

# AMERICAN LEADERSHIP SEMINARS

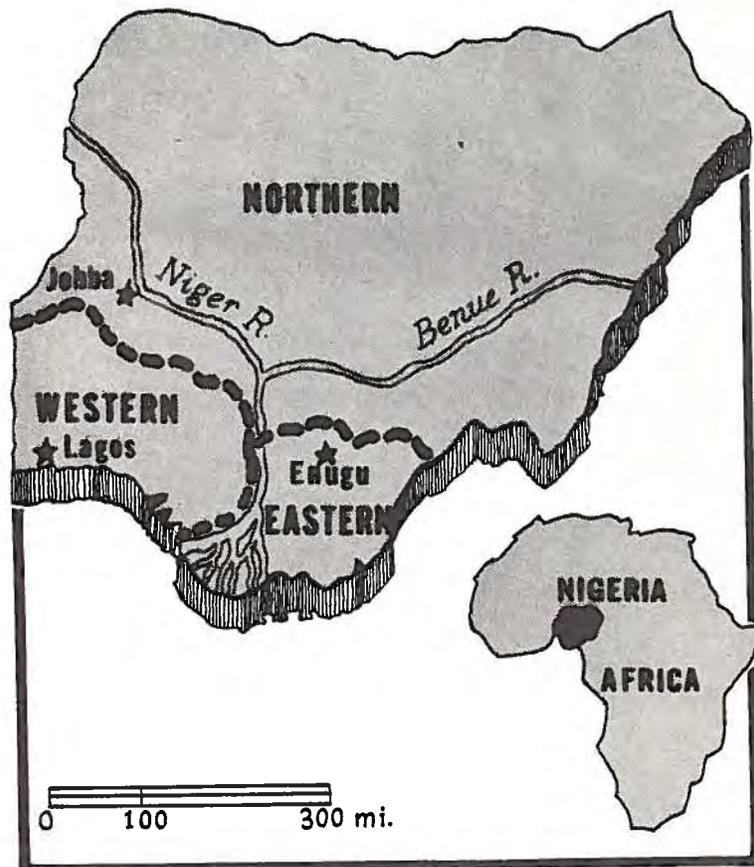


Seminar Number One

THE UNITED STATES  
AND  
THE DEVELOPING NATIONS

Background Folio II

# NIGERIA



## NIGERIA--A CASE STUDY IN ECONOMIC DEVELOPMENT

### I. The Stakes

In December 1961, the U.S. announced a long-term commitment of \$225 million to support Nigeria's economic development program. To most Americans the announcement was just another routine decision to provide foreign aid to another foreign country. It was, however, more than that. It was the largest single aid pledge ever made by the U.S. to a new African nation.

Why to Nigeria? some will ask. The reasons are not particularly difficult to fathom. Not only are Nigeria's economic prospects more promising than those of almost any other underdeveloped country in Africa, but within Africa Nigeria is inescapably important. Its 356,000 square miles make it one of the largest countries on the continent. Its more than 36 million people make it by far Africa's most populous nation.

There are also political factors. Internally, Nigeria is embarked upon an experiment in federal, representative and largely democratic government that makes it the exception rather than the rule in a continent where the great majority of new nations are more or less one-party authoritarian states. Nigeria has a bill of rights entrenched in its constitution and an independent judiciary. It has one of the few independent trade union movements and free presses on the continent. Externally, Nigeria is the strongest member of the "Monrovia" bloc, a group of African nations more friendly to the West than the "Casablanca" bloc.

Thus, even apart from its sizable financial commitment, the U.S. has good reasons to be interested in the future of Nigeria. If it can shake off the shackles of backwardness and advance in an orderly, democratic fashion, it would set a significant example for all of underdeveloped Africa. However, the "if" is, as we shall see, a big one. For Nigeria's future depends in large measure on what happens to its six-year development plan.

The plan is officially titled, Federation of Nigeria, National Development Plan, 1962-1968. It is the first of a series of coordinated efforts which Nigerians hope will bring their nation to the threshold of modernity in a period of some 25 years. What are the prospects for this all-important first plan? How realistic are its goals? What are the obstacles Nigeria must overcome and the problems it must solve if the goals are to be achieved? These are some of the questions we shall consider in this case study of the process of economic development in Nigeria.

