had been in the throes of a protracted sanguinary civil war in which Ibadan, together with its allies, was pitched in mortal combat with Ijesa and the Ekitiparapo. Why did Yorubaland, theater of such fierce conflict, become receptive to cocoa production? How did Yoruba city-states make the transition from societies organized around war and the slave trade to cocoa cultivation?

In this chapter, I give a historical background to the rise of cocoa production in Yorubaland. To achieve this, I use a three-fold approach. First, I present a synthesis of the views of scholars such as Bolanle Awe, Akintoye and Toyin Falola to analyze the factors that precipitated the Yoruba wars. To this end, I discuss the disintegration of the Old Oyo Empire and the ascendancy of Ibadan to military and political paramountcy in Yorubaland. Also, I examine Ibadan imperialism and the resistance to it by a coalition

of other Yoruba city-states notably, Ijesa, Ekiti, and Ife. Second, I analyze the resolution of the conflict by the British in 1893, and the imposition of British colonial rule on Yorubaland. I also discuss the inauguration of British colonial economic policy and the introduction of cash crops to Yorubaland. Third, I assess the critical role played by European missionaries and members of the nascent African church not only in acquiring knowledge of planting cash crops such as cocoa, cotton, and groundnuts, but also in disseminating such knowledge to the interior of Yorubaland. Finally, the response of the Yoruba to cash crop production is noted.

THE YORUBA WARS

The beginning of the nineteenth century was a period of incredible turmoil in Yorubaland. The Oyo Empire, which had been experiencing internal political crises, finally collapsed under the onslaught of the Muslim Fulani Jihadists established in Ilorin.² The demise of the Old Oyo Empire had two closely related consequences. First, it created a power vacuum in Yorubaland. To be sure, the Old Oyo empire had held hegemonies over most of the Yoruba country and had ensured the stability of the multifarious city-states that comprised the empire. Second, the capitulation of Oyo resulted in the absence of an effective bulwark against Fulani imperialism.

According to Bolanle Awe, the Fulani had already brought many Igbomina towns in the periphery of Yorubaland under their control. In the wake of this clear and imminent threat it was imperative for the Oyo-Yoruba, who were the immediate offsprings of the Old Oyo empire, to reorganize and present a concerted front against the inexorable attacks of the Fulani. Ibadan became the center for the re-configuring of Oyo-Yoruba power because its hilly topography gave it strategic defensive advantages. Owing to the fact that most of the forays of the Fulani were focused on the areas under Ibadan authority, Ibadan became the palladium of Yoruba sovereignty. Large bands of refugees migrated to Ibadan from other towns that were being attacked by the Fulani for protection. Most of these refugees were military men who began the process of building the Ibadan army.³

Besides growing as a military power, Ibadan's commercial importance grew. Toyin Falola states that Ibadan's geographical location between the coast and the interior made it a commercial meeting place for traders from all parts of Yorubaland.⁴ He states that markets were established at Ayeye, Oja Oba and Oje areas of the city to meet the needs of the regional economy. By the mid-nineteenth century, Ibadan had become a veritable middleman in the trade between the Egba and Ijebu, who brought goods from Lagos, and the people of Ijaye, Oyo and Ogbomoso.⁵

As Ibadan grew to military and economic prominence in Yorubaland, the Fulani under Abdul Salami 1 established

themselves as masters of Ilorin. After successfully defeating the Ibolos, the Fulani moved decisively into the interior of Yorubaland and attacked Osogbo. The Osogbos requested Ibadan's help. The Ibadan army not only defeated the Fulani at Osogbo but also stopped their eastward movement. With this victory, many Oyo-Yoruba towns placed themselves under the protection of Ibadan.⁶

Bolanle Awe states that although the Osogbo victory stymied the Fulani advance in a southeasterly direction, it did not deter them from looking for alternative ways of invading Yorubaland. Therefore, they directed their energies to the northeastern part of Yorubaland, in the Ekiti region. Although the Ekiti were culturally similar to the Oyo-Yoruba, they were fragmented politically and this fact made them vulnerable to external invasion. The Fulani marched through Otun and the Ekitis, who could not muster a united force to confront the Fulani, called upon Ibadan for help. Ibadan in response to the Ekiti's request rallied other Oyo-Yoruba towns and drove away the Fulani from Otun.⁷

With the circumvention of Fulani expansionism, Ibadan sought to build a new and powerful empire that would fill the void created by the demise of the Old Oyo empire. Pursuant to this goal, Ibadan undertook a series of expansionist wars in which it defeated Ijaye, Ijebu and Egba. By 1870, it had succeeded in liberating all the other Ekiti towns under the control of the Fulani. Thereafter,

Ibadan established a system of government which facilitated its control over the conquered territories.⁸

The new structure was intended to bring order to Yorubaland, and also to bolster the strength of those weak city-states that could not face the Fulani threat alone. Besides, the Oyo-Yoruba, who were desirous to recreate the halcyon days of the Old Oyo empire, saw Ibadan as the paladin of this restoration. In fact, Alafin Atiba, the new ruler of an enfeebled Old Oyo empire, gave imprimatur to the idea of a reconstituted Yoruba community under the aegis of Ibadan.⁹

According to Bolanle Awe, Ibadan established a system of government known as *Ajele* which reflected the military character of the town. The conquered territories were put under the supervision of an official known as the *Babakekere*, who for the most part was a man of proven military ability. The *Babakekere* was a liaison officer who appointed an *Ajele* to supervise the administration of the subject town and to make sure that the town remained loyal to Ibadan. Awe states that the *Ajele* was not always an Ibadan man. In some cases, individuals from the subject towns, whose loyalty to Ibadan was unimpeachable, were appointed.¹⁰

The *Babakekere* also made sure that the economic benefits of empire were maximized by coordinating the collection of tribute from the conquered territories. Further, subordinate territories became sources of

foodstuffs for Ibadan. Apart from the copious economic advantages of the *Ajele* system, Ibadan also used it as a springboard for further expansion into northern Yorubaland.¹¹

Ibadan imperialism and the attendant exploitation of these conquered sub-ethnic groups led to a festering discontent among these various subjects. To be sure, the *Ajele* system had become disreputable; there was intense competition among Ibadan chiefs to become *Babakekeres* because of the power and influence which it brought. Furthermore, the *ajeles* began to undermine the local authorities of the conquered groups. The injustices of the *Ajele* system engendered fissiparous tendencies within the Ibadan empire. Although there were a number of revolts against Ibadan authority, none of these groups could resist the military power of Ibadan. Awe contends that in its expansionist wars in Ekiti, Ijesa, Igbomina and Akoko, Ibadan had demonstrated repeatedly that it was capable of crushing any resistance to its authority. Ibadan defeated a coalition of some Ekiti towns at Ikoro in 1855 and annihilated a gargantuan Northern Ekiti coalition at Iye in 1875.¹²

In 1877, all these states, in a collective awakening, realized that only a combined effort of all Ekiti people could break the yoke of Ibadan overlordship. Consequently, in mid-1878, they capitalized on Ibadan's involvement in a war with the Egba and Ijebu to form the Ekitiparapo confederacy with the object of driving away Ibadan from

Ekiti country. In the ensuing Kiriji war, the Ekitis presented Ibadan with the most formidable challenge to its illustrious career. After fifteen years of unmitigated fighting, the British successfully brokered a peace between the belligerents and effected the armistice of 1893.¹³

The Yoruba civil wars have generated much controversy among historians. The relevance of these wars to the economic history of Yorubaland lies in the fact that they mark a watershed in the transition from the slave trade to trade in cash crops. They also provide an insight into why Yoruba city-states were responsive to the economic opportunities of the incipient colonial economy.

Early observers, missionaries and historians see the Yoruba civil wars as a struggle among Yoruba city states to gain control of the trade in slaves. A.G Hopkins, for instance, argues that the abolition of the slave trade resulted in the diminution of the volume of the trade. This fact, he says, led to heated competition among Yoruba city-states for control of the receding slave market. He goes on to say that the demand for new products such as palm oil and palm kernels, which require the use of large numbers of laborers, might have contributed to the protraction of the war.¹⁴

Other African historians such as J.F.A. Ajayi, Ralph Austen, and R.S. Smith however, de-emphasize the role of economic factors in the outbreak and prolongation of the war. They contend that the civil wars should be put in the

wider context of the political and economic structure of Yorubaland in the mid-nineteenth century. They argue that access to political office was contingent upon membership of certain lineages, whose prerogative it was to present candidates for traditional titles or offices. Besides, the major source of income for most families in Yorubaland was not slaves, but agriculture. They posit that the demand for palm oil did not lead to any major change in the method or cost of production. Besides, it was more important to the economic life of the coastal states such as Lagos, Ijebu and Abeokuta than the interior states.¹⁵

Hopkins retorts by suggesting that Ajayi et al., based their political interpretation on Ajayi's book, *Yoruba Warfare*, which talks primarily about the Ijaye war, a localized conflict that lasted from 1860-1865. Hopkins states that Ajayi's presuppositions do not take into account the profound changes that took place twenty years later when the Yoruba wars became a globalized conflict which encompassed the entire Yoruba country. Hopkins goes on to say that Ajayi's argument of a stable agricultural milieu cannot be sustained given the volatile military situation in Yorubaland, where pillaging of farmlands occurred routinely.

Be that as it may, the Yoruba civil wars were a complex event and cannot be explained in relation to either economic or political factors alone. The evidence supports the interplay of both economic and political factors because to a large extent economic gains were used to advance political

interests and vice-versa. For example, the Ibadan leaders put in place a comprehensive system of taxation which provided money, slaves and foodstuffs with which they bought firearms from European traders on the coast. Besides, as Hopkins himself suggests, the Ibadan political class emerged not from traditional lineages, but from a cadre of military men who gained political preferment through their military exploits.

Hopkins states that the Yoruba civil wars occurred at a time when there was a palpable shift in European policy from an informal trade relationship with Africa to one of formal control. The economic crisis in Europe which began in the early 1870s compelled many European merchants and financiers to urge their governments to impose higher tariffs to protect their domestic market and also to acquire colonies overseas as sources of raw materials. Furthermore, the fluctuations in business cycles affected the terms of trade between West Africa and Europe.¹⁶

Besides, between 1880-1900, there was a plethora of complaints about the unstable relationship between the Lagos colony and the volatile Yoruba country. European and African traders whose business interests were being jeopardized by the wars in the Yoruba hinterland made persistent demands for the annexation of Yorubaland to the British colony. Consequently, the British government, whose interests in West Africa were being contested by France and Germany, moved into Yorubaland to effectuate "peace and

order." To this end, Ijebu was attacked in 1892, and in 1893 the Governor of Lagos, Carter signed separate treaties with Abeokuta, Oyo and Ibadan. By the end of 1893, British colonial rule in southwestern Nigeria had become a "fait accompli."¹⁷

The resolution of the Yoruba civil wars had far-reaching implications for the Yoruba country. First, it led to the emergence of a large class of demobilized warriors. To be sure, Ibadan had maintained its dominance over most of the Yoruba country because it had a highly organized standing army. With a population of about 100,000 before the outbreak of the war, Ibadan enjoyed a decisive numerical superiority over most Yoruba city-states.¹⁸

Besides, the nucleus of Ibadan's army was formed by a critical cadre of experienced soldiers who had retreated from the Old Oyo empire in the heat of the Fulani invasion. Also, the incorporation of other Oyo-Yoruba towns under Ibadan's sphere of influence provided it with the resources for a back-up force.

Akintoye states that the Ekitiparapo at the time of Ibadan's expansion had a rag tag volunteer army led by some warlords known as *elegbes*. They did not have the discipline, training and experience of the Ibadan soldiers. The majority of them were farmers who did not fight on a sustained basis. The Ibadan warlords on the other hand, built their prestige and influence in Ibadan society on their military accomplishments. For them, warfare was not an end in itself,

but a means to achieving political prestige within Ibadan society.¹⁹

In the late-1870s, the Ekitis realized that without an organized military, it would be impossible to dislodge Ibadan. A major reorganization of the military in Ekitiland began. The proponents of this change were Ekiti men who had served in the Ibadan army and had mastered their techniques. These war chiefs, some of whom were Ogedemgbe, Fajembola, Arimoro and Fabunmi, began to form their own private armies based on their Ibadan experience. They then undertook a number of military expeditions against Ekiti towns that were still under the influence of Ibadan. For the most part, these private armies operated as professionals and constituted the nucleus of the Ekitiparapo resistance against Ibadan. Of great significance, therefore, is the fact that both sides prosecuted the war with a substantial number of permanent soldiers.²⁰

Furthermore, for those Yoruba towns under Ibadan's suzerainty, economic life was in disarray. The countryside of towns such as Osogbo, Igbajo, Apomu, Offa and Ikire, was denuded by the depredations of Ibadan war chiefs. The Ibadan soldiers continually harried the farms of these areas for their food supply. This created a state of fear and insecurity, and most farmers abandoned their farms.²¹

The post-civil war period was for most of Yorubaland a period of reconstruction. For many Yoruba men who had fought on either side of this conflict, life would never be the

same again. Men who were essentially soldiers of fortune found themselves without a means of livelihood. Large groups of men who had relocated because of the unstable conditions of the war-torn areas needed a new lease on life. These men and women became the critical manpower for the colonial economy.

BRITISH COLONIAL ECONOMIC POLICY AND COCOA PRODUCTION

British economic policy in the period between 1893-1900 was desultory, as the government had not formulated any coherent economic program for Nigeria. By the early 1900s, however, British colonial economic policy had begun to crystallize. Two themes dominate the literature on colonial economic policy. The conventional interpretation articulated by scholars such as Allan Mcphee and G.K. Helleiner contends that British capital created the infrastructure that led to the expansion of trade in the West African colonies. They suggest that this economic growth resulted in "positive benefits" for the indigenous peoples of these areas.

The other perspective, put forward by Ihonvbere and Toyin Falola, argues that the supposed benefits of colonial economic policy were accidental and not orchestrated. Colonial infrastructure, they argue, was not designed to facilitate internal trade between different regions of Nigeria, but to expedite the movement of produce from the interior to the coastal ports. They suggest that the beneficiaries of colonial economic policy were not the

African producers, but the stockholders of the various European companies that dominated the West African economic landscape.

In arguing for either one of these positions, the complexity of the colonial encounter is often lost. Although British policy was dictated by national interest and not by a desire to develop the colonized, the British created opportunities that did not exist before. Furthermore, the uses to which these opportunities have been put by successive governments in post-colonial Nigeria are as important as questions about colonial exploitation.

According to Toyin Falola, British economic policy was directed towards creating institutions that would facilitate the development of cash crops. To this end, the British not only began a transport program but also reorganized certain aspects of the traditional economy that they considered inimical to the functioning of the colonial economy.²²

Falola goes on to say that the systematic exploitation of raw materials in Nigeria did not begin until the British launched their railroad program in 1898. Railroad construction was initiated in response to the demands of European merchants in the coastal towns who did not have access to the hinterland. By 1901, the Lagos-Ibadan line, a distance of about 150 miles, had been completed. The line was extended to Jebba in 1909, and was further extended to Minna, Northern Nigeria after the construction of the Niger river bridge. By 1918, about 1,110 miles of rail had been

laid. The railroad linked economically strategic towns in the interior of Nigeria to the coastal port of Lagos.

Also, the British discontinued the use of the cowry as a medium of exchange and replaced it with coins. This was owing to the fact that the cowry was considered bulky and could be an impediment to speedy economic growth. Besides, the British abolished the collection of tolls in Yorubaland to ensure the free movement of goods and services.²³

British economic policy was directed to developing the resources of Nigeria through the agency of the indigenous people. Consequently, the British government not only refused to grant land to European planters but also rejected the plantation system. In order to give this policy legal force, the British enacted the Native Lands Acquisition Act of 1900 and 1903 which stated that any expatriate who wanted to obtain land must first get official permission from the High Commissioner.²⁴

Although the British government was not oblivious to the economic advantages of plantation agriculture, it felt that indigenous farmers would cope better with the vagaries of the world market if they owned their own farms and cultivated foodcrops. Besides, the acquisition of land for plantations in areas such as Eastern Nigeria that were densely populated would lead to the displacement of people from their land and considerably alter social life.²⁵

British policy was directed towards not only expanding existing cash crops but also introducing new ones. To be

sure, the export of agricultural commodities to Europe predates the formal establishment of colonial rule. In the immediate post-slave trade era the most prominent exports were palm oil, palm kernels and rubber. In fact, the development of these exports was considered necessary to bring closure to the trade in slaves. For some time the trade in slaves went on concurrently with the palm oil trade, an anomaly which compelled both the early Christian missions and some abolitionists in Europe to advocate the development of commercial agriculture.²⁶

The export trade in palm oil, palm kernels and rubber flourished up to the early 1900s. Apart from being able to meet the world market demand, Nigeria realized about 500,000 pounds annually from oil palm exports. Besides, rubber exports contributed about 2.4 million pounds to the National income in 1895 alone. By the closing years of the nineteenth century, the prices of these commodities had declined on the world market, and domestic production diminished considerably.²⁷

Whereas oil palm, palm kernels and rubber are indigenous to Nigeria, cocoa is not. Cocoa was introduced into Nigeria from Fernando Po in the 1870s. The expansion of cocoa in the early part of the twentieth century was contingent on various factors of demand and supply. The stimulus for the spread of cocoa came from Europe and America where the enlarged demands of urban and industrial centers created a new market for cocoa.²⁸

The increased demand for cocoa led to high prices being paid for it on the world markets. This facilitated the expansion of cocoa to Africa, Asia and Australia. Production grew rapidly, and by 1900, world output had reached 100,000 tons.²⁹

EUROPEAN MISSIONS, AGEGE PLANTERS AND THE RISE OF COCOA PRODUCTION IN NIGERIA.

The earliest cocoa farms in Nigeria were established at Agege and Ota in the early 1880s by the Agege planters. The Agege planters were an illustrious group of indigenous merchants who had gained considerable economic success as middlemen in the oil palm trade that replaced the trans-Atlantic slave trade in the mid-nineteenth century. Owing to the diminution of the oil palm trade at the close of the century, a substantial number of Agege merchants began to diversify their economic activities by planting food crops in addition to cash crops.³⁰

As a result of their close association with international commerce, the Agege merchants had become aware of the growing demand for cocoa on the world market and also of the efforts to plant the new crop in Fernando Po. By the late 1890s, many Agege planters had begun to experiment with cocoa growing. These initial attempts at planting cocoa were given added impetus by the high prices of cocoa on the world market at this time.³¹

By the turn of the century many of the Agege planters had amassed large holdings. Although the large farms of the Agege planters required a large number of laborers, labor was in short supply in the Lagos area because of the deployment of substantial numbers of laborers for the Lagos-Ibadan railroad. The Agege planters had to turn to the interior of Yorubaland for laborers to tend their farms. The procurement of laborers from the Yoruba hinterland was coterminous with a major initiative by the European missionaries not only to extend the frontiers of the gospel but also to mobilize Yorubas to take up cash crop production.³²

To be sure, British colonial administration in Nigeria was closely correlated with missionary activity. European missions in West Africa had received tremendous inspiration from the ideas of Buxton who had advocated the philosophy of the "Bible and the Plough."³³ Buxton opined that there should be a symbiotic relationship between the gospel and European economic initiative. In other words, that the Bible should pave the way for the so-called civilizing mission.³⁴

Henry Venn, the missionary par excellence, however, turned Buxton's philosophy on its head and suggested that the "Plough" should aid the Bible in Christianizing Africa. It was Venn's conviction that British economic expansion would spawn an indigenous educated elite that would be on the cutting-edge of uplifting Africa intellectually, socially and culturally. To this end, this select few

should be properly schooled in industrial and technical education so that they could acquire the necessary skills to contribute to the trade of the Empire.³⁵

The Christian Missions were also expected to reflect this philosophy. Venn, who was the general secretary of the C.M.S, strove to create African Christian churches which had a distinct African flavor. The long-term objective was to create an African clergy that would be properly equipped to spread the gospel to the interior of Africa. Venn's thinking struck a chord in the consciousness of Africans not only in the C.M.S. but also in the other denominations. African parishioners of most of the West African coastal churches began to clamor for greater roles in their churches.³⁶

The consequences were astounding. Most of the coastal churches, such as the Native Pastorate of the Anglicans and some self-sustaining Baptist and Methodist churches, were accorded a significant amount of autonomy. Furthermore, the fundamental principles of Venn's philosophy of the "plough and the Bible" were implemented in Abeokuta, Joal in Senegal and Akropong in the Gold Coast.³⁷

Venn, together with J.P. Davies, Henry Robbins and Thomas Clegg, presided over the introduction of cotton cultivation to Abeokuta. Between 1852 and 1859, the infrastructure for the processing of cotton, which comprised about three hundred gins and six presses, had been installed. An industrial center for the training of indigenous technicians was also established. Cotton

production began in the mid-1850s, and exports doubled every year up to 1859. In the mid-1860s, however, exports began to drop owing to the unsuitability of the soil, and also because of labor shortages created by the Ijaye war.³⁸

After the demise of the Abeokuta experiment, the Christian Missionary Society tried a similar scheme in Joal, Senegal in 1861. The Joal plan was inspired by the need to create new areas of cotton production because of the American civil war. The man who was in charge of this scheme, Bishop Kobes, enlisted the support of an Alsace industrialist and a French merchant in Goree. Together they began a 240 acre cotton plantation in Joal and hired 150 laborers. The Joal scheme, like its Abeokuta counterpart failed because of unfavorable climatic conditions and the ravages of locusts.³⁹

The most successful attempt to domesticate cash crop production was in the Gold Coast. Here, the Basel Mission not only started a mission plantation but also encouraged peasant production. The Basel Mission school was established to provide instruction in farming methods and also to experiment with a wide variety of crops. Between 1860 and 1868, the Basel Mission undertook a number of experiments with cocoa. By the early 1880s, it established itself as the major distributor of cocoa seedlings for the incipient cocoa industry of Ghana and Nigeria.⁴⁰

From the foregoing presentation, it is evident that the Christian Missions played a pivotal role in the introduction

of cocoa to West Africa. This they did through a process of experimentation and domestication. Furthermore, they combined these initiatives with encouraging Africans to take up agricultural production. Their efforts to mobilize Africans to begin peasant production, however, were limited partly because of an acute shortage of manpower and also because of the creation of the African church.

THE AFRICAN CHURCH AND THE SPREAD OF COCOA

The monumental success achieved by the Christian missions with the introduction of cocoa was predicated upon a philosophy which gave a lot of autonomy to Africans not only in ecclesiastical matters but also in agricultural production. Henry Venn, the pioneer and moving spirit behind these noble principles, passed away and these ideas were "interred with his bones." The generation of Christian Missions that took over from Venn repudiated his philosophy and initiated a process of divesting Africans of whatever influence they had acquired under Venn's dispensation.⁴¹

Africans became chagrined by the profound *volte-face* of the new breed of European missionaries. They had no desire to abdicate Venn's philosophy which had so magnificently sublimated their aspirations for African development. The chasm between the races reached its apogee with the abrogation of the African episcopate of the Niger Mission. To all intents and purposes, the future trajectory of the Christian church in Africa was to be shaped by Europeans without African participation.⁴²

Consequently, the African churches seceded from every Christian mission in Lagos and began creating their own churches. The first African church, the Native Baptist Church of Dr. Mojola Agbebi, was formed in April, 1888. This was followed by the United Native African Church of W.E. Cole in August, 1891; the African Church of J.K. Coker in October 1901, and finally, the United African Methodist Church, Eleja in 1917. The news of the creation of independent African churches quickly spread into the interior to places such as Odopotu, Abeokuta, Ibadan, Ido-Ani, Ikirun and many parts of Ijebuland.⁴³

The newly created African churches began to evangelize in the hinterland of Yorubaland in the early 1900s. Superintendents of the African churches began to establish churches in some of these areas. The response of the indigenous population was tremendous. Traditional authorities and Ogboni chiefs at Igbore and Abeokuta became Christians and many people were converted in places as far away as Ife, Ilesha and Ondo.⁴⁴

The African churches began to recreate the philosophy of the "Plough and the Bible" of Henry Venn. The most eloquent spokesman of this movement, Dr. Mojola Agbebi, enlisted the support of Ricketts in establishing an agricultural mission at Agbowo near Ijebu-Ode. The mission taught indigenous people farming, technical education and the scriptures. By 1903, the mission had developed into a full-fledged model farm with a cocoa plantation, rubber

trees and a coffee plantation. The farm, however, was ephemeral, as it collapsed after the death of Ricketts.⁴⁵⁴⁶

The great expansion of cocoa into the interior of Yorubaland was undertaken by members of the Native African church founded by J.K. Coker in conjunction with the Agege planters. J.K. Coker arrived in Agege in 1885 and bought a plot of land at Ifako, where he established cotton and kolanut plantations. After the breakaway of the African church from St. Paul's Breadfruit, many of the African clergy, among whom were Reverends D.C. Coates, J.A. Wright, J.S. Fanimokun, M.O. Somefun and I.M.S. Williams, also established plantations at Agege.⁴⁷

Although the Agege plantations were conceptualized in the spirit of Venn's philosophy, they acquired a uniquely different character from earlier experiments in Abeokuta, and Akropong because they were contrived and financed by Africans. Agege became successful not only because the planters were able to capitalize on the work done by the Basel Mission by adopting cocoa, they also were able to commercialize it.⁴⁸

What began as a business venture became a powerful conduit for propagating the gospel to the Yoruba hinterland. Although J.K. Coker, the *primum mobile* of Agege, was imbued with a determination to propagate the gospel, he was also dedicated to making Africans self-supporting. J.K. Coker came under the influence of Venn's ideas very early in life. He became exposed to Venn's ideas through his father Ajobo

who was an influential farmer in the heyday of the Abeokuta scheme. Coker spent his early life on a cotton farm which owed its existence to the policies of Henry Venn. Besides, the cocoa seeds for the first cocoa farm in Agege were got from the Basel Mission in the Gold Coast.⁴⁹

Between 1893 and 1919, the Agege plantations grew remarkably. For instance, during this period, Coker's gross income rose from five thousand pounds to about twenty thousand pounds. In addition to this, he had about two thousand acres of land under cocoa cultivation at this time. The economic success of the Agege planters was a powerful centripetal force, as men came in droves both from the immediate vicinity of Lagos and the interior of Yorubaland to work on the plantations.⁵⁰

Between 1904 and 1920, Coker and the other Agege planters employed over twelve thousand laborers from the Yoruba hinterland. These laborers were involved with all the stages of cocoa production, from planting to harvesting and fermenting. They thereby acquired critical skills that would prove invaluable in later years in the city-states of the hinterland.⁵¹

In addition to learning the techniques of producing cocoa, the laborers were also given religious instruction. To be sure, the Agege planters had established schools and churches in the Agege area to give intellectual and spiritual edification to workers and their families. They were also being trained to become the vanguard of a new

offensive of Christianity in Yorubaland. Literacy in the vernacular was emphasized and laborers were encouraged to attend evening classes regularly.⁵²

The Agege plantation and the Church became involved in a symbiotic relationship. Whenever the plantations experienced labor shortages, the superintendents of the African church were able to recruit substantial numbers of laborers through the cooperation of the interior churches. On the other hand, most of the laborers went back home upon the expiration of their contracts with sufficient knowledge of the Bible, Christianity and cocoa cultivation which they introduced to their respective towns and villages. By 1920, over ten thousand ex-Agege workers were proselytizing the gospel and planting cocoa in Yorubaland.⁵³

The ex-Agege workers had a prodigious impact on the social and economic life of the Yoruba city-states they returned to. Apart from preaching the gospel, they also talked about the economic success of the Agege cocoa farms. Soon, many towns and villages in the hinterland began to request cocoa seeds from the Agege planters, and information on how to plant cocoa. With the adoption of cocoa on a large scale by many Yoruba towns, the Agege planters found it difficult to recruit laborers from the interior.⁵⁴ By 1923, cocoa production had declined considerably at Agege, paving the way for the phenomenal expansion of cocoa in places such as Ibadan, Ife, Okeigbo and Ondo.

From the foregoing presentation, a number of conclusions can be made. First, the end of the Yoruba civil wars created conditions that were conducive to the erection of British colonial economy. Because a substantial number of men had depended solely on the spoils of war for sustenance, the end of hostilities compelled them to look for alternative sources of income. They not only provided the necessary labor force for the railroad program of the colonial administration but also were responsive to the new cash crop economy.

Second, although the colonial administration constructed the infrastructure of the cash crop economy, it was the European missionaries and the superintendents of the African church that were most responsible for the expansion of cocoa in Yorubaland. Henry Venn and the C.M.S. articulated the ideological framework for African participation in the colonial experience. They contended that an economically self-sufficient African would be more amenable to the gospel. The African Church brought Venn's vision to its apotheosis through a systematic combination of the gospel and cocoa production.

ENDNOTES

- ¹ Ib/Min/Agric 1/339, p.171
- ² See for instance, Cocoa Research Institute of Nigeria Annual Reports
- ³ Oral interviews conducted in the cocoa belt between 1989 and 1991
- ⁴ Awe, B., "The Rise of Ibadan as a Yoruba Power" *Journal of the Historical Society of Nigeria*, 3, 2, 1965, p.221-230
- ⁵ Lloyd, P.C., *The City of Ibadan*, Cambridge, 1967; also Falola, Toyin., *Politics and Economy in Ibadan, 1893-1945*, Ibadan, 1989
- ⁶ Awe, B., op.cit., p221-230
- ⁷ Akintoye, S.A., *Revolution and Power Politics in Yorubaland 1840-1893*, Longman, 1971, p. 42-68
- ⁸ Law, R.C.C., "The Chronology of Yoruba Wars of the Early Nineteenth Century, *JHSN.*, Vol.. 5, No 2, 1970
- ⁹ Hopkins, A.G., "Economic Imperialism in West Africa" *Economic History Review*, 23, 3, 1968, p.580-606
- ¹⁰ Ajayi, J.F.A, and Smith, R.S., *Yoruba Warfare in the Nineteenth Century*, Cambridge, 1964
- ¹¹ Awe, B., "The Ajele System": A Study of Ibadan Imperialism in the Nineteenth Century, *JHSN*, 3, 1, dec. 1964
- ¹² Ibid., p.229-230
- ¹³ Ibid.
- ¹⁴ Hopkins, A.G., "Economic Imperialism in West Africa" *Economic History Review*, 23, 3 1968, p. 580-606
- ¹⁵ Ajayi, J.F.A, and Smith, R.S., *Yoruba Warfare in the Nineteenth Century*, Cambridge, 1964
- ¹⁶ Hopkins, A.G., "Economic Imperialism...op.cit, p.580-606
- ¹⁷ Ibid.
- ¹⁸ Akintoye, S.A., *Revolution and Power Politics...op.cit, p.42-68*
- ¹⁹ Ibid.
- ²⁰ Ibid.
- ²¹ Ibid.
- ²² Falola, Toyin., (ed) *Britain and Nigeria: Exploitation or Development?* New Jersey, 1987 p.1-24
- ²³ Ibid.
- ²⁴ Eicher, Carl and Liedhom, Carl (eds) *Growth and Development of the Nigerian Economy*, East Lansing, 1970, p.6-16
- ²⁵ Ibid.
- ²⁶ Ibid.
- ²⁷ Ibid.
- ²⁸ Ibid.
- ²⁹ Ibid.
- ³⁰ Dada, S.A., *J.K Coker: Father of African Independent Churches*, Ibadan, 1986, p.91-103
- ³¹ Ibid.
- ³² Ibid.
- ³³ Webster, J.B., *The African Churches Among the Yoruba*, Oxford, 1964, p. 3-15
- ³⁴ Ibid.
- ³⁵ Ibid.
- ³⁶ Ibid.
- ³⁷ Webster, J.B., "The Bible and the Plough" *Journal of the Historical Society of Nigeria*, 11, 4, Dec. 1963.
- ³⁸ Ibid.
- ³⁹ Ibid.
- ⁴⁰ Ibid.
- ⁴¹ Webster, J.B., *The African Churches...op.cit., p.42-55*
- ⁴² Ibid.
- ⁴³ Ibid.
- ⁴⁴ Dada, S.A., *J.K Coker: Father of African Independent Churches...op.cit, 1986*

⁴⁵ Ibid.

⁴⁶ Ibid.

⁴⁷ Ibid.

⁴⁸ Ibid.

⁴⁹ Ibid.

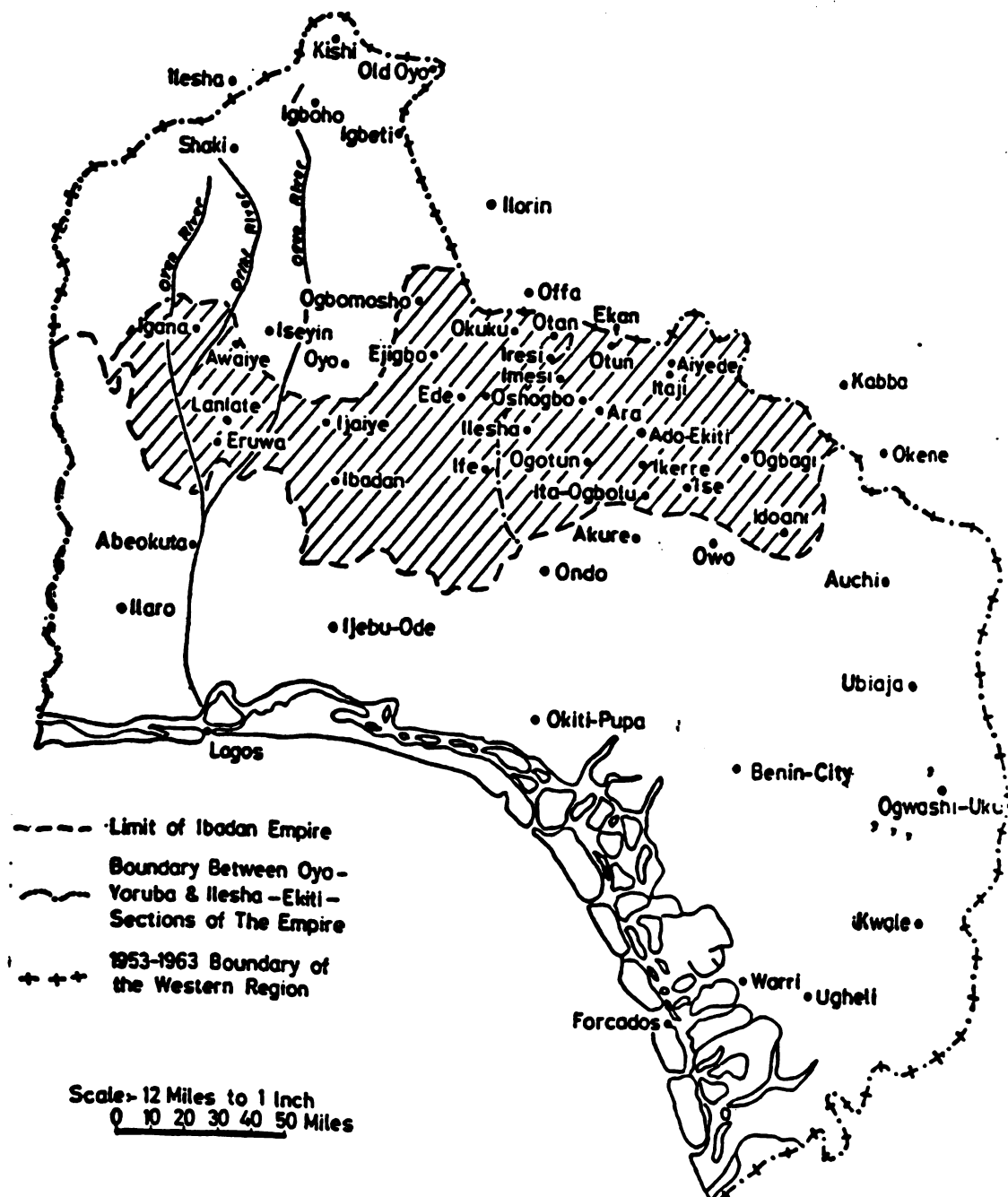
⁵⁰ Ibid.

⁵¹ Webster, J.B., "The Bible and the Plough" op.cit

⁵² Ibid.

⁵³ Berry, S.S., "Christianity and the Rise of Cocoa Growing in Ibadan and Ondo" *Journal of the Historical Society of Nigeria* 4, 3 Dec. 1968

Map 1: The Ibadan Empire (1861 - 1893)



Source: Awe, B., "The Ajele System..." JHSN 3, 1 Dec. 1964

CHAPTER THREE

THE AGRICULTURAL AND BIOLOGICAL ASPECTS OF COCOA

The introduction of cocoa to Nigeria at the end of the nineteenth century presented significant opportunities to the Agege farmers, who had experienced a slump in the oil palm trade. By 1901, the Agege planters had diverted their energies to the cocoa trade, and between 1915 and 1917, the cocoa trade had become established. For these Agege pioneers, it was a period of transition not only from oil palm to cocoa, but also in adapting to the new methods of planting cocoa. The earliest attempt to domesticate cocoa in West Africa was undertaken by the Basel Mission, which had established a Botanical Garden in the Gold Coast in the late 1870s.¹ This was the breeding ground for what would become the Nigerian variety of cocoa. Cocoa seedlings from this experimental garden were widely distributed in Nigeria when cocoa was introduced in the late nineteenth century.²

In this chapter, I examine the biological and agricultural aspects of cocoa production. To achieve this, I present a historical account of the origin and spread of cocoa cultivation. This includes a general discussion of the varieties of cocoa, and the soil and the climatic requirements. Also, I analyze the attempts at adapting the crop to Nigerian conditions through the creation of new and

improved varieties of cocoa. Finally, I focus on the organization of production in the early years of cocoa production.

