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THE COLONIAL TAXATION POLICY AMONG YORUBA OF SOUTHWESTERN NIGERIA AND ITS IMPLICATIONS FOR SOCIO-ECONOMIC DEVELOPMENT

Abiodun Afolabi

Abstract:

Although the British colonial taxation policy engendered unlimited exploitation and expropriation of capital from the periphery to the metropolis, it also brought about 'changes' and 'development' in the Yoruba speaking parts of western Nigeria. Through the British implementation of the Indirect Rule System, they deviously used taxation system to exploit the indigenous terrain massively. Thus, British capitalism left indelible impact on the entire Nigerian polity. The study found that predatory leadership, gross opportunism, insincerity and ineptitude were the bane of tax administration in Western Nigeria during the colonial era. The study concluded that the British colonial tax system was disruptive of the delicate balance between the ruler and the ruled. It brought in its wake changes that were not conducive to rapid positive growth and development; the implementation of the colonial tax system systematically halted the development of indigenous institutions, and this in turn unleashed much depravation, exploitation and flight of capital, although some minor positive changes were during the colonial period.

THE BRITISH COLONIAL GOVERNMENT: DECENTRALISED DESPOTISM

Right from the onset, the British economic policy in southwestern Nigeria was centrally based on the achievement of two objectives: to derive revenue for the mother country and to make the Crown Colony of Lagos and the Western Protectorate as financially self-sustaining as possible¹ Yorubaland was composed of the four provinces of Oyo, Abeokuta, Ijebu and Ondo, all in the southern province.² At the initial stage, the British were simply preoccupied with missionary and commercial activities. After the

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imperialistic moves against Nigeria had been concluded in the late 19th century, the British then went on to impose the system of indirect rule on the entire people of Nigeria.

The Indirect Rule system was essentially a form of administration whereby the British governed the whole of Nigeria through what they themselves referred to as the Native Authority. This system was adopted because the British did not have enough administrative personnel and knowledge of the Nigerians as would be suitable for direct rule. More importantly, the British wanted to avoid a situation where unnecessary financial burden would be heaped on the home government. One of the three essential ingredients on which the colonial government rested its Indirect Rule system was the Native Revenue.³

The British colonial government instituted the Native Administration to assist them in the day-to-day running of the government. The Native Authority was the decentralized arm of the colonial state, which comprised a hierarchy of chiefs. They symbolized the power of the British colonial government. The Native Administration was frequently faced with the task of finding money for several projects. The tax department, which was one of its chief sources of revenue, was under the direction of an efficient British officer.⁴ The British regularized the series of arbitrary, irregular and uncertain tributes in order to achieve a fair system of direct taxation rather than introduce an alien taxation system to the people. It was also hoped that by this new method of taxation, the burden of the indigenous Yoruba tax payers would be reduced and, thus, easier for them to pay.

The British colonial government had set up local treasuries after 1914 in order to assist the Native Authorities to fulfill their fiscal responsibilities. Therefore, by bringing tax obligation and administration close to the people, and especially by saddling local authorities with much of the responsibility for collecting taxes, the British administration of Western Nigeria generally succeeded in hiding the reality of official involvement from the masses of the people, who often saw their Oba or Baale, and later elected councilors of their areas, as those accountable for any credit or shortcomings in the taxation system.⁵

Therefore, tax collection was performed in the districts by the Baale of each village and in the townships by a person selected to be the tax collector and whose name was given to the chief tax clerk.⁶ In the Western provinces, the Native Authorities used to instruct their police to stop males and ask for their tax tickets with a view to instituting prosecutions, if not produced.⁷ The assessment and collection of taxes in Western Nigeria were by statute and the practice left the local chiefs in their capacity as Native Authorities. Direct police involvement was relatively rare and generally at the instance

of the responsible Native Authority.

In 1915, there was general dissatisfaction at the provisions of the Native Court Ordinance, which forbade the acceptance of fees, presents, and the private hearing of cases and the diversion of all court revenue from private pockets to the Native Administration coffers. Regularized tribute, which was to provide salaries and take the place of former irregular perquisites, was delayed and there was apparently no recognized revenue for the chiefs. As a result, there was general distrust of the new regime,⁸ but this situation soon disappeared and the indigenous colonial authorities again began to enjoy the benefits of their offices.

