

LAFIA FOOD ECONOMY AND THE EMERGENCE OF MULTINATIONAL CORPORATIONS: A THEMATIC DISCOURSE

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Abstract

Lafia area is naturally endowed with abundant natural resources – suitable environment and arable land that supports every kind of agricultural activity and crops production. The area is also well watered and falls within the Guinea Savanna vegetational zone of Nigeria. It is largely because of this natural endowment and the people who are largely farmers, that the area came to be regarded as agricultural hub of the present Nasarawa State. Lafia is a place to fall back on even during famine and drought because of ceaseless supply of agricultural products in the area. This in fact, led to the emergence of multinational corporations like United African Company UAC and the sitting of a Multimillion Naira Lafia Agricultural Development Project LADP in the 1940s and 1970s respectively. It is interesting to note that, the UAC operates in the area just for the purpose of purchasing and encouraging the production of cash crops while the LADP went into food and crops production, agricultural extension program, improved seed production and teaching local farmers on improve agricultural production techniques. The study employs both primary and secondary sources of data collection and adopts qualitative and quantitative methods of historical research in its analysis.

Keywords: Multinational, Agent, Corporation, Agriculture, Development

Introduction

Lafia is abundantly blessed with fertile soil, lush vegetation and suitable weather good in the areas of food and cash crops production right from the earliest time. The area is also blessed with highly experienced and skilled farmers. The soil supports all types of crops and the yield is always high compared to other neighbouring areas around.

The Sudano-Sahelian droughts coupled with other natural factors as well as seasonal migration of peoples from the far north to Lafia greatly helped in increasing the population of people who later found sanctuary or rather, added to the population of farmers in the area. The railway line constructed in the 1928 always served as a catalyst for the influx of people into the area.¹

The influx of other people into Lafia area had tremendously helped in boosting agricultural activities of Lafia. The indigenous people like the Kanuri, Alago, Eggon, Ake and Gwandara played a pivotal role towards making Lafia the “food basket” of Nigeria. This can be seen when, during famine or drought Lafia used to be a place to fall back on.² This food production efforts of Lafia area was witnessed by the country which necessitated the sitting of multimillion naira Lafia Agricultural Development Project (LADP) in the area which later changed to Plateau Agricultural Development Programme (PADP) so as to provide services to all part of the State. When Nasarawa State was created in 1995, the name of the agricultural development programme was also changed to Nasarawa

Agricultural Development Programme (NADP) to reflect the name of the new state. Earlier, the food production activities in Lafia attracted United African Company (UAC) to open its branch in the area ostensibly for the purchase of cash crop agricultural products of the area.³

Colonialism and Multi-National Corporations in Lafia

In order to penetrate, entrench and perpetuate their colonial interest over the people of Lafia area, the colonial authority erected infrastructures such as railways and roads for easy conveyance of cash crops and other commodities to the sea ports for onward transportation abroad for their industrial development.⁴ Thus, because of the nature and structure of colonial rule and policies in Africa and other places, some African scholars, writing on dependency paradigm and underdevelopment strongly argued that colonialism is a crime against humanity⁵

With the formal conquest of the area, the colonial authority did not hesitate to impose its rule and execute their economic policies by promoting cash crops production and later export same under the dictate of Northern Nigeria Marketing Boards with an active role played by the local buying agents or the middlemen in facilitating and encouraging trade relations on these commodities.⁶ In other words, trade in cash, later export crops between the people of Lafia area and their foreign counterparts during the colonial era was purely controlled by the Marketing Boards with permits from the expatriate firms.⁷

It is gratifying to note that, cash crop trade in the colonial Africa was carried out on the basis of unequal exchange relationship. For instance, Britain controlled between 50% to 80% of all exports and imports commodities, while Germany and other Western Countries controlled the remaining percentages while the local farmers and traders were left in the lurch. In all these countries the traders were private imperialist trading companies led by such avaricious groups as the Royal Niger Company, the fore-runner of the United African Company (U.A.C), John Holt and Lever Brothers.⁸

This presupposes that, trade relations between the people of Lafia area and their European counterparts in export crops as elsewhere in Nigeria and Africa has been to the advantage of the European firms. The peasant farmers had no capital of their own. They existed from one crop to another, depending on harvests and good prices determined by the European firms or their agents. Any bad harvest or fall in prices caused the peasant to borrow in order to find money to pay taxes and buy certain necessities.⁹ In addition, the unequal trade relations emanated from the activities of the African middlemen, the Lebanese and the local buying agents. The peasant farmers were subjected to mortgaging their future crops to money lenders in the middleman category. Non-payment of these loans could lead to confiscation of their land by the middlemen or the money lenders.¹⁰ Thus, this trade relation has actually impoverished the peasants, although in some instances the peasants were free to produce their crops independent of European control.