The origin of cocoa

Cocoa originated from the rainforest of the Upper Amazon basin in Latin America. Although the exact provenance of the crop is still shrouded in mystery, the earliest written accounts of its cultivation date back to the period of the Spanish conquistadores.³ Hernando Cortes in his letters to the Spanish monarchy on the eve of the conquest of Mexico had indicated that the Aztecs and the Mayan Indians had cultivated cocoa and used it as a part of their diet.⁴ The crop was also widely used as a medium of exchange in the Gulf of Mexico, Nicaragua, and Costa Rica. Besides, tribute to the courts of Monteczuma and the powerful Mayan overlords were paid in cocoa beans.

The Mayan Indians, it is recorded, produced a beverage called "chocolatl" from cocoa beans by boiling it with maize and capsicum. The Spanish, who were positively averse to this drink, were able to come up with another drink which involved mixing the ground cocoa beans with sugar.⁵ This beverage was the forerunner of chocolate milk which became increasingly popular in Spain at the beginning of the sixteenth century. From Spain, chocolate milk spread to

Italy, France and England, Initially, cocoa exports consisted of semi-processed cocoa that was mixed with sugar and spices. By the end of the sixteenth century, however, as the demand for cocoa increased, it became necessary to export it in its raw state.⁶

The first major exporter of cocoa to the markets of Europe was Venezuela, where, up to about 1825, only one variety was grown. This type of cocoa, which was known as the *Criollo*, had green and red pods which were noticeably ridged and elongated. The seeds were roundish and whitish in color. The *Criollo* had a desirable flavor which was immanent in the beans. About 1825, a new variety of cocoa began to be cultivated in Trinidad. This was shorter and broader and was not elongated. Their seeds were purrple in color. This new variety of cocoa was significantly higher yielding and more resistant than the indigenous cocoa. The new variety was called *forastero*(foreign).⁷

It has been suggested that the *forastero* variety was the product of a process of hybridization which took place after the indigenous *Criollo* cocoa of Trinidad had been wiped out by the "blast" of 1727. The precise nature of the blast is still unknown, but there is some speculation that it could have been either a cyclone or an epidemic called *ceratacystis fimbriata*. The Spaniards, in order to rejuvenate cocoa cultivation in Trinidad, brought cocoa beans of a different *Criollo* variety from eastern Venezuela and cross-fertilized them with the surviving *Criollo* cocoa

trees. At about this time also a new variety of cocoa which had some of the characteristics of the newer variety was cultivated in Ecuador.

By 1850, the major cocoa producing countries of the world were Venezuela, Ecuador, and Trinidad. Production in 1850 has been estimated at about 16,000 tons. Consumption in Europe was not widespread. To be sure, the drinking of chocolate spread from Spain to France and England in the seventeenth century, but for many years it was consumed only by the aristocracies of these countries. This was owing to the fact that the high export duty on cocoa beans made it very expensive and put it beyond the limits of the common folk.⁸

At the beginning of the nineteenth century the duty on cocoa beans in England was as high as 1s 10d per pound. This restricted imports to only about 250 tons, and half of this was used in making cocoa for the Navy. Duties were reduced progressively until 1844, when they went down to one penny per pound for the British colonies. The duty on foreign cocoa beans also reduced to the same level in 1853. These reductions facilitated the increase in the market for cocoa, and by 1850, consumption in Great Britain had risen to 1,400 tons per year.

While the substantial reduction of duties enabled the price of cocoa beans to be reduced, technical developments were equally important in the subsequent increase in consumption.⁹ The demand for cocoa increased dramatically in

the early nineteenth century as a result of significant technological changes in the chocolate industry. C.J. van Houten, a Dutch scientist, developed a process for removing the fat from the cocoa beans. This procedure reduced the fat content of the chocolate drink considerably and enhanced its taste. The second invention by M.D. Peter of Vevey Switzerland was even more far-reaching. M.D. Vevey created milk chocolate by mixing ground cocoa with milk solids and sugar. In fact, the diversification of milk chocolate products has been the defining feature of the cocoa trade and the chocolate industry.¹⁰

As a result of the increased consumption of cocoa products, new production centers emerged. From about 1850 to the turn of the century, cocoa cultivation experienced tremendous flux. A new variety of cocoa was cultivated in the state of Bahia in Brazil. The Brazilian cocoa came from Belem on the Amazon, and produced pods of a uniform character. The pods were also smaller than the indigenous varieties and they were yellowish in color. The beans had a purple color. It has been suggested that the Brazilian variety known as "Comun" was the precursor of the Amelonado variety which is planted in the major cocoa producing areas of Africa.¹¹

The cocoa tree was also introduced to the Philippines and the East Indies and then to Ceylon (now Sri Lanka), as well as Fernando Po and Sao Tome islands. It was from these islands that cocoa was introduced to Ghana, Nigeria,

Cameroon and Cote d'Ivoire. Despite the remarkable spread of cocoa to all these new regions, the production of cocoa remained concentrated in the Caribbean and South America until the turn of the century.

By the 1920s, West Africa had become the epicenter of the cocoa trade, as Ghana became the leading producer of cocoa in the world. The transformation of the economic landscape of Ghana by the Akwapim migrant cocoa farmers of southern Ghana was soon duplicated in Nigeria by the rise of cocoa production in Ife and Ondo. In 1940, of a world production figure of 270,000 tons, Africa accounted for about seventy percent.¹²

The Botany of Cocoa

Cocoa is one of some twenty-two species that constitute the genus *theobroma*, a member of the family *sterculiaceae*. The genus is indigenous to the New World and the species range from southern Mexico in the North to Brazil and Bolivia in the South. The center of origin is considered to be the basin of the Upper Amazon. *Theobroma cacao* is the cocoa of trade.¹³

The natural habitat of the cocoa tree is the lower-tree storey of the rainforest. This probably explains why the conventional method of cultivation involves providing shade for cocoa trees by planting crops such as bananas and plantains. In this vegetation, the cocoa tree is exposed to

a high and fairly consistent annual temperature, high rainfall levels and short dry seasons.¹⁴

Although there are three main types of *theobroma cacao*, they all have some general characteristics. They are small trees, which reach a height of about thirty feet and with minor variations they all have a peculiar pattern of branching. Cocoa trees begin to produce branches from the main stem at between 3-5 feet high. These branches spread out in a near-horizontal direction in a pattern that is known as *jorquette*. In most cases, another branch known as *chupon* may grow out of the main stem, below the *jorquette* and come up straight to constitute another tier which may or may not produce another *jorquette*.

In general, cocoa leaves develop in two stages. When the tree is young, the leaves are very tender and are either light green or reddish in color and hang vertically from their petioles. Cocoa trees usually shed their leaves twice. The stipules of the shed leaves leave marks on the cocoa tree when growth starts again. When the cocoa leaves mature they turn to a dark green color and they harden.

Cocoa is cauliflorous. The flowers and cocoa pods grow out of the branches that have no leaves. The flowers and fruits are produced on the stubs of the shed leaves. The flower has five sepals, five petals, ten stamens in two groups, of which only one is fertile, and an ovary of five united carpels. The male section of the flower comprises five

longpointed staminades and five fertile stamens which stand across from the petals.¹⁵

There is as yet no definitive opinion on the pollination of cocoa. The process, however, presents some intriguing questions. First, although large numbers of flowers are shed by cocoa trees, few of them are ever pollinated. In fact, several studies suggest that only about five percent of the flowers on cocoa trees are pollinated. Second, the structure of the cocoa flower makes the application of conventional interpretations difficult.

For one, the cocoa tree does not possess scent or nectar that would facilitate insect pollination. Also, the pollen is too glutinous to permit wind-pollination. Furthermore, the position of the anthers, hidden in the pouched petals, and the round wall of staminades, are impediments to pollination.

Some scholars, however, posit that pollination in cocoa is actuated by insects. Some self-pollination is engendered by flower thrips and aphides; but these are by no means the only agents. Research findings by Billes in Trinidad suggest that a *Ceratopogonid* midge of the *forcipomyia* family, a winged insect was responsible for pollination in some cocoa growing areas of Trinidad. Several aspects of this genre have been identified in the cocoa growing areas of West Africa.¹⁶

CLIMATE

Cocoa grows in areas of the rainforest where rainfall ranges between 45 and 200 inches. To be sure, there is considerable variation in the annual rainfall of the cocoa growing areas of the world. For example, in southern Ghana, the annual rainfall is between 45-70 inches, and in southwestern Nigeria the range is between 45-60 inches. This rainfall pattern is representative of countries between 6 Latitude and the Equator, where the rainy season is punctuated by a short dry spell in August. The same climatic conditions exist in Cote d'Ivoire, Cameroon and Fernando Po, with the only difference being the fact that the rainy season in West Cameroon is heavier and more continuous.

In central and south America, and southeast Asia rainfall is for the most part less than 100 inches, except in the Atlantic seaboard of Costa Rica, the east coast of Malaysia and parts of Mexico and New Britain. The heavy rainfall of these areas has resulted in soil erosion which in turn has reduced cocoa yields in these areas.¹⁷

Although rainfall is an important climatic requirement, its distribution is of far greater significance. In the Amazon valley of Central America, rainfall is evenly distributed throughout the year. In the major cocoa producing countries of West Africa, there is a distinct dry season, which is mild and short and which allows for cocoa cultivation. In the southwestern part of Nigeria, the cocoa belt is delimited by a rainfall zone which is close to the

minimum of 45 inches in the northern part of the belt and which fluctuates between 55-60 inches in the southern areas such as Ife and many parts of Ondo. Where the dry season is long and harsh, soils which are deep and moisture-retentive can enable cocoa to grow, while sandy soils which are not moisture-retentive would not be suitable.¹⁸

Cocoa requires a temperature of between 65o to 70oF minimum and a maximum of between 85o to 90oF. These lower temperatures correspond to the northern and southern extremities of the rainforest and the areas of high altitude. In the major cocoa growing areas of Nigeria temperatures range between 70 to 80oF. Even in the high altitude areas of Idanre and Ekiti, temperatures do not significantly fall below this range. Although most cocoa growing areas are below 1,000ft, there are notable exceptions, such as the east Cameroon, which is about 2,000ft high, the Cauca valley in Colombia, at 3,000ft, and the Chama valley in Venezuela, at 3,600ft. Excessively high temperatures have a deleterious effect on the hormonal structure of the cocoa tree, causing the tree to grow at abnormal times, thus affecting growth and output.

Apart from affecting the development of the cocoa tree, climatic conditions also have a great deal of impact on other facets of cocoa cultivation, notably, fungal diseases and processing. Fungal diseases such as black pod are spread more quickly in areas with low temperatures and high humidities. Furthermore, the distinct West African dry

season enables the farmers to ferment their cocoa inexpensively as they dry their beans in the sun. In areas with prolonged wet seasons such as west Cameroon and some parts of Latin America, artificial drying may be necessary.¹⁹

SOIL STRUCTURE

The most important requirement for good cocoa soils are root space and moisture retention. The amount of soil room which a mature cocoa tree has must be enough to contain water and the nutrients required for the sustenance of the cocoa tree. A necessary requirement for fulfilling these needs is for the soil to be loose and have large amounts of clay so that the roots of the tree would be unencumbered.

Cocoa soils in the cocoa-growing areas of the world vary in relation to the extent to which they possess these requirements. In areas with consistently heavy rainfall, good root aeration is a sine qua non. On the other hand, in the cocoa belts of Ghana, Cote d'Ivoire and Nigeria, which have a pronounced dry season, moisture retention is a very important factor. According to Smyth and Montgomery, a twenty-five percent clay content with silt should be present between 10-12 inches into the soil to produce viable cocoa.

In a soil survey done in Nigeria in the mid-1940s, Dr. Vine opined that in Nigeria's conditions the main determinant for good cocoa land was its clay content. The cocoa growing areas of Agege and Abeokuta, which had excellent rainfall, declined rapidly in the 1920s because of

the high acidity of the soil. Cocoa does better in upper slope sites where rainfall is adequate, but which are properly drained. Proper drainage ensures that root growth is not obstructed by groundwater. The Idanre hills provide a classic example of this type of condition. The Idanre cocoa growing area, which comprises villages such as Legbira, Mofere and Uloen, has a hilly topography and it is the largest and longest-lasting cocoa producing area in Nigeria.²⁰

ADAPTATION OF THE COCOA TREE IN NIGERIA

In the early years of cocoa production in Nigeria, farmers planted the amelonado variety. The amelonado variety, which is grown all over West Africa, has no marked variations. This species of cocoa, although high-yielding had a long gestation period of about seven years. The output of the cocoa tree is the yardstick for assessing the viability of the tree. Between 1945 and 1953, the annual yield of the amelonado cocoa in the Ghana cocoa belt, which occupied an acre of about 4 million acres, was 190lb dry cocoa per acre.²¹

Research conducted at the West African Cocoa Research Institute at Tafo, Ghana, however, suggests that the annual yield of 190pounds per acre grossly underrated the productive capacity of amelonado cocoa. For example, 64 acres of cocoa planted under simulated farm conditions

produced an average of 612 pounds of dry cocoa beans over a twenty year period. In fact, Adams and Mckelvie have contended, based on their own research findings, that the potential output of amelonado cocoa could be about 1,500 pounds per acre with the prospect of increased output with the injection of new varieties.²²

These findings therefore raised the obvious question of why the amelonado cocoa was not performing to its real potential on actual farm conditions in Ghana. Further research revealed that the amelonado cocoa had a low tolerance to certain cocoa diseases, notably, swollen shoot. The outbreak of the swollen shoot epidemic in Ghana in the late 1930s finally confirmed these apprehensions.

The colonial government in Ghana, in response to the wholesale destruction of large sections of Ghana's cocoa tree population, inaugurated the West African Cocoa Research Institute at Tafo to replace the Cocoa Research Station there in 1948. The mission of this Institute was to develop cocoa hybrids that would be resistant to the swollen shoot disease. Experiments conducted by Posnette at the old station at Tafo had found that the swollen shoot disease was caused by a virus, which he called 1A. After the creation of the WACRI, a demonstration plot was established to calibrate the rate of spread of the virus and its effects on yield.²³

Of the 4,636 trees planted in 1944, thirty-one percent had been infected in 1945, and by 1948, eighty-five percent had been infected. A number of other discoveries were made.

Twelve species of pseudococcid mealybugs were identified as carriers of the virus. Of this collection, the most common in both Ghana and Nigeria is *P.Njalensis*. This vector is negatively phototropic, and thrives in the crevices of the integument of the host tree, on old capsid lesions and the underside of pod petioles. In its chronic stage, this virus causes a reddish coloration over the whole lamina of the young leaf. This red pigment later contracts to a red mottle.²⁴

Owing to the rapid rate of spread of the disease and its malignity, the Institute recommended that in order to control the disease all infected trees should be cut out. Additional measures such as attacking the mealybugs and getting rid of alternative hosts complement but do not provide a viable alternative to cutting-out. It was, however, agreed that the long-term solution would be to expedite research on the discovery of cocoa strains that would show some tolerance to the swollen shoot virus.²⁵

To be sure, the groundwork for the systematic Nigerian cocoa breeding program was constructed at Tafo in Ghana. Earlier attempts to initiate such a program in Nigeria had proved ineffectual. In 1931, Voelker had attempted to create new strains of the amelonado cocoa by crossbreeding cocoa beans from nineteenth selected amelonado trees. The selection was based on the number of pods per tree and the number of beans in each pod. Although Voelker did set up a seed garden where he planted the progenies of his

crossbreeding, which he christened T38, the results were disappointing, as there was no significant increase in productivity, nor did they show much vigor.²⁶

Contemporaneous with Voelker's initiative were the significant experiments being carried out by Posnette in Ghana. These experiments had a momentous impact not only on cocoa production in Ghana, but also in Nigeria. In 1944, Posnette brought about 100 Amazon cocoa pods from Trinidad. These Trinidad introductions, which became the parent trees for most of the cocoa planted in Ghana and Nigeria today, were first selected by Pound in 1938.

Pound had visited Trinidad during the outbreak of the witchesbroom disease there. He collected about 2,000 open-pollinated cocoa seeds from trees that were unaffected by the disease. These seedlings were sequestered in a garden at Barbados, where he inseminated them into Trinitario rootstocks. Pound later shipped them to Trinidad, where they were planted at Marper Estate in 1943.²⁷

The selections brought back by Posnette had about 3,000 seedlings, which were crossed with each other through hand-pollination. The resultant hybrids which were called the F-1 generation were more vigorous and faster yielding than the parent seedlings. The F-1 hybrids became popular in Ghana, as most farmers sought to plant them to replace the cocoa trees that had been blighted by the swollen shoot disease. Further crossing of the highest yielding progenies of the F-1 series led to the creation of the F-2 hybrids and

this experiment was repeated with the F-2 to produce the F-3 variety. The F-3 generation was further crossed to produce the West African Cocoa Research Institute Series 11, which was more uniform and high-yielding than its predecessor. The distribution of the seeds of the F-3 generation and the WACRI-Series 11 began in Ghana in the late 1950s.²⁸

The second Nigeria breeding program was more elaborate than the one actuated by Voelker. It began in 1962, under the auspices of the newly created Cocoa Research Institute of Nigeria. To a large extent, it was the continuation of the experiments began by Posnette years earlier but taking into account the climatic peculiarities of southwestern Nigeria. To this end, a clear recognition of the local problems of cocoa cultivation in Nigeria was necessary. For the main cocoa producing areas of Ife and Ondo, this was the severe dry season in some areas, and cocoa diseases such as swollen shoot and Black pod.²⁹

A breeding program, which started at the Cocoa Research Institute of Nigeria in 1962, produced a variety of crosses from the F-3 and WACRI-Series 11 which demonstrate a capacity to survive without shade in dry season and tolerance to Black pod and swollen shoot. These hybrids, otherwise known as the CRIN elite, were widely distributed to farmers between 1965 and 1967. For the most part, these new strains of cocoa replaced the amelonado variety which the majority of the farmers had planted up to that time.³⁰

These new hybrids have a number of significant advantages over the amelonado cocoa. First, they demonstrate remarkable vigor under marginal conditions of rainfall and dryness. Because of their vigor, they do not require the elaborate prior planting of overhead shade, as they could survive with minimal shade. Further, the new hybrids have a greater recuperative power from cocoa diseases than amelonado. According to my informants, however, these new strains of cocoa are not necessarily better than the amelonado. They contend that although the new hybrids have a shorter gestation period and tend to be faster yielding in the first five years, their productivity, unlike the amelonados', tends to decrease with age.³¹

ESTABLISHMENT AND MAINTENANCE OF COCOA FARMS

The establishment and maintenance of cocoa farms vary from one cocoa-growing area to the other. Differences are determined largely by climatic conditions, the availability of capital and also by the traditions entrenched in each cocoa-growing area. In Latin American countries such as Brazil, Venezuela, Ecuador and Trinidad, where the Spanish developed cocoa cultivation, Hacienda-type farms were prominent. In West Africa, on the other hand, the majority of the farmers are smallholders with an average farm size of about six acres.³²

In the early years of cocoa growing in Latin America and West Africa, cocoa growing was done on a trial and error basis. This was fraught with a lot of uncertainty because farms were established without prior testing of the soil for suitability. In some cases, planters assumed that because a particular soil sustained luxuriant vegetation it would be suitable for cocoa cultivation. Some of these assumptions proved to be wrong and planters in some cases incurred substantial losses.

The West African smallholder constructed the largest cocoa growing industry in the world without scientific knowledge. The West African farmer grew cocoa wherever he could and where the experiment failed he sought new land. Cocoa production in Nigeria has experienced considerable shift from one location to the other. Cocoa production began in Agege and Ota in the late nineteenth century and when production petered out in these areas in part because the land was no longer fecund, cocoa production moved to Ibadan and some parts of northern Yorubaland. The demise of the Ibadan cocoa belt resulted in a further shift to Ife, Ondo, Ekiti, and the Ore-Benin road.³³

The preliminary activities involved in establishing a cocoa farm varies from place to place and would depend on whether the available land is occupied by forest or has already been used for another crop. The majority of the land in the major cocoa producing areas of the world, namely, south and central America, West Africa and southeast Asia,

was under forest at the time of the introduction of cocoa. In establishing cocoa under these conditions, the vegetation could either be cleared or thinned before planting. Also careful consideration should be given to the type of shade to give the young cocoa plant. The cocoa seedling needs some protection from the sun and also from strong winds to ensure proper growth. Exposure to excess light will prevent the canopy from forming on time, which will delay flowering and the cropping of the cocoa tree. Besides, cocoa can be interspersed with other tree crops such as kolanuts and coconut palm.³⁴

These two methods have their advantages and disadvantages. Clearing the forest could damage the intricate interrelationship between the soil, the plants and the fauna, as substantial amounts of nutrients flow from one to the other. A significant altering of this balance or denuding of the top soil will diminish the nutrients that are attached to vegetation. The advantage of this method, however, is that planting is symmetrical and this in turn facilitates the maintenance of the cocoa farm. Conversely, this method is time-consuming and costly. It was widespread in the large cocoa farms of south and central America and is becoming popular in the cocoa growing regions of southeast Asia.³⁵

The other option of thinning the forest seems to be less risky than clearing the forest. It is also relatively inexpensive and easy to establish. This method has been

widely used in many parts of West Africa and Brazil. But it has many drawbacks.

First, the selected cover trees may not provide appropriate shade. More potentially dangerous, however, is the fact that in areas of marginal rainfall the forest trees may compete with the cocoa trees for soil nutrients. Besides, some trees may become carriers of malignant viral diseases. For example, the *leucaena leucocephala*, a small leguminous tree which was used as permanent shade for many years in many South American countries, was responsible for the death of many cocoa trees in that region.³⁶

In some parts of Ife south and Ondo where I did my fieldwork, farmers who moved into these areas in the 1950s and early 1960s thinned the forest. This involved a considerable use of hired laborers in felling some trees and burning them. The selective clearing of trees is usually done between January and March. Planting begins after a few rains when the soil is wet enough to support germination.

The farmer and his male children do the planting. Planting is done in two ways. Some farmers help sow cocoa beans directly into holes made on heaps in the cocoa site, while others develop seedlings near streams before transplanting them into their cocoa farms. The wives and children help to transport the seedlings to the farm during planting. It seems that the second option was more popular because the seedlings were less likely to be destroyed by insects.³⁷

Most farmers used bananas and plantains as temporary shade for the cocoa seedlings and trees during the early stage of growth to reduce transpiration and evaporation. In addition, plantains store water and nutrients for the young trees for use during the dry season. Cocoa trees were also widely interplanted with kolanuts to provide the cocoa trees with more permanent shade. Apart from providing shade for cocoa, the plantains and bananas were used for domestic consumption and the surplus was sold.³⁸

As the cocoa tree matures and the canopy is formed, there is a need to reduce the shade. It has been shown that a gradual reduction of the shade increases the yield of the cocoa tree because the nutrients that would otherwise have been used by the cover trees now go to the cocoa tree. In Ife south and Ondo, the plantain trees usually die off and those that do not are cut off.³⁹

Maintaining a cocoa farm involves weeding, pruning, spraying the cocoa trees with insecticides and applying fertilizers to the cocoa soil. To be sure, the cost of maintaining a cocoa farm will determine how profitable it is and in some instances how viable. This is because farmers had to buy the inputs required for farm maintenance and also use hired laborers.⁴⁰

Up to the early 1960s Nigerian farmers planted the amelonado cocoa, which began bearing fruit after about seven years. Before the cocoa tree began producing, weeding was done twice a year by the farmer, his children and in some

cases, laborers. Pruning of branches of other trees to give enough light to the cocoa trees is also done. Furthermore, any unwanted tree during growing of cocoa is removed by putting fire around the stem to let it die.⁴¹

From the mid-1960s, with the infestation of cocoa trees in Ife and Ondo with cocoa diseases, it became necessary to spray cocoa trees with insecticides. Farmers start to spray the cocoa trees as soon as the pod begins to form and most farmers spray their cocoa about three times during the season. Most farmers employ hired laborers in spraying their cocoa trees.⁴²

In about 1965, the seedlings of the new cocoa varieties that had been produced by the Cocoa Research Institute of Nigeria were widely distributed to farmers in the cocoa belt of Nigeria. These new strains have a gestation period of about three years. The procedure for planting and maintaining them is no different from the one used for the amelonado.⁴³

The harvesting of cocoa begins after seven years for the amelonado and after three years for the CRIN elite. Cocoa harvesting is labor-intensive. The number of laborers required depends on the size of the farm. Harvesting cocoa from a fairly large farm of about twenty acres would involve the farmer, his male children and hired laborers.⁴⁴

The harvesting of cocoa pods is not restricted to a particular period, but is done several times a year. The peak period, however, seems to be October. Amelonado cocoa

appears to have a more pronounced peak period than the new varieties. According to my informants, most of the pods from amelonado trees are harvested between September and January. The new varieties, on the other hand, tend to spread out a bit more.⁴⁵

Harvesting entails removing ripe pods from cocoa trees and slicing them open to extract the beans. The beans are then put into baskets by the wives of the farmers and their female children. After all the ripe cocoa beans have been removed from the trees the farmer then ferments the beans.

In most parts of the cocoa belt that I visited, the farmer and his household carried out fermentation. They begin by cutting plantain or banana leaves and spreading them on the ground. The harvested beans are poured on the leaves and then covered with more leaves. This is left in an open space within the farmers' compound for four to five days to ferment. The farmers turn the heap of beans once or twice to ensure even fermentation of the beans.

After fermenting the cocoa beans, the farmer and his household then dry them. Drying of cocoa beans usually takes between seven to ten days. The fermented beans are spread on a concrete slab in the farmers compound and are left to dry in the sun. Drying of the cocoa beans reduces their moisture content and makes them safe for storage and shipment.⁴⁶

From the foregoing presentation, a number of conclusions can be made. First, cocoa is not indigenous to West Africa. The amelonado cocoa, which was widely planted

in the cocoa growing areas of West Africa up to 1960, was an adaptation of the Brazilian "comun". Second, owing to the susceptibility of this species of cocoa to the swollen shoot, and its vulnerability to the extreme dry season in some parts of the cocoa region, new strains were developed.

These new strains, which are products of various cross-breeding programs in Ghana and Nigeria, have demonstrated greater vigor than the amelonado. This is evidenced by the fact that, in the short run, they are faster-yielding than the amelonado. They have also shown greater tolerance to cocoa diseases. They, however, do not have the long lasting quality of the amelonado. Finally, the planting and processing of both varieties of cocoa is still largely done by conventional methods.

ENDNOTES

- ¹ Cortes, H., Letter 1 from the Dispatches of Hernando Cortes, New York, Wiley & Putman, 1843
- ² Bergmann, J.F., The distribution of cacao cultivation in Pre-Columbia America. *Annals of Association of American Geographers*.
- ³ Alden, D., The significance of cacao production in the Amazon region during the late colonial period: an essay in comparative economic history. *Proceedings of the American Philosophical Society*, 120, 2: 103-135
- ⁴ Ibid
- ⁵ Wood, G.A.R., Cocoa, Longman, 1975, p2
- ⁶ Ibid., p.3
- ⁷ Ibid., p.4
- ⁸ Urquhart, D., Cocoa, Longman, 1956, p.3-4
- ⁹ Wood, G and Lass, R.A., Cocoa, Longman, 1985, p.3-4
- ¹⁰ Wills, J., Agriculture and Land Use in Ghana, Oxford University Press, 1962, p.278-285
- ¹¹ Wood, G.A.R., Cocoa, op.cit p.11-13
- ¹² Oral interviews conducted in the cocoa belt of southwestern Nigeria between 1988 and 1990
- ¹³ Wood, G.A.R., Cocoa, op.cit., p17-18
- ¹⁴ Posnette, A and Entwistle, H., The pollination of cocoa flowers, Report of the cocoa conference, London, 1957
- ¹⁵ Urquhart, D., op.cit, p17-23
- ¹⁶ Ibid.
- ¹⁷ Ibid.
- ¹⁸ Smyth, A and Montgomery, R., Soils and Land Use in central Western Nigeria, Western Nigeria Govt Ibadan, 1962.
- ¹⁹ Annual Report, West African Cocoa Research Institute 1954-55 p.23-27
- ²⁰ Annual Report, Ibid 1948-1949, p9-19
- ²¹ Annual Report, Ibid
- ²² Annual Report, Ibid, p19-23
- ²³ Annual Report, Ibid
- ²⁴ Annual Report, Ibid 1961-62, p.114-117
- ²⁵ Annual Report, Ibid
- ²⁶ Annual Report, Ibid
- ²⁷ Annual Report, Cocoa Research Institute of Nigeria, 1962-63, p.58-69
- ²⁸ Annual Report, Ibid
- ²⁹ Oral interviews conducted in the cocoa belt between 1989 and 1990
- ³⁰ See for instance Wood, G.A.R., op.cit
- ³¹ See for instance Berry, S.S., Cocoa, Custom and Socio-Economic Change in Rural Western Nigeria, Oxford, 1975
- ³² Wood, G and Lass., op.cit, p166-172
- ³³ Ibid
- ³⁶ Ibid
- ³⁵ Oral interviews done in the cocoa belt of southwestern Nigeria between 1988 and 1990
- ³⁶ Ibid
- ³⁷ Ibid
- ³⁸ Ibid
- ³⁹ Ibid
- ⁴⁰ Ibid
- ⁴¹ Ibid
- ⁴² Ibid
- ⁴³ Ibid
- ⁴⁴ Ibid
- ⁴⁵ Ibid
- ⁴⁶ Ibid

CHAPTER FOUR

THE RISE AND FALL OF COCOA PRODUCTION IN IBADAN

Between 1903 and 1930, Ibadan province was the leading producer of cocoa in Nigeria, contributing over thirty percent to the national output. By the mid-1950s, however, over seventy percent of cocoa trees in the Ibadan cocoa belt had been decimated by cocoa diseases, notably swollen shoot.¹ This monumental catastrophe sounded the death knell of Ibadan cocoa belt, as Ibadan never recovered from this epidemic. Also, it engendered a re-structuring of the relations of production in the southwestern Nigeria cocoa belt.

Apart from some reports by the Cocoa Research institute of Nigeria on cocoa diseases, there is no scholarly work on the impact of swollen shoot and other diseases on the cocoa industry.² Most studies on the economic and social history of Nigeria exist in a kind of ecological void. Yet, the implications of diseases for the decline of the cocoa industry are more important today than ever before because about one-third of the cocoa trees in southwestern Nigeria are affected by one kind of cocoa disease or the other.³

In this chapter, I analyze the significance of the outbreak of the swollen shoot virus to the cocoa-driven economy of Ibadan. To achieve this, I examine the introduction, spread and development of cocoa production in

Ibadan. I pay particular attention to its impact on the land tenure system and the economy of Ibadan. Further, I discuss the outbreak of the swollen shoot disease in Egbeda-Olanla axis and its spread to the outlying areas. The official response to this epidemic and the reaction of the Ibadan farmers will be noted. Finally, I analyze the re-structuring of the economy of Ibadan. This involves a discussion of migration to the relatively new cocoa growing areas of Ife and Ondo and the taking up of new occupations by Ibadan cocoa farmers.

British Colonial government and cocoa production

The first attempt by the British colonial government to begin cash crop production in Ibadan was in 1895, with the introduction of cotton. In order to encourage Ibadan farmers to begin planting the crop, the government gave them free supplies of seeds and also brought in some cotton ginning machines.⁴ The British Cotton growing Association, which was inaugurated in 1902, to promote the British cotton industry, played an influential role in establishing the cotton industry in Ibadan. The B.C.G.A. negotiated the lease of a five hundred thousand acre plot of land at Olokomeji, a village south of Ibadan and built an experimental farm which sought to determine "the best varieties of cotton, the most suitable times of sowing, and the best methods of cultivation." The B.C.G.A.'s attempt to begin cotton

production in Ibadan was evanescent because of the unsuitability of the land.⁵

After the futile attempt to establish cotton cultivation in Ibadan, cocoa was introduced. The rise of cocoa production in Ibadan has been studied by Akinyele, Ayorinde and Sara Berry. According to Berry, cocoa was introduced to Ibadan by European missionaries, traders and African converts in the mid-1890s.

Armed with Buxton's philosophy, which was intended not only to proselytize Africans, but also to make them self-sustaining, converts such as Morakinyo, Ogunwole, Okogo, Orukotan and Cornelius Phillips established new cocoa farms in about twenty-four villages in the south of the town.⁶ These men began teaching farmers the techniques of planting cocoa in these villages. Between 1890 and 1910, cocoa also spread to villages such as Agbakin, Iroko and Kute in the northern part of Ibadan.⁷

The development of the cocoa industry in Ibadan was facilitated by the construction of a transport network between Ibadan and Lagos. From 1897, the colonial administration began building roads in Ibadan, and by 1906, a major road had been constructed linking Ibadan to Lagos. Also, railroad construction started in Lagos in 1898, and was extended to Abeokuta in 1900 and Ibadan in 1901. The creation of a rail and road network not only made it easy for produce to be shipped from Ibadan to Lagos, it also encouraged foreign companies to get involved in the cocoa

export trade.⁸ By 1917, cocoa had become the dominant crop in the Ibadan economy. Owing to the decline of the cocoa plantations of Agege and Ota, in the early 1920s, laborers who had worked on these plantations began to establish cocoa farms in Ibadan and some other parts of the interior of Yorubaland.⁹

Ibadan became one of the earliest Yoruba city-states to experience a widespread adoption of cocoa. Many factors were responsible for this. Sara Berry contends that because Ibadan was a major participant in the Yoruba civil wars, the cessation of hostilities created a large contingent of demobilized soldiers who were unemployed. Consequently, these soldiers looked for new opportunities. Because of the propinquity of Ibadan to the older centers of cocoa cultivation in Lagos, it was not difficult to gain knowledge of the crop.¹⁰ Furthermore, as cocoa trees began to bear fruit, they attracted reasonable prices and had a more stable market than any other crop. The enthusiasm for cocoa cultivation in Ibadan was such that total acreage planted rose from 41.6 acres in 1900 to 2,219.2 acres in 1913.¹¹

Toyin Falola suggests that a majority of the ex-warriors who settled in Ibadan appropriated land wherever they could. These men usually brought with them members of their family and a congeries of slaves and followers, and exercised rights of ownership over land they had settled on.¹² He contends that this method of obtaining land did not result in conflicts because the copious supply of land

obviated the need to fight over possession. He went further to say that ownership of land in Ibadan resided in the lineage.

Each lineage was a collective group that traced its descent through the male ancestors to the progenitor of the lineage. To facilitate the unity of the lineage, members for the most part, tended to live together in the same household. With the influx of military chiefs and wealthy men who had slaves and other dependents living with them, some of these households acquired a cosmopolitan character.¹³

The head of the lineage held the land in trust for every member. Every member of the lineage had usufructuary rights which came from being born or being assimilated into the lineage. No member of the lineage, however, could alienate any portion of the land without the permission of the other members.

Any member of the household who needed more land outside the lineage could get it either from another lineage or by new settlement. Initially, such a member would possess the land on an individual basis but upon his death it became family property, which would be shared by his dependents.¹⁴ In the early years of cocoa cultivation in Ibadan, the household was kaleidoscopic. Newcomers from other Yoruba towns such as Ogbomoso, Ede, Gbongan, Offa and Iwo were readily absorbed into the household. This development led to the growth of "heterogeneous" households. Members of these households, for the most part, had no loyalty to them and

they usually moved from one household to the other depending on which one best served their interests.