Lagard's indirect rule created a separate but subordinate state structure for the natives. It was a native administration that had the powers to make bylaws or rules, and a native treasury to pay its personnel and finance its activities. It was a native state apparatus that was not only dependent but also autonomous.⁹ The Native Authority was the visible Black Hand servicing the seemingly inaudible voice of the white master.

THE BRITISH COLONIAL ADMINISTRATION, TAX INSTRUMENT AND THE MEN ON THE SPOT

The position that the Colonial Office had the advantage of what Tamuno described as "accumulated or stored wisdom" based on its experience in administering its territories in the Far East, West Indies and other parts of Africa, had been put to question by past and present historians. Unfortunately, the Colonial Office usually gave the 'man on the spot' consideration when controversies arose.

The question had been consistently asked: how equipped were these "men on the spot" in dealing with the myriad of problems arising from an environment that was alien to them? How equipped were they to assume that role to the satisfaction of the people whose political destiny they controlled? Enlightened foreign rulers would have been expected to consider not only the interests of the home government but also those of the people under their charge. This would have meant giving the people voice to express their views. Unfortunately, this effective channel was hardly opened to the people. The colonial administration failed to acquire the 'correct knowledge' of African institutions and thus fundamentally faltered in the business of governance of an alien people whose ways of life and institutions were hardly understood and who hardly understood them.

Although these 'men on the spot' played their roles to the best of their abilities, the decisions they took were often controversial and could really not be taken as sound, unbiased judgments of rulers who had adequate

understanding of the indigenous people they ruled over.

COLONIALISM, TAXATION AND SOCIO-ECONOMIC DEVELOPMENT OF WESTERN NIGERIA

The way and manner the British colonial government went about the business of rulership left a lot of room for the economic exploitation of Yorubaland. Britain also guaranteed optimum conditions under which private companies could exploit the indigenous people. That explains why the British colonial government was repeatedly speaking about the 'maintenance of law and order,'¹⁰ which obviously meant ensuring that conditions which were favourable to the expansion of capitalism were maintained. It also explains why the British imposed various kinds of taxes on the people. However, one may add that there was no deliberate policy by the British to make the colony poor. The poverty of the people was an indirect result of the colonial economic system.

Since the British colonial government's taxation system was meant to provide requisite funds for administering Yorubaland as a field of exploitation, it, therefore, generated taxes from virtually all-imaginable economic endeavours. The colonial authorities also levied entertainment tax on public cinematograph performances, public race meetings-(horse racing) and public dance halls.¹¹ It was the usual practice for the organizers to ensure that the whole or part of the tax was indirectly passed to the public. Although the indigenous poor resource farmers considered taxation a burden, some of the taxes generated were expended on the socio-economic development of Yorubaland.

The British amalgamation campaigns succeeded in placing her on the pinnacle of economic and political influence in southwestern Nigeria, and in fact, all the provinces in Nigeria. Thus, the ground was prepared for the restructuring of the Southern Nigeria economy. Taxation, ultimately, became a significant feature in the re-arrangement exercise.

It has often been readily assumed as an article of faith and opinion rather than sound reasoned judgment based on empirical historical evidence that export production conferred great profits on the cocoa planters. Historical evidences have amply demonstrated that the Yoruba farmers worked long hours but the price of their produce was not commensurate with the long hours of labour. Available data also shows that the cocoa farmer who had to pay four shillings cocoa tax, invest their labour and capital, pay produce price of four pounds per ton and still pay transport fare was operating at a loss!