## II. Nigeria--Basic Background

Before 1900 Nigeria did not even exist. In that year the British began to create it out of various pieces of territory which had fallen into their hands during the struggle for empire in Africa. Had it not been for the fact that these were adjacent pieces, the three main regions of present-day Nigeria might just as well have emerged as entirely separate states.

Given these circumstances of birth, it is not surprising that diversity should be Nigeria's distinguishing characteristic. At least

300 tribes have been identified within the country, most of them speaking their own distinctive language. They vary in size from a mere 700 people to over 5 million. The largest tribe is the Hausa, followed by the Ibo, Yoruba and Fulani.

Geography is still another factor contributing to the country's diversity. Nigeria is divided into three major wedges by the Niger ("Black") river and its principal tributary, the Benue (see map). Both rivers are unnavigable part of the year, either because of seasonal changes in water level or shifting sand bars. Thus they provide a barrier rather than a link among North, East and West, the country's three main regions.

The Northern Region is the largest of the three. It covers more than 75 percent of the nation's territory and contains about half of its population. It is an undulating plateau which levels off into low thorn-bush in the north, where it begins to merge with the sands of the Sahara. This is romantic, backward Nigeria, the region of ancient walled cities, of camels and emirs. It is dominated by the Hausa-Fulani tribes, with a Hausa language and culture and a Fulani aristocracy of emirs. The Hausa-Fulani number around 8.5 million; the remaining 10 million inhabitants of the region belong to a large number of tribes.

The Eastern Region, separated from the rest of the country by the Niger river and a middle belt of open woodland and grass savannah, is the home of the Ibo. They total 5 million out of a regional population of 9 million. The Ibo are less a unified tribe or social group than a language or cultural group. They dominate the Eastern Region by numbers rather than by their unity.

Finally there is the Western Region, which occupies much of Nigeria's south Atlantic coastline. The most important tribe is the Yoruba, who number 5 million out of a regional population of 7 million. This is the most urban and advanced of Nigeria's three regions. In many respects it is the richest. Lagos, the Nigerian federal capital, and the country's largest port, is predominantly a Yoruba city.

To geography, add still one more divisive factor in Nigerian life: religion. About 44 percent of the country's population is Muslim, most of it concentrated in the north. Christians make up 22 percent of the population and are to be found principally in the Eastern and Western regions. The remainder of the population is pagan and is distributed through all three regions.

#### In Search of Nationhood

Nigeria became fully independent on October 1, 1960--after 60 years of British colonial administration. During the last ten years of this period, the British turned over increasing political responsibility to the Nigerians. National leaders received valuable experience as ministers in regional and national parliaments. In the lower echelons of administration, native technicians and other personnel served in various parts of the country, developing a Nigeria-wide outlook.

In 1953 Nigeria's political leaders and British colonial authorities drafted the constitution which was to see the country over the threshold of independence. The next year it came into effect; and although it has since been amended, its basic provisions still stand.

As might be expected in a country created by administrative fiat,

and where each main region fears domination by the other, the Nigerian constitution provides for a federal-regional system. Federal power is vested in a prime minister and his council of ministers, a two-chamber parliament and, to a marginal degree, the governor-general. (Nigeria is a member of the British Commonwealth, owing allegiance, technically, to the Queen of England. There is currently, however, considerable debate over the question of making it a republic, which, presumably, would still retain its membership in the Commonwealth.) Each of the three main regions of Nigeria has a parliamentary system similar to the federal system, with a premier and a cabinet.

The powers of the federal and regional governments are carefully prescribed and distributed. The constitution delegates authority on certain matters exclusively to the federal government (in a way reminiscent of the U.S. Constitution). These include, among others, foreign relations, defense, public debt, customs, the affairs of Lagos, and, with some qualifications, the police. The federal and the regional governments concurrently exercise power over such matters as labor, public safety and public order, water power and industrial development.

Other powers, such as local taxation and regional development, are exclusively reserved to the regional and local governments. Describing the way this carefully worked-out system operates, one prominent Nigerian lawyer, Chief H. O. Davies, has said: "The federal government has...made legislation by consultation, and consent is the cornerstone of its policies. Views of the regional governments are consulted almost as a rule before any federal law is made, and from time to time in the course of administration."