In some instances, successful strangers left their adopted household and established their own.¹⁵ This open-door policy led to the growth of big households where, at times, newcomers outnumbered consanguineous members of the household. This generated conflicts later on as children of some household heads disputed the boundaries of cocoa land given to newcomers. For example, in the case of Abiwinrin versus Morakinyo brought before the District Officer, EP Birch on 25th September 1916, Abiwinrin accused Morakinyo of encroaching on his father's cocoa land and requested money for damages and a restraining order against future encroachment. The court ruled in favor of the plaintiff, Abiwinrin, and ordered Morakinyo to pay court costs and desist from encroaching on Abiwinrin's father's land.¹⁶

Sara Berry states that in the southern part of the town, which was still sparsely populated, the hunters who were the original settlers of the land were initially receptive to strangers who came to look for land and eagerly directed them to good cocoa land.¹⁷ The continued movement of people into Ibadan to plant cocoa resulted in new relations to land. The hunters in the south of Ibadan began to demand the payment of *Isagi* and *ishakole* from the newcomers who were moving into this area. *Isagi* was an initial gift to the hunter for showing the newcomer the land. This gift was either a small cash payment which did not exceed two pounds

or an imported alcoholic beverage. By the 1930s, however, *isagi* had risen in value to between five to fifty pounds, depending on the size of the farm. *Ishakole*, on the other hand, was a symbol of the authority of the landowner.¹⁸ These two payments gave the newcomer the right to plant permanent crops on the land but not the right of ownership. This meant that the land was not transferable. Besides, if the newcomer abandoned the farm, it would revert back to the original owners.¹⁹

Ishakole varied from one lineage to another. Some landowners demanded part of the produce of the tenant; some required the tenant to clear the landowner's land once or twice a year, while others demanded a cash payment. In most cases, in Ibadan, the amount that was paid as *ishakole* was nominal. It ranged from five shillings to ten shillings, and if the newcomer could not make a cash payment, he could give the landowner a few yams.²⁰

Berry states that the growth of the cocoa settlements of the hunters in the south of Ibadan resulted in a lot of rivalry among the hunters' families. For example, the Aperins, who were the most prominent hunters in the south of Ibadan, gave out large parcels of land at Idi-ose, Aperin and Akanran and by 1905 claimed ownership of about thirty-two cocoa villages to the south of the Alagutan river. The claims of the Aperins to some of this land were contested by some other families and the district officer had to step in and delimit each family's plot with a clear boundary.²¹

Ibadan chiefs, on the other hand, were not particularly happy with the growing influence and economic strength of the hunters. They argued that Ibadan land was community property and as such the hunters in the south of Ibadan had no right to appropriate such extensive tracts of cocoa land. Ibadan chiefs suggested to the colonial authorities that the hunters be divested of their settlements and that they be given the prerogative to preside over the land on behalf of all Ibadan people. The Resident of Ibadan, Ward-Price, rejected the proposal of the Ibadan chiefs and upheld the right of families to own land. He also tried, unsuccessfully, to abolish the payment of *isagi* and *ishakole*.²²

Cocoa production in Ibadan in the years before 1920 was organized around the lineage. Everybody in Ibadan society gained access to land through membership of a lineage. The lineage, however, was not the primary unit of production. Individual households within the lineage were the basic production units, and it was their responsibility to develop the land allocated to them.²³

To this end, the head of the household mobilized the labor of his wife and children in cocoa production. In those early years of cocoa production, large families were not uncommon because the size of the family determined the labor pool and this in turn determined the size of the cocoa farm. Most Ibadan farmers married additional wives not only out of

emotional considerations but because of the economic advantages they provided.²⁴

Although individual households were distinct production entities, the lineage provided them with considerable support especially when establishing new cocoa farms. Other lineage members willingly provided their services in clearing the forest and preparing the soil for cocoa production. In short, the system ensured a steady supply of labor on a modest scale.²⁵

Some of the more prosperous Ibadan lineages, however, were able to mobilize the labor of *iwofa* and other dependents. A majority of these men were soldiers who had amassed a lot of capital from booty and slaves. According to my informants, *iwofa*, who were freeborn members of society, were used by this group of cocoa farmers as surety for loans given to tenants or other farmers.²⁶

The ability of some Ibadan lineages to deploy large numbers of people to cultivate their cocoa land created sharp disparities in the size of Ibadan holdings. A survey of cocoa farms in 23 Ibadan villages by the colonial authorities suggests that fifty-five percent of the farmers held only eighteen percent of the cocoa farms and the average size of their holdings was 1.25 acres. Furthermore, twenty-four percent held twenty-one percent of the land and had an average cocoa farm of about 3.5 acres. Another nineteen percent controlled forty-three percent of the land; and a small group of farmers who constituted 1.7 percent

held eighteen percent of the land and had an average holding of nearly forty acres.²⁷

From the 1930s, Hausas and Yorubas from Ekiti constituted the bulk of the labor force. After the 1930s, Hausa laborers were used more than Yorubas. For the most part, hired labor was employed on a casual basis rather than on annual contracts. This was owing to the fact that the rigorous work of establishing new farms had been done in most parts of Ibadan in the previous decade. Most farmers in the 1930s hired laborers primarily to clear the undergrowth and harvest cocoa. Most laborers earned between 10 to 15 shillings per week.²⁸

For most Ibadan farmers in the years before 1920, cocoa farming was quite rewarding. Oral interviews with farmers at Moniya, Omi-Adio, Akanran and Iddo suggest that prices during this period were quite high and most households obtained a decent income from cocoa.²⁹ Demand for tropical raw materials at the beginning of the first world war generally led to high prices for the principal cash crops of West Africa. Cocoa prices rose from thirty five pounds per ton in 1905 to about forty three pounds per ton at the onset of the war. High prices resulted in the expansion of cocoa, cotton and rubber farms.³⁰

But this period of prosperity was ephemeral because as the war progressed, the price of cocoa plummeted. To be sure, the intensification of the war led to the expropriation of merchant ships for military purposes.

Furthermore, German submarine warfare made many merchant shipping lanes unsafe. Besides, access to some of the more important European markets was difficult because of the European blockade.³¹ Owing to the shrinkage of the market by the war, European trading companies reduced the price of cocoa considerably. The prices of manufactured goods, however, rose because most industrial production in Europe was harnessed to meet the war-time needs of the belligerents. As a result, Nigerian cocoa producers were compelled to produce more to earn the money to buy their basic needs.³²

At the end of the war in 1918, production in Europe resumed at a frenetic pace, as most European economies strove to bring their economies to the pre-war levels. Again, demand for cocoa and other raw materials increased; increased demand also led to a significant hike in prices. By 1920, cocoa prices had risen to about seventy three pounds per ton.³³

Between 1920 and 1928, cocoa prices remained steady despite sharp fluctuations in the prices of most of the other raw materials. The major problem with Nigerian cocoa, however, was its low quality, and unless something drastic was done about it, the prospects for the future were bleak. Indeed, in a market that was becoming increasingly competitive, Nigerian cocoa risked being no longer acceptable on the world market.

The Department of Agriculture, in response to the urgent need to improve the quality of Nigeria's cocoa, established cocoa fermentaries in several villages in the cocoa belt.³⁴ These "cocoa houses", as they came to be known, were to provide instruction to farmers on proper methods of fermentation. In 1923, five cocoa houses were established in the Ibadan area. By the end of 1924, cocoa houses had been constructed in Abeokuta, Ife, Ilesha and Ondo Province. Most villages formed Cooperative Unions in order to pool their resources together to build fermentaries. The farmers supplied the drying trays for fermenting the cocoa, while the Department of Agriculture was responsible for the technical staff.

By 1928, most areas of the cocoa belt had received the necessary training in cocoa fermenting.³⁵ The improvement in the quality of Nigerian cocoa did not immediately translate into higher prices because of the world-wide depression of 1929. The depression of the 1930's affected every facet of the Nigerian economy; industrial production was paralyzed, and the terms of trade of primary producers declined. Paradoxically, many people in the non-agricultural sectors were becoming farmers because it was the only means of ensuring sustenance.³⁶ In the cocoa belt momentous changes were taking place.

Although the prices of cocoa declined during the depression, the volume of production remained steady. This was owing to the fact that the cocoa trees that were planted

during the boom of the immediate post-war period began to bear fruit in the 1930's. Furthermore, owing to the limited opportunities outside the cocoa industry, more people resorted to cocoa. Although new plantings declined in the Ibadan cocoa belt, the 1930's was the beginning of the great expansion of the Ife-Ondo cocoa belt.³⁷

From the foregoing presentation, the growth of the cocoa industry in Ibadan should be clear. Cocoa began in Ibadan in the 1890s and the rate of its acceptance increased tremendously by the early 1920s. Cocoa planting in Ibadan peaked in the 1930s, and new plantings declined thereafter. For example, out of 305.6 acres of cocoa planted in 1904, Ibadan accounted for 173.0 acres. In 1914, out of a total acreage of 3,943.8 cocoa land, Ibadan accounted for 2,752.00 acres. In 1928, out of 40,995.2 acres planted in cocoa, Ibadan's contribution was 13,782.2 acres.³⁸

In Ondo and parts of Ekiti, however, new plantings rose from the late 1920s to the early 1940s. By the mid 1930s, Ibadan's share of the national output had dropped to about one-quarter.³⁹ With the outbreak of the swollen shoot disease in 1944, Ibadan ceased to be a factor in the cocoa industry of southwestern Nigeria.

Swollen Shoot and the Fall of Ibadan cocoa

A number of studies have been done on the impact of diseases on cocoa. In 1953, it was estimated that of a world

production of 750,000 tons, 200,000 tons of cocoa beans were destroyed by diseases. This amounts to about 25 percent of potential production. In a more recent study done by Cramer in 1973, he suggests that about 20.9 percent of the world's potential production of cocoa is lost to diseases every year.

The swollen shoot disease has been the major destroyer of cocoa trees in Ghana and Nigeria. In fact, it is more pronounced in West Africa than anywhere else. The swollen shoot disease is caused by a virus whose malignant strain destroys the cocoa tree in a short time. The amelonado variety of cocoa, which was the most widely grown variety of cocoa in West Africa in the 1950s and early 1960s, was particularly susceptible to the swollen shoot virus.

The virus is spread from tree to tree by mealybugs. Although about twelve mealybugs have been identified as carriers of the disease, only two of them are common in West Africa: *planococcoides njalensis* and *planococcoides citri*. For instance, *p. njalensis* is found mostly on young cocoa trees, and in some cases, large clusters accumulate on cocoa pods.

The *p. njalensis* forms a symbiotic relationship with ants on cocoa trees. The ants feed on the honeydew which the mealybugs emit; in return, the ants protect the mealybug colonies by building tents over them. The *p. njalensis* has a life expectancy of about six weeks, and goes through three metamorphoses before becoming an adult. The first stage,

which is the metamorphosis into instar nymphs, is the most critical for the spread of the swollen shoot disease. This is because instar nymphs are numerous and are extremely active.

The swollen shoot disease was first detected in the Eastern Region of Ghana in 1936, when the stems of cocoa trees became distended. Initially the government did nothing about it, but after the death of almost half of the cocoa trees in the eastern cocoa belt, the government took drastic steps to prevent the disease from spreading. This resulted in the inauguration of the cutting out campaign in an elaborate fashion in 1947.

In March 1944, the colonial government in Nigeria ordered a survey of Nigerian cocoa to determine whether or not there were cases of the swollen shoot virus. This investigation was necessitated by the appearance of the disease in Ghana, where it had caused considerable damage to cocoa trees. Before the disease was brought under control in Ghana in the early 1960s, it had decimated about four million cocoa trees annually. ⁴⁰

The survey team, which was led by John West and Charles Todd, principal research officers with the West African Cocoa Research Institute at Tafo, Ghana arrived in Nigeria in mid-1944. The Survey, according to John West, was undertaken for two reasons : First, to enable them to carry out a comprehensive survey of the symptoms of swollen shoot and the fungus related with capsid attack in Nigeria, and

second, to "help the Nigerian Agricultural Department with the propaganda on the control of swollen shoot."⁴¹

In November 1944, the Survey Team submitted an Interim Report to the Resident through the Senior District Officer in which they stated that "experiments conducted on selected cocoa trees show that a transmissible virus exists on the cocoa farms in the Olanla, Badeku and Akanran areas." According to the Report, the symptoms found in the infected trees were similar to those found among the various strains of swollen shoot recognized in Ghana. The Report stated, however, that the types of the swollen shoot virus in Nigeria were less malignant than the ones in Ghana and likely to cause less destruction.⁴²

The main infected area had its center about fifteen miles east of Ibadan and was about twelve miles long and six miles wide. Infection in this area was scattered, but there were uninterrupted outbreaks toward the center. A smaller infected district was at Olanla, about twenty miles to the north. There were also reports of smaller outbreaks in Ilesha, outside of Ibadan province.⁴³ In mid 1945, the Survey team was able to determine that the spread of swollen shoot in Nigeria was fairly rapid, judging by the number of trees which had been affected since the disease was first discovered in 1944.

In the Ibadan cocoa belt, outbreaks of swollen shoot seemed to appear first in mature well-grown cocoa. However, near Badeku, along the Ife road there are examples of the

disease having spread to younger cocoa trees. In order to halt the further spread of the disease, the Egbeda-Badeku-Olanla axis was declared an area of "mass infection."⁴⁴

In order to effectively control the swollen shoot disease, the Survey recommended the cutting-out of the affected trees. In order to implement the cutting-out program, the Assistant Director of Agriculture advised the secretary of the Western provinces that it would be necessary to inform the Olubadan-in-council of where the cutting-out program would begin and to enlist the support of his representatives. They also decided to undertake intensive propaganda in all the affected areas to make farmers aware of the implications of the outbreak and the urgency of destroying infected trees to protect their cocoa.

The Survey decided that cutting-out would start about the middle of December 1945. They proposed to start on selected outbreaks on the north and south sides of the Ibadan-Ife road between Egbeda and Idiomo. They also stated that outbreaks would be chosen for treatment where replanting has a good chance of succeeding.⁴⁵

The cutting-out program met with stiff resistance from Ibadan farmers. The Ibadan farmers articulated their opposition to the cutting-out program through the *Maiyegun* league, a cooperative society which had been created in 1942 to address the problems of farmers in the cocoa belt. The *Maiyegun* league, which had a membership of about six thousand farmers, refused to believe that cutting of the

cocoa trees was the only remedy for the swollen shoot disease. They argued that when some cocoa farms were affected by "*jurijuri*" (capsids), the cocoa trees recovered from such attacks after having been left fallow for about two years. They, therefore, recommended the same treatment for the swollen shoot disease. Furthermore, since the cutting-out of moribund trees in the center of an infection would involve the destruction of the healthier surrounding trees which showed mild symptoms, the farmers felt a sense of direct loss. As a result, the farmers asked for a compensation of ten shillings and six pence for each destroyed cocoa tree.⁴⁶

The acting Secretary of the Western provinces, in a letter to the Assistant Director of Agriculture, rejected the demands of the Ibadan farmers for compensation on the grounds that the cutting-out services were free and that these services were protecting them against the loss of their other farms. Furthermore, he stated that it might be difficult to identify legitimate recipients of compensation and that the settlement claims could jeopardize a cutting-out program that needed to be carried out expeditiously. Finally, he argued that payments of compensation would set a precedent which might destroy the cocoa farmers' sense of their own responsibility for the control of this disease.⁴⁷

Ibadan farmers rejected this official position by resisting the cutting-out program violently. In an attempt to resolve this debacle, the Acting Secretary of the Western

Provinces suspended the cutting-out program. An extensive program of instruction was then undertaken, which included the conducting of large numbers of chiefs, farmers and people in authority to see outbreaks near Ibadan and in Ghana in order to observe the extent of the destruction in these areas.⁴⁸

After a tour of the areas of mass infection in Ibadan and Ghana, the Olubadan-in-council and the Ibadan Native Authority became convinced of the necessity for treatment and gave their full support to the campaign. Furthermore, the colonial administration agreed to pay a compensation of 6 pence for every destroyed tree. Thereafter, cutting-out was started in June, 1946 and continued, with minor obstructions at Akufo and Oloibiri villages, until the early 1950s. Between 1946 and 1950, about 1,061,553 cocoa trees had been cut and over one hundred and thirty thousand pounds had been paid in compensation to the farmers.⁴⁹

To be sure, the delay in cutting-out the affected trees in Ibadan because of the resistance of the farmers led to a costly loss as the disease spread more rapidly than expected. This resulted in a precipitous decline of Ibadan cocoa production. The efforts of the government at new plantings were futile because most of the soil outside the areas of infection were unsuitable for cocoa. By the early 1950s, the total acreage of cocoa land in Ibadan had plummeted to about 500 acres from 12,649.6 acres in 1930.⁵⁰

Ibadan in the post-swollen shoot era

The progressive decline of Ibadan cocoa led to the intensification of changes that had begun in the cocoa industry of Southwestern Yorubaland since the 1930s. In the mid-1930s, the relatively new cocoa producing areas of Ife, Ondo and Ekiti started expanding and new plantings were taking place in the uncultivated forests in these areas. The failure of new plantings in Ibadan, and some parts of northern Yorubaland resulted in a series of migrations into these areas. Even where new plantings had succeeded, holdings had been severely fragmented and had become unviable.⁵¹

To be sure, migration into the cocoa belt of Ife and Ondo was one of the ways Ibadan farmers responded to the loss of their farms. Oral interviews conducted at Akanran, Omi-Adio, Lalupon suggest that most of the Ibadan farmers who migrated did so in groups. This was necessary in order to provide a network of support in the new areas. Most of them did not stay in the new cocoa belt permanently, as they usually came back during the off-season to pursue other businesses.⁵²

Second, some Ibadan farmers gave up cocoa farming entirely and took to food crop farming. I encountered many food-crop farms at Omi-Adio and Ido. Others took to other skilled trades such as carpentry, painting and bricklaying. From the preceding analysis, a number of conclusions can be made. First, the historical background of Ibadan made it

receptive to the introduction of cocoa. With the cessation of the Yoruba civil wars, Ibadan's large body of demobilized soldiers sought new opportunities in the new colonial economy. By 1920, cocoa production had spread to most parts of the south and north of Ibadan, and Ibadan became the major producer of cocoa in southwestern Nigeria. Third, the outbreak of the swollen shoot disease in the early 1940s led to a gradual destruction of Ibadan cocoa trees. The resistance of Ibadan farmers to the cutting-out program and the failure of new plantings exacerbated the demise of the Ibadan cocoa belt. Finally, the fall of the Ibadan belt made Ibadan farmers begin to take up other occupations.

ENDNOTES

- ¹ Ib/Agric 1/339, p.171, National Archives, Ibadan
- ² See Cocoa Research Institute of Nigeria Annual Reports
- ³ I got this evidence from fieldwork conducted in the cocoa belt from 1988 to 1991
- ⁴ Nworah, D.K., "The West African Operations of the British Cotton Growing Association, 1904-1914" *African Historical Studies*, 4, 2, 1971 p318-320
- ⁵ Ibid
- ⁶ Berry, S.S., "Christianity and the Rise of Cocoa Growing in Ibadan and Ondo" *Journal of the Historical Society of Nigeria*, 4, 3 Dec 1968.
- ⁷ Ibid
- ⁸ Tamuno, T.N., "Genesis of the Nigerian Railway" *Nigeria Magazine*, 83, Dec. 1964, p272-292
- ⁹ Dada, S. A., J.K. Coker: Father of African Independent Churches, Ibadan, 1986 p16-32
- ¹⁰ Berry, S.S., Cocoa, Custom and Socio-Economic Change in Rural Western Nigeria, Oxford, 1975 p49-53
- ¹¹ Western Nigeria, Ministry of Agriculture and Natural Resources, Swollen Shoot Virus Disease Survey, 1944-49
- ¹² Akinyele, I.B., Outlines of Ibadan History, Lagos, 1946, p88-90
- ¹³ Ibid
- ¹⁴ National Archives Ibadan, Oyo provincial papers 1 676 Vol 1 p48-53
- ¹⁵ Ibid
- ¹⁶ National Archives Ibadan, Oyo provincial papers 4/5 49/1917
- ¹⁷ Berry, S.S., Cocoa, Custom...op.cit p59-61
- ¹⁸ Ibid p 93-95
- ¹⁹ National Archives Ibadan, Oyo provincial papers 1 676 Vol 1 p48-53
- ²⁰ Berry, S.S., Cocoa, Custom...op.cit p59-61
- ²¹ Ibid p116-118
- ²² Ibid
- ²³ Oral interviews with descendants of the earliest cocoa farmers at Moniya, Omi-Adio and Akanran villages in 1989. See also, Toyin Falola, Politics and Economy in Ibadan, 1893-1945, Lagos, 1989
- ²⁴ Ibid
- ²⁵ Ibid
- ²⁶ Ibid
- ²⁷ National Archives Ibadan, Oyo provincial papers 1 4363 Vol 2, p76
- ²⁸ Oral interviews conducted at Moniya, Omi-Adio and Akanran villages in 1989, See also Berry, S.S., Cocoa , Custom...op.cit 126-130
- ²⁹ Ibid
- ³⁰ Oni, S.A An Econometric Analysis of the provincial and aggregate response among Western Nigeria Cocoa farmers(unpublished Ph.D dissertation, 1971) chapter 2.
- ³¹ Olorunfemi, A ., Anglo-German Commercial Rivalry in West Africa 1884-1918(unpublished Ph.D dissertation , University of Birmingham, 1977)p351-161
- ³² Ibid
- ³³ Lagos Weekly Record, July 7, 1920
- ³⁴ National Archives Ibadan, Annual Report(Department of Agriculture) 1923, p7-10
- ³⁵ Ibid
- ³⁶ Berry, S.S., Cocoa, Custom...op.cit p83-84
- ³⁷ Ibid
- ³⁸ Western Nigeria, Ministry of Agriculture and Natural Resources, Swollen Shoot Virus Disease Survey 1944-49
- ³⁹ Ibid.
- ⁴⁰ Ib Min Agric 1/5 File No. 43, Vol 2, p.184.
- ⁴¹ Ib Min Agric 1/340, p. 468
- ⁴² Ibid., p.469
- ⁴³ Ibid., p.469-471

⁴⁴ Ibid., p.473

⁴⁵ Ib Min Agric 1/341, p.27

⁴⁶ Ibid., p.30

⁴⁷ Ibid., p.45

⁴⁸ Ibid., p47

⁴⁹ Ibid., p.47-48

⁵⁰ Western Nigeria, Ministry of Agriculture and Natural Resources, Swollen Shoot Virus Disease Survey, 1951-52

⁵¹ Oral interviews conducted at Akanran, Lalupon, Omi-Adio and Moniya between 1990 and 1991

⁵² Ibid

CHAPTER FIVE

MIGRANTS, NEW SETTLEMENTS AND NEW STRUCTURES OF PRODUCTION IN IFE AND ONDO

The demise of cocoa production in Ibadan facilitated significant changes in the configuration of the cocoa economy of southwestern Nigeria. In this chapter, I explore these changes from three broad perspectives. First, I discuss the migration of some of the farmers who had lost their cocoa farms to cocoa diseases to Ife and Ondo, where there were still substantial amounts of uninhabited land suitable for cocoa growing. The movement of farmers from other Yoruba city-states to Ife and Ondo will be highlighted. Second, I analyze the structure of the emergent cocoa-producing areas of Ife and Ondo, paying particular attention to the changing patterns of rights to land engendered by the increased commercialization of land. Third, I examine the cost of establishing new farms, the relations of production between farmers and laborers, and the returns from cocoa farms.

A significant literature exists on various aspects of the migration of cocoa farmers into the forests of Ife south and Ondo. For example, Sara Berry, J.A. Adejuwon and Toyin Falola have written about the patterns of settlement in the new areas and the new structures of production that were created. In this chapter, I introduce new evidence to

corroborate some of their findings. In addition, I talk about the dynamics of establishing new farms, and how relations between landowners and migrant farmers affected the expansion of holdings.

THE RISE OF COCOA PRODUCTION IN IFE AND ONDO

According to Sara Berry, cocoa production in Ife and Ondo provinces began in the late 1890s. Cocoa was introduced into these two areas by superintendents of the African Church and farmers who had acquired knowledge of the cultivation of the crop from the Agege planters. The first person to plant cocoa in Ondo was Charles Phillips, a Bishop of the Anglican Church. Although Bishop Phillips did not plant cocoa for commercial purposes, he tried to encourage farmers in the Ondo area to cultivate the new crop.¹

His attempt to make farmers aware of the potential of cocoa was futile because the farmers did not want to invest time, energy and money on a crop whose commercial value they were unfamiliar with. Despite Bishop Phillips' limited success at making farmers take to the new crop, he was able to influence many Christian converts, who spread the knowledge of cocoa to some other Yoruba city-states. For example, Gureje Thompson, a Christian who had worked with Phillips in Ondo, started the first cocoa farms in Ilesha between 1910 and 1913. Bishop Phillips also talked to members of the clergy and parishioners in Ife about the value of growing cocoa.²

According to Sara Berry, farmers in Ife and Ondo, did not begin to experiment with cocoa in large numbers until laborers who had worked on the farms of the Agege planters returned to these areas with news of the financial success of cocoa. The earliest farms in Ife and Ondo were established at the periphery of the towns. In Ife, cocoa farms were set-up to the south and west at Isoya, Ladin, and Ashipa. As cocoa became more popular in the 1920s, farmers established farms in the southwestern part of Ife. In Ondo, farmers began planting cocoa at Fagbo, Oboto, Bagbe, Lemoso and Igunsin before 1920. After 1920, Ondo farmers began to move to villages along the Ondo-Akure road and Ile-Oluji.³

The growth of the cocoa industry in these two areas and the commercial opportunities it presented had two closely related implications. First, owing to the labor requirements of cocoa, large groups of migrant workers came to the "new" cocoa producing villages. Second, because of the availability of land suitable for cocoa growing in Ife and Ondo, farmers from the older cocoa growing areas such as Ibadan, Abeokuta and Ijebu began to relocate to these areas.⁴

J.O Adejuwon contends, on the basis of a study of 136 Ife villages, that the majority of the settlers in 126 of them did not come from other Yoruba states, but were Ife indigenes.⁵ Although this assertion has some validity for villages in the southwest part of Ife, the same cannot be said of villages in the southeastern part. Berry's findings

and my own fieldwork at Akeredolu suggest that there were large amounts of unoccupied land along the Ife-Ondo road, and from the late 1940s onward more migrants settled in this area than Ife farmers.⁶

The village-head of Akeredolu, together with some of the most influential landowners, stated that the forests adjoining the present-day Akeredolu were first occupied by Legan, Detise and Deladan, who were hunters. These three men came to this area in the 1940s with their families and followers. The farmers among them did not plant cocoa; they grew foodstuffs, some of which were yams, maize and cassava. With the construction of the feeder road from Akeredolu to Araromi-Okeodo, most of the farmers began to move close to the road in order to have easy access to the markets.⁷

Cocoa production at Akeredolu began in the early 1950s with the advent of Mr. Akeredolu, a produce buyer from Ondo. Akeredolu built a store in the village and began selling cocoa seedlings to farmers in the area. Shortly thereafter, migrant farmers began to move into this area from other Yoruba city-states, and by the late 1950s, the road from Akeredolu to Araromi-Okeodo had been occupied by cocoa farmers.⁸ At Akeredolu, Agodi and Araromi, of the 50 cocoa farmers I interviewed, 39 were migrant farmers and 11 were Ife landowners. At Kere village, out of 21 farmers interviewed, 16 were migrant-farmers.

The influx of migrants into the southeast parts of Ife continued farther east to Esera, Oosa, Olorunda, Apata

Oloko, Olomu Oja and Aworele. As one went farther east, the proportion of migrants increased in relation to Ife indigenes. For example, village elders at Oosa told me that the population of Ifes in the village was only about 10 percent. At Ara, it was about 30 percent. According to my informants, one possible explanation for this was that Ife farmers preferred to establish farms as close to the Ife-Ondo road as possible for easy evacuation of produce. When it became difficult to get land in the villages of southeast Ife, migrants moved to Ondo.⁹

Toyin Falola, in a study of migrants in Ife villages, states that migrants did not participate in the political life of the Ife villages. Their primary goal was to obtain rights to cocoa land under the most favorable circumstances. This included finding a landowner who was not too demanding and enlisting the services of laborers at reasonable wages. In most of the villages I visited in southeast Ife, the division between ex-landowners and migrant farmers was sharp.¹⁰

At Aroko, however, the distinction between landowners and migrant farmers was blurred. This is perhaps because Aroko was one of the earliest areas of cocoa growing in Ife south, and it had attracted a considerable number of migrants from Ibadan in the 1930s. At that time uninhabited land was still plentiful and most migrants did not have any difficulty obtaining land. Chief Salami Agbaje, an Ibadan migrant farmer, told me that by the mid-1950s, there were

more Ibadan migrant farmers than Ife landowners. By the early 1960s, Ibadan migrant farmers were no longer treated as strangers, because of their long presence in the village. In fact they had become so influential that they began to be elected as village-head. Chief Salami Agbaje was the village-head of Aroko at the time of the interview.¹¹

The majority of the migrants in the cocoa belt of Ife south came from the older cocoa growing areas such as Ibadan, Abeokuta, Ijebu, Okua-Otin, Oru, Oyan and Osogbo. Most of them came as result of the destruction of their farms by cocoa diseases, and others came to seek a new means of livelihood. For example, out of 52 migrant farmers interviewed at Akeredolu 33 of them came from cocoa growing areas that had been blighted by cocoa diseases. This fact is corroborated by Toyin Falola's study of migrant cocoa farmers in Ife. He states, *inter alia*, that by the early 1950s, migrant farmers from Ibadan, which had experienced a considerable decline in its cocoa production, could be found throughout the southeastern part of Ife in areas such as Amukegun and Poso.¹²

Cocoa cultivation in Ondo also followed a similar pattern. Most Ondo indigenes planted cocoa in the outlying villages of Ondo before moving into the interior. Most villages around Ondo town such as Fagbo, Oboto, Uloen and Igbo-Oja are dominated by Ondos, while those in the interior have a majority migrant population.¹³ I also encountered a cocoa village that was composed entirely of migrants. Baba

Ibadan Orisumbare, who migrated to the Ondo area from Ibadan in the mid-1930s, was the first farmer to establish a cocoa farm at Ago-Gboro. Baba Ibadan paid the landowner 10 pounds for rights to the land, and after paying *ishakole* for about six years, was granted ownership of the land. Over the next ten years, Baba Ibadan brought nearly all the members of his lineage to Ago-Gboro. They were later joined by some Oyo refugees from Ife, and together they have been controlling the affairs of Ago-Gboro ever since.¹⁴

In Ondo, the 1930s and 1940s witnessed an upsurge in cocoa cultivation. Cocoa cultivation expanded along Ondo-Akure road, especially at Idanre. Most migrant farmers went to Idanre not only because of the availability of unused land, but also because of the high fertility of Idanre soil. Oral interviews conducted at Idanre suggest two versions on the history of cocoa cultivation there. The official history of Idanre states that cocoa was first planted at Idanre in about 1921 by Wabumoye who had learned about cocoa growing at Tiloko near Okitipupa. Wabumoye established his first cocoa farms near the Idanre waterbed and began teaching the people of Idanre the techniques of planting cocoa. He was later made the Batuwase of Idanre, an important chieftaincy position.¹⁵

The older farming families at Ayefemi-Idanre, however, disagree with this official history. They posit that it is improbable that cocoa could have been introduced by Wabumoye because there is no evidence that cocoa was grown in

Okitipupa at this time. They contend that cocoa was introduced to Idanre by Babalona, a cocoa farmer from Ifetedo in about 1923, and that the official history was invented to give credit for the introduction of cocoa to an indigenous personage.¹⁶ The account of the cocoa farmers at Ayefemi village was corroborated by farmers in many other Idanre villages. From Babalona's farms at the waterbank of Idanre, cocoa cultivation spread gradually to villages in the hinterland such as Legbira, Isanmore, Ago-Gbogi and Mofere.¹⁷

In the late 1920s and 1930s, most of the migrants in Idanre villages were from northern Yorubaland and the older cocoa producing villages of Ife such as Apomu, Gbongan, Ifetedo and Ikire. In the early 1940s, however, most of the migrants who came to Idanre villages were from eastern Yorubaland from places such as Akoko, Ekiti, and Owo. In fact, I encountered some villages where there were more eastern Yoruba migrants than any other group. For example, of 12 farmers interviewed at Isanmore camp, eight were from Ekiti and one was from Ife and the remaining three were ex-landowning families from Ondo. At Ago-Gbogi out of seven farmers interviewed, four were from Ekiti, two from northern Yorubaland and two from Ife.¹⁸

Although there was suitable cocoa growing land in Ekitiland, it was far from the major cocoa buying centers and this led to high transportation costs. In order to minimize the cost of production, farmers moved from Ekiti

towns to Ondo. Most of the Ekiti migrants I talked to had farms in Ekitiland before relocating to Idanre.¹⁹ By the mid-1970s, most of the virgin forests in Ife and Ondo had been occupied and migration into Ife and Ondo had slowed down considerably because of the oil boom.

From the preceding analysis, two inferences can be made. First, the demise of the early cocoa growing areas of Ibadan, Okua-Otin and Oyan eventuated in the migration of some farmers from these areas to the relatively newer cocoa areas of Ife and Ondo. This wave of migrants was swelled by people who sought new opportunities in cocoa farming. Second, although cocoa production was started in Ife and Ondo by the indigenes in the early 1920s, by the early 1920s migrant farmers had outnumbered Ifes and Ondos in most parts of the Ife southeast and Idanre.

Table 1: Dates on Which Cocoa was First Planted in Several Ondo Villages

Date	Village
1898	West of Town (Okeigbo)
1909	South (Ajobamidele)
1905-6	Bagbe
1912	Igunshin
c.1914	Ogun
1901-17	Lemosho
1901-17	Igbado
1910-17	East of Town (Fagbo)
1918	Oboto
c.1920	Bolorunduro
1922	Wasimi
1922	Ago-Ileshi
1926	Adebulu's camp
1926	Obun-Ondo
1926	Owena

Source: Sara Berry, *Cocoa, Custom and Socio-Economic Change...*p.65

Table 2: Dates of Establishment and Arrival of Migrants in Some Ife Villages

Village	Date Founded	First strangers arrived	Last strangers arrived
Aba Iresi	1929	1929	late 1940s
Abanta	1928	1945	----
Akeredolu	19 th century	mid-1950s	----
Amula Suji	19 th centry	c.1960	----
Asawure	1936	late 1940s	c.1960
Aye-Oba	----	late 1930s	c.1960
Banaba	19 th century	1959	----
Egbejoda	1924	c.1950	----
Isoya	Before 19 th century	c.1936	----
Okoro	----	1947	----
Ologiri	1960	1960	1968
Olope	1920s	1947	1960
Omidire	----	1947	late 1950s
Omifunfun	1934	c.1939	late 1950s
Onigbodogi	1947	1947	early 1960s
Oniperegund	19 th century	c.1950	----
Sekunde	----	1931	----
Womonle	----	c.1945	----

Source: Sara Berry., op.cit., p.63

MIGRANT FARMERS AND NEW RELATIONS OF PRODUCTION

The migrant farmers who settled in Ife and Ondo villages were regarded as strangers. To be sure, the

migration of people from other Yoruba city-states to Ife was not a new phenomenon. The first group of migrants to arrive in Ife were the Oyo refugees. To a large extent, the relations between the Ifes and the Oyo refugees shaped the attitudes of the Ife to other migrants who arrived at the time of the expansion of cocoa farming.

The Oyo refugees had escaped south from northern Yorubaland as a result of the persistent onslaught of the Fulani jihadists on the Old Oyo Empire. The refugees, most of whom came from Oyo, Ejigbo, Isundunrin, Offa, Ikoyi, Irawo-Awo and Ede, settled in large numbers at Moro, Ipetumodu, Eduabon, Yakoyo, Ifa-lende, Sope, Waro, Ogi, Apomu and Ikire. The Oyo refugees arrived in Ife during the reign of Ooni Akinmoyero, who was sympathetic to their situation. Olaolu Ajulo suggests that the Ifes readily accepted the Oyos for two principal reasons; first, to bolster their weak army, and second, to make farmland available to the Modakeke for Ife's food needs. The Oyo, on the other hand, acquiesced to the demands of the Ifes because their main concern was to make a home for themselves in this new area.²⁰

The establishment of Oyo farms led to the expansion of the economy of Ife because the Oyos began to produce not only for themselves, but also for the larger domestic market of Ife. Besides, the enlisting of Oyo to serve in the Ife army greatly enhanced the military capabilities of Ife, and Ife embarked on a series of expansionist wars which made it

a legitimate contender for a position of influence in the new balance of power in Yorubaland.

The relationship between the Ifes and the Oyos deteriorated because most Ife families tried to relegate the newcomers to a subordinate status. Some Ife chiefs took advantage of the vulnerability of the Oyo refugees by making them construct their houses and tending their farms. The Oyos resisted the attempts of the Ifes to consign them to an inferior status by organizing a series of revolts against Ife chiefs between 1830 and 1840.²¹

In order to resolve this problem, Ooni Adegunle Abewela resettled the Oyo refugees outside the town walls in the southeastern part of Ife, after Parakoyi. The Oyo refugees left their hosts en masse to build their new town which they named Modakeke. The new town expanded rapidly as new arrivals came in from northern Yorubaland. By 1884, the population of Modakeke had risen to about sixty thousand.²²

The Ife chiefs, however, were not willing to relinquish their lands to the Modakeke, and from the 1850s to the turn of century, Ife landowners strove to dispossess the Modakekes of their farms. The chasm between the Ifes and the Modakekes was deepened by the attempts of the Ife to return to the *status quo ante*. To this end, they assassinated Ooni Abeweila, who had brokered the peace between them, and then they attacked Modakeke. In the ensuing war, the Ife forces were annihilated and they took refuge at Isoya and the

outlying villages until 1854, when Ibadan reconciled the two belligerents.²³

Ife attacked Modakeke again in 1878 during the Yoruba civil war. Modakeke allied with Ibadan against the Ekitiparapo, while Ife, after a brief stint with Ibadan, defected to the camp of the Ekitiparapo. This alignment put Ife on a collision course with Modakeke. After a violent encounter in 1882, Ife town was incinerated and many of its citizens were sold into slavery. The Ifes had to await the British treaty of 1893 to return to their homeland.²⁴

The British treaty of 1893 not only ended the Yoruba Civil War, but also articulated the terms upon which the peace would be based. The parties agreed that Modakeke should be evacuated from Ife territory and relocated in an area under Ibadan's jurisdiction. In 1909, the Modakeke were resettled at Ode-Omu on the north side of Osun river. A year after the removal of the Modakeke from Ife, Ooni Olubuse, who had been the most strident campaigner against Modakeke, died. He was succeeded by Ademiluyi, who favored the return of the Modakekes to Ife. From 1912 to 1921, the issue of whether the Modakeke should return to Ife was debated. In the end, Ademiluyi and his pro-Modakeke supporters prevailed, and the Modakekes returned to Ife in 1922.²⁵

The return of the Modakekes to Ife occurred at the time of the expansion of cocoa in Ife. Most of the cocoa farms that had been established by the Modakekes before their exodus were now controlled by the Ifes. The Modakeke, upon

returning to Ife, went back to their farms and began planting new cocoa seedlings. Ife farmers demanded compensation in recognition of their status as landowners. Furthermore, the Ife landowners demanded customary dues from the Modakekes for reaping the palm trees on the Ife farms. The Modakekes in a letter to the British Resident, said, "we stand or fall together, but we will never pay any rent, nor will we leave our present farms, compensation or no compensation".²⁶

After a bitter, litigious struggle between the Ifes and the Modakekes, Ooni Ademiluyi, in an attempt to resolve the debacle, summoned a meeting of the representatives of the two towns. After a series of negotiations, the Modakeke agreed to pay the Ifes compensation in the form of annual tribute, which recognized the superior rights of the Ife chiefs to the land. The Modakekes also extracted a commitment from the Ooni to end harrasment by the Ifes. Since the mid-1920s, therefore, the payment of annual tribute or *ishakole* had been enforced by Ife landowners and traditional authorities. This fact is corroborated in a report of the British Resident, which says "it is probable that *ishakole* as an economic proposition is of comparatively recent origin sometime in the 20s."²⁷ Ife-Modakeke relations set a precedent upon which Ife attitudes to the influx of other migrant farmers would be shaped.