The British white paper revealed the huge profits made on West African cocoa. George Padmore, reporting for a Nigerian Newspaper - West African

Pilot- presented fully for the first time the method adopted in 'scalping' the indigenous cocoa producer in West Africa and the fabulous profit derived by Europe from the cocoa business. This sensational report revealed that 'Britain had made a profit of £3,676,253 from 1939 to 1943'. It was also reported that while Nigeria and Gold Coast produced the world greatest output of cocoa, America was the greatest consumer while Britain was the greatest swindler. The reason for this was that the head of the British chocolate firm was the chairman of Cocoa Board. While production was in the hands of the Africans, the marketing of cocoa in England, America and other countries was entirely in the hands of British merchants who formed a pool.¹²

The pool consisted of all leading English chocolate manufacturers as well as big monopolies that determined the prices to be paid to the African producer. The Yoruba cocoa producers, like their counterpart in other West African countries, were forced to accept the lowest prices for their cocoa. The West African Cocoa Board was absolutely in the hands of the British officials and capitalist. The African cocoa producer had no representation in the Board. In Western Nigeria, the Yoruba cocoa planter had become the victim in a tripartite relationship between the planters, the middlemen and the European firms.¹³

However, this is not to be wondered at; Europe did not come to Africa for a charity mission. She came to trade and make profit. After all, trade by its nature will always have an element of exploitation even within any indigenous system when it is not an equal partnership. Interestingly, the colonies too benefited even if what we call benefit was insignificant when compared to what Britain expropriated. That is the fact of the matter.

However, the British officials and writers who were inclined to think like them have concentrated on the 'positive' impact of the economic changes that came with the involvement of colonial rule to the extent of eulogizing every new measure. The reality that is often ignored is that most of the changes were not originally conceived to serve the interest of the indigenous people. Rather, the benefit that accrued to the people were just incidental. Local industry was not even encouraged while the production of raw materials for the capitalist market was limitlessly boosted, sometimes at the expense of food production to the extent that a number of people complained of starvation.¹⁴

There were tax ordinances which the British colonial authority put in place to guide them in the business of generating revenue for running the administration. The tax accounting methods that were operative in 1935/36 made no provision for computation at any stage of the true total assessment of tax for any of the administrative units of the colony. Street

register that contained the names of all adult males was used for the assessment, although there were a large number of people who were not legally liable to taxation. In the colony districts, between 5 and 10 shillings were levied on income exceeding 50 pounds, but not exceeding 100 pounds. However, this position was considered to be rigid and the decision to give the "tax authorities" power to apply intermediate rate, where necessary, was considered.¹⁵ Ultimately, this position was approved and it endured.

The Commissioner for the Colony, Mr. J.J. Emberton, held that since headmen were obliged by public opinion to share such fees with the village councils without whose assistance they were unable to carry out their duties, the names of "village councils should be associated with those headmen named". The Income Tax Ordinance No. 4 of 1937 recommended the above guideline as part of the procedure to be followed in implementing the taxation policy of the time in Epe, Badagry and Ikeja areas.¹⁶ These arrangements were expected to lead to improvement in the process of collection of income tax. All 'householders' were expected to render a return showing the names of adult males residing in the house, their occupations and the name of the government department or firm, if any, where they worked. The tax staff assisted the illiterate house owners in order to ensure accuracy in the information supplied. These were entered into the ledgers in which each house was shown separately and each individual assessed in accordance with the trades and occupational scheduled, ordered to attend the tax office for examination regarding his income and/or even required to render a return of his income in writing.¹⁷

The accountants kept separate registers for Europeans, Syrians, African professional men and other Africans in the higher grades of society. Their returns were kept confidential and the District Officer in charge of tax fixed their assessments. The following under-noted list were used in fixing assessment: owners of canoes, owners of motor vehicles, rate payers and property owners, license retailers of spirits, beer and wine, money lenders and voters.¹⁸ Syrians, Lebanese and Indians who resided in Ibadan division also paid their tax to the Native Administration.¹⁹ Whereas, unlike in the government notice No. 313 of 1904, the Colony Taxation Ordinance of 1937 read that every employer of labour, head of a family, householder and every person "who may be required so to do shall give all such information (verbally or in writing) as may be required of him by the tax authority or any of his assistants, with a view to obtaining information for the assessment or collection of the tax... Anyone who willfully misleads the tax authority or any of his assistants on any matter connected with the assessment or collection of the said tax shall be guilty of an offence."²⁰

The Lagos Township derived the bulk of its revenue from rates for water,

general oil purposes, license fees, market dues and expended it mainly on health measures.²¹ The township also got grants from government and these were paid into government treasury as revenue.²² It was a period when the Colonial Authority also required young secondary school boys in Lagos to pay tax. The boys of Igbobi College, among others, who were under the Church and Methodist Missionary Society in Lagos, were also expected to pay tax. This idea was only annulled when a draft bill under the Colony Taxation Ordinance No 4 of 1937, which exempted all male under the age of eighteen from paying tax, was promulgated.