### Economic Facts of Life

Nigeria has the dubious distinction of belonging to the poorest 20 percent of the 100 most underdeveloped nations. The Nigerian farmer has a per capita income of little more than \$80 a year. He produces skimpy crops with inefficient methods which rank him--in productivity--among the bottom third of the world's farmers. He probably suffers from one of the many debilitating tropical diseases rampant in Nigeria and is, most likely, undernourished.

Yet the Nigerian farmer is the mainstay of his country's economy. Farming is the principal occupation of 80 percent of the adults, most of whom work small family plots or (in the north) raise livestock. The country is virtually self-sufficient in food, and each of its three regions produces a major export crop: the North, peanuts; the West, cocoa; the East, palm oil products.

Minerals provide a modest supplement to Nigeria's agricultural resources, accounting presently for less than 2 percent of the GNP. Tin has been mined and exported for 50 years. Columbite, a by-product of tin mining, used in heat-resistant steel, is also plentifully found in Nigeria. However, both tin and columbite have been in oversupply in world markets in recent years.

Nigeria has some iron ore and enough coal for its needs. Coal is, however, being displaced by newly discovered oil, which promises to be the country's most valuable mineral resource. Exploitation is already sufficient to cover all internal needs and permit some exports. These are small, since Nigerian oil is costly to export and refine.

### Industry

One indication of the current level of Nigerian industry is the fact that more people are employed in government and government services than in manufacturing establishments with ten or more employees. Until recently Nigeria's only industry consisted of small processing plants which produced such goods as soap, textiles, shoes and canned food. As late as mid-1961, Nigerian industry contributed only 5 percent of the national income (compared to 3 percent in the early 1950's).

Largely with the aid of foreign private capital (\$70 million annually--over \$10 million of it, U.S. capital), however, industry is being diversified and steps are being taken toward the introduction of heavy industry.

To attract foreign capital, the Nigerian governments, federal and regional, have tried to create an attractive investment climate. "Pioneer" industries are entitled to receive a five-year tax holiday. Stockholder dividends are exempt from taxation during the relief period, and there are other forms of tax, tariff and customs abatement.

### Transport

Although primitive transport, particularly in the North, poses obstacles to the development of commerce and export trade, recent years have seen substantial improvements in Nigeria's road and railway system. The British provided millions of dollars in loans between 1946 and 1959 for highway and railroad development. And in 1958, a \$20 million World Bank loan launched a railway expansion program to be completed this year.

## Trade

Since 1939 Nigeria's exports have increased tenfold, reaching \$450 million in 1960. The postwar boom in world trade was especially beneficial--prices of Nigerian exports rose faster than import prices. The boom continued through the Korean war, but after the cocoa "boom" of 1954, the picture changed. Since then, Nigerian imports have always exceeded exports. In 1960, the cost of imports had risen to over \$600 million, leaving a deficit of more than \$140 million in the balance of payments.

These chronic deficits bespeak Nigeria's need for restraint on consumption and for capital as it enters a period of hoped-for economic growth and expansion. In time, growth in internal production and increased exports should bring its foreign trade into balance. But for the present, Nigeria is suffering the acute "growing pains" which afflict every underdeveloped country struggling to modernize itself.

### III. Planning for the Future

Next to the constitution, the most cherished state paper in Nigeria is the National Development Plan, the largest program of its kind ever to come off the drawing boards in independent Africa. In point of fact, it is really four plans in one, for it integrates the development programs of the federal government and the three regions into a single, comprehensive document. The plan delineates objectives, attempts to quantify economic targets and sets economic priorities for the six-year period, 1962-68.

### The Cost

Government development expenditure over the life of the plan is expected to total \$1.9 billion, with the federal government disbursing 60 percent of this amount and the regions the remainder. It is hoped to raise half the total from internal sources (taxation, etc.) and the rest from foreign sources. The plan also counts upon attracting an additional \$1 billion in private foreign investment. Thus, to get the program under way, if investment targets are to be met, will require around \$2 billion in foreign capital.

### Growth Goals

Broadly speaking, the plan aims at an annual GNP growth rate of 4 percent, the rate at which it has been increasing in recent years. It also calls for consumption to increase by 3 percent per year, or by 1 percent per capita, allowing for a 2 percent rise in population. Gross investment would continue at around 15 percent, a rate that has been achieved in recent years.