The new migrant farmers in the expanding cocoa belt of Ife were not treated differently from the Modakekes.

Initially, they were able to get rights to land at minimal cost. To be sure, many of my informants who came to Ife and Ondo in the 1930s took advantage of this situation to acquire large tracts of cocoa land.²⁸

As cocoa became more popular in the 1950s, however, a greater number of people sought to establish their own cocoa farms. This resulted in the commercialization of land. The new migrants in Ife had to pay *isagi* and *ishakole* in order to be given rights to the land. In Ondo, however, most landowners did not collect *ishakole*.²⁹

In the cocoa villages of Ife and Ondo, neither the price of *isagi* nor the value of *ishakole* was fixed. *Isagi* varied from 3d to 6d per heap. There were some factors that determined whether or not the aspiring farmer got land and the amount of *isagi* he or she paid. First, the disposition of the migrant farmer was of critical importance. Migrant farmers were interviewed extensively by their prospective landowners regarding their family background, previous occupation and why they wanted to take up cocoa farming. Many of the landowning families I talked to said that the deportment of the migrant farmer determined the outcome of the negotiation.³⁰

At Ago-Gboro village, along Ondo-Ore road, Baba Ibadan told me that he obtained rights to his cocoa plot for a nominal fee and that the rapport between him and the landowner was so good that after six years, the land was ceded to him. I also encountered similar cases at Kere, and

Iponrin villages.³¹ The migrant was also expected to make prompt payments of *ishakole* annually. Before his cocoa began to bear fruit, the migrant could pay his *ishakole* in yams. When his cocoa began to bear fruit, the migrant was expected to pay between 56 lbs to 112 lbs of cocoa or its equivalent in cash. The payment of *ishakole* and *isagi* in Ife differed from the earlier payments in Ibadan not only because they were much higher, but also because from the mid-1950s, they became set.³²

One of my informants, Michael Olanrewaju, arrived at Kere in the late 1950s from Ibadan. Michael acquired rights to some land by paying an *isagi* of eighteen pounds. Before his cocoa began to bear fruit, the landowner got fifteen yams as *ishakole*. When his cocoa trees had matured and he started to harvest cocoa, the landowner demanded either three hundred weights of cocoa, or its value in cash.³³

The payment of *ishakole* was, however, not widespread in cocoa villages in Ondo. Out of the 67 migrant farmers I interviewed in the Idanre local government area, which included Legbira, Ayefemi, Mofere, Isanmore camp and Ago-Gbogi, none of them paid *ishakole* after paying for rights to cultivate cocoa. I did come across a few cases in the older cocoa producing areas such as Fagbo and Oboto where *isagi* and *ishakole* had been collected.³⁴

The payment of *ishakole* generated a lot of tension between the landowners and the migrant farmers. For example, Shittu Makinde, an indigene of Modakeke whose farm was

situated at Oke-Owena on Ife-Ondo road, a distance of ten miles from Ife town, was attacked by a gang of landowners because of his refusal to pay *ishakole*. In a petition to the District Officer, Ife Division, he stated that: "On the 28th December, 1948, I was in my hut with my families[sic] when I saw a gang of men with guns, cutlasses, axes, sticks and other weapons ready to fight against me for this *ishakole* matter."³⁵ Shittu Makinde took flight and made his way to Ife.

Many other *ishakole* cases appeared before the customary court in Ife. The case of Gabriel Arewa is of particular interest because the Ooni of Ife expressed his opinion on the issue of *ishakole*. Gabriel Arewa, the plaintiff, had taken Samuel Toriola to court for not paying *ishakole* from 15th December, 1946 to 15th December 1947. Gabriel Arewa was claiming six cwts and one quarter of dried or its cash value of eighteen pounds and two shillings. The Ooni of Ife urged migrant farmers to honor their *ishakole* obligations. The Customary Court ordered Samuel Toriola to pay his outstanding dues.³⁶

The commercialization of land in Ife and Ondo altered the land tenure system. Unlike in Ibadan, where ownership of the land was bestowed on the lineage, in Ife and Ondo ownership of land devolved upon the Oba who held it in trust for the entire community. In Ife and Ondo, the Ooni and the Osemawe had the prerogative to assign land to families or individuals who needed them.³⁷

Whereas in Ife the apportionment of land to such families automatically conferred right of ownership upon them, in Ondo this was not necessarily the case. According to Ward-Price, most Ondo families who obtained land with the authorization of the Osemawe and who had cultivated such lands for years had no permanent rights to the land. To be sure, a family could use a plot of land as long as it wanted and even allocate it to members, but it could not grant land to non-family members. Furthermore, in both Ife and Ondo, communal land could not be sold. This tradition remained in force up to the late 1920s in the early years of cocoa cultivation in Ife and Ondo because uninhabited arable land was still copious and because not many migrant farmers had arrived to occupy such land.³⁸

With the increased demand for cocoa land, however, and the inflow of migrant farmers in large numbers from the early 1940s, the conditions for obtaining cocoa land changed. In fact by the late 1940s, a system of tenancy which made the payment of *ishakole* obligatory had been established in Ife. In Ondo, however, certain aspects of the traditional system lingered. In some of the villages where *ishakole* had been collected, there had been considerable friction between the Osemawe, who insisted upon exercising his traditional rights to the land by asking that payments on the land and *ishakole* should be made to him, and the Ondo families who had farmed these lands for generations. The Ondo landowners were able to resist the Osemawe's demands

successfully. It seems that the farther away from Ondo one went, the less effective were the mechanisms for collecting *ishakole*.³⁹

The phenomenal rise in the commercialization of land in the relatively "new" settlements of Ife and Ondo should be put in some larger historical context. In other cocoa growing countries such as Cote d'Ivoire and Ghana, commercialization of land was not pervasive. In southern Ghana, for example, Akwapin migrant cocoa farmers who had acquired ownership of most of the cocoa land in southern Ghana did not demand money from stranger-farmers for rights to use the land.⁴⁰

The stranger-farmers of southern Ghana could gain access to cocoa land only through a form of sharecropping christened the *abusa* system. Under the *abusa* system, the stranger-farmer entered into an agreement with the landowner to be the caretaker of the farm for a specified period. Although the *abusa* laborer had no rights to the land, he assumed all the responsibilities of the farmer. He would clear the undergrowth, harvest the cocoa beans and also dry and ferment the beans.⁴¹

The *abusa* laborer depended on the labor of his household and in cases where the household labor was inadequate, he benefited from the services of other *abusas*. Most of the *abusa* laborers were paid one-third of the cocoa output for the year, while the remaining two-thirds went to

the landowner. Only in rare cases did the landowner pay the *abusa* a set amount for his services.⁴²

The migrant-farmers who came to Ife and Ondo were not a monolithic group. There were marked differences among them. They came from different backgrounds and different occupations, but all were united by an abiding desire to obtain good cocoa land. There was a group from the older cocoa growing areas of Okua, Oyan, and Ago-oru where cocoa was no longer fecund because of the old age of the trees. Some came from the more established cocoa producing area of Ibadan where cocoa farms had been blighted by the swollen shoot disease. There were some other migrants who had previously engaged in some other occupation, but turned to cocoa farming not only because their previous occupation was no longer profitable, but also because cocoa prices in the 1950s were quite attractive. Cocoa prices rose from 625 pounds per ton in 1947/48 to 170 pounds per ton in 1951/52 and then to 196 pounds per ton in 1954/56. The news of the rise in price gave added impetus to the movement of people into the cocoa belt of Ife and Ondo.⁴³

Over ninety percent of the migrant farmers who came to Ife and Ondo obtained rights to cocoa land in the uninhabited forests of these areas. After acquiring rights to the land, the migrants began establishing new farms. This involved a substantial expenditure of capital. To be sure, most of the migrant farmers came with some working capital,

but a significant number of them did not have nearly enough money to start their own farms.

Table 3: Previous Occupation of Some Migrant Farmers in Akeredolu and Ago-Gboro

Previous occupation	Akeredolu	Ago-Gboro
Hunter	3	2
Farmer	8	4
Produce Buyer	2	1
Motor Mechanic	2	-
Civil Servant	1	-
Bricklayer	1	1
School Teacher	1	-
Petty Trader	3	2
Goldsmith	1	1
Barber	1	-
Other	1	3

Source: Fieldwork at Akeredolu and Ago-Gboro

Migrants who did not have the money to establish their own farms upon arriving in the new cocoa producing areas started out as hired laborers and saved money over a period of time to get access to land. One informant at Poso, a

village close to Kere, arrived at Poso around 1957. This informant worked as an annual laborer for five years after which he got rights to a piece of land for twenty pounds and agreed to pay *ishakole* on an annual basis. I encountered many other cases of migrants who served as laborers in several of the villages I visited.⁴⁴ In fact, about one-quarter of the migrants who came to Ife and Ondo worked as laborers at one time or the other before they started their own cocoa farms. Migrants who had come to Ife because they lost their cocoa farms or because they wanted a change of occupation tended to have enough savings to start their own farms.⁴⁵

Many migrant farmers also participated in a variety of non-market institutions which provided them with the support to establish their cocoa farms. An informant at Molodo in southeast Ife told me that when he arrived at Molodo in the late 1950s, he and seven other farmers organized themselves into a group known as "ajo alasalatu". Under this arrangement, each member of the group contributed a specified amount into a common pot at the beginning of each month. Each member of the group then took turns to use the combined group money. Usually the farmers with the most urgent financial needs used the money before others. This was an institutional mechanism for pooling resources together to help migrant farmers in financial straits. Furthermore, some migrant farmers provided specialized services to landowners and other established farmers. These

migrants, many of whom were skilled workers, played a critical role in building houses, providing blacksmithing services and hunting for game.⁴⁶

Although the size of farms varied from place to place, the average size of the farms of migrants was between four to six acres. One of the problems with trying to determine the size of farms in Ife and Ondo was the fact that most of the farmers have more than one farm and in most cases they planted other crops besides cocoa. It was, therefore, important to differentiate between their cocoa farms and their food farms. Also, there was the problem of multiple-ownership. Sometimes it was difficult to know whether a particular cocoa farm was a family farm or individual farm. It was, therefore, important to ask farmers specific questions about ownership.

At Kere village, I interviewed eleven migrants on matters related to landownership. Of these eleven migrants interviewed, one bought eight acres, three bought six acres of cocoa land each, five farmers bought three acres each. All of these farmers paid between 20 to 40 pounds to acquire rights to their plots of land. The informant with eight acres of cocoa land has two separate farms.⁴⁷

For the most part, landowners had much larger cocoa farms than migrant farmers. The case of Chief Adereti at Akeredolu village illustrates this fact. Furthermore, most of the ex-landowners are second-generation farmers who inherited substantial holdings from their fathers. Chief

Adereti, a sixty-five year old cocoa farmer at Akeredolu, is one of the two surviving sons of one of the pioneering families of Akeredolu village. Adereti stated, *inter-alia*, that because landowning families did not have to pay for land, they appropriated as much land as they could cultivate. What determined the size of their farms was the capacity of each landowning family to employ laborers to establish their cocoa farms. Chief Adereti inherited 30 acres of cocoa land in the mid-1950s, and in the early 1960s, he appropriated another 15 acres for food crops.⁴⁸

Another informant from a landowning family at Akeredolu said that in his younger days, he was a hunter, and although he used to help his father in his cocoa farm, he never owned a farm of his own. When his father passed away in the mid-1950s, he inherited his 25-acre farm. He acquired 5 acres of his own in the late 1950s and in the 1960s he set up a foodcrop farm of about 15 acres. Another informant said he was born in Ife and moved to Akeredolu to live with his father when he was eight years old. His father died in the late 1950s when he was twenty years old and he inherited his father's cocoa farm which was fifteen acres. He also established an additional 5-acre farm in the mid-1960s.⁴⁹

Landowners also benefited from the fact that they collected "isagi" and "ishakole" from the migrant families to whom they gave usufruct. For landowners with a large contingent of tenant farmers, this amounted to a substantial stock of capital. Adereti, for instance, was collecting

these payments from six migrants farmers by the late 1950s. Jeremiah Akinwale (now deceased) used to collect "*isagi*" and "*ishakole*" from four farmers.⁵⁰

In Ondo, the cocoa farms of the landowning families were bigger than those of their Ife counterparts. At Uloen village, Robert Akinkuebi inherited his father's 32-acre farm in the 1960s and has since added about 8 acres of his own. I also came across landowning families at Fagbo, Igbooja and Bamikemo with cocoa farms ranging from 50 to 70 acres. An informant at Fagbo who obviously had much experience with the establishment of new farms said that Ondo cocoa farms were bigger than those of other areas because most Ondo landowners had been successful businessmen in Lagos and as such had more capital to invest in new cocoa farms.⁵¹

Although the size of the farms of migrant farmers in Ondo was not much different from those of Ife farmers, migrant farmers in Ondo tended to have more cordial relations with landowners. This is owing to the fact that most migrant farmers in Ondo did not pay *ishakole*. In Ife, on the other hand, there were many disputes between landowners and migrant farmers on *ishakole*.

Not all migrant farmers had small holdings. A majority of those who had substantial holdings inherited them from their parents who had migrated to Ife and Ondo between the mid-1930s and late-1940s. One informant inherited a 30-acre cocoa farm from his parents in 1960. his parents had moved

to Ile-Oluji from Ogbomoso in the 1940s with some followers. At this time there was still plenty of unused land in Ile-Oluji and Samuel's father, who was a man of considerable means, took advantage of this situation to establish a large cocoa farm. Albert Olowookere of Akeredolu village also inherited his 20-acre cocoa farm under similar circumstances.

THE ESTABLISHMENT OF NEW COCOA FARMS

The establishment of a new cocoa farm began with the felling of trees, clearing undergrowth and preparing soil for cocoa production. Although the basic unit of production in the new cocoa producing areas remained the household, the majority of the farmers employed hired laborers. This was because household labor could not cope with the rigors of starting a new farm. Since over 90 percent of the migrant farmers who came to Ife and Ondo occupied previously unused land, hired laborers were a *sine qua non* for establishing new farms.⁵²

Table 4: How hired laborers were used in selected cocoa villages in the 1950s

Village	No. of farmers Interviewed	No. who used Annual workers	No. who used Contract Workers	No. who used Daily-paid Laborers	No. who did not use laborers
Kere	21	18	---	---	3
Akeredolu	25	20	1	1	3
Molodo	8	5	2	---	1

Source: Fieldwork done at Kere, Akeredolu and Molodo between 1989 and 1990

In the late 1940s and early 1950s, the majority of the hired laborers were from eastern and northern Yorubaland. From the late 1950s, however, the number of Yoruba-speaking laborers decreased, and most of the laborers came from the eastern part of Nigeria and the "middle belt". The hired laborers from the non-Yoruba speaking areas were generically referred to as "*agatu*". Nearly all the hired laborers in the 1950s worked on an annual basis. An annual laborer is hired to work on a cocoa farm for one year at an agreed rate. The annual laborer is the quintessential laborer. He had no aspirations to become a cocoa farmer; all he wanted to do was sell his labor power.⁵³

There were other forms of labor at this time, such as contract workers and daily-paid workers. Laborers who were hired on a contractual basis worked on already existing

cocoa farms and were assigned specific tasks, such as weeding, for an agreed sum of money. Contract laborers worked from between one week to two months. The daily-paid laborer was a rarity in the 1950s and 1960s because the energies of the farmers were directed toward a sustained development of new cocoa farms and the daily-paid laborer could not provide a steady supply of labor for the year.⁵⁴

The laborers usually came to the cocoa growing areas in groups. In most cases they came at the behest of other laborers who had been working in the cocoa belt and who had some experience with cocoa production. Upon arriving at the cocoa village, the laborers met with the village head and the principal landowning families who welcomed them and provided them with accomodations until they were hired by the cocoa farmers in the village.⁵⁵

After hiring the annual workers, the cocoa farmer provided them with accomodations and was also responsible for their feeding. In some cases, the cocoa farmer, especially if he was a landowner, provided the laborer with land to plant foodcrops. Very feww hired laborers came with their families. The village head of Akeredolu, Chief Adedewe, said that in the busy days of settlement in Akeredolu, there were about three hired laborers who came with their families.⁵⁶

Because the landowner was responsible for the maintenance of the laborer, their wages were generally low. The wages of annual workers varied from 15 pounds to 30

pounds per annum. Annual workers worked in gangs, and the number of annual laborers that worked on a particular farm depended on the size of the farm and the thickness of the vegetation. Each gang of annual laborers had a leader who was experienced and who determined how many laborers would work on a particular farm. He was also responsible for negotiating the terms of payment with the farmer. In addition to the responsibilities of the annual laborer for establishing the new farm, which included clearing the forest and planting the cocoa beans, he was also expected to do household chores.⁵⁷

In estimating the returns from cocoa farms, one has to take into account the cost of establishing them. This depended on the amount of money spent on getting rights to land, hiring laborers and maintaining the farms until they matured. Most farmers who owned small to medium sized farms of about four to five acres spent between 20 to 30 pounds on acquiring rights to land, and they hired two to three laborers. They were also expected to pay for the maintenance of the hired workers.⁵⁸

Farmers who owned larger farms of between 20 to 60 acres, on the other hand, were in most cases landowners and therefore did not buy land. They, however, hired between six to ten laborers on an annual basis. Since the cocoa farmers in southwestern Nigeria planted the amelonado variety of cocoa which took about six to eight years to mature, these investments lasted for that period.

One informant at Akeredolu who inherited his father's 30 acre land in the 1950s employed eight laborers on an annual basis for about four years to prepare the land for cocoa cultivation. He paid them an agreed sum of about 30 pounds each per annum. After four years, he reduced the size of his labor force to five, but at the same rate. In the mid-1960s, when my informant's cocoa began to bear fruit, he used to realize about three and a half tons of cocoa from his farm. This yield lasted for about ten years.⁵⁹

This informant's returns are a fair representation of what most ex-landowners got from their cocoa in Ife villages. The returns in Ondo were higher than in Ife. I came across landowners at Uloen who used to realize between six to eight tons in the 1960s. Farmers with small to medium sized farms got lower returns. One sixty year old informant at Fagbo told me he arrived at Fagbo in 1954 from Isuwa Akoko and bought about six acres of land. He was able to buy the land from the money he had saved as a tailor.

After acquiring rights to the land, he employed four men to clear the land and plant the cocoa. This informant used daily-paid workers and he used to pay them about 10 pence per day. He was also responsible for their feeding anytime they worked for him. He used the four men consistently for about ten years before increasing the labor force to six. This was necessary because his cocoa had started bearing fruit and he needed more hands to harvest the beans.

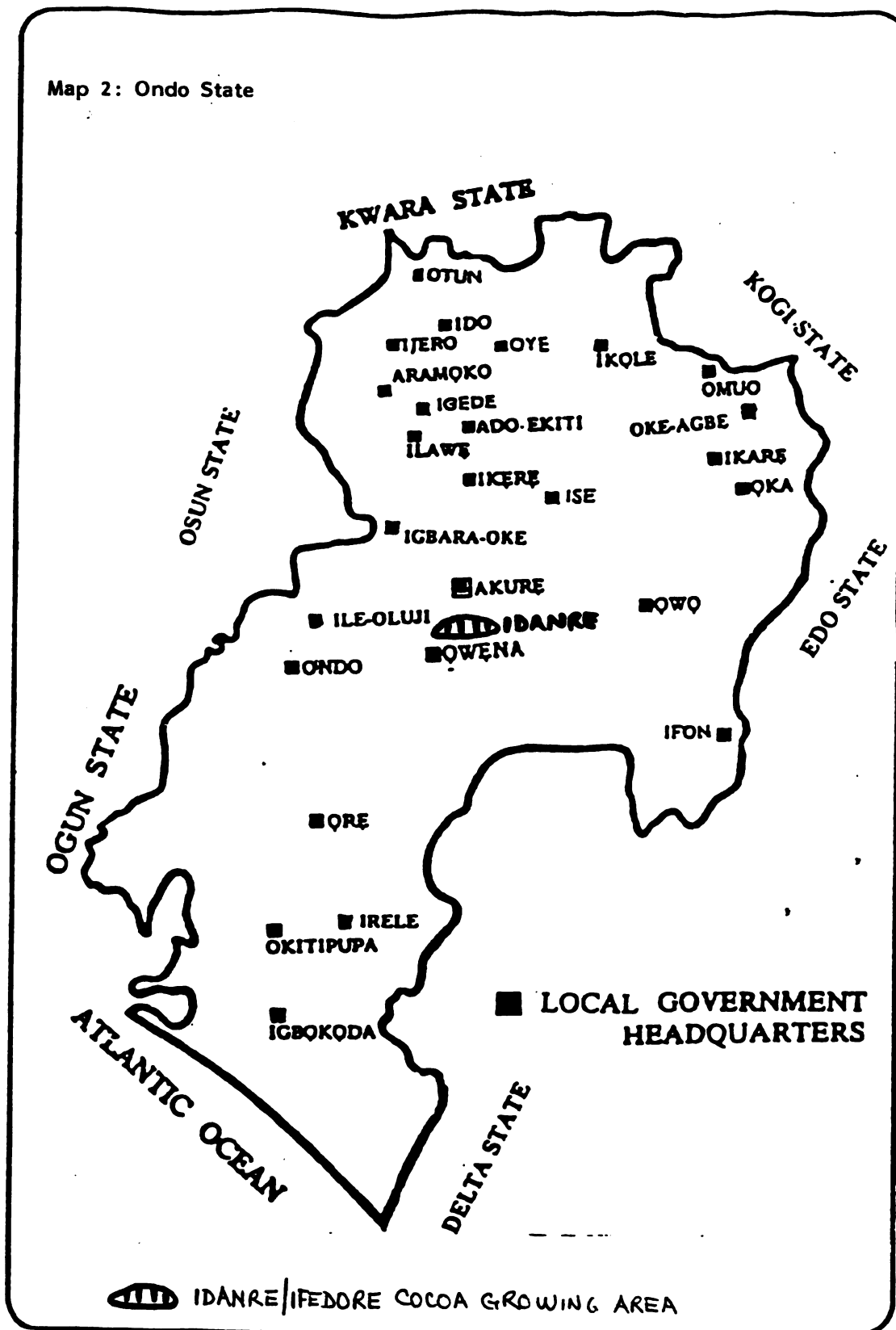
The initial harvest of this informant was two bags. This was because all the trees did not start bearing fruit at the same time. In 1969, however, this informant made about one ton from his farm. Another cocoa farmer with a small cocoa farm, James Adeyemi, migrated to Uloen village in Ile-Oluji from Egbe-Ekiti in 1962. Before relocating to Uloen, Chief Adeyemi was a saw-miller. From his savings from the saw-milling business, he bought an eight-acre farm. James used to get about six and a half bags from his farm in the early seventies; this rose to almost one ton in the late seventies.⁶⁰

According to my informants, women played a significant role in the early days of cocoa cultivation in Ondo and Ife. Although they were not involved in clearing the thick forests and undergrowths, they assisted the men in planting the cocoa in nursery beds and then transplanting them in the farms. As the cocoa began to bear fruit, their role enlarged to include harvesting, fermenting and drying of cocoa. In recent times they have become more involved in the foodcrop trade.⁶¹

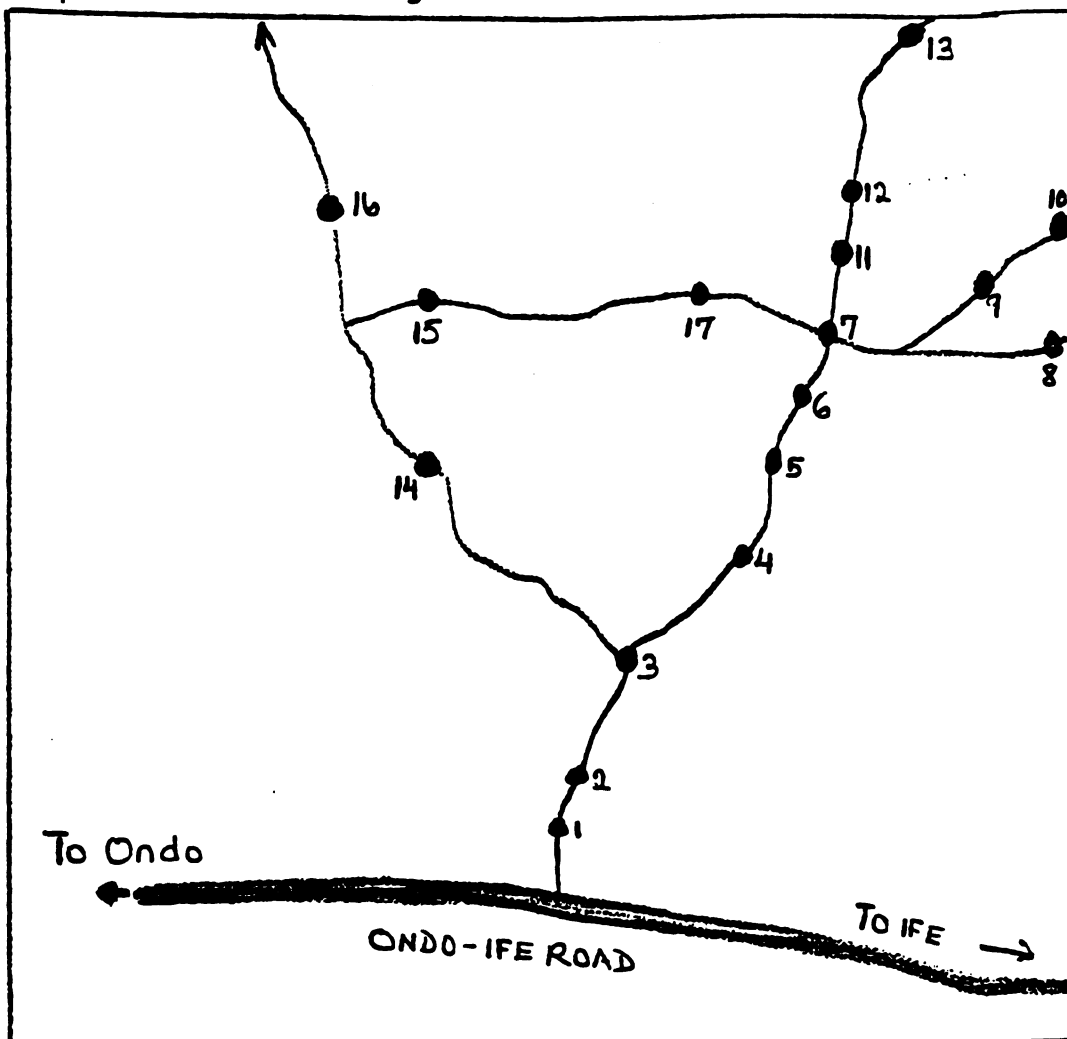
Many of the farmers I interviewed in the cocoa belt of Ife and Ondo said that although cocoa yields were good in the 1960s and 1970s, they did not make much profit. They went further to say that despite the fact that prices were relatively stable throughout this period, they were too low.⁶² It is within this context that one can understand the impact of the marketing board on cocoa production.

The massive influx of migrant farmers and workers into Ife had two closely related consequences. First, it led to the commercialization of land and second, it engendered a system of tenancy which dramatically altered the land tenure system in Ife and Ondo. Finally, despite the increase in the price of cocoa on the world market, the prices being paid by the marketing board were not enough to provide the farmers with any substantial residual income.

Map 2: Ondo State



Map 3: Selected cocoa villages in southeast Ife



KEY: IFE SOUTHEAST COCOA BELT

- | | |
|-------------|-----------------------------|
| 1 Akeredolu | 9 Aba Adfa |
| 2 Isoya | 10 Apata Oloko |
| 3 Esèra | 11 Olomu Oja |
| 4 Atobaba | 12 Olomu Aba |
| 5 Kampu | 13 Araromi Oke Odo (Area 5) |
| 6 Kere | 14 Osi-Sòókò |
| 7 Olorunda | 15 Oósà |
| 8 Amukegun | 16 Ara |
| | 17 Awórelé (Apata Lami) |

ENDNOTES

- ¹ Berry, S.S., "Christianity and the Rise of Cocoa Growing in Ibadan and Ondo" *Journal of the Historical Society of Nigeria* 4,3, Dec. 1968
- ² Berry, S.S., *Cocoa, custom and Socio-Economic Change in Rural Western Nigeria*, Oxford, 1975, p.41.
- ³ *Ibid.*, p.42
- ⁴ *Ibid*
- ⁵ *Ibid.*, p.62. Also fieldwork conducted in several cocoa villages in southeast Ife at different times between 1989 and 1991
- ⁶ Oral interviews done at Akeredolu and Uloen at different times in 1990
- ⁷ Oral interviews done at Akeredolu between 1989 and 1990
- ⁸ *Ibid*
- ⁹ *Ibid*
- ¹⁰ Falola, Toyin., "Migrant Settlers in Ife Society, c1830-1960", *Calabar Historical Journal* 3, 1, 1985 p.18-33
- ¹¹ Oral interviews conducted at Aroko in April, 1989
- ¹² Oral interviews done at Akeredolu and Kere between 1989 and 1991; See also Toyin Falola, "Migrant Settlers..." op.cit, p.18-33
- ¹³ *Ibid*
- ¹⁴ Oral interviews done at Ago-Gboro in February, 1990
- ¹⁵ Oral interview done at the palace of Oba of idanre on November 17th 1990
- ¹⁶ Oral interviews done at Aiyefemi-Idanre
- ¹⁷ Oral interviews done at different times at Ago-Gbogi, Legbira, Isanmore and Mofere in 1990
- ¹⁸ *Ibid.*
- ¹⁹ *Ibid.*
- ²⁰ Ajulo, Olaolu., *The outline history of Modakeke, Ibadan*, 1989, p.53; See also: Johnson, S., *History of the Yorubas*, Lagos, 1921, p.230
- ²¹ *Ibid.*
- ²² *Ibid.*, p.232
- ²³ Oral interview with Jeremiah Akinwale, a Modakeke indigene.
- ²⁴ Johnson, S., *History of the Yorubas*, Lagos, 1921, p.230
- ²⁵ Ife Divisional Papers
- ²⁶ *Ibid.*
- ²⁷ *Ibid.*
- ²⁸ Oral interviews done in different parts of the cocoa belt between 1989 and 1991
- ²⁹ Oral interviews conducted at Akeredolu, Bamikemo-Oja and Omifon Aladura between 1990 and 1991.
- ³⁰ *Ibid.*
- ³¹ Oral interviews done at kere and Iponrin villages between 1990 and 1991.
- ³² Oral interviews done at Akeredolu at different times between 1989 and 1991
- ³³ Oral interview with Michael Olanrewaju at Kere on February 22nd 1989
- ³⁴ Oral interviews done in Idanre local government and Fagbo a different times between Nov. 1990 and June 1991
- ³⁵ Ife Divisional Papers, December 30, 1948.
- ³⁶ *Daily Times*, May 10, 1944
- ³⁷ Ward-Price, H.L., *Land Tenure in the Yoruba Provinces*, Lagos, 1939, p.77-85
- ³⁸ *Ibid.*
- ³⁹ Oral interviews conducted at Fagbo, Oboto and Igbo-Oja at different times between October, 1989 and January 1991; See also Berry, S.S., *Cocoa, Custom and Socio-Economic Change...*
- ⁴⁰ Hill, P., *The Gold Coast Cocoa Farmer*, Oxford, 1956, p.8
- ⁴¹ *Ibid*, p.9.
- ⁴² *Ibid*, p.10-11
- ⁴³ *Marketing Board Reports*; Also oral interviews done in the cocoa belt from 1989 to 1991
- ⁴⁴ Oral interviews conducted at Poso, Molodo and Kere in 1990
- ⁴⁵ Oral interviews done at Akeredolu at different times between 1989 and 1991

-
- ⁴⁶ Ibid.
- ⁴⁷ Oral interviews conducted at Kere between 1989 and 1990
- ⁴⁸ Oral interview with Mr. Adereti at Akeredolu on January 26, 1989
- ⁴⁹ Oral interviews conducted at Akeredolu at different times between 1989 and 1990
- ⁵⁰ Oral interviews with Mr. Adereti and Jeremiah Akinwale at different times between 1989 and 1990
- ⁵¹ Oral interviews conducted at Uloen and Fagbo in 1990
- ⁵² Oral interviews done at Bamikemo and Akeredolu in 1990
- ⁵³ This is based on my conversations with Chief Adedewe and hired workers at Akeredolu and Kere between January and June 1989.
- ⁵⁴ Ibid.
- ⁵⁵ Ibid.
- ⁵⁶ Ibid.
- ⁵⁷ Oral interviews done in the cocoa belt at different times between 1989 and 1991
- ⁵⁸ Ibid.
- ⁵⁹ Ibid.
- ⁶⁰ Ibid.
- ⁶¹ Ibid.
- ⁶² Ibid.

CHAPTER SIX

THE MARKETING BOARD, THE APPROPRIATION OF SURPLUS AND COCOA FARMER IMPOVERISHMENT

By the mid-1960s, cocoa had become the primary foreign exchange earner of Nigeria and was contributing about twenty-three percent to the Gross National Income. Besides, it was the dominant export of the southwestern Nigerian economy and was central to the economic life of the majority of Yoruba farmers.¹ The mechanism for generating government revenue from cocoa production, which had been put in place with the creation of the Nigerian Produce Marketing Board in 1948, was firmly entrenched by the mid-1950s.² To be sure, the Cocoa Marketing Board was solely responsible for marketing Nigerian cocoa, and its operations had immense consequences for the growth and development of the cocoa industry.

In this chapter, I examine the impact of the activities of the marketing board on the cocoa economy of southwestern Nigeria. In order to situate this chapter within a historical context, I present a background to the creation of the marketing board. Also, I analyze the structure and price policy of the board. I focus on the mechanisms for the appropriation of surplus and the creation of a reserve fund. Furthermore, I evaluate the uses to which marketing board

reserves were put. Finally, I assess the responses of the cocoa farmers to the operations of the marketing board.

HISTORICAL BACKGROUND

The Nigerian Produce Marketing Board was established as a means of controlling the sharp fluctuations in the price of cocoa in the world market on the eve of the Second World War. The guiding principles for the operation of the board were inspired by the measures instituted by the colonial government during the inter-war period to stabilize prices. These measures were put in place in response to the agitation of Nigerian cocoa farmers for higher prices from European trading firms.³

To be sure, most of the cocoa in Nigeria was bought by European firms, who were responsible for exporting it and selling it on the world market. The European merchants, some of whom were G.B Ollivant, John Holt & Co, Hendersons of Manchester, Miller Brothers of Liverpool and Pickering & Berthoud, had a network of international agents who provided them with up-to-date information of prices that were being offered on the world market for the principal cash crops. In setting the price of cocoa, the overseas offices of these European firms took into account the cost of shipping, the prices being offered by the various firms and the prices being offered by the manufacturers.⁴

The exporting firms bought cocoa through indigenous middlemen who were familiar with the cocoa villages. These

middlemen were not only given cash advances by the exporting firms, but also instructions regarding what price they were to buy cocoa. Because of the poor communication network between the cocoa villages and most buying centers, cocoa farmers could not verify the prices they were being offered by the middlemen. Besides, most cocoa farmers were illiterate and had no way of ascertaining the veracity of whatever information the middlemen provided on the situation of the market. My informants contended that because of these disabilities they were not infrequently exploited by the middlemen.⁵

The European exporting firms were able to maximize their profits through considerable economies of scale. The European firms, apart from being the main exporters of Nigerian cocoa, also monopolized the distribution of manufactured goods to Nigeria. The cocoa industry was therefore a buyers' market. European firms had the leverage to manipulate prices either on the selling side or on the purchasing side to considerable advantage.⁶

By the 1930s, the number of European trading companies had decreased significantly. Some firms liquidated their businesses while others merged with more financially viable ones. The dislocation of the world market in the immediate post-World War 1 period made the cocoa trade risky. The parlous economic conditions of most European countries that bought Nigeria's cocoa was further compounded by the Depression of the late 1920s.