For example, when the people of Lafia area were conquered and subjected to colonial economic policies they were totally denied the right to continue with their hitherto trade relations. However, the imposition of colonial economy in the area had changed the nature and structure of their pre-colonial system of trade. In line with the indirect rule policy, the people were introduced and encouraged to produce specific cash crops which were later exported. Crops such as cotton, groundnuts, Beni-seed, palm oil, Shea butter nuts, were needed by the British expatriate firms.¹¹

Suffice it to say that, the internationalization of the peoples' economy meant that, certain class of people must have emerged. The emergence and rise of middle men as earlier mentioned in the aspect of cash crop trade was instrumental to the activities of British government and the Multi-national Corporations (MNCs) in transacting trade with the people. Under such circumstances, the people of

Lafia area had to engage in cash crop production up to the period these crops became export crops that were transported abroad under the dictate of the Marketing

Boards.¹²this development continued unabated until the attainment of independence in 1960.¹³

At independence and beyond, agriculture was and still the major economic base of Nigeria despite the discovery of oil in the late 1956.¹⁴ With the subsequent economic transformation, agricultural sector became second only to petroleum as the major source of Nigeria's domestic and foreign income. Record shows that, by 1975 oil had made up 95% of export of Nigeria's income; and between 1970 and 1980, Nigeria's annual earnings rose from 1 billion to 2 billion dollars.¹⁵

Still at independence and beyond, the people of Lafia area continued to trade on cash crops with its neighbouring towns and other parts of the country without restriction.¹⁶this trend continued as people engaged in mass production and trade on both food and cash crops up to the period of military intervention from 1966 to 1979. Though with the military intervention, came series of agricultural programmes initiated by successive governments and the establishment of World Bank Agricultural Projects in some parts of the country.¹⁷

The emergence of World Bank Assisted Projects and the establishment of Agricultural Development Programmes such as Operation Feed the Nation (OFN) and The Green Revolution, were important land mark in agricultural revolution in Nigeria. These programmes had contributed to mass agricultural production and trade in cash crops in Lafia area.

Lafia Food Production in Historical Perspectives

Food/cash crop production happens to be the main pre-occupation of Lafia people right from time immemorial. These activities – food production endures up to the present time which earns the area – Lafia, the reputation of “food basket” of Nasarawa State and arguably, the country as a whole. Lafia is known for the cultivation of root and tubers, cereals and other crops such as groundnut, cashew nut, legumes as well as vegetables.

It is interesting to note that, every village in Lafia specializes in the cultivation of a particular food crop(s). For example, while Uga and Assakio specialize in rice production, places like Adogi, Ashangwa, Akurba and Agyaragu specialize in yam cultivation. Similarly, places like Madagwa, Igibi, Ambana and parts of Barkin Abdullahi specialize in vegetables production. In the like manner, Aridi, Barkin Abdullahi, Bakin Rijiya, Adogi, Kurikyo, Ambana and Igibi as well as Angbaku and Ashakpe specialize in cassava production.¹⁸

The above places as well as several others like Tudun wada and Andre are skillful farmers of different commodities. The areas adumbrated above, had produced tones of cereals and tubers of yam and cassava for quite a long time. During the period of Great Depression in the early 1930s, Lafia food economy was actually affected so much so that the Native Authority had to set the general parameters that would inform the strategy for the revitalization of African agriculture. Thus, through the department of agriculture, the colonial state came to occupy a more central role in directing agriculture than it was hitherto.¹⁹

Predictably, local farming households of Lafia area spontaneously responded to these initiatives by increasing their level of productivity, especially of the so-called food crops. Consequently, food crop production received a boost during the period of Great depression in the area. This was because, cash crops production affected food crop production in certain areas negatively by resulting in food shortages in most of the northern states, and it also affected Lafia to certain extent. But its production momentarily got a boost later. This was because, people from certain parts of the country used to come down to Lafia markets for the purchase of their food stuff during the period under review.