The section 8 (a) of the ordinance was drafted on the incorrect assumption that there would be no male over the age of sixteen in the primary school. It was, indeed, impossible to know the correct ages of many of the pupils and the heads of the schools did not relish the invidious task of deciding who was, and who was not to pay tax. It was inequitable to expect a poor farmer to pay tax for his son who helped in the farm work, when, say, a clerk who can afford to educate his son was not required to pay his boys' tax. The guiding principle on the issue of tax should have been whether the person concerned had any income and not what his age was. This view was supported by section six (6) of the Colony Taxation Ordinance, (No 4 of 1937) legislation enacted in 1939, page A. 16, which reads as follows: There shall be due, payable by and collected from every (male adult in Nigeria) from whom no tax was due or had been received in respect of the year of assessment... a tax of five shillings.²³

In the Epe colony district, the assessment's final position regarding tax at 31st of March 1936/37 was five thousand, one hundred and twenty nine pounds and eighteen shilling (£5,129 :18 =). This was later revised downward to two hundred and seventy one pounds and fourteen shillings (£271: 14=); vide 116, leaving an assessment of four thousand, eight hundred and fifty thousand and four shillings (£4,850: 4=.) The authority to write off the outstanding amount was sought and granted for the arrears of 1936/37 financial years. And for the 1937/38, the estimate for Ikeja was three thousand four hundred pounds (£3,400: =.) In the case of Badagry, it was estimated at two thousand, eight hundred pounds (£2,800 =) in Epe, the final amount that was collected after the assessment was four thousand, six hundred and thirty four thousand, fifteen shillings (£4,634: 15^s). The Four thousand, six hundred and seventy one pound, ten shillings (£4,671:10^s) collected in respect of Epe included twenty pounds and ten shillings (£20.10), which was the amount of tax paid by European officials and non-officials, vide 115.²⁴ The divisional officers of Badagry and Ikeja gave no information concerning the amount paid as tax by their European officials and non-officials in their totals.

The District Officer of Ife/Ilesha also demanded that income derived from cocoa farms in Ife, Ilesha and Illa should not be exempted from taxation and that such income should also be subjected to special assessment in the same way as income from various other trades were. Having regard to the rise in the price of cocoa, he was confidently hopeful that the income tax yield from cocoa farmers was going to exceed that collected in 1945 in the form of a special cocoa tax.²⁵ Apart from that, local rates were also imposed in the western provinces in order to encourage local development and impart new life to the administration of towns and villages, and thus, rules were framed and rates were levied for specific purpose(s). Native Authorities then proceeded to make tax rules without full consultation with the potential tax payers. However, it must be appreciated that the difference between the imposition of local rate and increase in the rate of tax was not readily grasped by the ordinary tax payer.²⁶ The reasons for the imposition of rates and the advantages that were expected from it were not fully publicized before rules were made, and this ultimately led to protests and riots. Therefore, it was recommended that the reason for the imposition of rates and the advantages that may be expected from it be fully publicized before rules were made. So, the Ministry of Local Government, Western Region, Ibadan, sent copies of the new policy to the following:

The Administrator of the Colony, Lagos, the Resident, Oyo Province Oyo, the Resident, Benin Province, Benin City, the Resident, Delta Province, Warri, the Resident, Abeokuta Province, Abeokuta, the Resident, Ondo Province, Akure, the Resident, Ijebu Province, Ijebu-Ode and the Resident, Ibadan Province, Ibadan.²⁷ Copies of these letters were also sent to the district offices and native authorities in the Western Region. It was also stated in this letter that it was 'lawful for water rate to be levied on capitation basis.'²⁸