Owing to the low demand for cocoa worldwide, profits were low. European firms jostled intensely for an ever shrinking market. Some trading firms suffered irrecoverable losses. Only firms with a large and sufficiently diversified capital base survived this chaotic period. By the late 1930s, four firms (United Africa Company, G.L.Gaiser, Cocoa Manufacturers Ltd. and John Holt) were responsible for about eighty percent of the Nigerian cocoa trade.⁷

The dominance of these four firms gave them a complete control of the cocoa market. They were therefore in a position to determine prices based on their own interests. Besides, European trading firms often consulted with one another and in most cases articulated a joint buying policy. The Nigerian farmers were not passive recipients of the prices generated by these buying agreements. Between 1937-1938, Nigerian farmers organized a cocoa pool through which they were able to negotiate with the European firms not on an individual basis but as a collective body. Furthermore, the cocoa pool ensured that farmers did not go through middlemen in their dealings with European firms.⁸

The primary objective of the pool by cocoa farmers was to break the coalition of exporting firms and return cocoa marketing to the arena of more competitive market forces. This resolution by Nigerian cocoa farmers had a *Domino* effect on cocoa marketing, as Ghana cocoa farmers also determined not to sell their cocoa at the low prices offered by the European trading firms. The colonial government up to

this time remained aloof in matters regarding prices, but this impasse forced them to consider new options. To this end, they set up the Nowell Commission in 1938 to look into the marketing of West African cocoa and make recommendations as to how best to resolve the crisis.⁹

The Nowell Commission, after an extensive tour of the cocoa producing areas of Ghana and Nigeria, made some observations. The Commission discovered that there had been considerable attrition among European trading firms since the 1920s because the cocoa trade was not particularly lucrative at that time and trading firms were involved in an intense competition to gain control of a diminishing market. One of the consequences of this unfettered rivalry was that some trading companies actually operated at a loss. Besides, the unprofitability of cocoa marketing discouraged United States buyers from participating despite the fact that the US was the largest buyer of West African cocoa. It was therefore understandable that the European trading firms would form a cartel to minimize competition as much as possible. The Commission, however, criticized the notion of a buying agreement among the trading firms and made alternative recommendations.¹⁰

The Nowell Commission suggested, *inter alia*, that Nigeria cocoa producers should be given the prerogative to sell their cocoa directly to European exporters. The Commission suggested that cocoa farmers form cooperative societies which would pull the resources of the farmers

together and give them a strong bargaining position vis-à-vis the European shippers. Furthermore, the Commission, while acknowledging the efficiency and organizational abilities of the exporters, recommended that they not be allowed direct access to the farmers. All transactions were to be done through the newly created cooperative bodies.¹¹

The Commission eliminated the position of the middlemen but made allowance for the cooperative societies to recruit members of their permanent staff from the pool of defunct middlemen. The Commission rejected the notion of price stabilization. It contended that it was too risky for government to underwrite the price of cocoa because the unpredictability of the international market might lead to great losses for the government.¹²

The colonial government signed the Nowell Commission Report in September, 1938, but it was too late to implement changes in the structure of cocoa marketing in Nigeria for the 1938/39 season. With the outbreak of war in 1939, the Nowell Report was put in abeyance. The colonial government directed its energies to creating new marketing schemes to meet the exigencies of allied war effort.¹³

To be sure, the Second World War had two closely related consequences on the cocoa trade. First, because of the economic blockade on Germany, which was a major buyer of West African cocoa, the cocoa market shrunk dramatically. This was exacerbated by the fact that access to other

markets was disrupted by the not-too-infrequent expropriation of merchant ships for war purposes.

Because of the fact that the exporting firms could not deal with the hazards of shipping cocoa under the volatile conditions of the war, the British government felt compelled to intervene in the procuring of cocoa from West Africa. Consequently, the British government decided to buy the entire cocoa output of both Ghana and Nigeria for the duration of the war. Although the British government suggested that this measure was necessary ostensibly to save the economies of the two countries, it did underscore the strategic importance to Britain of keeping its biggest West African colonies loyal during the war.¹⁴

In order to facilitate the shipping of cocoa to Britain, a Control Board was established in London. The Control Board employed a Controller who, together with representatives of the European trading firms, supervised the buying of cocoa in Nigeria. The purchase of cocoa was done by the agents of the exporting companies who were now answerable to the Control Board.¹⁵

Specific quotas were allocated to each firm, and the quotas were rigidly enforced. The price of cocoa was determined by deducting transportation costs and other miscellaneous expenses from the market price set by the Control Board. For the most part, the price offered at the beginning of the buying season by the Control Board remained invariable throughout the year. It was therefore fairly easy

for most farmers to compute their cocoa earnings. The stability which the new arrangement provided was a far cry from the pre-war marketing situation which was characterized by sharp fluctuations.¹⁶

From 1942, however, the West African Produce Control Board took over completely the shipping and selling of cocoa. This was because of the fact that the apportioning of quotas was becoming problematic, as the big exporting firms began to clamor for quota increases. Furthermore, the marketing of West African cocoa became increasingly bureaucratic, and exporting firms were mired in a morass of paperwork. The government felt that complete control was necessary to avoid the convoluted administrative procedure.¹⁷

The activities of the Control Board in securing West African cocoa and the marketing structure that was generated by this initiative became the critical foundation for the erection of the marketing board in Nigeria in the post-war period. The Control Board, through its price control policy accumulated substantial reserves, which translated to millions of pounds that could be used not only to maintain the colonial infrastructure, but also to undertake development projects. From the British standpoint, it did not make sense to abandon a policy that had worked so well during the war. Besides, almost every facet of the cocoa industry was now affected by the mechanisms created by the Control Board, and a radical overhaul of the system would

involve a substantial expenditure of time, energy and money.¹⁸

THE ESTABLISHMENT OF THE NIGERIAN COCOA MARKETING BOARD

The Nigeria Cocoa Marketing Board, established in 1947, was solely responsible for the entire spectrum of cocoa marketing operations. This involved buying cocoa from the primary producers, grading for export, and selling to overseas manufacturers. The ordinance which established the Board mandated it to "secure the most favorable arrangements for the purchase, grading, export, and marketing of cocoa, and required it to assist by all possible means in the development of the cocoa industry of Nigeria for the benefit and prosperity of the producers."¹⁹

There has been considerable controversy in the literature regarding the justification for and against the creation of the cocoa marketing Board. G.K. Helleiner argues that the only justification for the maintenance of the marketing board arrangement after the colonial period was the 'fiscal role' the Board had come to play. It had become a conduit for the mobilization of cocoa earnings for the developmental needs of the country. This fiscal role, according to Teriba, has resulted in replacing private investment with public investment in a most wasteful and inefficient way.²⁰

Other writers have justified the existence of the Board on the grounds that farmers would rather spend their money on conspicuous consumption than expand their holdings. They posit that the surpluses from marketing Board operations should, of necessity, be used for general economic development and more importantly, for the provision of infrastructures in the country. This position, however, ignores the real sacrifices and tough choices that farmers made in the establishment and maintenance of cocoa farms. The opportunity cost of investing in cocoa farms was quite high and it sometimes meant that farmers would forego certain luxuries in order to set up their farms.²¹ Further, arguments for and against the Marketing Board, however, have failed to place the operations of the Board within a proper historical context. What was the significance, scale and impact of the operations of the marketing board on the income of cocoa farmers? Did cocoa farmers earn enough from cocoa production to be able to expand their holdings significantly? How did government spend the huge reserves that were accumulated during the marketing board years? To pursue a systematic account of the impact of the marketing board, I engage these questions in relation to the operations of the board both in the colonial and post-colonial periods. In addition, I use empirical evidence to trace the extent to which farmers expanded their holdings.

The structure and functions of the marketing board were radically different from those of the erstwhile Control

Board. The overriding principle that undergirded the marketing board was price stabilization. This principle was based on the idea that by paying farmers prices that were much lower than world market prices in years when the demand was high, they would be able to create a reserve fund which would serve as a safety net in the event of a slump in the world market. The reserve fund would also be used to finance research on improved varieties of cocoa. The idea of price stabilization had been rejected by the Nowell Commission on the grounds that it would put too much burden on the government.²² Furthermore, the Marketing Board, unlike the Control Board, reinstated African middlemen to their pre-war position as buyers of cocoa. Therefore, instead of buying directly from cocoa farmers, the Board employed the services of buying institutions that had been created by commercial firms and the Association of Nigerian Cocoa Exporters. These reconstituted middlemen were known officially as Licensed Buying Agents and they were authorized to buy cocoa from the cocoa farmers on behalf of the Board.²³

The price policy of the Marketing Board, however, was not different from the war-time arrangement. Prices were announced at the beginning of the cocoa year and they remained fixed throughout the season. The Board published a list of cocoa buying stations throughout the cocoa belt and the minimum price which Licensed Buying Agents could pay for a ton of cocoa. The minimum price did not, however, include

transportation costs, which varied based on the distance of the cocoa area to Lagos.²⁴

Licensed buying agents were commissioned to buy cocoa for the board at the various buying stations at not less than the minimum price provided for the year. They were also responsible for inspecting the cocoa to ensure that it was the quality required by the marketing board, and to bag it at the standard weight. Furthermore, they were responsible for storing the cocoa beans and shipping them to Lagos at the appropriate time.²⁵

From 1951, Licensed Buying Agents were given cash advances by the Board with which to buy cocoa from the farmers. The cash advance was a uniform amount that included money for the cocoa that would be purchased and overhead costs. The advance also made allowance for some profit for the agent.²⁶ Recruitment of L.B.A's was based on certain criteria. First, the licensed buying agent must have enough capital to buy and handle a minimum of two hundred and fifty tons of cocoa. The capital requirement at the inception of the Board in 1947 was five thousand pounds. This rose to ten thousand pounds in the 1951/52 cocoa season. Furthermore, a prospective agent must have a store with the space for about one hundred tons of cocoa.²⁷

It would seem that the requirements for becoming a licensed buying agent were low, because African participation in the buying of cocoa increased. For example, the number of African licensed buying agents increased from

four in 1947 to eleven in the 1951/52 buying season. Furthermore, African buyers were becoming more competitive as they began to increase their share of the total marketings. The African share of the cocoa output rose from about thirteen percent in 1948 to about sixteen percent in the 1951/52 season.

The licensed buying agents had a network of smaller cocoa buyers who acted as intermediaries between them and the farmers. The primary responsibility of these smaller buyers was to collect small quantities of cocoa from the cocoa villages into larger parcels for the licensed buying agents. The subsidiary buyers employed the services of scalers, who were responsible for weighing the cocoa beans.

All scalers were literate, and had a keen sense of the quality and quantity of cocoa. They did not receive an official commission from the licensed buying agents. They got their income either from the subsidiary buyer or from their manipulation of their dealings with the farmers.²⁸

The Nigerian Central Marketing Board operated from 1947 to 1954, when it was reorganized. At its inception in 1947, the Central Marketing Board had an initial capital of 8.5 million pounds which it had inherited from the accumulated reserves of the Control Board. By 1952, the reserves of the Board had increased to 26 million pounds. This increase was made possible by the consistently high demand for cocoa in the post-war era. Besides, supply trailed behind demand and this engendered high prices. Despite the efficiency that

characterized the operations of the Central Board, there was a move to reorganize it in 1953.²⁹

The desire to reorganize the Board was coterminous with significant changes that were taking place on the Nigerian political landscape. To be sure, the late 1940's was a period of great political ferment in Nigeria, as opposition to the Richards Constitution heightened. The Nigeria leaders decried the principle of nomination, which undermined their desire for proper political representation. They argued that nominated officials were puppets of the colonial administration and could not serve the interests of the Nigerian people.

They went further to say that the colonial government did not consult Nigerians before the Constitution was ratified by the House. The British official response to the agitation of Nigerians for the renunciation of the Richards Constitution was the introduction of the Macpherson Constitution. After considerable consultation, the regional conferences agreed on a federal system of government, with three regions. The three regions were to cease to be administrative regions. They were to become political regions with powers to pass legislation which would be effective within their own boundaries.³⁰ Consequently, some delegates to the August 1953 Constitutional conference in London proposed that the existing Commodity Boards should be regionalized. They suggested that a committee be formed to work out the modalities of the new regional marketing board.

The committee's report, which was submitted to the resumed conference in January 1954, was approved.

The committee recommended that the commodity boards which were responsible for the marketing of all Nigeria's cash crops on a country-wide basis be replaced by regional marketing boards, which would be responsible for the buying arrangements of all cash crops within each region of Nigeria. The new regional boards would be responsible for price stabilization, research and economic development. The committee also recommended the creation of a central board which would prescribe grades for cocoa beans and also handle shipping and overseas sale of cocoa.³¹

Also, the committee stated that the Directorate and shareholders of the Nigerian Produce Marketing Company, the overseas selling body of all the commodity boards, be reorganized to correspond with the new changes. The committee agreed that the reserves of the old commodity board be distributed to the new regional bodies on the basis of derivation. To this end, an initial sum of 25 million pounds of the defunct commodity board was transferred to the Western Region Marketing Board. In order to ensure a smooth transition to the regional marketing board, the Governor-in-Council established a "shadow" marketing board until required legislation was passed to make the Board legal.³²

The Marketing Board Law was established by the legislature of the Western Region on the 28th September 1954, and the Board became a statutory organization on the

1st of October 1954. The Western Region Marketing Board began functioning in the 1955/56 cocoa season. The structure of the new regional board was not too different from that of its predecessor. The new regional board also appointed licensed buying agents to purchase produce on its behalf and also fixed their remuneration for the services rendered by them. The producer prices fixed by the board were subject to approval by the Governor-in-Council, who also had the power to advise the board on matters of policy.

In addition, the sales tax, which had been instituted by the Nigerian Central Legislature in 1953, was adopted by the Western Region Marketing Board under the Adaptation Ordinance of 1954. The cocoa farmer pays the tax to the licensed buying agent at the time of sale. The Produce Sales tax for cocoa was 4 pounds per sale.³³

There were, however, a few significant changes. The Western Regional Legislature enacted a law which appointed Inspectors. Inspectors were appointed to supervise the activities of licensed buying agents. This included scrutinizing their books for discrepancies, inspecting storage facilities and monitoring the shipment of produce from the buying outlets to the ports.³⁴

The Western regional government, which was headed by Chief Obafemi Awolowo, saw the marketing board as a source of generating revenue to finance the development of the region. The official policy of the government was articulated in a report of the Ministry of Agriculture and

Natural Resources presented to the legislature. The Permanent Secretary stated inter alia that the greatest increase in the national wealth of the Western Region was likely to come from the maximization of the agricultural potential of the region. He stated that: "it is principally from the revenues which the cash crops produce that the development projects will be financed." In addition, the Ministry also sought to provide social services to the people of the region, and increase the real incomes of cocoa farmers.³⁵

The Western Region Marketing Board accumulated huge reserves between 1954 and the early 1970s. How were these reserves accumulated and how was the money spent? What were the consequences of marketing board policies?

Table 5: Accumulation of Reserves by the Marketing Board

Year	Producer price of cocoa per ton	World price of cocoa per ton	Marketing Board Reserves
1954/55	200	360	+5,025,823
1955/56	200	215	-4,000,000
1956/57	150	182	-1,160,961
1957/58	150	291	+4,900,000
1958/59	150	203	+7,500,000
1959/60	160	205	+1,098,560
1960/61	160	175	-1,189,610
1961/62	100	155	+3,157,207
1962/63	105	157	+3,104,086

Source: Annual Reports of the Western Nigeria Marketing Board, 1954-1959

Cocoa prices were remarkably high in the early 1950s. At the time of the take-over of the operations of the Marketing Board by the Western Region, stocks in Europe and America were lower than at any time since the end of the Second World War. When it became obvious that the 1953/54 cocoa output would be low, manufacturers became anxious to guarantee adequate supply of cocoa to meet the rising demand on the European and American markets. The selling price for cocoa on the world market was 470 pounds per ton.

In light of this significant hike in the price of cocoa, the Western Region Marketing Board felt that an increase in producer prices was justified. They, however, had to square this off against the possibility of a decline in prices in the coming year. After careful deliberation, the Board recommended that producers be paid 200 pounds for cocoa which was of grade 1 quality and 185 pounds for grade 2 crop. These recommendations were accepted and endorsed by the Nigerian Cocoa Marketing Board.³⁶

The high prices of cocoa on the world market compelled manufacturers to be more judicious in the use of cocoa beans and to keep stocks to the barest minimum. In addition, the consumption of chocolate declined in the major consuming countries, especially the United States. As these trends unraveled, and the supply of cocoa came to par with demand, prices fell to more normal levels.

At the end of the 1954/55 season cocoa prices had dropped to about 270 pounds per ton. The majority of the

season's cocoa had, however, been sold at about 360 pounds per ton. The Western region Marketing Board in its first year of operation, added 5,025,835 pounds to its reserves. What is more significant, however, is the differential between producer prices and world market prices. At the time when cocoa was selling for 360 pounds on the world market, producers were being paid 200 pounds per ton. The marketing board made a whopping 160 pounds on each ton of cocoa.³⁷

It should be remembered that cocoa producer prices for the 1954/55 season were fixed on the basis of the recommendations made to the Nigerian Marketing Board by the "shadow" marketing board because the laws establishing the Western Nigeria Marketing Board had not been enacted. By the beginning of the 1955/56 season, however, the Western Region Marketing Board had become legally constituted. When the Board met in July of 1955 to set producer prices for the coming year a number of important changes had taken place on the world market.

The high prices ruling on the world market in the 1953/54 season and for most of the 1954/55 season had resulted in a considerable increase in the prices of cocoa products. This impelled consumers to begin to use cocoa substitutes, which fact resulted in the decline of consumption. Slowed consumption translated into a decline in the demand for cocoa. This resulted in a considerable decline in selling prices. At the time the Board met in

July, 1955, the world market price of cocoa was between 200 and 230 pounds.³⁸

As a result of the dramatic change in the cocoa market, the Board had to decide whether or not to lower the producer price for the 1955/56 season. On the advice of the Nigerian Central Marketing Board, the Board decided to maintain, for the 1955/56 season, the producer price of 200 pounds per ton that they had paid the previous year. Although the Board was going to incur a small deficit, they were motivated by the fact that one of the primary responsibilities of the Board was to maintain stable producer prices for as long as possible.³⁹

Further, the Board stated that the price to be paid for the 1956/57 cocoa season would not be less than 150 pounds. Throughout the 1955/56 season, cocoa supply outstripped demand and world market prices fell much lower than previously expected. The f.o.b. price received during the season averaged 217 pounds per ton, and consequently there was a total deficit on the Board's trading operations of about 4 million pounds for the year ending 30th September 1956.⁴⁰

In the 1957-58 season, cocoa prices rose again, in part because of Brazil's sales policy and the unpredictability of the West African crop. By mid-April 1958, cocoa prices had soared to 340 pounds per ton. Towards the close of the season, however, speculation on a bumper 1958-59 crop and lower consumption estimates engendered a reduction in buying

estimates and brought down prices. An average f.o.b. price of about 290 pounds per ton was realized at the end of the season and the Board ended its operation with a trading surplus of about 4.9 million pounds.

In calculating the producer price for the 1958-59 season, the Board felt that cocoa farmers should be compensated for the decline in prices in the 1957-58 season. The Board, however, was of the opinion that in the interest of stability, prices should be set at levels that could be maintained not only from one season to the next, but for an extended period of time. The Board therefore decided to peg prices at 150 pounds per ton.

Cocoa output in Nigeria in the 1958-59 season was the highest ever. The volume of production rose to about 131,513 tons. A large number of the cocoa trees that had been planted in the great wave of migration in the late 1940s and 1950s had begun to bear fruit. Although prices were depressed in the face of heavy mid-season purchases in West Africa, the bulk of the Nigerian crop had been sold by then at an average f.o.b. price of about 283 pounds per ton. The surplus realized by the Board was over 7.5 million pounds.

The upsurge in cocoa production which began in 1958-59 continued until the 1961-62, season when cocoa production rose to 186,720 tons. The significant increases in the volume of production not only in Nigeria, but also in other cocoa producing countries, invariably forced world market prices of cocoa down. Although the Board made a surplus of

1,098,560 pounds in the 59-60 season, the unrelenting slump in world market prices made it call for a reconsideration of producer prices.⁴¹

The Board requested a re-evaluation of producer prices despite the fact that it had made a commitment at the end of the 1955-56 season not to allow the producer price to go below 150 pounds. The consensus among members of the Board of directors was that that amount would give the Board the leverage to adequately pursue its price stabilization objectives, and at the same time ensure a decent standard of living for cocoa farmers. The Board obviously conveniently chose to ignore its initial commitment of maintaining the producer price at 150 pounds per ton.⁴²

The world market price of cocoa fell in the 1960-61 season to 175 pounds per ton and there was the real possibility of a further downward slide. The Board suffered a deficit of 1,189,610 pounds in 1960-61, and in order to obviate the depletion of its substantial reserves the Board moved swiftly to reduce producer prices to 112 pounds. The decision of the Board to reduce producer prices did not go unchallenged.⁴³

Some members felt that the reduction contradicted the price stabilization policy of the Board, and that given the substantial reserves it had amassed over the years the farmers deserved a safety net. The Governor of Western Region, acting on instructions from the Regional Executive Council, ordered an inquiry into allegations of a plan to

delay the reduction of cocoa prices. The Commission began its hearing in open session on 15th May 1961, and the Commissioner submitted his report at the end of the year. Although nothing came out of this hearing, it underscored the fact that price stabilization was not intended to serve the interests of the farmers.⁴⁴

Table 6: Nigerian Cocoa Producer Prices as Percentage of World Prices

Year	Percentage of World Price
1948	32.2
1949	98.4
1950	50.0
1951	46.9
1952	68.5
1953	70.8
1954	43.3
1955	67.5
1956	96.2
1957	72.1
1958	48.0
1959	55.1
1960	76.9
1961	95.2
1962	59.5
1963	62.5
1964	62.5
1965	100.0
1966	47.7
1967	48.9

Source: S.O Olayide and Dupe Olatunbosun, Trends and Prospects of Nigeria's Agricultural Exports, p.77

The Western Regional government had already stated in its economic policy objective that cocoa was the life-blood of the Western Region and that returns from cocoa would be fully utilized for the development of the state. To this end, the Executive Council enacted into law the bill establishing the Western Nigerian Development Corporation.

This law, which came into force on 16th April 1959, repealed the Western Region Production Development Board Law, and gave the Corporation virtual autonomy in the running of its affairs.⁴⁵

The main objective of the Corporation was to diversify the economy of Western Region through industrial development. The Corporation began a fruit canning factory in Ibadan, a rubber factory in Ikpoba, a Pepsi-Cola bottling company in Ibadan and Lagos, a Nigerian Domestic Gas Supply company, a textile mill and a water resources development corporation, to mention a few. What is important from the point of view of this dissertation is the source of revenue for these projects.-⁴⁶

In 1961 alone, the Corporation received allocations of approximately 8 million pounds from the government of Western. In addition, it got a loan of about 3 million pounds from the Board. Between 1959 and 1962, the Corporation received close to 27 million pounds in loans and allocations from the reserves of the Board. Furthermore, money from the Board's reserves was used to establish subsidiaries of the Corporation, such as the National Bank of the Western Region and the Western Nigeria Finance Corporation. Besides, the Corporation received loans from the Regional government.⁴⁷

According to the report of the Coker Commission of Inquiry that was set up to probe the activities of the Marketing Board, the Board had since its creation to 30th

September, 1961 acquired a total sum of 64,221,933 pounds, of which 42,547,189 pounds was received from the old Commodity Marketing Boards. The Board had disbursed 31,176,014 pounds in grants to the Western Regional government for various development projects. Furthermore, the Board spent 10,108,152 pounds on loans or deposits to help some indigenous companies among which were the National Investment and Properties Company Limited and the National Bank of Nigeria. In addition, the Board gave loans of 14,200,000 to the Federal and Regional Governments, and to some regional statutory corporations.

The activities of the Marketing Board need to be put in proper historical context. Chief Obafemi Awolowo, the first premier of Western Region, maximized the use of the marketing board as a vehicle for the economic development of the region. During his tenure, practically all development programs in the region were tied to the surplus generated by the marketing Board. In fact, according to the Coker Commission of Inquiry, this administration over-extended itself by starting projects that would need a regular supply of capital well beyond his tenure in office.⁴⁸

Consequently, his successor, Ladoke Akintola, was mired in a financial quicksand. With very little surplus capital, Akintola further reduced producer prices. Farmers look back at the Akintola era with a sense of horror. For them, it was the low water mark of cocoa production. World market prices of cocoa declined from 1960 to 1966, and the government

reduced producer prices in order to extract more of the surplus. Producer prices during this period never exceeded 120 pounds per ton. Cocoa producer prices reached an all-time low of 72 pounds per ton in 1966.-⁴⁹

The military struck in Nigeria's first coup d'etat in 1965. The military intervened in Nigerian politics, ostensibly to rid the country of the first generation of Nigerian politicians who had been blamed for the mismanagement of the country's economy, and lack of a sense of nationalism.⁵⁰ The consequences of this coup for Nigeria's political history need not detain us here. It should be mentioned, however, that after a series of counter coups the country found itself embroiled in a bloody civil war which lasted from 1967 to 1970. By 1970, the military had firmly established themselves as the new masters of Nigeria.⁵¹

Between 1967 and 1975, when Nigeria experienced the first phase of military rule, marketing board policies did not change. The military governor of Western State, General Adeyinka Adebayo, continued with the policy of using the Board as a source of revenue for development programs. In fact the differential between world market prices and producer prices widened during this period.⁵² Cocoa production rose dramatically in the 1966/67 season to 256,331 tons, showing an increase of 46.5 per cent over the previous season. Cocoa prices on the world market fluctuated between 230 to 250 pounds per ton. In spite of the relatively high prices of cocoa during this season, farmers

were paid an average of only 86 pounds per ton. By 1968, cocoa accounted for 65 per cent of Nigeria's total export value. World market prices in 1968 rose to 264 pounds per ton, the highest since 1959. Cocoa farmers received 133 pounds per ton, only half of the world market price.⁵³

The trading surpluses accumulated in the six years between 1963 to 1968 were more than those accumulated in the eight years between 1955 and 1962. To be sure, the Board's accumulated reserves stood at about 26 million pounds in September, 1962, but had risen to 55.02 million pounds by 1968.

The consistently low producer prices of the 1960s, generated considerable concern among cocoa farmers as the vast majority of them were finding it difficult to make ends meet. This was compounded by an increase in the cocoa sales tax to six pounds per sale. The financial strain of the new tax increase was felt most by farmers in the Ibadan cocoa producing areas where cocoa production had dwindled to insignificant levels.⁵⁴

It was therefore no surprise that the most strident opposition to the tax increase was undertaken by Ibadan cocoa farmers. Representatives of the Ibadan farmers sent numerous petitions to the Military Governor of the State, and to the Olubadan and his chiefs asking for a reduction of the sales tax to one pound and ten shillings. Furthermore, farmers protested against the local councils which had been set up in the villages to facilitate government development

programs. The farmers complained that the local councils had become conduits for extracting money from farmers without rendering any services. Council officials went on sporadic tax raids and harassed farmers who could not pay their taxes. All the appeals of the Ibadan farmers fell on deaf ears.⁵⁵

In a dramatic move, Ibadan farmers began to organize. They formed the *Egbe Agbekoya*, and began meeting every Sunday. The *Egbe Agbekoya* was by no means restricted to the Ibadan cocoa growing areas. Farmers congresses were set up in all the major cocoa producing centers, and they sent their representatives to Ibadan periodically to keep abreast of developments there.⁵⁶

Tafa Adeoye, a cocoa farmer from a village near Akanran, who had acquired a large reputation as an intrepid hunter, emerged as the leader of the militant wing of the *Agbekoya* movement. The farmers resolved not to pay the new rates, and they resorted to violence and demonstrations to express their resolve. Their refusal to pay taxes put them on a collision course with the military government, which began to clamp down on the various branches of the movement.⁵⁷

In July, 1968, cocoa farmers all over Western State took to the streets in a violent demonstration against the policies of the Board. They destroyed public vehicles, public buildings, and finally had a show down with the anti-riot police squad. In the ensuing confrontation, farmers who

were armed only with machetes and dane guns were massacred in full view of an incredulous public. The *Agbekoya* riots as they came to be known, illustrate the deepening contradictions between the interests of the State and the struggle of the cocoa farmers for economic survival.⁵⁸

THE IMPACT OF BOARD POLICIES ON COCOA FARMERS

How then did all of this affect cocoa farmers? The majority of the cocoa farmers who came to the new cocoa growing regions of Ife and Ondo were not large scale planters. Although a few migrant farmers in Ife, and more so in Ondo, had farms that were quite substantial, the average farms of migrants was six acres. These farmers had to make a considerable investment in new land and labor not only to establish new farms, but also to maintain them. Besides, most of them depleted their savings during the gestation period before cocoa began bearing fruit.⁵⁹

Most of the cocoa planted in the late 1940's and early 1950's began bearing fruit in the late 1950's. The majority of the farmers who had six acres of cocoa land realized between 10 to 15 bags of cocoa for the entire six acres in the first three years of harvesting. Cocoa yields increase progressively before they reach a peak and begin to taper off. Afolabi Olabintan, a cocoa farmer with seven acres of cocoa land at Akeredolu, told me that in the first three years of harvesting cocoa beans he got 7 bags. This

increased to about 12 bags in 1960 and 17 bags in 1967. Olabinton case is fairly representative of the majority of the migrant farmers in the cocoa belt.⁶⁰

In monetary terms, ten bags of cocoa at a Board price of 215 pounds per ton in 1967 would fetch the farmer about 107.5 pounds sterling. The majority of the cocoa farmers made anywhere from 17 to 20 bags of cocoa each from their farms after three years of the initial harvest. Average income per cocoa season for most migrant farmers was about 80 pounds sterling. There were, however, marked variations. Most landowners who had access to large amounts of land did realize relatively large quantities of cocoa beans from their farms.

Aderemi Adereti, a prominent landowner at Akeredolu, had 20 acres of cocoa land in 1950. When he began to harvest his cocoa, Adereti realized approximately 20 bags. By 1967, Adereti was making about 3 tons of cocoa from his farms. Francis Adeyeye, another ex-landowner who had 16 acres of cocoa land between 1955 and 1965, made about 1,000 pounds sterling as revenue from cocoa on an annual basis during that period. Large landowners were in the minority in the cocoa belt, most cocoa farmers were smallholders who did not make much of a profit from cocoa production.⁶¹

How were cocoa earnings spent? How much residual income did cocoa farmers have? A survey of 25 migrant farmers and six landowners at Akeredolu shows that the migrant farmers, the majority of whom had farms that were between 5 to 6

acres increased their holdings by about 2 to 3 acres between the 1950's and the late 1960's. On the other hand, landowners with holdings of between 10-15 acres, increased their holdings by between eight to ten acres.⁶² Landowners were able to increase their holdings more substantially than migrant farmers, in part because they had unlimited access to land, and also because some of them were able to take advantage of the ishakole payments that were made to them by migrant farmers. Yet, the increases in the farms of cocoa producers, when taken together, was very marginal because the majority of cocoa producers in southwestern Yorubaland were migrant farmers.⁶³

The situation was a little bit better in Ondo villages where farms were relatively larger. At Omifon Aladura, about 90 per cent of the farmers interviewed bought additional cocoa land, of an average size of about 4 acres, in the period between 1960-1970. Almost all the farmers I talked to were unanimous in their view that the marketing board had shortchanged them and that their inability to expand their holdings was a direct result of the low returns they were receiving for cocoa.⁶⁴

In determining the residual incomes of cocoa farmers, I took into account the size of their families, annual income and expenditure. I interviewed 20 farmers at Akeredolu village specifically for this purpose. Of the twenty farmers interviewed, only two made between 1,000 and 1,400 pounds sterling on an annual basis between the early 1950s and the

late 1960s. Eight of these farmers had 50 pounds or less remaining after household expenses such as education of the children, food and other miscellaneous expenses. Seven of them had about 150 pounds remaining, five had 200 pounds left and only two had residual incomes of about 300 pounds.⁶⁵

These residual incomes do not include costs for the maintenance of cocoa farms. Maintenance costs of cocoa farms would depend on the size of the farms and the number of laborers hired by the farmer. Most farmers hired annual workers in the early 1950s and 1960s, and maintenance costs ranged from 50 pounds to 150 pounds. This further eroded whatever gains the farmer made from cocoa.⁶⁶

The depressed conditions of the cocoa belt spawned a number of significant changes not only in the attitudes of cocoa farmers to cocoa production, but also in labor relations. The vast majority of the cocoa farmers who migrated to Ife and Ondo in the late 1940's up to the 1960's saw cocoa growing as a way of life. In those early years, most of them grew foodcrops primarily for domestic consumption. From the mid-1960's, however, a few of them began to grow foodcrops for cash. This trend became common in the oil boom years.

Besides, some cocoa farmers began using sharecroppers as early as the late 1950's to reduce labor costs. This trend increased in the late 1960's and mid-1970s, as labor costs more than doubled. In addition to this, farmers started buying fertilizers to improve the fertility of the

soil, and insecticides to control cocoa diseases. The growing inability of cocoa farmers to maintain their cocoa farms would result in the decline of the cocoa industry in later years.⁶⁷

CONCLUSION

From the preceding analysis, a number of conclusions can be made. First, the cocoa marketing board was inspired by the efforts of the colonial administration to avoid the fluctuations in the world market prices of cocoa by offering farmers a set price at the beginning of each season. Although this policy of price stabilization was put on hold in the immediate post World War 11 era, the framework for the appropriation of surplus remained the same. With the reorganizations of 1948 and 1954, a few changes were made. For instance, inspectors were appointed to supervise the processing and grading of cocoa. Besides, the policy of price stabilization was resumed.

Second, the official justification for the marketing board was its price policy. The Board argued that by maintaining a set price throughout the season irrespective of world market conditions, the farmer had the capacity to plan ahead and rationalize his activities. Furthermore, this had the added advantage of shielding the cocoa farmer from the vagaries of the world market. By creating a reserve fund from the surplus generated in buying seasons when world

market prices were high, the Board could pay more when prices plummeted.

One can accept the premise of these arguments without detracting from the fact that the main thrust of the system was largely exploitative. To be sure, the Board did incur losses between the late 1950's and 1962 to shore up producer prices. But the total deficit during this period did not exceed 5 million pounds sterling. This pales by comparison to the profits that accrued to the Board. Between 1954 and 1962, the Board made a profit of about 30 million pounds, and this figure nearly doubled in the period between 1962 and 1968.

Throughout this period, farmers consistently received relatively low prices for their cocoa. Consequently, there was very limited expansion of cocoa holdings. In addition, there were significant changes in the relations of production as cocoa farmers began to use sharecroppers in order to cut down on cost of production. The growing inability of farmers to maintain their cocoa farms created the basis for the decline of the 1970s and 80s.