Middlemen and Cash Crop Trade in Lafia Area

The transition from subsistence to cash crop economy and later export commodities were accompanied by the emergence of local middlemen who participated actively in the appropriation of cash crops like cotton, groundnuts, palm kernel, Beni-seed, soya beans in Lafia area to the advantage of the colonial state. The middlemen were said to have emerged in Lafia area when cash crops became export crops. The interference of foreign firms in alliance with Northern Nigerian Marketing Boards contributed to the emergence of the middlemen in Lafia area. Their source of wealth of these traders has not been properly documented. However, an informant²⁰ observed that, most of their wealth was inherited from the extended family treasure as their parents were traders for a very long time. The informant further observed that, the people of the area engaged in trade with other parts of the country and their immediate neighbours of Benue and Plateau regions.

For instance, among the people of Lafia emirate, there were traders who purchased goods from Hausa traders in exchange of other commodities who were members of the Abubakar Lakache family. It is not surprising therefore; that, the middlemen were familiar with trade systems before the formal British colonial administration in the area. In a related development, some of the middlemen also belonged to the ruling aristocrats in the area particularly Lafia Emirate. This does not mean that there were no other class of unprivileged individuals that became middlemen. Even the Igbo people that were wealthy also had buying license to purchase goods from the farmers.²¹ That was the nature and structure of the wealth and origin of the middlemen.

Perhaps one can argue that, the failure of the British to protect the local farmers in Lafia area stems precisely from the fact that the British colonial power controlling the economic sector of the area failed to resolve the disequilibrium existing between the standard of living of the colonized people and that of the British people. They, on the contrary, exacerbated this disequilibrium by the systematic exploitation of goods and raw materials. As such the middle men became key players in cash crop production and trade in the colonial Lafia societies. The colonial authorities heavily relied on the middlemen in actualizing their economic dreams. Apart from oppressing the peasant farmers, the middlemen also facilitated and encouraged the Multi-national corporations in transacting trade with their African counterparts.

This had far reaching implications on the economic development of Lafia area. Some informants observed that, the productive groups at this time were the peasant farmers who specialized in the production of crops like yams, groundnuts, cotton, sesame, millet, guinea-corn and maize. At times, the peasant farmers cannot directly transact trade with the European firms or companies; rather, they had to rely on the indigenous middlemen to sell out their products.²² This is because the middlemen enjoyed some advantages and favours from the elites of the society. As a matter of fact, the middlemen remained vital or crucial in determining the fate of the farmers as well as the firms recognized and permitted to purchase produce in Lafia area.

However, one basic problem associated with the activities of the middlemen was that, their transactions with the peasant farmers were always characterized by high level of impropriety. The language of purchasing these items from the peasant farmers were not comprehensive to the extent that a farmer was always at a lost. The middlemen under-priced these commodities under the dictates of the European merchants who wanted to beat the price so as to gain higher profits.

In view of this, the nature and structure of the colonial exchange or external trade in West Africa, Nigeria and Lafia in particular was such that the expatriate firms could not do without the services and cooperation of the African middlemen. The middlemen, who were of various categories, performed two broad functions. First, they sought out export produce from the remote hamlets of production and made available for the European trading depots which were usually to be found only in areas accessible to modern transport.²³

At this time, under the traditional periodic market cycle, the middlemen had to travel from one rural market to another scouting for produce. Records have shown that, these middlemen pioneered trade in areas too remote and unsafe for European traders to venture into. Through these ways, the indigenous traders played a key role in extending the frontier of Nigeria – European trade.²⁴

Secondly, the middlemen also contributed significantly to the distribution of imports to the remotest hamlets and this considerably stimulated the export production drive of the people. Peasant farmers lacked the means to buy imported goods in sizeable quantities; they rather purchased these in small quantities; they bought matches in stitches, cigarettes also in sticks and bar soap in tiny fraction of the bar.

The rural middlemen, therefore, had to break bulk imports they bought from the European firms into such tiny bits that were within the purchasing power of the peasants.²⁵ It is pertinent to stress that, the colonial Lafia society had witnessed a remarkable development associated with the activities of the middlemen. The British firms in the area, particularly the United African Company (U.A.C) had made a significant impact in association with the Head of Farmers (*Sarkin Noma*) and other local tycoons in transacting their businesses.²⁶

An informant²⁷ pointed that, the British Cotton Growing Association (BCGA) in conjunction with the *Sarkin Noma* encouraged the local farmers to produce cotton which were transported using the rail line from Kano, Zaria and finally to Port Harcourt for onward shipment to Europe. He further observed that, the local middlemen had their heydays, because the cotton was measured in scale and must meet the quantity and quality of the company's expectation. Thus, these middlemen took the advantage of the situation by lowering the price when purchasing and selling at exorbitant price while presenting the items to the companies. The middlemen were popularly known as the Local Business Men (LBM) at that time.²⁸