### Priorities

We get a broad picture of what the development program hopes to accomplish by looking at some of the investment priorities in the federal plan. Thirteen percent of its funds are to be spent directly on agriculture, which will also benefit indirectly from investment in power and transport. The amount may seem surprisingly small for a country where agriculture plays such a major role, but Nigerian farming is not yet ready for massive investment. It requires instead, in the view of experts, well-distributed capital, combined with a great deal of intelligently

organized human effort. Farmers, who still use the hoe and the machete as their principal tools, need better seed, stock and methods to achieve increased yields. The plan hopes to satisfy these needs by investing in more adequate extension services and more productive types of farm operation. These do not require large amounts of capital.

In trade and industry, the most important single project in the federal plan is an \$84 million iron and steel "complex." The mill is expected to have a capacity of 125,000 to 250,000 tons and to be in operation by 1966. It will be financed jointly by the federal and regional governments, with some private capital. Other projects call for setting up industrial research centers to attract private investment, establishing a development bank to help funnel public funds into the private sector and creating advisory services to assist Nigerian entrepreneurs seeking to start small industrial undertakings.

The most expensive item in the plan--and its cornerstone--is a dam on the Niger river, 65 miles above Jebba at Kainji. Costing close to \$200 million, it will generate hydroelectric power and will have important secondary benefits involving improvement of river navigation, irrigation and flood control. The dam is planned as the first stage of a national power grid. Two other dams are contemplated in the more distant future; and when they are all installed, it is estimated they will produce more electricity than any similar installation in Western Europe.

In the field of transport, the federal government has set aside close to \$300 million for investment. One third of this amount will be used to improve existing roads and bridges and to construct a second bridge linking Lagos to the mainland. There are also port and railroad

development projects, including the laying of new tracks, modernizing existing installations and acquiring new rolling stock. In communications, expenditures will go to improve telephone and telegraph services. Over 50,000 new telephone exchange lines will be installed to permit the use of over 100,000 additional instruments.

Education and health are listed in the plan under "social overhead." This is because the benefits to the country from expenditures in these fields are felt in every aspect of national life. In Nigeria, the shape of education depends in the main upon regional decisions. The federal government pays for education in Lagos, provides certain funds for the universities and is setting aside money for grants to primary and secondary education in the regions. Nevertheless, it is the regional governments that have to face up to the dilemmas posed by demands that are too great for the available resources. Similar dilemmas face Nigeria's planners in the field of health. At present there is one doctor for every 32,000 Nigerians. By 1968 it is hoped that the ratio will decrease to one doctor for every 10,000 persons. But, as we shall see later, in education and health the choices facing Nigeria's administrators are cruel ones.

#### IV. The Best-Laid Plans

In its published form the National Development Plan is a handsome volume containing hundreds of pages. As plans go--on paper--it is an impressive document, doubtless reflecting the fact that American, British, Indian and Israeli economists helped draw it up, and that Nigeria had considerable experience in planning under the British. Most

noteworthy perhaps is its exclusive emphasis upon laying the foundations of long-term growth. No funds are to be expended upon useless "show-piece" projects aimed at bolstering national pride. The plan attempts to be ruthlessly realistic in its projections. It assumes, for example, that the prices of Nigerian exports will fall by 20 percent in the period 1962-63, but that import prices will remain stable. Its projections of investment and of anticipated growth in the country's GNP are consistent with the country's experience in recent years. These are some of the reasons why, as one expert puts it, the Nigerian National Plan is "the equal, and in its scope and conceptualization probably ahead, of any other on the continent."

But there is much more to development than drawing up a good plan on paper. As experts see it, a wide variety of factors will bear upon the prospects of Nigeria's six-year plan. On the favorable side, these include the following:

- 1) In the capacity to absorb and utilize productively significant amounts of capital, including external aid and private investment, Nigeria ranks high on the African scene. It has--next to the Republic of South Africa--the largest economy on the African continent. Its GNP was \$3 billion in 1961.

- 2) Thanks to its regional diversity, Nigeria has, as we have already noted, three major export crops: cocoa, peanuts and palm products. Its economy is therefore better protected against the vicissitudes of weather and the price fluctuations of world markets than the one-crop economies of most underdeveloped nations.