ENDNOTES

- ¹ Olayide, S.O., *Economic Survey of Nigeria*, Ibadan, 1976
- ² Helleiner, G.K., *Peasant Agriculture, Government and Economic Growth in Nigeria*, Homewood, Illinois, 1966
- ³ See report of the Commission on the Marketing of West African Cocoa, CSO/348833 National Archives Ibadan
- ⁴ Ibid
- ⁵ Fieldwork done in the cocoa belt of Ife southeast and Ondo
- ⁶ See Report of the Commission...op.cit
- ⁷ "Manifests to the cocoa producers of the World" see Report of the Commission...op.cit
- ⁸ Brown, D.H., "The development of cooperative marketing societies in Nigeria" Third West African Agric. Conference, Lagos, 1938
- ⁹ Ibid
- ¹⁰ See Nowell Commission Report, National Archives, Ibadan
- ¹¹ Ibid
- ¹² Ibid
- ¹³ Ibid
- ¹⁴ CSO 26, File 36148 S73, Vol 1, "West African Control Board" National Archives, Ibadan
- ¹⁵ Ibid
- ¹⁶ Ibid
- ¹⁷ Ibid
- ¹⁸ Ibid
- ¹⁹ Nigerian Cocoa Marketing Board Proceedings, File No AR.S/PB.6, National Archives, Ibadan, p.3
- ²⁰ Helleiner, G.K., op.cit
- ²¹ See for instance, Proceedings of the NISER on the marketing board system
- ²² Nowell Commission...op.cit
- ²³ Nigerian Cocoa Marketing Board proceedings...op.cit., p. 12
- ²⁴ Ibid
- ²⁵ Ibid
- ²⁶ Ibid
- ²⁷ Ibid
- ²⁸ Fieldwork done in the cocoa belt from 1989 to 1991
- ²⁹ Nigerian Central Marketing Board Proceedings, File No AR.S/PB.5, National Archives, Ibadan
- ³⁰ See for instance, Groundwork of Nigerian History
- ³¹ Nigerian Central Marketing Board, File No AR. S/PB.5 op.cit, p. 2
- ³² Ibid, p. 3
- ³³ Ibid, p.4
- ³⁴ Ibid
- ³⁵ See Oyo Provincial Papers 1/1735 Vol. 2 p.181 Produce Inspection and Growing of Cocoa
- ³⁶ Annual Report of the Nigerian Cocoa Marketing Board, National Archives 1954/55
- ³⁷ Ibid
- ³⁸ Ibid
- ³⁹ Annual Reports of the Nigerian Cocoa Marketing Board, op.cit 1955-57
- ⁴⁰ Ibid, 1957/58
- ⁴¹ Ibid
- ⁴² Ibid, 1959/60
- ⁴³ Ibid
- ⁴⁴ Ibid, 1961
- ⁴⁵ Annual Report of the Western Nigerian Development Corporation 1959-1963
- ⁴⁶ Ibid
- ⁴⁷ Ibid
- ⁴⁸ Coker Commission of Inquiry
- ⁴⁹ Annual Report of the Nigerian Cocoa Marketing Board, 1965

-
- ⁵⁰ See for instance, Ademoyega, Wale., *Why We Struck*, Ibadan, 1981
- ⁵¹ Ibid
- ⁵² Annual Report of the Nigerian Cocoa Marketing Board...op.cit
- ⁵³ Ibid
- ⁵⁴ Fieldwork done in the cocoa belt of southwestern Nigeria
- ⁵⁵ Ibid
- ⁵⁶ Ibid
- ⁵⁷ Ibid
- ⁵⁸ Ibid
- ⁵⁹ Ibid
- ⁶⁰ Ibid
- ⁶¹ Ibid
- ⁶² Ibid
- ⁶³ Oral interviews done at Omifon Aladura between 1989 and 1991
- ⁶⁴ Oral interviews conducted at Akeredolu between 1989 and 1991
- ⁶⁵ Ibid
- ⁶⁶ Ibid
- ⁶⁷ Ibid

CHAPTER 7

THE OIL BOOM, RURAL-URBAN MIGRATION AND THE ATTENUATION OF HOUSEHOLDS

The period between 1973 and 1983 is arguably the most eventful in Nigeria's post-colonial history. This period witnessed an unprecedented surge in economic growth as a result of the commercialization of the Nigeria petroleum industry. Foreign exchange earnings rose from 411 million pounds in 1970 to about 2 billion pounds just three years later.¹

This change in Nigeria's economic situation was heightened by the Arab oil embargo of the mid-1970's. The embargo engendered an upward spiral of oil prices and enlarged Nigeria's foreign reserves. For instance, annual revenues from oil rose from 2 billion in 1973 to 10 billion in 1977 and then to 26 billion in 1980.² Furthermore, the windfall from oil made it possible for successive Nigerian governments to undertake massive rehabilitation schemes in agriculture. In spite of government attempts to revolutionize agriculture through programs such as the "Green Revolution" and "Operation Feed the Nation," agricultural production stagnated during the period of the oil boom.

In this chapter, I examine the impact of the oil industry on the cocoa industry. In order to provide a

framework for understanding the dramatic shift in the structure of the Nigerian economy, I analyze the role of agriculture in Nigeria's economy up to 1974. I discuss the discovery of oil and its rise to a position of dominance in the Nigeria economy. Also, I examine the various developments plans that were made during the period of the oil boom. Particular emphasis will be placed on government efforts to increase cocoa production through granting subsidies to farmers for fertilizers and insecticides, and the creation of agricultural credit banks for giving loans to farmers. Finally, I assess the impact of government programs on the cocoa industry.

Agriculture and the immediate post-colonial period

From 1960 to about 1974, agriculture played a dominant role in Nigeria's economy. Nigeria was the second leading producer of cocoa in the world, and the world's leading producer of palm oil and groundnuts. Besides, Nigeria was a prominent exporter of rubber, cotton and hides. Since the commercialization of oil, however, there has been a significant decline in the contribution of agriculture to the Nigerian economy. The contribution of agriculture to the gross domestic product fell from around 60 per cent in 1960 to about 21 percent in 1977, and eventually to less than 10 percent in 1978.³

The emergence of oil to a position of primacy in the Nigerian economy occurred in the 1970's, but historically exploration began in 1908, when a German company established the Nigerian Bitumen Company to prospect for Bitumen in the marshland between Lagos and Okitipupa. The company stopped operations at the outbreak of the First World War. In 1937, Shell D'Arcy, the forerunner of the present day Shell Petroleum Company, resumed oil exploration in Nigeria. According to Jide Osuntokun, Shell D'Arcy got the rights to prospect for Nigeria oil "under the Mineral Oil Ordinance no. 17 of 1914 and its amendments of 1925 and 1950, which allowed only companies registered in Britain or any of its protectorates the right to prospect for oil in Nigeria, and further provided that the principal officers of such companies must be British subjects."⁴

Shell D'Arcy made an initial geological survey from 1938 to 1941. This initiative was truncated by the Second World War. It resumed exploratory activities after the war by undertaking geophysical tests from 1946 to 1951. After the discovery of an insignificant amount of oil in 1951, Shell struck commercial oil at Oloibiri in 1956. Commercial shipments began two years later, but were on a modest scale until the mid-1960's, when offshore production began.⁵

In 1963, oil production increased from 0.16 to 0.29 million barrels per day. Expansion was delayed by the civil war, but production increased rapidly after the cessation of hostilities surpassing one million barrels a day in 1970 and

passing the two million mark in 1973. By 1981, the production level was fluctuating around the government target of about 2 million barrels per day.⁶

Up to 1958, the role of the colonial administration in the oil industry was regulatory. It concentrated on storage, loading and shipping of petroleum products. Oil companies, which possessed the technology controlled the industry. This structure changed dramatically in the 1970's, because of the increase in the commercial value of oil in the industrialized world. The Nigerian government, eager to take advantage of the lucrative oil market hiked state taxes on oil.⁷

The resolve of the Nigerian government to monitor the operations of the multinational corporations resulted in the establishment of the Nigerian National Oil Company in 1971. The primary goal of this company was to guarantee Nigerian participation in exploration, production and marketing. In 1976, the Nigerian government created the Nigerian National Petroleum Corporation to supplant the N.N.O.C.⁸

The defining moment in the growth of the Nigerian oil industry came in 1971, when Nigeria became a member of the Organization of Petroleum Exporting Countries. In conformity with O.P.E.C.'s policies, Nigeria gained control of majority shares in all foreign companies. Nigeria's share of the proceeds of the oil industry rose from 55 percent in 1974 and 60 percent in 1979.⁹ Since 1973, oil has been the mainstay of the Nigerian economy. Oil now accounts for about

93 percent of Nigerian export earnings, 75 percent of foreign exchange earnings, 87 per cent of total government revenues, and 45 percent of the gross domestic product. Consequently, Nigeria's development plans since 1970 have been totally dependent on its oil revenue.¹⁰

Agriculture and Development Schemes 1973-1980's

Owing to increased revenue from oil sales, the Nigerian government became more ambitious in its agricultural policies. The Federal government embarked upon four main projects in its attempt to modernize Nigeria agriculture. The first was the creation of irrigation projects under the aegis of the Nigerian River Basin Development Authority. The second was the Agricultural Development Projects financed in part by loans from the World Bank, and also by the government. The third was the expansion of local processing of cocoa into semi-finished products, and the fourth was the enactment of the Land Use Decree, which was intended to restructure the land tenure system in the agricultural sector.¹¹

To facilitate access to credit by farmers, the Nigerian Agricultural Bank, created in 1972, was renamed the Nigeria Agricultural and Cooperative Bank Ltd., to reflect the emphasis placed on cooperatives by the government. Furthermore, the Agricultural Credit Guarantee Scheme was established to encourage commercial bank lending to farmers.

**Table 7 : Production in Nigeria and as a % of World Production from 1900/01 to 1986/87
(in 1000 metric tons)**

Year	Nigeria's Production	World Production	Nigeria's share of World Production
1900/01	0.208	115	0.002
1910/11	4	251	1.59
1920/21	18	371	4.85
1930/31	51	532	9.57
1935/36	96	737	13.13
1940/41	103	672	15.33
1945/46	105	660	15.91
1950/51	112	813	13.78
1955/56	116	855	13.57
1960/61	198	1,189	16.65
1965/66	185	1,226	15.09
1970/71	308	1,499	20.55
1975/76	216	1,510	14.30
1980/81	156	1,638	9.53
1981/82	183	1,725	10.61
1982/83	156	1,538	10.14
1983/84	115	1,515	7.59
1984/85	151	1,950	7.74
1985/86	120	1,926	6.23
1986/87	80	1,922	4.16

Source: Report on the Proceedings of the National Conference on Cocoa Trade in Nigeria, p.20

The Agricultural Development Projects were a response to the strains that were beginning to appear in the cocoa industry in the early 1970's. From 1946 to 1958, Nigerian cocoa production had stagnated at about 100,000 tons annually. Thereafter, production increased steadily, reaching a peak of 294,000 tons in the good growing season of 1964-65. This level, however, was not achieved again until 1970/71, when excellent growing conditions resulted in a record crop of 303,000 tons. In the intervening years,

1966-1969, production was much below the average of the preceding years.¹²

It should be remembered that the substantial increases in production in the late 1950's and the early 1960's came from the large plantings of cocoa made in the 1950's, and the introduction of an effective pest and disease control program. Owing to unusually low producer prices between 1963 and 1969, there had been no new plantings or replanting on a significant scale. Increases in cocoa acreages between 1950 and the mid 1960's were very marginal indeed, and the vast majority of cocoa farmers stopped buying new cocoa land.¹³

Government surveys done in the late 1970's, show that about 900,000 acres of Western State's cocoa trees, which constituted about 60 percent of the usually accepted total of 1.2 million acres were more than 30 years old. This corroborates my fieldwork done between 1989-91. The State government realized that a large scale replanting of cocoa trees had to be undertaken. They recognized, however, that such a project presented technical problems that were beyond the capacity of the average farmer to overcome without substantial technical assistance.¹⁴

To this end, the first cocoa project was initiated in 1971. The proposed project was intended to maintain Nigeria's share of a world market that was expanding at 3.5% annually. The Western State government projected that this objective could be achieved not only through rehabilitating some 460,000 acres of aging cocoa trees over the next ten

years, but also establishing 95,000 acres of new cocoa. It was estimated that Nigeria would produce 385,000 metric tons by 1985.¹⁵

In order to facilitate the implementation of the first phase of the cocoa rehabilitation program, the Cocoa Development Unit was created in 1971. It became a statutory body under Edict No 8 of 1979. The Unit was charged with the responsibility of general development and improvement of cocoa as an important economic crop in Nigeria.¹⁶

The specific objectives for which the unit was established comprised: (a) raising and distribution of high yielding, disease resistant and earlier maturing cocoa seedlings to meet the demands of the farmers in the cocoa producing states; (b) provision of technical advice on soil selection and inspection; (c) giving farmers adequate information on preplanting, planting and post-planting operations in cocoa development. (d) training of project staff and farmers, and maintenance of cocoa seed garden for adequate supply of improved planting materials. Further, the unit sought to construct feeder roads into the cocoa growing villages to ease the distribution of inputs into the cocoa belt and the evacuation of produce.¹⁷

In establishing their cocoa farms, farmers would be given credit for labor, fertilizers, seedlings and capsid control. Credit would be in two forms: first, cash would be made available to farmers for part of the labor required for farm development and maintenance until plantings are four

years old. Second, farmers would receive, at no charge, cocoa seedlings produced by the project unit in centralized nurseries, along with fertilizers, insecticides and sprayers.¹⁸

Furthermore, the Unit estimated that some 1,500 miles of secondary roads needed upgrading to facilitate the efficient shipment of cocoa from the growing areas to the buying centers. Provision was also to be made for the rehabilitation of 600 miles of feeder roads from 1974-1977. The main focus of the road project was to be in the eastern part of the state, namely: Akure, Ilesha and Ife. Repair of roads would also be undertaken in the Mid-Western State. Some 63 miles of road would be constructed in this area. Projected costs for the cocoa rehabilitation projects were \$32.3 million. The proposed World Bank loan of \$16.0 million would finance 50% of project costs,¹⁹ Between 1971 and 1983, the unit planted 42,385.67 hectares of cocoa for about 53,603 farmers. From 1984 to 1989, 4,462,105 cocoa seedlings were distributed to plant 4,000 hectares throughout the state. These included plantation plantings of 507.5 hectares at Ago-Owu. Also, seedlings of other crops such as cashew, oil palm, kola and coffee were raised and distributed to farmers. In addition, loans totaling 11.5 million dollars were made available to farmers during this period.²⁰

To further boost cocoa production, the Federal government ordered a reorganization of the Western Nigerian Marketing Board. The main thrust of this move was to de-

emphasize price stabilization by reducing the differential between the world market price and domestic price. The government opined that because the marketing board had absolute freedom to utilize all its surplus funds in whatever way it deemed fit, the Board had often neglected the interests of the farmer and pursued its own agenda. The government stated that it would "bring the activities of the Board as closely as possible to the level of the farmers."²¹

To this end, the Federal government established the Technical Committee for Producer Prices. This was the body that was now responsible for fixing producer prices at the opening of the season. The Secretariat of the Technical Committee was in the Central Bank with the Permanent Secretary of the Federal Ministry of Finance as its chairperson. Commodity boards' representation on this body was nominal.²²

Furthermore, the Western Nigerian Marketing Board was renamed the Nigerian Cocoa Board by the Commodity Boards Decree No. 29 of 1977. In relation to the buying and marketing of cocoa, the newly created Nigerian Cocoa Board was no different from the defunct marketing board. The Nigerian Cocoa Board was, however, charged with three new responsibilities. First, the Board was to facilitate the development and rehabilitation of cocoa producing areas through the construction of roads and feeder roads. Second, the Board was to ensure that adequate supply of fertilizers and improved seedlings and other necessary inputs are made

available to farmers. Finally, the Board was to address the problem of deterioration in the quality of Nigerian cocoa.²³

The deterioration in the quality of Nigeria's cocoa began in 1967, as a result of the need to decongest the Lagos port. Because of this operation, the practice of having the states' Produce Inspection Services examine cocoa beans before shipment was discontinued. This arrangement had been put in place after the 1952/53 season, when Nigeria's cocoa was almost totally rejected on the World market because of its low quality. By this arrangement, the Federal Produce Inspection Service restricted its activities to the final check on graded produce. It only received graded produce from the States Produce Inspection Services and not directly from the Licensed Buying Agents.²⁴

Both the State's and the Federal Produce Inspection Services were operating together at the ports before 1967. The state's Produce Inspection Services received graded produce from L.B.A's and conducted its own independent test before passing the produce on to the Federal Inspection agents. Any graded produce that did not meet the accepted standard was rejected. Thus, before 1967, there were effective safeguards to the maintenance of good quality cocoa.

With the dissolution of the two-tier system of produce inspection, these safeguards were removed. It was now possible for L.B.A's to transport their produce direct into Federal Inspectors' hands and to negotiate their way through

to shipment. In many instances, cocoa beans that had been rejected in stores in the interior were smuggled to port by L.B.A's and successfully shipped.²⁵

Between 1967 and 1978, the quality of Nigeria's cocoa declined significantly. For example, the amount of moldy beans in Nigeria's total export rose from less than 1 percent in 1967 to about 30 per cent in 1978. This fact generated considerable concern among manufacturers. For instance, C.A. Ireland, the Group Cocoa Buyer for Rowntree Mackintosh LTD, York, in a letter to the General Manager of the Nigerian Cocoa Board expressed concerns about "the very serious lowering of standard of quality of Nigerian cocoa beans."²⁶

Mr. Ireland stated, inter alia that, in a particular consignment of 450 tons, at least 80 per cent of the beans were moldy, and that the bag was infested with mold eating parasites. He opined that poor quality cocoa increased the cost of production as the cocoa had to be treated at every stage of the manufacturing process so that it would not jeopardize the quality of the finished product. He wanted to know how such poor quality cocoa could have been allowed to be shipped from Nigeria. Anthony Weldon, the Managing Director of Cocoa Merchants LTD, who were the major suppliers of cocoa to Rowntree, went further to suggest that if nothing were done to improve the quality of Nigerian cocoa, the company might reduce its purchases of Nigerian cocoa and increase those from Ghana.²⁷

The Nigerian Cocoa Board, faced with the problem of marketing poor quality cocoa, wrote to the Permanent Secretary, Federal Ministry of Trade, requesting the re-introduction of the two-tier system. Although the Federal Produce Inspection authorities had denied the allegations of corruption leveled against them by the various Produce Inspection centers in the interior, the General Manager of the cocoa board felt that there was irrefutable evidence to support the claims that the Federal authorities were colluding with some L.B.A's to export adulterated produce. The Permanent Secretary, after reviewing both positions, re-introduced the two-tier system.

The Nigerian Cocoa Board in its mission statement had said that the farmer would be the centerpiece of its new cocoa policy. Since the inception of the Board in 1977, the cocoa producer prices had been increased from 660 naira per ton in 1976/77 to 1,500 naira per ton in 1983/84 season, an increase of 127 percent. According to the Board, the increases in producer prices were intended to give farmers more disposable income to enhance their capacity to undertake "agronomic practices such as weeding, spraying...for improved yield."²⁸

In order to guarantee a smooth flow of the Board's marketing arrangements, the Board also increased the buying allowance paid to licensed buying agents. The Board posited that any measure that augmented the financial situation of the farmers to the neglect of the L.B.A's might create

unnecessary tensions. Pursuant to this goal, the allowance of the L.B.A's had been raised from 43 naira per ton in 1976/77 season to 68 naira in the 1983/84 season. Another 10 per cent increase was approved for the 1984/85 season. Furthermore, the Board increased the transport allowances of the L.B.A's to encourage them in their purchasing activities.²⁹

Perhaps one of the more ambitious programs of the Nigerian Cocoa Board was the Cocoa Spraying Chemical Subsidy Scheme. The Cocoa Subsidy Scheme had been introduced by the defunct marketing board in response to the swollen shoot blight of the late 1940's and 1950's in Ibadan and some older cocoa growing areas. The Cocoa Research Institute of Nigeria had shown that up to 50 percent of the cocoa in southwestern Nigeria could be destroyed by cocoa diseases if not adequately sprayed. The new Board felt that the scheme put in place in 1959 by the marketing board, which allowed L.B.A's to distribute chemicals and fertilizers, was prone to abuses and should be reorganized to make it more efficient.³⁰

As a result, at a meeting of the Inspectors of the Board on July 17th 1979, the Board reorganized the distribution system for cocoa chemicals. According to the general manager of the Board, Mr. J.A Akinsipe, cocoa farmers would now buy their chemicals from area offices of the Board located in the cocoa producing areas as well as through the Cooperative Supply Association and the

Cooperative Produce Marketing Union. Furthermore, the subsidy on cocoa chemicals would be increased to alleviate the financial burden which the provision of chemicals was bound to impose on farmers.³¹

The Price Fixing Authority in Lagos had fixed the rate allowable as subsidy on a metric ton of cocoa at 25 naira. The new Board found out, however, that the subsidy grant approved for the defunct marketing board in the late 1950's was too small to sustain the requirements of the farmers. The Board contended that the old rate could only fulfill 1/6th of the needs of the farmers in the late 1970's. The Board proposed a new rate of 50 naira per ton in 1978, and got approval for it in 1984.³²

The Board also introduced the Cocoa Spraying Pump subsidy scheme. It recognized the fact that provision of adequate chemicals without the spraying equipment would not be effective against cocoa diseases. To this end, the Board made available to farmers spraying pumps at highly subsidized rates to replace the ineffectual garden-type sprayers. The Board stated that approved selling prices would be conspicuously displayed at all distribution centers within the areas covered by each area office. The Board went further to say that all classes of farmers should be accommodated, as the Board did not intend to give room to any kind of discrimination.³³

According to a 1981 cocoa quarterly progress report, the Board's Subsidy Schemes received wide acclaim from

farmers throughout the cocoa growing areas of the country. The Board spent approximately 3.7 million naira on chemical subsidy in 1977, 5.4 million naira in the 1980/81 season, and 4 million naira in 1981/82 cocoa season. Also, over 10,000 units of the spraying pumps were distributed in the cocoa growing areas between 1977 and 1981.³⁴

The activities of the Cocoa Development Unit and the Board regarding the distribution of new varieties of cocoa seedlings and cocoa chemicals are corroborated by the oral evidence. The Chairman of Akeredolu village, Mr. Adedewe, told me that the C.D.U set up a nursery at Akeredolu in 1972. Each farmer was given 900 seedlings per acre and a loan of 75 naira to rehabilitate their farms; farmers who wanted to establish new farms were given a loan of 150 naira. They also had access to fertilizers and pesticides.³⁵

The third major initiative of the government was to add more value to cocoa by expanding local processing. The first Nigerian processing factory at Ikeja, Lagos was commissioned in August, 1965. The construction of infrastructure began shortly thereafter, and production began in July 1967. The factory, known as Cocoa Industries Limited, was established to process cocoa beans into cocoa products such as cocoa butter, cocoa cake and powder. The factory would also provide industrial raw materials such as cocoa liquor, cocoa cake and cocoa powder for manufacturers of finished products such as Cadbury, Food Specialties and UAC Food Division.³⁶

For the first fifteen years of its existence, Cocoa

Industries Limited was the only cocoa processing factory in the country. It was a subsidiary of the Odua Investment Company, which was created by the erstwhile Western Nigerian Development Corporation. From 1967 to 1977, when the Cocoa Board was in existence, the Cocoa Industries Limited processed less than 2 percent of total production. For example, of a total production of 203,000 metric tons in the 1977/78 season, C.I.L. purchased only 1,500 metric tons. In 1978, the Federal government established two additional factories at Ede and Ile Oluji to expand local processing of cocoa. The Nigerian Cocoa Board paid equity participation shares in the newly constructed cocoa processing factories in 1979. The ultimate goal of the government was to gradually phase out cocoa exports.³⁷

In order to give the new cocoa processing plants some degree of autonomy in the buying of raw cocoa beans, the government made a provision in Decree No. 29 of 1977 which stated that: "for the avoidance of doubt, no commodity board is given exclusive rights in relation to the production, sale or purchase, processing of or any other matter in connection with the relevant commodities in so far as the domestic market is concerned, but the Boards shall have exclusive responsibility for any commodity meant for export trade."³⁸

The processing factories took advantage of this provision immediately by appointing their own buying agents to purchase cocoa, mainly from middlemen. According to the

Board, the factories were paying its buying agents prices that were higher than those approved by the Price Fixing Authority. The implication of this situation was that farmers, and more importantly, middlemen who were able to establish contact with the factories would obtain higher prices than their colleagues who were not so privileged. The payment of higher prices by the processing plants did not last long, however, as the plants had to reduce their prices to cut down on the cost of production.³⁹

The failure of cocoa rehabilitation

In spite of the massive amounts spent on cocoa rehabilitation by the World Bank and the Federal Government of Nigeria, cocoa production did not increase. Although the projection for the volume of cocoa production in Nigeria at the end of the project year in 1983 was 385,000 metric tons, cocoa production actually decreased below the amount that was recorded before the inauguration of the project. Between 1970 and 1975, average production was about 241,000 tons. In 1976, the volume of production fell to 223,000 tons and in 1979, there was a further slide to 133,000 tons. In 1983, cocoa production had slumped to an all-time low of 100,000 tons.⁴⁰

What was responsible for this anomaly? The decline of cocoa production in spite of these huge investments should

be put in the wider context of the decline of commodity production in developing countries that enjoyed export booms in the 1970s. To be sure, the 1970s was a decade of unprecedented economic prosperity for the world's commodity producers. The export booms, however, did not translate into growth in other sectors of the economy.

This phenomenon, christened "Dutch disease" is observable in the Nigerian economy. The oil boom had led to a rapid expansion of the Nigerian economy. Construction work had begun on the Nigerian highway system; foreign multinational construction companies such as Julius Berger, C.Zard and Soleh Boneh were employing large numbers of laborers.⁴¹

In addition, there was a burgeoning of urban centers, with a corresponding growth of State and Federal bureaucracies. Furthermore, owing to the importation of foreign goods such as cars, electrical appliances and household utensils, Nigeria had become a veritable service economy. This created opportunities for people to go into skilled trades such as automobile repair, tailoring and other non-agricultural small scale businesses.⁴²

Sara Berry, in a 1979 study, was able to track the movement of people from two cocoa villages in southeast Ife to Ife town to learn skilled trades. Berry argues that increasing oil revenues to the state obviated the need for the State to appropriate surplus. According to Berry, this weakened peasant solidarity as producer prices rose

significantly. Cocoa prices increased from about 300 naira in the 1970/71 season to about 1,000 naira in 1978. Farmers, who had perceived the state as a common enemy because of the policies of the Board, now reverted to family based institutions for mutual support.⁴³

More importantly, education and politics were now seen as the surest paths to economic and social advancement. Berry states that a substantial number of the children of cocoa farmers she interviewed in the two villages were either going to school or engaged in non-agricultural activities. Also, a large number of the artisans, mechanics and teachers she interviewed were children of cocoa farmers.⁴⁴

A 1972 study of small scale businesses in Ife by Aluko shows that there were 212 persons involved in the automobile repair business. This group was composed of apprentices, journeymen and master mechanics. By 1979, this group, which did not include apprentices who now had to finish their training before they could become members of the Ife Mechanics Association, had increased to 1,256.⁴⁵

Berry's work and my own findings suggest that the increase in educational opportunities during the oil boom years had a far greater long term impact on the relations of production in the cocoa belt than anything else. With the creation of new states in Nigeria during the oil boom years, the Nigerian public sector grew as new states civil service

were created. To be sure, the public service became the largest employer of labor.⁴⁶

With the expansion of the Nigerian bureaucracy, education became more valued. In fact, people began to see education as a means of gaining access to the civil service. Besides, in a Nigeria where government was becoming big business, education became a vehicle for social and economic preferment.⁴⁷

Most of my informants argue that because the cocoa trade was not particularly lucrative in the 1960's and 1970's, they encouraged their children to go to school. For the landowners with substantial holdings, cocoa was a way of life, but they perceived the future of their children in very different terms. They saw their cocoa farms as the springboard for transporting their children into the more prosperous world of the oil boom. The figures of children who left cocoa villages in pursuit of education are staggering.

At Akeredolu village, I interviewed 25 cocoa farmers who had children of school age in the early 1970's. These farmers had between them 150 children. Over ninety percent of these children attended the primary school at Akeredolu. After their primary school education, some of them went on to high school, and those who could not make it to high school went to learn artisanal trades in Ife, Ifetedo and some other big towns. Of this number that left the cocoa village in the 1970's, only 9 have returned to the cocoa

village. At Akeredolu, I encountered ten households that had only the aged farmer and his wife.

At Molodo village, the figures are no less daunting. I interviewed 9 cocoa planting families who had between them 44 children of school age in the 1970's. All of them went to primary school at either Molodo or Isoya. After their primary school education, 10 of them went for further studies, 9 females got married and only come back to the village occasionally, 1 passed away, 21 went to learn various trades in Ife and some other urban centers, and only 4 are back in the village.⁴⁸

The consequence of this rural-urban exodus was the attenuation of the household. It should be remembered that household labor was pivotal to the establishment of new farms in the wake of the great migrations of the late 1940's and 1950's. Household labor for the most part complemented hired labor in the heady days of clearing the virgin forests of Ife south and large parts of Ondo province. In most cases, household labor was solely responsible for fermenting cocoa beans.⁴⁹

Owing to the fact that children of cocoa farmers who had acquired an education moved on with their lives in the relatively buoyant arena of the public and private sectors, cocoa farmers became increasingly dependent on hired laborers. This situation has been compounded by the old age of the vast majority of cocoa farmers. At Mofere in Idanre, of the 15 farmers interviewed 10 were over 65 years old. At

Akeredolu, of the 40 some farmers interviewed, 35 were over 65 years of age. For these farmers, cocoa is perforce a way of life, as they don't have the strength to go into other professions.⁵⁰

Also, the implementation of the two projects was questionable. One of the major complaints of cocoa farmers was that in spite of the heavy investment on cocoa rehabilitation, the majority of cocoa farmers did not benefit from the various schemes that were introduced. In fact, one of the contradictions of this period was the increase in the cost of production.⁵¹

One informant at Akeredolu said that the Cocoa Subsidy Scheme, although well intentioned, was a failure because the majority of the farmers did not buy the chemicals at subsidized rates. Although the Board had said in its mission statement that chemicals would be distributed not by L.B.A's, but at area offices of the Board, this did not happen. Unscrupulous Board officials in the area offices took advantage of this new arrangement to sell chemicals to their cronies and relations in exchange for pecuniary benefits. These 'agents' then sold the chemicals to the farmers at more than the subsidized rates. Besides, loans that were given to farmers were inadequate.⁵²

Alhaji Akibu of the Lagelu local government area in Ibadan stated that, for the most part, farmers in his local government area did not receive the required chemicals in a timely fashion. This was a widespread problem in the cocoa

belt. This problem was deeply rooted in the structure of the Technical Committee on Producer Prices. Owing to the fact that members of the cocoa board were not adequately represented on this body, prompt communication of important measures emanating from the board had been delayed. For example, 3.615 million naira had been approved for the Cocoa Board as subsidy on spraying pumps, drying ovens and coffee hullers in 1981. This money was not released until 1985 and the board got authorization to disburse part of the said sum only in May of 1986.⁵³

Besides, most farmers did not have access to credit facilities despite the fact that the two projects had made provision for it. Farmers complained that the beneficiaries of the loans were not farmers, but people who had no connection to the cocoa belt. As a result, farmers could not maintain their farms properly. Cocoa farms were not adequately sprayed and farmers could not afford to apply fertilizers to overused land.⁵⁴

Consequently, the cocoa belt became ravaged by cocoa diseases such as capsids and swollen shoot. This has to be put in the context of the low prices that were still being paid to cocoa farmers by the Cocoa Board. Although the Board agreed in principle to drastically change its price stabilization policy, in reality, this policy was put into operation only in 1981 and 1982.

For instance, in 1978, of a world market price of 2,121 naira per ton, cocoa farmers received about 1,030 naira per

ton, which amounts to 48.5 percent of the world market price. In 1979, cocoa farmers received 51.35 percent of the world market price, while in 1980 they received 89.28 percent. The Board suffered a deficit of 0.9 and 8.2 percent in 1981 and 1982 respectively, and by 1985, the farmers share of the market had dropped to about 69.5 percent.⁵⁵

Cocoa prices between 1976 and 1985 hardly kept pace with the cost of maintaining cocoa farms. The cost of labor increased dramatically during the oil boom years because employers paid more competitive wages in the urban centers. One informant at Fagbo village in Ondo State told me that when he moved to the village in 1954, he employed three laborers to clear the land and plant the cocoa. At that time he used to pay them about ten pence per day. He was also responsible for their feeding anytime they worked for him. He consistently used four men for about ten years before increasing the labor force to six.⁵⁶

This was necessary because his cocoa had reached maturation and he needed more hands to harvest the cocoa beans. From 1970 to 1983, his labor force varied from six to eight men depending on the thickness of the undergrowth and the quantity of cocoa beans to be harvested. The cost of labor, however, increased progressively from ten pence per day in the early 1960's to twenty pence in the early 1970's to one naira in the late 1970's, and five naira in the mid 1980's. In short, between the early 1970's and late 1970's,

the cost of labor increased by over 500%, and by the mid 1980's, it had gone way over the ceiling.⁵⁷

One of the more significant changes in labor relations was the fact unlike in the 1950's and 1960's, when most farmers used annual laborers, the majority of cocoa farmers in the late 1970's and 1980's used daily paid workers. This was owing to the fact that most farmers could not afford to hire laborers on an annual basis. The cost of hired laborers was prohibitive.⁵⁸

The case of one informant at Akeredolu who used annual workers up to the mid 1980's is illustrative of this trend. In the 1950's, he used to pay his annual workers 30 pounds. This rose to 120 naira in the early 1970's, and 250 naira in the late 1970's. By the mid 1980's, annual laborers were asking about 500 naira for their services.⁵⁹

In the face of these seemingly insuperable forces, the farmers had to evolve strategies for survival. First, the high cost of labor coupled with the exodus of youths from the rural areas resulted in the intensification of sharecropping. Owing to the fact that most farmers could not afford to hire laborers, they entered into a contract with laborers.⁶⁰

These contracts, otherwise known as sengbe in Ife south or alasepin in Ondo require that the *sengbe* (sharecropper) clear the land, spray the cocoa trees, and harvest the beans. The harvest is then divided into three equal parts.

The *sengbe* (sharecropper) takes one part and the remaining two parts go to the landlord.

There were also other variations of the *sengbe* arrangement. One informant who hails from Isoko in Delta State told me that in some cases the tenant farmer after harvesting and fermenting the cocoa, turns in the finished product to the farmer for sale. The rationale behind this is that the farmer might be able to get a better price for the cocoa than the laborer. The money realized from the cocoa is then shared equally by both the laborer and the landlord.⁻⁶¹

There were other forms of tenancy which intensified at this time. For example, some farmers rented out their farms for a specific amount every year. At Araromi, a laborer told me that he had rented a cocoa farm from 1983 to 1986 at a cost of 1,400 naira. All the proceeds of the farm for those three years belonged to the laborer. He was also responsible for the maintenance of the farm during the period of tenancy.⁻⁶²

In most of the *sengbe* cases I investigated, the landlord was responsible for buying the chemicals and fertilizers. In practical terms, the benefit the farmer got from the *sengbe* arrangement was that he did not have to pay the laborer directly for his services. Furthermore, the arrangement was a very effective way of assuring labor supply throughout the season, as the laborer's return is tied to his completing the harvest.

Despite the vigorous attempts by cocoa farmers to reduce the cost of production, their efforts were not nearly enough to stem the tide of decline. Cocoa trees that were not adequately sprayed succumbed to the ravages of diseases. Besides, yields from healthy trees dropped because farmers could not meet the fertilizer needs of the trees. The volume of cocoa production in Nigeria declined from about 205,000 metric tons in 1978 to 155,000 metric tons in 1981 and then to 115,000 metric tons in 1984.⁶³

CONCLUSION

From the preceding analysis a number of conclusions can be made. First, the oil boom of the 1970s and early 1980s led to a drastic restructuring of the Nigerian economy. Nigeria moved away from an economy that got about 60 percent of its foreign exchange earnings from agricultural products by 1970 to an economy that realized over 90 percent of its foreign exchange earnings from oil by the mid-1970s. Increased revenue from oil led to greater investment in agriculture.

This investment in agriculture found expression in various schemes intended to rehabilitate Nigerian agriculture and increase production. The Cocoa Development Unit was established to preside over the two cocoa projects financed by both the Federal government of Nigeria and the World Bank. In spite of the huge sums the government spent

on cocoa rehabilitation, cocoa production actually declined in the oil boom years.

The decline of cocoa production in an era of significant growth in the Nigerian economy can be explained by a number of factors. First, the implementation of the projects is questionable. My informants state that loans given to farmers were, for the most part, inadequate. They contend that although a cocoa subsidy scheme was put in place, agents of the Cocoa Board used it as a means of enriching themselves, as they rarely sold farm inputs to the farmers at the approved prices.

Of far more significance, however, was the fact that the expansion of the Nigerian economy created incredible opportunities in education and the public sector. This eventuated in the massive migration of laborers from the farms to the urban centers in pursuit of more lucrative jobs. Further, the children of cocoa farmers, who formed an important part of farm labor, joined this cavalcade into the urban centers. This movement led to an increase in the cost of maintaining cocoa farms, as competition for labor had become more intense. The inability of cocoa farmers to maintain their farms adequately resulted in the spread of cocoa diseases, which fact contributed immensely to the stagnation of cocoa production in the oil boom years.

ENDNOTES

- ¹ Onimode, B., *Imperialism and Underdevelopment in Nigeria*, Ibadan, 1983
- ² Ibid.
- ³ Olayide, S., *Economic Survey of Nigeria*, Ibadan, 1976, p.2
- ⁴ Osuntokun, J., "Oil and Nigerian Development" *Development Outlook* 1, No 3, 1986, p.40
- ⁵ Ibid.
- ⁶ Ibid.
- ⁷ Onoh, J., *The Nigerian Oil Economy*, New York, 1983 p. 19-21
- ⁸ Ibid., p.30-33
- ⁹ Ibid., p.33-37
- ¹⁰ Appraisal Study of Cocoa Rehabilitation in Nigeria, Ministry of Agriculture and Natural Resources Library, Ibadan, p.1-5
- ¹¹ Ibid.
- ¹² Ibid.
- ¹³ Oral interviews done in the cocoa belt between 1989 and 1991
- ¹⁴ Appraisal Study...op.cit., p7-13
- ¹⁵ Ibid.
- ¹⁶ Annual Reports of the Cocoa Development Unit 1976-1991
- ¹⁷ Ibid.
- ¹⁸ Ibid
- ¹⁹ Appraisal Study...op.cit., p7-13
- ²⁰ Annual Reports of the Cocoa Development Unit...op.cit
- ²¹ Ibid.
- ²² P.P.R 202.28 p.2 National Archives, Ibadan
- ²³ Ibid., p.3
- ²⁴ File No, c/sh.18 p.21-27
- ²⁵ Ibid.
- ²⁶ Ibid.
- ²⁷ Ibid.
- ²⁸ Ibid
- ²⁹ P.R.P 202.28...op.cit p.2-6
- ³⁰ Ibid.
- ³¹ Ibid.
- ³² Ibid.
- ³³ Ibid.
- ³⁴ Ibid
- ³⁵ Oral interviews with Chief Adedewe at Akeredolu between 1989 and 1991
- ³⁶ P.R.P 202.28...op.cit p.7-8
- ³⁷ Ibid
- ³⁸ Ibid
- ³⁹ Ibid
- ⁴⁰ Gill and Duffus Papers, NISER, Ibadan
- ⁴¹ Onimode., op.cit p.168-180
- ⁴² ibid
- ⁴³ Berry, S.S., "Oil and the Disappearing Peasantry" Boston, 1986, p.3-8
- ⁴⁴ Ibid.
- ⁴⁵ Aluko, S., *Small-Scale Industries in Western State of Nigeria*, Ife, 1972 p.22-25
- ⁴⁶ Oral interviews conducted in the cocoa belt between 1989 and 1991
- ⁴⁷ Ibid.
- ⁴⁸ Oral interviews conducted at Akeredolu and Molodo between 1989 and 1991
- ⁴⁹ Oral interviews done at different times in different areas of the cocoa belt between 1989 and 1991
- ⁵⁰ Oral interviews conducted at Mofere, Legbira, Uloen, Akeredolu and Bamikemo-Oja from 1989 to 1991
- ⁵¹ Ibid.