However, the existence of various local rates (education, water, roads, etc.) was taken into consideration when fixing tax rates. The tax was the first taxable charge on people's incomes for the basic amenities of law, order and social services. Local rates were for 'extra amenities' which communities desired and which they felt able to afford over and above their tax liabilities. Local rates were levied with a view to encouraging local development and imparting of good life to the administration of towns in Western Nigeria in general. Funds were raised through the levying of rates with a view to executing projects in all areas of Yorubaland. It was, however, noted by A.G.A. Mooring who was the Secretary of Western Province in 1951, that while appreciating the commendable efforts of many

Native Authorities to improve local amenities by means of imposition of rates, there were concerns about signs which were occasionally in evidence, that tax rules were made by local authorities without full consultation with the maximum possible number of potential tax payers.²⁹ This further lends credence to the fact that there was inherent danger in levying local rates without consulting widely. It almost always led to riots.

The Nigeria Cocoa Marketing Board was established in 1947 to "assist in the development of the cocoa industry for the benefit and prosperity of the producers".³⁰ The difference between world prices (less government export and produce duties, freight etc.) and prices guaranteed by the Board constituted its 'surplus', which, according to the terms of its establishment, was to be kept in trust for the producers.³¹ Although the peasant benefited from the post war prices of the colonial state through the Marketing Board, the latter was extracting a significant fraction of the actual world marketing prices, thereby shortchanging the local farmers perfectly. The degree of exploitation was intense and the Board had subtly assumed the role of a tax collector.³²

It is worthy of note that the government revenues and the profits of the Nigeria Marketing Board, which was supplemented by the colonial government, brought about a substantial expansion of public health, education services, and of such public facilities as roads, ports and water supplies. They made possible the setting aside of considerable sums for financing development schemes, educational and research activities.³³ Indeed, it is in the nature of good government to develop the area where it operates and this is why the British government made some attempts to develop the colonies. But the benefit which accrued to the people was just incidental and very insignificant. One could argue that the colony too benefited from the British economic activities, though the development was very insignificant when compared to what was taken out of the Region. The fact, however, remains that the British colonial taxation policy was fundamentally faulty. Hence, there were riots.

The colonial development scheme was deliberately put in place by the United Kingdom with a view to enabling Nigeria to incur domestic and foreign debt substantially in excess of that contemplated for five years without endangering its fiscal stability. Apart from that, the groundwork was laid for a substantial increase in government revenue so as to be able to finance government activities from 1954.³⁴ The Yoruba of Western Nigeria were also beneficiaries because financing development programmes were not exclusively dependent on government revenue alone. Under the Colonial and Welfare Development Scheme, the government of the United Kingdom sponsored and part financed economic and social advancement

of colonies and dependant territories.³⁵

It is possible to argue that some of the taxes collected in Yorubaland during the colonial period were channeled towards the development of the colonial administrative machinery, ensuring the self-sustainability of the region and bolstering the unhindered process of expropriation of the wealth generated from Yorubaland. Indeed, the indigenous people also benefited in the sense that road and rail networks were also developed by the British colonial government. Although the infrastructural facilities put in place by the British colonial government were simply meant to facilitate the evacuation of raw materials from the interior, the Yoruba speaking areas still experienced development in the areas of communications, agriculture, water resources, industry, power supplies, transportation and telecommunications. The educational, medical and health services also improved tremendously. Schools sprang up, while health centres/dispensaries were built and equipped. Lagos roads were maintained, while the drains and other public services were continually serviced. For instance, a loan of forty two thousand pounds, five hundred shillings (£42,500) was raised for the purpose of carrying out improvements to the roads, drains and markets in the township.³⁶ The living standard of the people generally improved because they were able to acquire more in terms of imports/domestic goods and services than they did before the Second World War.³⁷ The absence of these new economic instruments put in place by the British colonial government would have frustrated the taxation system and other economic policies. They spared no effort in ensuring that the taxes flowed into the treasury, but the abuses of tax-gatherers, particularly in the early days of colonialism, prevented the revenues from flowing into the public treasury as they should have.³⁸

The British colonial government who were partners to expatriate companies constructed roads, railway lines and harbours to facilitate the growth of international exchange. Thus, the process of expatriation of the surplus generated from investments to the metropolis was fast-tracked. This is not to be wondered at. The British colonial government did not come to Nigeria for a tea party; she came to trade and make profits. It is common knowledge that trade, by its nature, will have an element of exploitation even within any indigenous system when it is not an equal partnership. One should, therefore, not be surprised that profits were usually sent back home.