- 3) Relatively speaking, Nigeria has one of the better transportation

grids in tropical Africa, and its road and rail systems are being developed. The country's power resources are adequate and expanding; the construction industry is growing.

4) Nigeria has one of the largest private industrial sectors in Africa, perhaps the largest outside the Republic of South Africa. There are a large number of Nigerian entrepreneurs in transportation, commerce and trade. They are also beginning to enter small industrial undertakings on an increasing scale. A leading American industrial engineering firm that surveyed private investment opportunities in Nigeria recently listed 100 types of industry which it felt might be profitably established in the country.

5) Nigeria inherited from the British, and has maintained, relatively good public services and public administration. Law and order are well established in the country, which is noticeably free of banditry and unrest. The Nigerian police system is regarded as efficient.

6) Nigerians work hard and respond to economic incentives. No cultural or religious taboos create a climate hostile to business enterprise. The country's major political parties and its leaders are deeply committed to the goal of economic development and improved living standards.

7) Nigerians are education-hungry. The country is determined to educate its people in order to increase their contribution to the development of the economy and to raise living standards. In the Eastern and Western regions over 40 percent of the annual budgets is being spent on education.

### Unfavorable Factors

As might be expected, some of the features of Nigerian life are unfavorable to the process of economic development. Among the most important of these are the following:

1) Religious, tribal and, as we shall see later, political differences tend to disunite Nigeria, thereby complicating the task of development.

2) Corruption or "dash," as it is called, is widespread in government and in every other area of life. Apart from its corroding impact on morality, it makes for economic waste and can seriously interfere with the efficient allocation of resources.

3) Nigerianization--the ousting of foreigners, in particular the British, from their jobs and their replacement by Nigerians--is occurring at too fast a pace, in the view of some experts. The result is that Nigerians are taking over in many areas of government and business before they are qualified.

4) Vestiges of anticolonialist feeling at times lead the government to make decisions detrimental to economic progress. For example, before Britain was refused entry into the Common Market by the French, Nigeria had decided against joining as an associate member, despite the economic advantages membership would have offered.

5) Communication is a major problem in Nigeria. Although millions speak Hausa, Ibo and Yoruba, no one of these languages is acceptable to all three regions nor to the many minority groups who cannot speak any of them. To bypass the problem of tribal rivalry, English was chosen as the lingua franca. However, it is a foreign tongue for the great majority. And the need to teach it slows down the educational process at every level.

Nigerian schools not only must educate a largely illiterate nation but make English the national language.

### Pressures of Growth

Which weigh heavier in the balance--the favorable or unfavorable factors? It is virtually impossible to answer. On the one hand, it is worth noting that many experts have nominated Nigeria as the sub-Saharan underdeveloped country most likely to succeed; but on the other, this may tell us more about the bleak prospects confronting most of the emerging countries of Africa than about Nigeria's future. What makes forecasting so hazardous is that almost everything can influence the Nigerian plan: weather, markets, availability of experts, etc. More specifically, the plan will certainly be affected by whether Nigeria can mobilize sufficient domestic resources and secure sufficient foreign exchange. But in the final analysis, perhaps the most vital and least predictable factor of all is the ability of the nation to withstand the varied and powerful pressures of growth. Let us therefore examine more closely the impact of these pressures upon Nigeria's development prospects in such fields as health, education and politics.

### V. Growth Rates and Death Rates

Development is for people. It means improving the quality of people's lives. In turn, people are the most important resource in making development possible. As they become healthier, they are able to contribute more productively to the development process.

In a modern society we take health for granted as a normal condition,

if not a right. It cannot be taken for granted in Nigeria and in most of tropical Africa. Nigerians, in fact, are lucky if they do not suffer from several major diseases simultaneously. Infant mortality rates in Nigeria run 500 per 1000. Sleeping sickness is common. Respiratory maladies are widespread. Less serious worm infections strike most children. Various forms of dysentery are universal. On top of all this, low . . . . standards of public health make epidemic disease sweeping the country particularly dangerous. Plague, smallpox, typhus and polio have become recurrent dangers.

The social and economic consequences of this health situation are scarcely calculable. Most school children suffer from several diseases, any one of which affects their ability to do school work. Adult lassitude has a physical base. Laborers suffering from hookworm, varying stages of tuberculosis, dysentery and perhaps yaws can hardly be expected to put in a vigorous eight-hour day.