-
- ⁵² Ibid.
- ⁵³ Interview with Alhaji Akibu in Lagelu local government area of Ibadan in 1990
- ⁵⁴ Oral interview done in the cocoa belt from 1989 to 1991
- ⁵⁵ Central Bank Annual Reports, 1978-1982
- ⁵⁶ Oral interview conducted at different times at Fagbo village between 1989 and 1991
- ⁵⁷ Ibid.
- ⁵⁸ Ibid.
- ⁵⁹ Oral interviews done at Akeredolu village between 1989 and 1991.
- ⁶⁰ Oral interviews done in the cocoa belt of southwestern Nigeria between 1989 and 1991
- ⁶¹ Ibid.
- ⁶² Ibid
- ⁶³ Ibid.

CHAPTER 8

STRUCTURAL ADJUSTMENT, NEW MARKETING ARRANGEMENTS AND THE EMPOWERMENT OF LABOR

In July 1986, the Federal government of Nigeria inaugurated the Structural Adjustment Program. This program was a response to the economic recession Nigeria had been experiencing since 1982. The recession was precipitated in part by the crumbling of the world oil market, and more fundamentally, by structural weaknesses in the Nigerian economy which date back to the period between independence and 1970.

In this chapter, I analyze the impact of the Structural Adjustment Program on the cocoa industry. In order to put this program in proper historical context, I examine the remote and immediate factors that led to its adoption. Also, I discuss the broad outlines and objectives of the program. Finally, I assess the impact of the program on the cocoa industry. To achieve this, I examine the consequences of the abolition of the Board on the farmers. I also pay particular attention to the impact of deregulation on production and labor relations.

Historical background

By 1979, the Western economies, having been caught unawares by the Arab oil embargo, began to pursue a policy of oil conservation. Furthermore, the growth of non-OPEC producers like Mexico made it possible for Western economies to stockpile oil. Consequently, the share of OPEC countries on the world oil market was reduced and Nigeria's oil earnings plunged from \$22.4 billion in 1980 to \$16.7 billion in 1981, and to about \$14.3 billion in 1982.¹

The decline of Nigeria's foreign exchange earnings spawned a balance of payments crisis which was reflected in the Federal government's huge budget deficit from 1981 to 1983. Furthermore, the impressive foreign reserves of about 23 billion naira which had been accumulated during the oil boom was squandered by the profligate regime of Shehu Shagari. Nigeria now had to borrow money to finance its capital and recurrent projects.²

By 1983, Nigeria's foreign debt had risen to about 17 billion dollars. For Nigeria to maintain a continuous stream of credit, the World Bank and the International Monetary Fund called for a restructuring of the Nigerian economy. They argued that structural adjustment would attract foreign investors and put Nigeria in a position to pay back its loans. The military regime of Buhari and Idiagbon did not accept the I.M.F conditionalities on the grounds that they

would not only further weaken the Nigerian economy, but also bring great hardship on the Nigerian people.³

For Buhari and Idiagbon, what Nigeria needed was greater financial stringency and a clamp-down on corruption. In spite of the spirited attempts of the military regime of Buhari and Idiagbon to sanitize the Nigerian economy by imposing fiscal discipline and curtailing government spending, the continued fall of oil prices and the accumulation of debts made the need for an alternative arrangement compelling. Besides, while it was generally accepted that the military regime of Buhari/Idiagbon had tried to grapple with the devastating currents of change in the international and domestic economies, there were forces within the military that felt that the time was ripe for a new philosophy.⁴

Therefore, on 26th August 1985, Ibrahim Babangida seized power in a bloodless coup. After reorganizing the supreme military body, the new military masters asseverated that a radical restructuring of the economy was necessary to stem the seemingly irrepressible tide of economic disintegration. Ibrahim Babangida threw up the issue of structural adjustment and the I.M.F's \$2.5 billion loan program for public debate. A committee was set up to monitor the pulse of the Nigerian people. After about a year of open debates and disquisition on the issue, it was clear that public opinion was against the Structural Adjustment

Program. Yet, Babangida defied public opinion and adopted it.⁵

Structural Adjustment and Cocoa Marketing

The Structural Adjustment program was intended to diversify and reconfigure the Nigerian economy by stimulating domestic production in the agricultural, manufacturing and industrial spheres. Furthermore, it was hoped that by generating internal production through the utilization of local raw materials, the balance of payments deficit would be reduced, and there would be a diminution of Nigeria's dependence on Western imports. The Structural Adjustment Program also strove towards the deregulation of the economy by removing administrative encumbrances, and also by reducing the stranglehold of government on the economy. This new economic philosophy, according to the government, was intended to effect liberalization of trade, privatization and the fostering of a market economy.

It also devalued the Nigerian currency(naira). In order to facilitate devaluation of the naira, the Babangida regime created a Second-tier Foreign Exchange Market(SFEM), later known as Inter-Bank Foreign Exchange Market and renamed Foreign Exchange Market in September 1986. The SFEM presided over a the auction of a specific amount of hard currency, notably US dollars, allocated to it every week by the Central Bank. Commercial banks and specialized foreign exchange dealers were allowed to bid for up to five percent

of the foreign currency allocated for the day. The lowest bid in the auction was used to set the exchange rate of the naira in relation to the US dollar.⁶

Table 8: Government Revenue From SFEM

Week	Foreign exchange supplied to SFEM by CBN	SFEM Rate (Naira/Dollar)	First-Tier Rate	Difference Between Second and First -Tier Rates	Windfall Profits
1	50.0	4.6140	1.5691	3.0483	152.42
2	50.0	5.0839	1.6010	3.4829	159.15
3	75.0	3.4999	1.7000	1.7999	134.99
4	80.0	3.9101	1.7838	2.1263	170.10
5	75.0	4.1775	1.9142	2.2633	169.75
6	80.0	3.8525	2.0132	1.8393	158.18
7	75.0	3.6000	2.2000	1.4000	105.00
8	86.0	3.4993	2.3000	1.9930	89.90
9	75.0	3.4599	2.4000	1.0599	79.49
10	75.0	3.4945	2.4931	1.0014	75.11
11	75.0	3.0005	2.5954	0.4051	30.38
12	75.0	3.2000	2.5954	0.6046	45.35
13	75.0	3.3000	2.5954	0.7046	35.23

Source: J. Attah, M. Kwanashie and O. Ojowu(eds) *The Nigerian Economy under SFEM*, Zaria, 1987 p.48

Furthermore, the Federal government of Nigeria decided to dissolve the commodity boards. The scrapping of the commodity boards is arguably one of the most revolutionary changes that have taken place in the post-colonial period. To be sure, by 1983, the marketing boards had come under increasing obloquy by political analysts and academics who contended that the decline in commodity production was

directly related to the exploitative tendencies of the boards. Besides, the news of the folding-up of the marketing boards was received gleefully by farmers who attributed their impecunious situation to the activities of the Board.⁷

There was therefore considerable optimism that the cocoa market, which had been paralyzed for a long time, would become bouyant under the new configuration. This optimism in the emergent framework was based on the assumption that since the farmers would now have a greater say in the sale of their cocoa, they would invariably have the leverage to determine their economic destiny. Cocoa prices would now be based purely on market forces, and farmers looked forward to having the upper-hand in the negotiations that would result from the new marketing arrangements.⁸

The government announced new requirements for participating in the cocoa trade. According to Decree No 18 of 1986, the government would issue licenses to two categories of exporters: first, private exporters, which comprised foreign merchants and indigenous buyers. Second, union exporters which was made up of cooperative organizations created by farmers themselves to market cocoa. This group, for the most part, sold cocoa to agents of the Association of Nigerian Cocoa Exporters. (ANCE)⁹

Both groups of exporters employed the services of licensed buying agents, and could obtain licenses to operate in one or more states. These exporters had huge capital

expenses as they constructed warehouses in the cocoa growing areas and in the main port in Lagos to store their cocoa. In addition, they each had to pay registration fees of about 10,700 naira.¹⁰

Table 9: Trend in nominal producer price of cocoa per metric ton for pre-SAP and SAP periods

Year	Price/Naira
1982	1300
1983	1400
1984	1500
1985	1500
1986	3500
1987	7500
1988	11000
1989	7500

Source: Central Bank of Nigeria Annual Reports from 1982-1989

The deregulation of the cocoa industry eventuated in the proliferation of individual produce buyers and export merchants. Furthermore, it led to the enlargement of the influence of foreign export merchants such as Syrians and Lebanese. Owing to the fact that each of these groups of cocoa buyers wanted a controlling influence on the cocoa market, a vicious price war emerged.¹¹ Consequently, the price of a ton of main crop cocoa which sold for 3,270 naira at the end of 1986, rose to 7,500 naira in 1987. This upward trend continued with the cocoa light crop which was harvested from May through June to July and August. The price increased from 7,500 naira in 1987 to 11,000 naira in the first quarter of 1988 and then to about 24,000 naira by August 1988.¹²

From mid-1987, the price war which debouched from the interplay of market forces had exacerbated. This was owing to the fact that the farmers could now sell their cocoa to the highest bidder. This situation was further compounded by the fact that the naira was falling progressively in value and the exchange rate further deteriorated. For example, between 1986 and 1990, the naira had dropped from 4.057 naira to the dollar to 11.114 naira to the dollar. The continued downward slide of the naira induced two consequences. First, it resulted in the rise of the price of cocoa to reflect the exchange rate. Second, it made possession of large amounts of naira a *sine qua non* for survival in the economic war that had broken out.¹³

Table 10: Annual Average Exchange Rate(1970-1989)

Year	Exchange Rate (\$per Naira)	Year	Exchange Rate (\$per Naira)
1970	1.4000	1980	1.8286
1971	1.4000	1981	1.6534
1972	1.5200	1982	1.4856
1973	1.5200	1983	1.3822
1974	1.5891	1984	1.6085
1975	1.6239	1985	1.1206
1976	1.5960	1986	0.7686
1977	1.5466	1987	0.2519
1978	1.6482	1988	0.2204
1979	1.6591	1989	0.1358

Source: Central Bank of Nigeria Annual Reports 1970 to 1989

In the early part of 1988, the price of cocoa rose phenomenally from about 7,000 naira per ton to as much as

28,000 naira per ton. Alhaji Sunmonu Olapade Posolore Adedire of Poso village in Ife south told me that he had never experienced such a high price for cocoa since he began planting cocoa in the 1960's. For the farmers, especially those who had large holdings, it was a boom period.¹⁴

Some farmers succeeded in parlaying the price war into a huge financial success. For example, of fifteen farmers I interviewed at Igbo-Oja village in Ondo, nine had made a profit of over forty thousand naira during the cocoa boom, with two out of nine scaling the one hundred thousand naira mark. At Akeredolu village in Ife south, I interviewed about 30 farmers regarding their incomes during the boom. Of the thirty farmers interviewed at Akeredolu, ten had realized over forty thousand naira. At Omifon Aladura, on the Ondo/Ore road, three of the ten informants I talked to had made a profit of upwards of eighty thousand naira. At Fagbo village via Ondo, six farmers had made over fifty thousand naira of the twelve I had interviewed.¹⁵

There is no question that all over the cocoa belt there were farmers who benefited enormously from the cocoa boom. This fact is corroborated by newspaper reports which attest to the increased standard of living of rural farmers. Cocoa farmers now flaunted their new found wealth by buying expensive cars such as Peugeot 505 Evolution, Mercedes Benz and the like. They also organized parties, and became not infrequent visitors to Beer parlors where they closed the

bars on a regular basis and at times drowned themselves in bacchanalian orgies.¹⁶

The phenomenal increase in the price of cocoa, and the resultant availability of disposable income generated a severe inflationary spiral which was to have far reaching consequences for the cocoa farmers. For instance, according to Daily Sketch investigations, Idanre, the largest cocoa producing local government area in the country became incredibly expensive. The prices of food items tripled; alcoholic beverages and soft drinks now sold at double the regular price. In addition, there was a hike in transport fares from Idanre to other parts of the state.¹⁷

Indeed, for the farmers of the cocoa belt and some other traders associated with the cocoa industry, these were happy times. For the indigenous produce merchants, however, it was a difficult period. This was because indigenous merchants could not compete effectively with the expatriate merchants. A Daily Times investigative report of December 10, 1988 stated that foreign firms such as Kopek, Wasseli, and Afro-Continental had taken over the produce trade and rendered the indigenous merchants dormant.¹⁸

For example, the Association of Nigerian Cooperative Exporters, (ANCE) a major indigenous export body which had handled between twenty to thirty thousand tons annually since 1960, was able to market only about 4,043 metric tons in the 1988/1989 season. Some indigenous produce merchants, however, who had been courageous enough to buy cocoa at this

time in the hope that the price would pick up on the world, market incurred monumental losses. Chief Fagboyegun, arguably the foremost indigenous produce buyer in Nigeria lost approximately ten million naira to speculation.¹⁹

According to his son, who was one of the Directors of the company, they had stockpiled about 1,500 tons of cocoa which they had bought at about twenty-four thousand naira per ton. With the price crash of mid-1989, the company had to hurriedly sell their cocoa at drastically reduced prices. There are many cases of indigenous buyers who lost out of the price war of the cocoa boom era.²⁰

In explaining the plight of indigenous exporters, Mr M.D Ola, Managing Director of Lagricom, a big exporting company argues, that the Federal government gave the foreign export merchants the scope to an unrestricted exploitation of the cocoa trade. He opines that the foreign exporters could secure foreign exchange much easier than their Nigerian counterparts. They could also get bank loans in the Nigerian currency because they had copious financial guarantees. As a result of this advantage, foreign merchants completely dominated the export trade.²¹

Mr. Ola also contended that the cocoa boom was artificially created by foreign merchants who had large disposable amounts of the Nigerian currency. Owing to the downward slide of the naira, they bought as much cocoa as possible knowing they could sell it on the world market for hard currency. Nigerian farmers on the other hand, maximized

their earnings by taking advantage of the competition among the foreign export merchants for the cocoa market.²²

This bizarre economic behavior should be situated within the context of the Structural Adjustment Program. The creation of the Foreign Exchange Market had led to the devaluation of the naira against the hard currencies of the cocoa buying nations of the world. Furthermore, there was a dearth of foreign exchange on the Nigerian money market. The foreign merchants who had greater access to credit facilities hijacked a substantial amount of foreign exchange at official exchange rates, and sold them for naira at the higher parallel market rates. Armed with large amounts of naira, they were able to dominate the cocoa trade in the immediate post-SAP period by bidding up the domestic price of cocoa.²³

The cocoa boom of 1988 to mid-1989 has evoked intense debate. The apologists of the S.A.P have pointed to the phenomenally high prices of cocoa and its resultant benefits to some farmers as one of the outstanding gains of the much vaunted program. They have made these assertions without much attention to the fact that only a small percentage of the farming population benefited. Further, no attempt has been made to analyze whether or not there were any multiplier effects from the cocoa boom.²⁴

To be sure, the cocoa boom was limited in scope. Farmers with large holdings and substantial yields capitalized on the windfall to make huge gains. The extent

to which their profits generated further growth within the economy needs to be evaluated. It should be pointed out that the vast majority of cocoa farmers who benefited from the boom spent a substantial amount of their profits rehabilitating their farms. Many of my informants claimed that for the first time, they had the means to spray their cocoa trees and buy fertilizers. As a result the volume of production rose significantly in southwestern Nigeria from about 140,000 metric tons in 1987 to about 253,000 metric tons in 1988.²⁵

The cocoa boom was, however, short-lived. By mid-1989, the world market price of cocoa had dropped sharply as a result of a glut on the world market. This new development led to a drastic collapse in the domestic price of cocoa. Cocoa which sold at between 17,000 and 22,000 naira per ton in March 1989, had plummeted to about 5,000 naira per ton in June, a decrease of about sixty-four percent.²⁶

The cocoa farmers, not particularly knowledgeable about the intricacies of the international financial system, nor the circumstances that led to the boom of 1988-1989, unleashed their venom on the indigenous exporters and the licensed buying agents. The spokespersons for the farmers whom I interviewed betrayed their ignorance of the workings of the system by directly accusing these groups for the downturn in the fortunes of the cocoa industry. They stated that the indigenous exporters together with the L.B.A's had

discouraged the foreign companies from continuing with the buying of cocoa at extravagant prices.²⁷

To drive home their point, farmers refused to sell to indigenous buyers and began to negotiate directly with foreign companies. Moreover, in the cocoa villages I visited at the time, namely; Aroko, Iyanfoworogi, Isoya, Osi-Soko, Akeredolu and kere, representatives of these villages met to discuss the possibility of forming groups and applying for licenses as buying agents. The farmers reasoned that if they could get licenses, their interest could be better served, and that they would have the leverage to curb the supposed interference of the indigenous buying houses.²⁸ The farmers soon found themselves in a quandary. Foreign companies who were not willing to buy cocoa at a loss, refused to revert to the scandalously high prices of the boom period. Farmers could either sell their cocoa at drastically reduced prices or allow them to rot in their stores. The cocoa farmers held out for a while and demonstrated remarkable resilience in sticking to their demands. The withholding of cocoa by the farmers led to a reduction of cocoa exports by 450 percent from 29,331 metric tons in January 1989, to 6,437 metric tons in August of the same year.²⁹

The cocoa trade got a slight boost late in 1989 when some merchant banks entered the market thus encouraging farmers to bring out their hoarded produce. The entry of the merchant banks into the cocoa business pulled up farm gate prices. Merchant banks, like the expatriate export houses,

decided to invest in the cocoa export trade in order to get foreign exchange for their business transactions. According to newspaper reports, merchant banks sought the services of an Apapa based forwarding company in finding L.B.A's in Idanre and Akure who could purchase the cocoa for them. The reports claim that five merchant banks in Lagos had pooled their resources together and were investing about 140 million naira into the cocoa trade.³⁰

The merchant banks had some advantages over all other cocoa exporters at this time. First, the expatriate firms could no longer compete because they had almost exhausted their stock of naira during the brief boom which they had initiated. Second, owing to a Federal government edict, merchant banks, unlike other cocoa exporters, were exempt from paying interest on cocoa exports. Third, the merchant banks had enough liquidity to drive away the competition. Thus while exporters were offering between 5,000 and 5,500 naira per ton as farm gate prices, merchant banks were offering 7,500 naira per ton.³¹

The merchant banks, however, did not participate in the cocoa market for long. By the end of 1989, they had accomplished their objectives and they discontinued buying cocoa on any significant scale. The activities of the merchant banks, however, was not enough to cushion the effects of the price collapse of 1989 as only few farmers benefited from their relatively higher prices.

The vast majority of cocoa farmers suffered devastating losses. According to newspaper reports, a farmer at Bolorunduro village near Ondo described the 1989/90 season as a "suicidal one." Mr. Samuel Akindunni stated that at the same time in the previous year, he had made about 80,000 naira, but had withheld his cocoa in 1989, because his projected earnings could not exceed 15,000 naira.³²

The reaction of the farmers to the downturn in the price of cocoa should be put in perspective. The artificially created boom of 1987-1989 brought in its wake an inflationary spiral that was unprecedented in the history of the cocoa industry. Prices of farm implements rose substantially. Alhaji Arowolo Giwa of Ilare village complained bitterly that he never imagined that a time would come when he would buy a cutlass for 60 naira and a hoe for 50 naira. To be sure, the price of cutlasses rose from 6 naira in 1984 to 60 naira in 1989.³³

In Idanre, which is the leading cocoa producing local government area in Nigeria, the cost of living rose significantly. The cause of the high cost of living in the town was traced to the boom in the cocoa trade. Investigative reporters of the Daily Sketch, a newspaper house in Oyo State, stated that transport fares from Idanre to Akure about 12 kilometers, which formerly cost between 1 naira and 1 naira 50 kobo now costs 5 naira. Food items such as beans, cassava flour and rice now sell at more than double their pre-cocoa boom price.³⁴

The harsh economic realities of the price collapse in Nigeria led to an unprecedented wave of smuggling of cocoa across the border to neighboring West African countries such as Dahomey and Benin republic. Smuggling of cocoa beans across the Nigeria-Benin border had been on the rise since 1984 when the economic recession in Nigeria became acute. In fact, in the 1983/84 season, it was estimated that about 20,000 tons of cocoa was smuggled out of the country.

The major cause of smuggling of cocoa beans was the restriction placed on foreign exchange by the military regime of Buhari/Idiagbon and the steady decline of the naira against the hard currencies of the world market. Since smugglers of cocoa beans to Benin and Togo were paid in convertible currency, they were able to make huge profits in the parallel market. For example, one ton of cocoa which sold for 1,500 naira in the 1983/84 season, could fetch anywhere from 8,000 to 10,000 naira across the border.

In spite of the efforts of the anti-smuggling committee to curb the trafficking of cocoa across the border, it has not abated. In fact with the price collapse of 1989/90, the smuggling of cocoa was done with renewed vigor. It was estimated that in 1990, about 30,000 tons of cocoa found its way across the border.³⁵

Of far more significance, however, for the relations of production in the cocoa belt was the incredible rise in the wages of labor, and the prices of chemicals and fertilizers. The cocoa boom led to an intensification of a process that

had begun with the oil boom when laborers began to exert their will upon cocoa farmers by demanding higher wages. One informant at Igbo-Oja village via Ondo said that although he made a lot of money during the cocoa boom, he has had to spend extensively on labor. He said he has spent about 2,400 naira per annum since 1988-89 as compared with the 250 naira he spent in the mid 1970's.³⁶

The situation in Ife south was not different from what obtained in Ondo State. For example, at Akeredolu village, I met a seventy year old farmer who said he had been spending about 2,000 naira on laborers since 1988 as compared with the 400 naira he used to spend in the 1970's. At Molodo village in Ife south, an eighty year old informant told me that since 1988, he had spent about 25 naira for fifteen heaps of cocoa.³⁷

The phenomenal hike in the wages of laborers became problematic because laborers were demanding money for jobs which they had contracted just before the slump occurred. Farmers were, therefore, faced with the difficult situation of paying the wages they paid during the boom in an increasingly depressed cocoa economy. This of course generated a lot of tension in the cocoa villages as laborers ganged up for war against the farmers.³⁸

To compound this problem, the prices of fertilizers and chemicals had been on the increase since the abolition of the marketing board. The marketing board through the cocoa subsidy scheme had made provision for the supply of

fertilizers and chemicals to farmers at subsidized rates. Although the evidence shows that most farmers did not get chemicals and fertilizers at the controlled rates, the prices were still affordable.³⁹

With the scrapping of the marketing board in 1986, the subsidies were withdrawn and farmers were left to buy these products at the actual market price. The farmers thus found themselves in a double squeeze. One, from rising cost of labor, the other from the high prices of chemicals and fertilizers. For example, the price of a 25 kilogram unit of fertilizer rose from 10 naira in 1984 to 28 naira in 1987 and then to 40 naira in 1988. The price of a 25 kilogram unit of agrochemicals rose from 50 naira in 1984 to 70 naira in 1988 and then to 100 naira in 1989.⁴⁰

The consequences were profound. From 1986, when this trend began, there has been a progressive decimation of cocoa trees by diseases. This has led to a drastic reduction in output, and farmers have watched helplessly as their cocoa trees have atrophied one after the other. The rapid spread of cocoa diseases needs to be put in context. According to Bola Akanji, before the dissolution of the marketing board, cocoa farmers used to apply approximately three units of chemicals to one acre of cocoa three times a year. With the withdrawal of subsidies, farmers could only apply one unit of the same chemicals to one acre of cocoa.⁴¹

At Igbo-oja village in Ondo an informant told me that in the fifties and the early sixties when he became involved

in cocoa production, the incidence of cocoa diseases was not prevalent. He said that he started spraying his cocoa trees from the late sixties. At that time, my informant used to spend about 110 pounds per annum to spray his cocoa trees. From 1980, however, my informant said there was a marked increase in the cost of farm maintenance.⁴²

This trend reached its apogee in 1988, when he spent about 2,400 naira on chemicals and fertilizers alone. These examples are by no means isolated. They are a reflection of what appears to be a general trend. One of the most pronounced effects of the escalating cost of farm management has been the inability of cocoa farmers to cope with the ravages of cocoa diseases. This has led to the death of a lot of cocoa trees, and a decline in the output of cocoa farms.⁴³

For instance, of a total of about fifty farmers interviewed at Akeredolu, thirty had suffered substantial decreases in cocoa yields. One informant at Akeredolu who used to realize about three tons of cocoa from his thirty acre farm, could get only about one and half tons by the mid 1980's. At Molodo, an informant told me that the initial output from his two farms used to be two and a half tons.

This farmer realized about two and a half tons from his farms before decline set in. The decline was not drastic initially as he was able to get about two tons for some years. From 1984, however, my informant began to realize just a little over a ton from his two farms. This informant

told me that about one-quarter of his cocoa trees have been affected by diseases.⁴⁴

An informant at Igbo-oja in Ondo State gave me a broader perspective on the declining productivity of the cocoa producing areas. This farmer inherited an eight acre cocoa farm from his father in the mid-fifties, and five years later bought two acres of virgin land at Oboto. In the late fifties and early sixties, he used to realize about eight bags of cocoa from his inherited farm. When his new farm at Oboto became productive by the turn of the decade, his combined yield rose to two tons. There has, however, been a steady decline in the output of his two farms since 1984.⁴⁵

My informant attributes this to the old age of the cocoa trees, and the declining fertility of the soil. This has made the cocoa trees to be less fecund than they used to be. Furthermore, the old age of the trees has made them more vulnerable to diseases. This has been exacerbated by the inability of the farmer to meet up with the rising cost of chemicals and fertilizers.

The farmer said that although successive governments in Nigeria had made attempts to rehabilitate cocoa farms since the mid 1970's, these attempts have been half-hearted. These programs, according to my informant, had been undermined by corrupt officials who diverted money that was meant for the project to personal use. Consequently, the majority of the cocoa trees in the cocoa belt are over twenty years old.⁴⁶

The inability of the farmers to spray their cocoa farms has resulted in decreasing yields and diminishing incomes. One of the most dramatic fallouts of the SAP has been the emergence of a class of farmers who used to be laborers. These laborers were able to parley the extraordinary increase in the cost of labor to great advantage by buying their own cocoa land. Those who are unable to buy cocoa farms rent farms from cocoa farmers for an agreed period of time.⁴⁷

At Araromi, I talked to a thirty-two year old laborer turned farmer who hails from Ogoja in Akwa-Ibom State. This informant arrived at Akeredolu in 1987, and was employed as a laborer in the 1987/88 cocoa season. Owing to the cocoa boom he was able to buy his own piece of land on which he plants foodcrops such as cassava, cocoyams, vegetables, okra and pepper. In addition, he rented a cocoa farm for three years at 1,400 naira in early 1989.⁴⁸

At Akeredolu village, where I interviewed all the laborers involved in the cocoa trade, the changes in the relations of production are brought into sharper relief. Of the twenty some laborers in the village, nine of them now have their own cocoa farms. Eight of them, including one woman, still offered their services as daily-paid laborers, and sharecroppers. Two of them are annual workers, and the remaining one is a renter⁴⁹

To be sure, laborers appear to be the primary beneficiaries of the Structural Adjustment Program. The

cocoa farmers, on the other hand were at the short end of the stick. Owing to the diminishing earnings from cocoa production, cocoa now plays a less prominent role in the lives of farmers than in earlier times. Most cocoa farmers have diversified their economic activities by paying more attention to foodcrops. They also take greater care of the crops they use for canopy such as oranges and kolanuts.⁵⁰

The kolanut trade, which has been in existence since the inception of the cocoa trade has grown in importance. The kolanut is bought by female traders known as "alajapa." They start buying in January and end in April. The alajapas buy the kolanut with the integument, and then sell to retailers who remove the cover from the kolanuts and sell to Hausa traders who ship the kolanuts to the great markets of the North.⁵¹

The economic rewards to the farmers have been encouraging. For example, an informant at Akeredolu said apart from the fact that he realized about 1,200 naira from kolanut sales in 1989/90, he has also been making fairly decent profit from his fifteen acre foodcrop farm. He realized about 4,300 naira in 1987, about 4,000 naira in 1988, and about the same amount in 1989. Besides, the cost of producing foodcrops is significantly lower than the cost of producing cocoa.

The majority of the cocoa farmers I talked to argue that although cassava, maize, bananas and oranges and the other foodcrops will not replace cocoa farming, farmers now

have something to fall back on if cocoa is going through lean times. They cited the example of the price crash of 1988-89, and suggested that were it not for the increased diversification of the cocoa industry many farmers would have abandoned their cocoa farms. Although foodcrop production is increasing owing to its short term gains, most farmers are using the surplus generated from the sale of foodcrops to rehabilitate their cocoa farms. Most farmers at Akeredolu realized between one thousand to four thousand naira from their foodcrop farms. Apart from the pecuniary benefits of these farms, they also met the foodstuff needs of the farmers.⁵²

Resolution of Crisis

The collapse of the boom of 1987/88 and its attendant hardships on farmers and indigenous produce buyers impelled the federal military government of Nigeria to try to salvage the situation. To this end, the government came up with a near revolutionary agenda aimed at improving the value of cocoa through the expansion of local cocoa processing industries. The government therefore decided that exports of raw cocoa beans would be banned from January, 1991.⁵³

The government averred that a ban on cocoa exports would be beneficial for a variety of reasons. First, unlike prices of cocoa beans which are disseminated internationally through speculation on the London and New York futures

market, prices of cocoa products are, to some extent, determined by the forces of demand and supply in the domestic market. The government speculated that the processing factories would offer more competitive prices than the export merchants and their buying agents were offering.⁴

Second, processing of cocoa beans would add more value to them. Their thinking is based on the relative value of equal amounts of cocoa beans and the finished product. The ratio for processing cocoa beans into cocoa products is as follows: 1.25 tons cocoa beans = 1 ton cocoa liquor; and 2.50 tons cocoa beans = 1 ton cocoa butter and 1 ton cocoa cake/powder. For a cocoa bean processor to break even on his manufacturing operations, he would have to sell one ton cocoa liquor at a price equivalent to a ratio of 1.25 times the price of cocoa beans and sell one ton cocoa butter/one ton cocoa cake at a price equivalent to a combined ratio of 2.50 times the price of cocoa beans plus processing costs and a profit margin.⁵

Professor Sam Aluko has suggested that in spite of this lopsided ratio, the processed cocoa was significantly more profitable than exporting the raw beans. Stressing the advantages in increasing the value of Nigerian cocoa through processing, he called for an increase in the number of cocoa processing plants in the country, adding that, "if possible we not export a single cocoa bean out of the country." Aluko stated that a ton of cocoa sold for 1,300 pounds on the

world market, whereas a ton of cocoa butter that was processed from 1 and a quarter tons of cocoa fetched between 2,000 and 2,500 pounds.⁵⁶

Cocoa farmers viewed the proposed policy with a lot of apprehension. Farmers were restless over the fact that the aggregate capacity of the three plants existing in the country which is just about 90,000 metric tons falls short of the national output of 163,000 metric tons. More disturbing was the fact that existing processing industries could only produce about 50 percent of their capacity. Besides, as Bola Akanji points out "two of the companies produced less than a quarter of their installed capacity between 1984 and 1989."⁵⁷

The amount of cocoa processed in Nigeria is the lowest among West African cocoa producers. In the 1986/87 season Cote d'Ivoire processed 100,000 metric tons of cocoa beans from a total production of 619,000 metric tons. This increased to 120,000 metric tons in the 1988/89 season from a total production of 810,000 metric tons. During the same period, Nigeria ground 14,000 metric tons out of a total production of 123,000 metric tons in 1986, and 10,000 metric tons out of a production figure of 141,000 in 1987/88.⁵⁸

In addition, there were two major manufacturers: Cadbury and Food Specialties who are responsible for converting over 90 percent of semi-processed cocoa into finished products such as chocolate, cosmetic products and cocoa drinks. These manufacturers use only about 2,750 tons

of cocoa powder which is processed from about 6,600 tons of raw cocoa beans. The obvious inference is that the combined use of cocoa beans by both the processing plants and the manufacturers lags way behind the volume of production.⁵⁹

This was compounded by the fact that the technology for adding value to Nigerian cocoa is imported. According to newspaper investigations, the majority of these plants need complete overhauling. Owing to the unavailability of spare parts, there has been a drastic reduction in the efficiency of these machines. The decline in the efficiency of these machines is reflected in the diminution of Nigeria's export of cocoa products. For example, Nigeria's export of cocoa butter dropped from 11,218 metric tons in 1985 to 5,716 metric tons in 1987, and to 4,700 metric tons in 1989.⁶⁰

The Cocoa Association of Nigeria in a memorandum to the Federal Ministry of Trade stated that Nigeria needs at least 800 million naira to construct four more processing factories to effectively pursue the moratorium on the exportation of raw cocoa. They argued that Nigeria has a potential cocoa output of about 210,000 metric, and if the ban is implemented without the new factories, storing unprocessed beans in warehouses will cost no less than 1.1 billion naira.⁶¹

They went further to say that since the three existing industries at Ikeja, Ede and Ile-Oluji had the capacity to process 90,000 tons, Nigeria would need four additional factories with a capacity to process 30,000 tons each for

the excess 120,000 tons. They estimated that since the cost of building a factory with the capacity to process 30,000 tons of cocoa is between 160 to 200 million naira, 800 million naira would be needed to construct the factories. They also stated that allowance should be made for recurrent expenditure and rehabilitation of the factories.⁶²

The Ondo Farmers Congress responded by mobilizing farmers to meet with the Head of State, Ibrahim Babangida, to have him rescind the moratorium on cocoa exports. The secretary-general of the Congress, Chief Biodun Komolafe said that the meeting became necessary because farmers were becoming restless. He said if nothing was done to allay their fears, they may abandon their farms. He suggested that the government grant the farmers subsidies to enable them cushion the effects of the losses they would incur from unsold cocoa.⁶³

The Federal government, in an attempt to obviate the loss of excess cocoa when the moratorium became effective approved 24 million dollars for the construction of six new processing plants which would begin functioning in June 1991. This figure was considerably lower than the estimates of the Cocoa Association of Nigeria. At the official exchange rate at the time, it would amount to 240 million dollars.⁶⁴

The government reasoned that what was needed were small plants that would be strategically located all over the cocoa belt to cut down on transportation costs, and not

large factories. It was estimated that the new plants would have a combined production capacity of 73,000 metric tons. Further, about 7.9 million dollars would be given to the three existing processing factories at Ikeja, Ile-Oluji and Ede to refurbish their machinery and replace antiquated equipment. The money would be given to the six companies from a loan that was expected from the African Development Bank which had a fund that was devoted to stimulating the export of processed and manufactured products.⁶⁵

The plan of the military government to expand the processing of cocoa in Nigeria did not pan out, however, because it could not come up with the money to construct new plants, and renovate existing ones. With the continued slide of the Nigerian currency, the prices of inputs for the proposed processing plants rose. Nigeria's attempts to get more loans from the World Bank did not succeed as the financial houses seemed to be more interested in collecting Nigeria's debt. Consequently, in November, 1990 the government canceled the proposed ban of cocoa exports. Nigeria still remains a cocoa exporting country, with production levels fluctuating between 160,000 and 180,000 metric tons.

From the foregoing presentation, a number of conclusions can be reached. First, the Structural Adjustment Program was a response to two main problems. The glut in the world oil market had brought down the price of oil from the unprecedented levels of the 1970,s and early 80,s. As a

result, Nigeria's foreign exchange earnings fell. In order to meet up with an unwieldy recurrent expenditure, and to pay for capital projects that were contracted during the oil boom, Nigeria soon depleted its foreign reserves.

Nigeria then resorted to borrowing money from the I.M.F and the World Bank. By 1983, Nigeria's foreign debt had risen to about 20 billion dollars. To compound this problem, Nigeria's economy grew at such glacial speed. In order to be eligible for more loans from the major international financiers, Nigeria had to adjust its economy.

Structural adjustment led to the devaluation of the naira and the deregulation of the economy. This program had profound consequences on the cocoa trade. First, with the removal of government controls, cocoa prices were now determined by market forces, as were prices of cocoa inputs. This generated a price war which led to a temporary boom in the cocoa trade. This boom, however, was artificial, and did not reflect the actual market value of cocoa.