World Bank Agricultural Assisted Project in Lafia

Given the productive nature of Lafia farmers and Agricultural sustainability of the area, the Military Government of General Olusegun Obasanjo saw the need and thought it fit to site the Multi-Million Naira Lafia Agricultural Development Project (LADP) in 1978; a World Bank assisted project. This is in addition to the already existed United African Company (UAC) which once operated and served as exploitative barrier between the farmers and government. United African Company was particularly concerned with cash crops but they also patronized food crops.²⁹

The Lafia Agricultural Development project, later expanded to cover the whole state was changed to Plateau Agricultural Development Programme in 1985, it is presently Nasarawa Agricultural Development Programme; it helped in no small measure towards boosting agricultural production in the area. The project had started in 1977 and endured up to the present time.³⁰ It helped in providing extension and communication services to the local farmers. This is apart from procuring fertilizer and other agricultural inputs to the farmers which had tremendously helped in boosting food crops production in Lafia area right from its inception.

Consequently, Lafia Area maintains and sustains its resilience in food crops production hence, the sobriquet of "food basket of a sort". Therefore, Lafia markets –found in places like Assakio, Doma, Agyaragu, Kadarko, Ashangwa among others are places where large volumes of foodstuff are being transported to other parts of Nigeria and beyond.

Land Use Decree (Act)

It must however be stressed, that, despite the sustained effort towards food production by the Lafia farmers in the face of deepening food crisis, the Nigerian state had between 1975 and 1980 embarked on a long term measures as part of deliberate efforts to introduce a new agricultural policy by which

the state sought to achieve increased food production to combat food shortages being experienced in some part the country. This was done through the promulgation of Land Use Decree of 1978 (now Land Use Act) which did replace the hitherto traditional land tenure system.³¹

The military government through the instrumentality of the Land Use Decree vigorously prepared grounds for a new agricultural policy which helped in great deal towards a renewed agricultural production in the area. The new large-scale farmers that emerged helped greatly in the production of agricultural commodities in the area. Although some of them concentrated on the horticultural practice largely on the production of fruits like oranges and mangoes in the area. Farmers like Na'taala Farms and Sabo Farms readily emerged as large-scale farmers in the area.

Consequently, the food being supplied, got extension services being provided by LADP/PADP now NADP and helped in no small measures towards an increased food production in post – colonial period in the area. The two multi-national corporations that got attracted and came to Lafia operated in the area seamlessly and as a result helped in transporting the items being produced in the area to other parts of the country; and by extension to Europe – in this case United African Company (U.A.C).³²

The farmers did not enjoy much benefits from their farming activities except that they were forced to use the money their farm input generated to pay their poll tax and survived on the rest of their produce for the remaining period of the cropping season.

Challenges and Continuity

The farmers depended largely on rainfall for their cultivation. The science of irrigation was not introduced. There was no any deliberate effort to practice irrigation. The agricultural practice had been the one being in existence for centuries. The only new things that were introduced were farm implements and pesticides meant to improve production to meet the greater needs of the colonial authority.

Meanwhile, the whole colonial agricultural structure was not without some challenges. The first of this challenge is the transition from the crude, rudimentary subsistent agriculture to cash/export crops production. The second was the manner of transaction between local producers and the local Buying Agents who exploited the farmers using colonial structure. There was also the problem of access road, since most of the produce was in the rural areas and getting easy access to them was a herculean task. Finally, there is the question of measurement where local farmers were being cheated by the rapacious middlemen who cheats both the farmers and the multinational companies. Despite the challenges, transactions between the local farmer and the agents continued even after independence in 1960.

Conclusion

Finally, despite all odds it was realized that the development of food/cash crop economy and trade has made a remarkable impact on the socio-economic and political development of Lafia area. Indeed, stakeholders such as the farmers, traders, government agencies and International Organizations has risen up to address the persistent crises associated with cash crop production and trade, not only in Lafia area but in the whole country where it is experiencing its dwindling fortunes as a result of several factors related to changes in the environment, security challenges and others. The production of both food and cash crop have suffered serious neglect especially with the rise in crude oil production. During colonialism apart from incentives to farmers who produces cash crop a subtle way was devised through tax that almost compelled not just the farmers but even the people to source for money to settle their taxes and money can only be accessed through sales of cash crops or sales of labour.

However, despite the challenges, the LADP is still forging ahead to deliver on its mandate by providing not just services to farmers within the general area but has embarked on a massive scale

agricultural production serving as pilot programmes to demonstrate to farmers new and improved agricultural techniques of food and cash crops production.

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