No less serious is the situation in the villages--the very heart of Nigeria's agricultural economy. Public health administration and medical care are virtually nonexistent. Nutritional diseases and deficiencies are almost universal and increase susceptibility to other ailments. Poor health and poor crops work in a vicious circle, each contributing to the other.

The social consequences of poor health are also important, if less specific. A society in which most people are chronically ill, and many desperately ill, is one in which citizens tend to be preoccupied with their needs and those of their family. If they can satisfy these, the citizens have little energy left for civic purposes or for initiative in economic affairs.



improvement in agricultural production, which in turn depends upon improving the health of Nigeria's farmers.

Up to this point, the discussion has assumed that better health will contribute to economic development. But even this can be questioned. For in the present situation, the country's high mortality rate, particularly that of infants, holds the lid down on population growth. The introduction of a widespread public health program will result in an immediate spurt in population, as death rates tumble. Over the long run, Nigeria should be able to support a much larger population, but undeveloped resources do not feed people. Actual economic growth, particularly the production of foodstuffs, must proceed at least as fast as population growth if the present precarious standard of living is not to decline. Such a decline obviously would have an adverse impact upon health. Economic growth and public health must somehow be kept in balance, since progress in both areas is interrelated.

Nigeria thus has two options. It might choose to make public health a priority in its planning, but the costs of such a decision would be paid for in slower economic progress. On the other hand, Nigeria might choose to stress economic growth above public health--the choice which it appears to have made in its present six-year plan. The costs here will be paid for sooner and by people. For a government dependent upon public support the choice was not easy. What would you do if you had to solve the dilemma that confronted Nigeria's leaders?

## VII. The Price of Education

The thirst for education is an outstanding feature of contemporary Nigerian life. It is reflected in the sharp increase in adult classes, in the effort of Nigerian parents to secure an elementary education for their children and in the keen competition for scarce places in higher education.

Primary education has received the greatest emphasis. In recent years the Western and Eastern regions established universal primary education by law. Over 3 million children between the ages of six and twelve attend primary schools throughout the country. But 2 million children in this age group, many of whom live in the Northern Region, do not. Here only 10 percent of the eight to twelve-year-olds go to school, although the North plans to increase the proportion to 25 percent by 1970.

Lack of qualified teachers is Nigeria's major educational bottleneck, for the country has been building schools faster than they can be staffed. The problem in primary education is not only to train new teachers to fill posts in new schools but to retrain or replace the 90 percent of the old teachers who do not meet minimal qualifications. To accomplish these goals, teacher training colleges at the primary level will have to be greatly expanded. Here again the problem is not just the lack of teachers but the need to retrain or replace at least half of existing staffs.

The situation in intermediate education offers no brighter prospects. Again the shortage of qualified teachers, present and anticipated, adversely affects the quality of education and drastically limits the number of those who can be educated.

Since 1960, Nigeria has expanded its facilities in higher education, adding three new universities with a total enrollment of 6,000 students. On this level too, staff is a problem, although thus far standards have been kept high. A more serious problem may prove to be the limited supply of qualified entrants.

Broadly viewed, Nigeria's educational problem runs in vicious circles: Primary education is awaiting improvement on the higher levels; the universities are awaiting improvement on the intermediate levels; and the intermediate levels are slowed by the situation in the universities and the poor quality of education on the primary level. The Ashby Commission report (prepared by a group of experts who studied the problems involved in expanding education in Nigeria) recommended outside assistance as possibly the decisive way of breaking through the vicious circles.

Whether this aid will be forthcoming is problematical. Meanwhile, estimates of Nigeria's educational needs in terms of projected economic growth over the next eight years suggest the scope of the job to be done. In 1960 Nigeria had some 15,000 persons in higher- or university-level occupations. An additional 31,000 will be needed by 1970, while the output of Nigeria's universities will not reach 1,000 graduates a year until perhaps 1964 or 1965. If it were 1,000 a year for a decade, Nigeria would still be 21,000 short of meeting its needs. On a lower level, requiring technical training or secondary school education, Nigeria will need an additional 55,000 graduates by 1970.