The boom resulted in the increase in price of agricultural inputs such as fertilizers, chemicals and farm implements. It also led to an increase in the cost of labor. Although on the short run some farmers were able to cope with these increases because of the substantial amounts they made during the boom, some of them began to find it difficult to maintain their farms after their gains had petered out.

To be sure production increased substantially during the cocoa boom, and some farmers were able to rehabilitate their farms. The inability of farmers, however, to get adequate inputs on a sustained basis to maintain their farms has set in motion a spiral of decline. On the other hand, hired laborers are the primary beneficiaries of the Structural Adjustment Program as the farmers have had to hire them as sharecroppers, which fact has given them some degree of autonomy in the cocoa belt.

ENDNOTES

- ¹ Onimode, B., *Imperialism and Underdevelopment in Nigeria*, Macmillan Press, Ibadan, 1983
- ² Ekwe-Ekwe, H., *Issues in Nigerian Politics since the Fall of the Second Republic, 1984-1990*, New York, 1991
- ³ Ekwe-Ekwe, H., *Ibid*
- ⁴ *Ibid.*, p.37-38
- ⁵ *Ibid.*
- ⁶ *Ibid.*, p39-44
- ⁷ Oral interviews conducted in the cocoa belt from 1989 to 1991
- ⁸ *Ibid*
- ⁹ See for instance, *New Nigerian*, April 11, 1985, p5
- ¹⁰ Akanji, B., NISER monograph series, No 1, 1992, *Cocoa Marketing*
- ¹¹ Oral interviews done in the cocoa belt of southwestern Nigeria from 1989 to 1991
- ¹² *Ibid.*
- ¹³ Information collected at the foreign exchange department of the United Bank for Africa in 1989
- ¹⁴ Oral interview done at Poso
- ¹⁵ Oral interviews done at Akeredolu, Igbo-Oja and Omifon Aladura at different times between 1989 and 1990
- ¹⁶ *Ibid.*
- ¹⁷ *Ibid.*
- ¹⁸ *Ibid*
- ¹⁹ Oral interview with the Managing Director of Fagboyegun Enterprises in Owo, 1989
- ²⁰ *Ibid.*
- ²¹ For Mr. Ola's views see: *Sunday Sketch*, September 24, 1989, p.5
- ²² *Ibid.*
- ²³ Oral interview with indigenous exporters: Fagboyegun in Owo, Opeke at Ile-Oluji
- ²⁴ Oral interviews done in the cocoa belt between 1989 and 1991
- ²⁵ *Ibid.*
- ²⁶ Gill and Duffus Statistics, NISER, Ibadan
- ²⁷ Oral interviews conducted in the cocoa belt of southwestern Nigeria between 1989 and 1991
- ²⁸ Oral interviews conducted at Isoya, Osi-Soko, Aroko and Akeredolu. I talked specifically to Alhaji Salami Agbaje and Chief Adedewe about the plans of farmers to form unions to sell cocoa directly to foreign exporters.
- ²⁹ See for instance: *Sunday Concord*, August 6, 1989, p.16
- ³⁰ *Sunday Sketch*, March 5, 1990 p.1
- ³¹ *Ibid.*
- ³² *Sunday Tribune*, November 26, 1989 p.1
- ³³ *Sunday Sketch*, September 24, 1989, p.1
- ³⁴ *Ibid*
- ³⁵ *Guardian*, November 6, 1990, p.8
- ³⁶ Oral interviews done at Igbo-Oja in December 1989
- ³⁷ Oral interviews done at Akeredolu and Molodo between 1989 and 1990
- ³⁸ Oral interviews conducted in the cocoa growing areas of southwestern Nigeria from 1989 to 1991
- ³⁹ *Ibid.*
- ⁴⁰ *Ibid.*
- ⁴¹ Akanji, B., NISER monograph series, No 3, 1993 p. 19-22
- ⁴² Oral interview done at Igbo-Oja in December, 1989
- ⁴³ *Ibid.*
- ⁴⁴ Oral interview conducted at Molodo village in 1989
- ⁴⁵ Oral interview done at Igbo-Oja in December 1989
- ⁴⁶ *Ibid*
- ⁴⁷ Oral interviews conducted in the cocoa belt between 1989 and 1991
- ⁴⁸ *Ibid*

-
- ⁴⁹ Oral interviews with all the laborers at Akeredolu village in 1991
- ⁵⁰ Oral interviews done in the cocoa belt between 1989 and 1991
- ⁵¹ Oral interview with Yaya Adereti regarding the kolanut trade in 1991
- ⁵² Oral interviews conducted in the cocoa belt between 1989 and 1991
- ⁵³ *Guardian*, January 8, 1990 p.1
- ⁵⁴ Ibid.
- ⁵⁵ Minutes of Sales Committee, File No C/S. 21 p. 55-56, NAI
- ⁵⁶ *Nigeria Tribune*, Dec. 15 1986, p.1
- ⁵⁷ Akanji, B., Series No 3, op.cit p. 19-22
- ⁵⁸ Ibid.
- ⁵⁹ Ibid.
- ⁶⁰ Ibid
- ⁶¹ *Nigerian Tribune*, 2/6/90, p.1
- ⁶² *Guardian*, 10/26/90, p.3
- ⁶³ *Nigerian Tribune*, Feb. 6, 1990, p.1
- ⁶⁴ *Guardian*, Oct.26, 1990, op.cit p.3
- ⁶⁵ Ibid

CHAPTER NINE

CONCLUSION

Much has been written on the cocoa industry of southwestern Nigeria. Most of this historical research has focused on the growth of the industry. Although there have been studies on some aspects of the decline of cocoa in Nigeria, there has been no systematic account of this problem. This dissertation is intended to contribute to filling this lacuna. In this chapter, I present a summary of my findings, and articulate the contribution of this dissertation to the historiography.

This study analyzes the rise and decline of cocoa production in southwestern Nigeria from 1900 to 1990. The first part of the dissertation is essentially a synthesis of the works of various scholars. It focuses on the rise of cocoa cultivation and its emergence as the leading foreign exchange earner in Nigeria. Cocoa production began on a significant scale on the farms of the Agege planters. From the farms of the Agege planters, cocoa cultivation gradually spread into the interior of Yorubaland as news of the financial viability of the crop was disseminated.

The end of the Yoruba civil wars provided the catalyst for the expansion of the cocoa industry. Large numbers of

ex-warriors now sought alternative means of income. The Ibadan ex-warriors were the first to respond to the opportunities which cocoa production provided. This was understandable because Ibadan society had been organized around war. To be sure, almost every facet of Ibadan life was harnessed to the war effort. In fact, Ibadan economy was dependent on taxes and tributes it extracted from its subjects, and also from booty.

The escalation of interest in the cocoa trade engendered a demand for good cocoa land. Sara Berry states that by 1910, all the cultivable land north of the town had been occupied by ex-warriors and their followers. The depletion of the land to the north of Ibadan led to a movement to the southern part of the town.

Initially, people from other parts of Yorubaland were able to get land without much difficulty. But as good cocoa land became scarce, Ibadan landowners began to collect a fee from strangers for the right to use the land. This fee which was known as *isagi* was paid either in cash or in kind. In addition to paying this fee, strangers were supposed to pay *ishakole*. This payment which was done annually was in recognition of the superior rights of the landowner to the land.

By the mid 1930s, cocoa production in Ibadan had soared from about 10,000 tons per year in 1925 to about 40,000 tons in 1933. In fact, by this date Ibadan had replaced Agege as the preeminent cocoa producer in Nigeria. The response to

cocoa production in other parts of Yorubaland was slow. This was because unlike the Ibadans, they had other alternatives. Buoyed by the relative success of the cocoa trade in Ibadan, however, Ondos, Ifes and Ekitis began to show some interest in cocoa growing.

Ibadan's dominance of the cocoa industry began to wane in the early 1940s, in part because of the declining fertility of the soil, and also because of the outbreak of the swollen shoot disease. The colonial authorities in an effort to prevent the spread of the disease asked Ibadan farmers to cut out infected trees. Ibadan farmers saw this as a threat to their livelihood and they refused to cut out the diseased trees. They formed the *Maiyegun* league not only to articulate their opposition to this suggestion by the colonial administration, but also to resist any attempt to cut their cocoa trees.

In order to make the Ibadan cocoa farmers recognize the potential danger the swollen shoot disease posed, the colonial authorities organized a trip with the Olubadan and some prominent chiefs to the Gold Coast where the disease had wrought monumental havoc. This trip opened their eyes to the only option the Ibadan farmers had--cutting out of affected trees. Unfortunately for the Ibadan, the disease had spread rapidly and after the first phase of the cutting out program, over 1 million trees had been cut. Needless to say, after the cutting out program, Ibadan became a cipher in the cocoa industry of southwestern Nigeria.

With the decline of cocoa production in Ibadan and some older cocoa growing areas, there was a movement of cocoa farmers into the relatively new cocoa growing areas of Ondo and Ife south. To be sure, Ife and Modakeke farmers had planted cocoa in villages to the north and west of the town, but there were swaths of uncultivated land to the south and southeastern part of the town. Ife farmers began to move into these areas in large numbers in the late fifties.

The movement of farmers into the south eastern part of the town was swelled by the large influx of immigrants from Ibadan and some older cocoa growing areas of northern Yorubaland. My fieldwork in the cocoa belt shows that the majority of the farmers who settled in these relatively new areas were non-Ifes. For the most part, Ifes established cocoa farms in areas that were not too far from the town. For example, cocoa villages such as Akeredolu, Molodo, Isoya, Osi-Sooko and Esera had a substantial number of Ife indigenes.

As one moved farther east, however, the proportion of Ifes in the cocoa villages diminishes. For example, villages such as Kere, Atobaba, Apata Oloko, Apata Lami, Amukegun, Ara, and Aba Aafa had immigrant populations of more than seventy percent. Immigrant farmers from the same town tended to live together in clusters. In most of these villages, there were contiguous households that had only immigrants from Ibadan or any of the many towns in northern Yorubaland such as Otun, Okua-Otin, Iragbiji, and Ikirun.

The pattern of settlement in the Ondo cocoa growing area was similar to Ife's. Ondo cocoa farming families had begun planting cocoa in the outlying villages of Ondo such as Oboto, Fagbo, Uloen and Igbo-Oja in the 1930s. In the 1950s, there was a substantial influx of migrants from Ibadan and northern Yorubaland to villages in the interior of Ondo province such as Bamikemo-Oja, Aba Baba Ibadan, and Omifon Aladura. There was, however, a greater wave of migration into Ondo in the late 1950s by immigrants from eastern Yorubaland. To be sure, these new immigrants outnumber Ondos in cocoa villages in the Idanre/Ifedore cocoa growing area such as Legbira, Mofere.

By the late 1950s, a large number of the cocoa planted by the immigrants had begun to bear fruit. The rise in production also coincided with a period of high demand for cocoa on the world market. High demand on the world market translated into high prices for cocoa beans. The cocoa farmers, however, were not the primary beneficiaries of this boom.

One of the principal arguments of this dissertation is that owing to the relatively low prices paid to cocoa farmers by the marketing boards, cocoa farmers, for the most part could not expand their holdings significantly. Also, although the Nigerian government had made huge investments in the cocoa industry and had expected cocoa production to reach 385,000 metric tons by 1983, cocoa production actually stagnated during the oil boom. This dissertation is intended

to re-define the intellectual foundation for understanding the Nigerian economic crisis by focusing on the impact of government policies on cocoa production.

The marketing board put in place a price stabilization policy ostensibly to provide a safety net to farmers. By paying farmers a set amount throughout the year, they would be shielded from the uncertainties of the world market. Besides, by creating a reserve fund, farmers could be offered competitive prices in case of a slump in the world market.

Although the marketing board validated its price stabilization policy by deploying its reserves to safeguard producer prices in 1959 and 1962, the total amount spent on price stabilization between 1954 and 1968 was less than 17 percent of the reserves accumulated by the board during this period. The majority of the money in the reserve fund was used by successive governments in the southwestern part of Nigeria for development projects that were unrelated to the cocoa industry. For example, the Western Nigerian regional government established in 1959/60, the Western Nigeria Development Corporation which got over 90 percent of its financing from the marketing board.

Cocoa prices in the 1960s were remarkably low. In fact, prices between 1962 and 1968 did not exceed 160 pounds per ton. The attempt of the military government to increase produce taxes in 1968 led to the farmers riot of 1968. With an unwonted display of truculence, cocoa farmers vented

their pent-up feelings by destroying public vehicles, and engaging the police in a violent confrontation. The *Agbekoya* riot as it came to be known, was a testament to the collective disaffection of cocoa farmers with their economic condition.

The depressed condition of the cocoa belt invariably set the stage for the massive exodus of people from the cocoa villages to the urban centers during the oil boom. The oil boom of the mid-1970s, saw an unprecedented growth of the Nigerian economy. As foreign exchange earnings rose progressively from 411 million pounds in 1970 to 2 billion pounds in 1973, and close to 2.5 billion pounds at the close of the decade the Nigerian economy expanded.

It was a decade of frenetic activity in construction, and the importation of consumer goods. It also witnessed the enlargement of the civil service. With the implementation of the Udoji Commission's recommendations on review of salaries in 1974, all roads led to the urban centers in pursuit of the so-called "oil money."

The cocoa belt could not withstand these irresistible centripetal forces that had been unleashed upon an unsuspecting rural population. Even the most *Panglossian* farmers, who held the hope of better days for the cocoa crop, soon capitulated under the powerful allure of the new and improved oil-driven economy of Nigeria. Cocoa farmers no longer contemplated a future where their children would be worthy inheritors of their cocoa farms, but one that will

equip them for their place in the Nigerian public service. And as government became increasingly immersed in business, this commitment deepened.

It is no accident, therefore, that between 1973 and 1981, more than 95 percent of all children of school age in the cocoa belt went to elementary school. Of this number, about 75 percent went on to secondary school while the remainder went to work either as laborers in one of the many construction companies that now dotted the Nigerian landscape or learned a trade. The majority of the female children who did not pursue their education beyond the elementary school level also either learned a trade or got married in the urban centers.

The rural-urban drift had profound implications for the cocoa industry. As people began to leave the cocoa belt, households became enfeebled. Household labor was a supplement to the services of hired laborers. For the most part, household labor was responsible for harvesting, and fermenting cocoa.

With the attenuation of households, farmers became increasingly dependent on hired laborers. This was compounded by the fact that the oil boom compelled the farmers to pay competitive wages to hired workers. Between the early 1960s and the late 1970s, the cost of labor increased by over 500 percent. In the 1950s, annual workers charged 30 pounds per annum. This rose to 120 naira in the early 1970s, and 250 naira in the late 1970s.

Owing to the rise in the cost of hired laborers, farmers had to devise ways of reducing the cost of production. Farmers resorted to sharecropping as a means of obviating the hiring of laborers. The sharecropping contract required that the laborer clear the land, spray the cocoa trees, harvest the beans and ferment them. The fermented cocoa is then divided into three equal parts, with the laborer taking one and the owner of the farm the remaining two parts.

Cocoa farmers also began to diversify their economic activities. An increasing number of cocoa farmers began to pay more attention to food crop production than ever before. For example, at Molodo village, a female cocoa farmer began a lucrative trade in oranges in the mid 1970s. By the end of the decade, this woman was making more money from oranges than from cocoa. Farmers began to sell a wide variety of foodcrops such as cassava, maize, yams and cocoyams.

By 1981, the oil boom had come to an end. This engendered an economic dislocation of immense proportions. The Nigerian government began borrowing to meet up its capital and recurrent expenditures. The value of the Nigerian currency fell in relation to the hard currencies of the world. As oil prices continued to tumble down, Nigeria accepted the recommendations of the World Bank and the I.M.F to restructure its economy.

The Structural Adjustment Program was inaugurated in 1986 by the Babangida regime. It was intended to liberalize

the Nigerian economy through deregulation and privatization. It also involved the devaluation of the *naira*, ostensibly, to encourage international investment.

The S.A.P resulted in the abrogation of the marketing boards and the withdrawal of subsidies on agricultural inputs such as fertilizers, chemicals, and herbicides. With the scrapping of the marketing board, the cocoa industry was put in the arena of market forces. A vicious price war broke out as exporting firms competed to have a control of the cocoa market. Foreign exporters who had a lot of excess *naira* completely dominated the cocoa export trade.

On the short run, prices skyrocketed as the foreign companies were willing to pay any amount not only to outbid their Nigerian competitors, but also to ward off other foreign exporters. To be sure, cocoa farmers smiled all the way to the bank. Cocoa prices which had been depressed for many years, rose to about 24,000 *naira* per ton in the 1987/88 season.

The flip side of the boom, however, was an insidious inflationary spiral which would deplete most of the gains cocoa farmers had made during the boom. The prices of farm implements rose, as did the prices of chemicals and fertilizers. In addition, the cost of labor rose by more than 300 percent. As long as the boom lasted, the farmers could afford these exorbitant prices. But the boom was short-lived.

The cocoa boom ended in late 1988, but prices did not go down. Cocoa farmers were harried by laborers for money for work done during the boom. The prices of farm implements, chemicals and fertilizers did not respond to the price collapse. Unable to meet their expenses, some cocoa farmers sold some of their farms; others opted for sharecropping. In the process, laborers began to wield more influence in the cocoa belt as a substantial number of them began to buy cocoa farms or establish foodcrop farms.

At Akeredolu, of the 21 laborers I interviewed, 9 had their own farms in 1990. At Mofere, in the Idanre local government area, of the 9 laborers interviewed 3 had their own farms in 1990. The remaining six either rented cocoa farms or worked as sharecroppers.

The inability of cocoa farmers to maintain their farms adequately, has led to the spread of cocoa diseases. In most parts of the cocoa belt, production increased during the cocoa boom because farmers could afford to spray their cocoa and pay laborers to cut the weed and apply fertilizers. The volume of production in Nigeria rose from about 130,000 metric tons in 1986/87 to over 200,000 metric tons in the 1987/88 season. This underscores the fact that given enough money farmers could mobilize the necessary inputs to increase production. Furthermore, a few cocoa farmers rehabilitated their farms.

In the absence of these conditions after the price collapse, most cocoa trees have become vulnerable to the

ravages of disease. In some parts of the cocoa belt, about one third of the trees have been affected. This has led to a decline in the volume of production from 200,000 metric tons from 1987 to early 1989 to about 130,000 metric tons in the 1990/91 season.

In order to resolve the crisis in the cocoa industry the military government of Ibrahim Babangida, proposed a ban on raw cocoa beans, effective Jan 1, 1991. The government argued that by increasing the value of cocoa through semi-processing, not only will farmers get more money for their produce, but the government will also increase its foreign exchange earnings. The ban on the export of cocoa beans was, however, rescinded in November 1990, because the government could not only get funding to overhaul existing processing plants, but also to build six new ones. Needless to say, Nigerian cocoa is still, for the most part, exported.

With particular reference to the historiography, by analyzing the impact of the appropriation of surplus by the marketing board on the cocoa industry, this dissertation goes beyond the analyses found in most of the existing literature which concentrate on the fiscal role of the marketing board. It shows how the appropriation of surplus by the marketing board deprived the farmers of much-needed residual income which could have given them the capacity to better maintain their farms, and expand their holdings. This dissertation also focuses on the impact of the domestic policies of successive governments in Nigeria on the cocoa

industry. For the most part, government policies were characterized by corruption, improper implementation of projects and neglect of the cocoa industry, especially during the oil boom years. This analysis of Nigeria's domestic policies is part of a growing body of literature which attempts to move away from explaining Africa's economic problems only in relation to external factors.

Moreover, this study underlines the significance of environmental factors in the decline of the cocoa industry. The rapid spread of cocoa diseases over the past twenty years is a result of the inability of the cocoa farmers to tend to their farms properly. Because a majority of them were cash-strapped, they could not buy sufficient amounts of insecticides and pesticides to spray their cocoa trees. This has eventuated in declining output.

Besides, this dissertation shows how the intersection of government policies and environmental factors have created the conditions for new social and economic arrangements in the cocoa belt. To be sure, sharecropping has become pervasive in the cocoa belt, and laborers are now buying their own cocoa land in substantial numbers. Also, as cocoa continues to decline, the sense of security which farmers had acquired in the early years of cocoa growing is receding. And as farmers make spirited attempts to diversify their economic activities, cocoa is no longer seen as a way of life.

BIBLIOGRAPHY

ARCHIVAL MATERIALS

- Nicob 2/2/23. C/SH.18, National Archives Ibadan, Quality of Nigerian Cocoa
- Nicob 2/2/21. C/S.11 N.A.I Ile Oluji Products
- Nicob 2/2/21. C/WM.19 N.A.I, Smuggling of Cocoa
- Nicob 2/2/29. C/WM 11/Vol 2 N.A.I, Cocoa Marketing Scheme
- Nicob 2/2/35 PH/C/AH N.A.I, Establishment of Commodity Boards
- Nicob 2/2/37. PR.1/ Vol 2 N.A.I, Public Relations Newspaper cuttings
- Nicob 2/2/36 PP&R 202.33 N.A.I, Winding up of the Commodity Boards
- Nicob 2/2/23 C/SH.18 N.A.I Quality of Nigerian Cocoa
- Nicob 2/2/27 C/WF.20 N.A.I, Cocoa Spraying Chemical Subsidy Scheme. C.S.A Ltd
- Nicob 2/2/27 C/WF.13 Vols 1 & 2, N.A.I, Cocoa Spraying Chemical distribution
- Nicob 2/2/29 C/WM.20 N.A.I, Reports on Inferior sub-Standard Cocoa
- IbaMin. Agric 1/4 N.A.I, Swollen Shoot General Correspondence
- IbaMin. Agric 1/5 N.A.I, Swollen Shoot General Correspondence
- IbaMin. Agric 1/338 N.A.I Cocoa Disease
- IbMin. Agric 1/65 N.A.I, Sale and Purchase of Cocoa
- IbMin. Agric 1/302 N.A.I, Statistics of Cocoa Exports and Imports
- CSO 26/34177 N.A.I Colonial Agric Policy
- CSO/03775 Vol IV N.A.I, Annual Report of the Agric Dept 1929-1930

CSO 26/36148/S.10. N.A.I, Prices of Cocoa under the
Control Scheme
CSO 26/36148/S.199A. N.A.I, Cocoa Control Scheme:
Improved labor conditions
CSO 26/36388/S.1 N.A.I, Schemes for Marketing of West
African Cocoa
MN/C1 N.A.I A Note on Land Tenure
OX/D9 N.A.I Western Region Marketing Board: Cocoa Marketing
Scheme 1956/57
PR/B3 N.A.I Agric Policy for the Western Region, Nigeria
PR/B7 N.A.I Future Policy Of the Min of Agric and Natural
Resources
Iba Div 1/1/1740 Vol 3 N.A.I, Cocoa: Purchase of by
Government
Oyo Prof. 1/676 Vols 1 & 2 N.A.I System of Land Tenure in
the Yoruba Provinces

ORAL INTERVIEWS

I collected individual interviews in the following villages:

Akeredolu
Oboto
Igbo-Oja
Uloen
Bamikemo-Oja
Fagbo
Kere
Isoya
Osi-Soko
Araromi-Oke Odo
Esera
Amukegan
Ara
Olorunda
Oosa
Aba Aafa

Aworele

I collected group interviews in the following villages:

Omifon Aladura

Molodo

Aroko

Akeredolu

Asoko Kajola

Oral Informants

The following is a list of principal informants interviewed at different times between December 1989 and November 1991.

<u>Name</u>	<u>Place</u>	<u>Age</u>
Albert Adesanya	Igba	80
Lasisi Iyiola	Akeredolu	50
Akinmade Olarele	Igbo-Oja	74
David Akinyeye	Fagbo	60
Sule Adefisoye	Molodo	42
Aderibigbe Olufowomade	Igbo-Oja	80
Chief J. Giwa	Fagbo	60
Jerome Akinsimidele	Igbo-Oja	60
Alfred Akinyosoye	Igbo-Oja	70
Nimota Olayinka (female)	Akeredolu	65
Adebolu Adesangban	Akeredolu	40
Yaya Adereti	Akeredolu	70
Anthony Akinwande	Fagbo	50
Chief Isaac Adetunlese	Igbo-Oja	45
Raimi Olayade	Molodo	35
Gato Akinmurele	Igbo-Oja	73
Moses Adegboyega	Fagbo	54
Elugboye	Akeredolu	90
Titus	Ago-Gbogi	71

Olonisaye	Isanmore	55
Ogunyemi	Isanmore	53
Ade	Ago Titun	34
James Mark	Iranmunje	47
Chief James Adeyemi	Uloen	68
Robert Akinkuebi	Uloen	38
Samuel Ogunwole	Bamikemo-Oja	44
Jeremiah Akinwale	Akeredolu	84
Chief Legiri	Omifon Aladura	74
J.A. Akinsete	Fagbo	56
J.O. Ogunmakin	Fagbo	67
Oyewole Adeyeye	Fagbo	58
Alhaji Saliu Ajao	Bamikemo-Oja	73
Chief G.O. Akinlosotu	Omifon Aladura	71
Chief Salami Agbaje	Aroko	74
Sumaila Adereti	Akeredolu	69
Ademola Salami	Bamikemo-Oja	34
Jide Olaiya	Akeredolu	41
Chief Adedewe	Akeredolu	74
Chief Ojo Oloro	Igbo-Oja	76
Chief N.D.Akinmurele	Fagbo	86
Ayo Akinwale	Akeredolu	55
Edward Ojo	Ago-Gboro	69
Albert Olowookere	Akeredolu	46
High Chief Ojomo Alapahun	Ago-Gboro	64
Yusuf Omope	Ago-Gboro	67
Baba Ibadan	Ago-Gboro	78
Asimi Ajao	Ago-Gboro	54
Michael Olanrewaju	Kere	65
Rufai Adeleke	Kere	67
Musibau	Kere	62
Alhaji Sunmonu Posolore	Poso	71
Bashiru Alao	Kere	61
Ajibade	Kere	74
J.O.Oyeleke	Kere	63
Salawu Oyewole	Kere	72

Sunmonu Tanimoyo	Kere	68
Ganiyu	Kere	41
Ademola Odunlade	Akeredolu	55
Francis Adeyeye	Akeredolu	73
Karimu Anjorin	Akeredolu	65
Rufus Akinyeluwe	Ayefemi	63
Raphael Akinnowowe	Ayefemi	57
Chief Lijoka Akintoke	Ayefemi	68
Akinola Teniola	Asoko Kajola	81
Lawrence Makinde	Akeredolu	61
J. Kekere Ekun	Akeredolu	69
Olusegun Adedoye	Akeredolu	50

I interviewed the following laborers:

John Adoyi
 Sunday Ntodo
 Moses Ayoh
 David Ejoor Ntodo
 Ajene Usman
 Michael Onoja
 Dele Aboh
 Johnson Oseme
 Julius Azubuike
 Shaibu Adejo
 Matthew Odogeren
 Anthony Onah
 Yellow Nwaduneshe
 Ojukwu Lechi
 Ibrahim
 Augustine Olodu
 Thompson Ohia
 Ugochukwu (female)

Jimoh Ibami
Lucky Odje
Sylvanus

I interviewed the following indigenous exporters:

Fagboyegun Enterprices Owo
Opeke Stores, Ile Oluji

NEWSPAPERS

Concord
Sunday Concord
Daily Times
Daily Sketch
Lagos Weekly Record
Nigerian Herald
New Nigerian
Nigeria Tribune
Sunday Sketch
West African Pilot

OFFICIAL DOCUMENTS

Appraisal Study of Cocoa Rehabilitation in Nigeria, Ministry of Agriculture and Natural Resources Library.
Annual Reports of the Cocoa Development Unit
Annual Reports of the Association of Nigerian Cocoa Exporters.
Annual Reports of the Ministry of Agriculture and Natural Resources.
Central Bank Reports
Coker Commission, Report of the Commission of Inquiry into certain statutory corporations in western Nigeria.
Annual Reports of the Cocoa Research Institute of Nigeria
Annual Reports of the Western Nigeria Development Corporation

Ayoola Commission, Report of the Commission of Inquiry into
the Agbekoya riots of 1968, Ibadan, 1969
Nigeria Gazette
Nigeria Handbook

THESES AND PUBLISHED PAPERS

Adeyeye, S.O., The Western Nigeria Cooperative Movement,
1935-1964, Master's thesis, University of Ibadan

Essang, S.M., The Distribution of Earnings in the Cocoa
Economy of Western Nigeria, Ph.D dissertation, Michigan
State University, 1970

Agiri, B., "Kola in western Nigeria, 1890-1930: A History of
the cultivation of *cola nitida*, in Egba Owode, Ijebu Remo
Iwo and Ota areas" University of Wisconsin, 1972

World Bank, Towards accelerated development in sub-Saharan
Africa, Washington, D.C., 1981

World Bank, Towards sustained development in sub-Saharan
Africa, Washington, D.C, 1984

BOOKS

Ajayi, J.F.A & Smith, R.S., Yoruba Warfare in the
Nineteenth Century, Cambridge, 1964

Akanji, B., NISER Monograph Series Nos 1&2

- Akintoye, S.A., Revolution and Power Politics in
Yorubaland, 1840-1893, Longman, 1971
- Akinyele, I.B., Outlines of Ibadan History, Lagos, 1946
- Aluko, B., Small Scale Industries in Western State of
Nigeria, University of Ife Press, 1972
- Anthony, K., et al. Agricultural change in Tropical Africa,
Ithaca, 1979
- Atanda, J.A., The New Oyo Empire: Indirect Rule and
Change in Western Nigeria, 1894-1934, London, 1973
- Ayandele, E.A., The Missionary Impact on Modern Nigeria,
London, 1966
- Barker, J., The politics of Agriculture in Tropical Africa,
Sage, 1984
- Bassett, T, and Crummey, D., (eds) Land in African agrarian
systems, Madison, 1993
- Bates, Robert., Markets and States in Tropical Africa,
Berkeley, 1981
- Essays on the political economy of rural
Africa, Cambridge, 1983
- Bauer, P., West African Trade, London, 1963
- Beckman, B., Organizing the Farmers: cocoa politics and
national development in Ghana, Uppsala, 1978
- Beer, C.F., The politics of peasant groups in western
Nigeria, Ibadan, 1976
- Berry, S.S., Cocoa, Custom and Socio-Economic Change in
Rural Western Nigeria, Oxford , 1975
- Fathers Work for their Sons, Berkeley, 1985

- Berry, S.S., No Condition is Permanent, Wisconsin, 1993
- Coleman, James., Background to Nigerian Nationalism,
Berkeley, 1960
- Commings, S, et al. Africa's agrarian crisis: the roots of
famine, Boulder, 1986
- Crook, Richard., "Farmers and the State." in Douglas Rimmer,
ed., Rural transformation in tropical Africa, Athens, Ohio,
1988
- Crowder, Michael., West africa Under Colonial Rule,
Hutchinson, 1968
- Dada, S.A., J.K Coker: Father of African Independent
Churches, Ibadan, 1986
- Dunn, John, ed. West African states: Failure and Promise,
Cambridge, 1978
- Eicher, Carl and Liedholm Carl (eds) Growth and Development
of the Nigerian Economy, East Lansing, 1970
- Ekwe-Ekwe, H., Issues in Nigerian Politics since the Fall
of the Second Republic, New York, 1991
- Fadipe, N.A., Sociology of the Yoruba, Ibadan, 1970
- Falola, T and Ihonbere, J., The Rise and Fall of Nigeria's
Second Republic, London, 1985
- Forde, C.D and Scott, R., The Native Economies of Nigeria,
London, 1946
- Forrest, Tom., "Agricultural policies in Nigeria, 1900-
1978." in Heyer, R and Williams, eds., Rural
development in tropical Africa, New York, 1981

- Frank, Andre Gunder., Capitalism and Underdevelopment in
Latin America, New York, 1976
- Galletti, R., Baldwin, K.D., and Dina, I.O., Nigerian Cocoa
Farmers, London, 1956
- Goldfrank, W.L., The World System of Capitalism; Past and
Present, Sage, 1979
- Gutkind and Wallerstein, (eds) The political Economy of
Contemporary Africa, Sage, 1976
- Hart, K., The political economy of West African
agriculture, Cambridge, 1982
- Helleiner, G.K., Peasant Agriculture, Government and
Economic Growth in Nigeria, Homewood
Illinois, 1966
- Heyer, J., Rural Development in Africa, St Martin's Press,
1981
- Hill, P., Migrant Cocoa Farmers of Southern Ghana,
Cambridge, 1963
- Hill, P., The Gold Coast Cocoa Farmer, Oxford, 1965
- Hogendorn, J., Nigerian groundnut exports: Origins and early
development, Zaria, 1978
- Hopkins, A.G., An Economic History of West Africa,
Longman, 1973
- Howard, Rhoda., Colonialism and Underdevelopment in Ghana,
Croom Helm, 1978
- Johnson, S., A History of the Yorubas, Lagos, 1921
- Klein, Martin (ed) Peasants in Africa, Sage, 1980
- Lloyd, P.C., The City of Ibadan, Cambridge, 1967

- Lloyd, P.C., Yoruba Land Law, Ibadan, 1962
- Mabogunje, A.L., Yoruba Towns, Ibadan, 1962
- Mcphee, A., The Economic Revolution in British West
Africa, London, 1926
- Mikell, G., Cocoa and chaos in Ghana, New York, 1989
- Moock, J., Understanding Africa's rural households and
farming systems, Boulder, 1986
- Olatunbosun, D., Nigeria's Neglected Rural Majority, Ibadan,
1975
- Olayide, S.O Economic Survey of Nigeria, Ibadan, 1976
- Onimode, B., Imperialism and Underdevelopment in Nigeria,
Ibadan, 1983
- Onoh.J The Nigerian Oil Economy, New York, 1983
- Olatunbosun, D., (eds) The Marketing Board System in
and Onitiri, Nigeria, Ibadan, 1974
- Olusanya, P.O., et al Migrant farmers of the eastern cocoa
zone of southwestern Nigeria, Ife, 1978
- Palmer, Robin and Parsons, Neil., The Roots of Rural Poverty
in Southern and Central Africa,
Heinemann, 1977
- Panter-Brick, Keith, S, ed, Soldiers and oil: The political
transformation of Nigeria, London, 1978
- Peel, J., Ijeshas and Nigerians, Cambridge, 1983
- Rose, T., Crisis and recovery in sub-Saharan Africa, Paris,
1985
- Szereszewski, R., Structural Changes in the Economy of
Ghana, 1891-1911, London, 1965

- Urquhart, D.H., Cocoa, London, 1955
- Vansina, Jan., Oral Traditions: A Study in Historical
Methodology, london, 1965
- Ward-Price, H.L., Land Tenure in the Yoruba Provinces,
Lagos, 1939
- Watts, Michael, ed, State, oil and agriculture in Nigeria,
Berkeley, 1986
- Webster, J.B., The African Churches Among the Yoruba, 1888-
1922, Oxford, 1964
- Wells, Jerome., Agricultural policy and economic growth in
Nigeria, 1962-68, Ibadan, 1968
- Wills, J., Agriculture and Land Use in Ghana, Oxford
University Press, 1962
- Williams, Gavin., Nigeria: Economy and Society, Rex Collins,
1976
- Wood, G.A., Cocoa, Longman, 1975

ARTICLES

- Ajayi, J,F.A., and Austen, R.A., 'Hopkins on Economic
Imperialism in West Africa',
Economic History Review, 25, 2, May 1972
- Akintoye, S.A., 'The Economic Background of the
Ekitiparapo', *Odu* 4,2, Jan. 1968
- "The Ondo Road Eastwards of Lagos c1870-1895".
Journal of African History 10,4, 1969

Awe, B., "The Ajele System: A study of Ibadan Imperialism in the Nineteenth Century" Journal of the Historical Society of Nigeria, 3, 1 Dec. 1964

"The End of An Experiment: The Collapse of the Ibadan Empire, 1877-1893" Journal of the Historical Society of Nigeria 3,2, Dec 1965

Berry, S.S., "Christianity and the Rise of Cocoa Growing in Ibadan and Ondo" Journal of the Historical Society of Nigeria, 4,3 Dec. 1968

Hopkins, A.G., "Economic Imperialism in West Africa: Lagos, 1880-1892" Economic History Review, 21,3, Dec 1968

Law, R.C "The Chronology of Yoruba Wars of the Early nineteenth Century," Journal of the Historical Society of Nigeria, 2, 2, 1970

Lloyd, P.C., "Some Problems of Tenancy in Yoruba Land Tenure" African Studies, 12, 3, Sept. 1953

Myint, Hlya., "The Classical Theory of International Trade and the Underdeveloped Countries" Economic Journal, 68, 270, June 1958

Nworah, K.D., "The West African Operations of the British Cotton Growing Association, 1904-1914" African Historical Studies, 4,2, 1971

Osuntokun, J., "Oil and Nigerian Development" Development Outlook, 1, no.3, 1986

Webster, J.B., "Agege Plantations and the African Church" Nigerian Institute of Social and Economic Research Conference Proceedings, March, 1962

Webster, J.B., "The Bible and the Plough" Journal of the
Historical Society of Nigeria 11,4, Dec. 1963

MICHIGAN STATE UNIV. LIBRARIES



31293018345672