In education, then, as in health, Nigeria faces difficult choices. A shift in emphasis in the educational system might be made--away from the effort at universal primary education toward emphasis upon expansion

of intermediate and higher education. This would focus upon the few who seem vital to economic growth at the expense of depriving the many of any kind of educational opportunities. Such a shift in emphasis runs against the powerful thrust toward education which pervades Nigerian life. Yet, as the system now works, most of the boys entering primary school do not go beyond it for lack of facilities; and the poor education they do get in primary school gains them little in life. Worse still, in the countryside primary education tends to produce disenchantment with the rigor and monotony of rural life. The school leavers, barely literate, technically untrained, stream off to towns unprepared to absorb them. There they add to the pool of unemployed and are easy prey for political agitators who exploit their discontents to stir unrest.

#### VIII. Politics and Growth

Economic development is the highest priority on the agenda of all newly independent nations. This is not only because it is regarded as the means to modernization but because underdevelopment, rightly or wrongly, is associated with colonial status. For the leaders of emerging nations, the capacity to act independently and to achieve desired national objectives is vitally related to developing the national economy. Without economic development, as they see it, political independence cannot be fully meaningful.

There is still another compelling reason why the leaders of the underdeveloped countries regard growth as the most important national imperative. In their struggle to win independence, they attributed the poverty of

their people to the evils of colonial exploitation. The implication, and often the explicit promise, was that upon independence the people would get all the things which their colonial rulers had allegedly denied them and for which they hungered. On attaining power, the leaders are under heavy pressure to make good their promises.

At best, this is, as we have seen, a difficult task; and in given countries it may even be impossible. Much depends on the play of politics in the newly independent country and on the quality of leadership. The important choices the leaders have to make are never easy and invariably favor one set of group interests to the disadvantage of another. Only an effective government and first-rate leadership can carry through the compromises required by the national interest.

These considerations apply with even greater relevance to Nigeria-- a federation of three regions--than they do to other underdeveloped nations. Take an obvious example: The three major export crops of the country, peanuts, palm kernels and cocoa, are each a major source of wealth for the regions. Expansion of production and increased exports are important national goals, but each region has a relatively exclusive interest in its one crop. The Northern Region would like to see peanut production stressed, and is far less interested in cocoa and palm kernels, the crops of the Western and Eastern regions. The resources which the federal government at Lagos can allocate to the improvement of agriculture are limited. No possible allocation will satisfy all three competing regions. Government decisions are no less difficult to make with respect to the choice and location of new industrial projects, the awarding of contracts, filling jobs, making loans to businessmen and

raising tax revenues. In every case there is the danger that the decision finally taken will touch off interregional differences. Thus the ongoing process of economic development imposes a constant strain on the unity of the nation.

What makes this situation ironic is that the justification for the existence of a federated Nigeria is, in the last analysis, economic, not political. Politically, as we have seen, Nigeria is an artificial creation of the British. But from an economic point of view, had the three regions which make up federated Nigeria been established as separate states, the result would have been tragic: it would have added to the African continent three small, one-crop economies whose prospects for economic development would have been virtually hopeless.

It seems evident, then, that for Nigeria the national unity of the three regions is indispensable to economic viability and growth. Yet the development process itself introduces competition and conflict that threaten the unity so essential for economic progress. This is perhaps the most vicious of all the vicious circles in which an emerging country can be caught.

#### Gathering Storm Clouds

Until recently, nonetheless, Western observers found the Nigerian political scene highly encouraging. Nigeria was frequently cited as the outstanding example, among the newly independent nations of Africa, of a stable, relatively pro-Western democracy. Since last May, however, a political crisis in the Western Region and the discovery of an allegedly subversive plot to overthrow the federal government have led some observers to reconsider their originally more optimistic appraisals.

The crisis developed when dissension erupted in the Action Group, the ruling party in Western Nigeria. This party constitutes the "loyal" opposition in federal politics to the nation's governing coalition, composed of the Northern People's Congress (NPC) and the National Council of Nigerian Citizens (NCNC). In the last year or two the leader of the Action Group, Chief Obafemi Awolowo, one of the three or four outstanding personalities in Nigeria, has attempted to transform his party from a principally tribal organization into a national party. In so doing, he has increasingly appealed to the country's growing number of younger men who are becoming disillusioned with their elders. Awolowo, despite pro-Western and capitalist leanings in the past, has moved to the left, and under his direction the Action Group has adopted a manifesto of "democratic socialism" and called for neutralism in the cold war.

Awolowo's new socialist - neutralist orientation aroused opposition within his party, particularly from deputy leader Chief Samuel L. Akintola, premier of Western Nigeria's regional government, who represents the views of the chiefs and conservative businessmen in the party. In the ensuing conflict between the two men, party leader Awolowo succeeded in ousting Akintola from his post as premier. When the Western Region's Assembly met to vote confidence in a new premier, a riot broke out in the Assembly Hall between the supporters of Akintola and those of the Awolowo-backed new premier. The federal prime minister, Sir Abubakar Tafawa Balewa, thereupon convened the federal parliament; and the ruling government coalition--over the opposition of the Action Group--declared a state of emergency in the Western Region. An administrator, appointed by Sir Abubakar to take over for the duration of the emergency, banned all

political demonstrations in the Western Region and restricted the movements of about 50 political leaders, including Akintola, Awolowo and many of his supporters.

During the emergency Akintola formed the United People's Party (UPP), consisting of those who supported him in his fight with Awolowo. The party joined forces with the NCNC to form a coalition government in the Western Region, and it took office when the emergency came to an end on January 1, 1963, with Akintola as premier.

Meanwhile Awolowo suffered a number of blows. First the federal government charged him and other Action Group party chieftains with large-scale corruption in office. Then, last October, the government filed a sensational indictment against him and 30 other followers for allegedly conspiring to take power by force. Awolowo's conviction would remove from the Nigerian political scene a major national figure and a man respected by many of his political enemies a short time ago.

Nigerian politics is further disturbed by other pressures. Foremost among these is the issue of the 1962 national census. Seats in the federal parliament were allocated on the basis of the 1952-53 census, with the Northern Region being given 174 out of 312. The NPC controls enough seats to give it a bare majority and to protect it against any coalition of the Eastern and Western regions. If the results of the 1962 census established that the North had less than half of Nigeria's population, the subsequent redistricting would allot it only a minority of seats in the federal parliament.

Although the census was completed in June 1962, the results have not yet been released. NPC leaders have charged that the census figures in

the Eastern and Western regions have been inflated in an effort to gain more political strength. Publication of the returns has therefore been suspended until agreement can be reached on methods of verifying the results.

Tensions arising from these pressures deeply trouble some NCNC members. They see rejection of the census results as a sign of the NPC's intention to establish and maintain hegemony over the rest of Nigeria. They see the decline of the Action Group as strengthening the NPC's domination of the federal government and as weakening the NCNC's ability to resist further NPC encroachment.

On the other hand, there is a chance that the NCNC might take over as the dominant party if it could win over Action Group followers, and if it could secure acceptance of census results showing that the Eastern and Western regions now have a majority. There has therefore been a debate within the NCNC over the policy to be followed, a debate which has been resolved for the time being by the decision to form a coalition with the UPP. The outcome of the fight over the census could, if unfavorable to the NCNC, quickly reopen the debate, however.

Although some recent trends in Nigerian political life are disturbing, their seriousness can be exaggerated. Many observers believe that the resolute way with which the federal government resolved the political crisis in the Western Region is abundant proof that it can handle its problems competently and responsibly. There is evidence, too, that Nigeria's leaders are aware that unity is essential to economic development, and they are willing to make sacrifices to achieve it.

Last December the premier of Eastern Nigeria and leader of the

NCNC, Dr. M. I. Okpara, called for the formation of a united front government which would represent all shades of political opinion and which would last for 15 years, the estimated period required to bring Nigeria to the point where it can finance its growth by normal economic means. Dr. Okpara has declared that if regional jealousies interfere with economic development, the government and people of the Eastern Region would be willing to see the regional governments done away with. In his first public statement after resuming office in Western Nigeria, Premier Akintola similarly stressed the need for unity, political peace and economic development.

#### What Prospects?

Despite the political and other uncertainties that cloud its future, many experts still regard Nigeria as the sub-Saharan country most likely to make a success of its economic development program. Others, more pessimistic, doubt that it will be able to maintain its political unity or break out of the vicious circles in which it is caught.

Events alone can tell who is right. But few will dispute the importance of the outcome--for the West, for Africa and, above all, for the people of Nigeria themselves.