Following the recommendations of the Fiscal Commission of 1959, which examined the division of power to levy taxes in the Federal Republic of Nigeria, the personal income tax jurisdiction was delegated to the Regional Governments on the grounds of past experience in the region s

regarding personal taxation of the indigenous people and they were also allowed the control of the expanding source of revenue. With all the authorization and jurisdiction accorded the Western Region, she was unable to raise a substantial proportion of her revenue from income taxes because income taxes reached only a small proportion of the population.³⁹ The British also introduced different kinds of taxes into Yorubaland and these included the agricultural and commercial taxes, among others.

AGRICULTURAL TAX

Farming activities were fervently encouraged through the cultivation of subsistence and cash crops in Yorubaland. The British colonial authorities imposed taxes on particular crops during the early period of colonialism in Western Nigeria. However, by 1950, a new system of short-term taxation was put in place for farm produce. The tax was to be deducted from the prices paid by the licensed buying agents to the farmers for their crops and handed over by the marketing boards. It is incontrovertible that the British levied taxes based on the nature of economic occupation. Apparently, farming was taxed by the British colonial government indirectly in spite of the fact that farmland did not belong to the British authorities. Therefore, it was thought that no cost was incurred by the cocoa producer, and it was considered unfair that tax should be levied on trees. The right thing to do was to impose tax on the yield and this was done by levying tax on the price of cocoa at the rate of 10 shillings per ton.

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COMMERCIAL TAX

Generally speaking, the colonial authority had already recognized as early as 1910 that Nigeria could afford an immense field for British trade. Although it had developed at an extraordinary rate, it was still capable of indefinite expansion. In 1900, its total value was three and half (3 1/2) million sterling. By 1913, it had more than trebled and in 1918, in spite of the severe setback caused by the war, it had reached 17 millions,⁴¹ the highest ever recorded at that time. The exports consisted of raw materials, the principal of which were oil and oil seeds, cocoa, rubber, hides, skins, cotton and tin ore. The imports were manufactured goods, textiles, hardware & Co., with salt & kerosene. It was already known that Nigeria had an enormous wealth and variety of products, a large and fairly industrious population, good communications by water and railway, and the condition of life and health were not worse than those of other tropical countries and was still rapidly improving.

The British colonial government also extended taxation policy to other

economic activities in their bid to source for revenue to run the government. Revenue was also derived from the maritime activities. No fisherman was allowed to exploit the shores without permit. Hunters were also compelled to pay taxes and the taxes were levied depending on the category of hunter. Even the harvest of certain forest products was not free, although these were exported to Europe. This was intended to regulate its consumption so as to guarantee continuous supply.⁴²

In 1947, owing to the inability of the majority of motor owners to fill up the income tax form, the assessment of such people's income was based on the mileage that each lorry did in a month. Lorry owners were assessed according to their total estimated income. In Western Nigeria, the average tax paid by lorry owners was approximately £10.00 per lorry. On this basis, it was assumed that new lorry made a net profit of £10.00 for the owner, translating to £15 per month for every 1,000 miles traveled in a month. The owner of an old lorry was expected to make a net profit of £8.00, translating to £10.00 per month under the same condition. There was, really, no general flat rate of tax for motor owners in Oyo province.⁴³ Motor transport business grew in leaps and bound; a few Africans like 'Salami Agbaje and Messrs Dawodu' were into transport business and they prospered.⁴⁴

In Western Nigeria, a substantial part of the tax burden was integrated into the prices of consumer goods, and the people as buyers paid, each according to his or her purchasing ability, almost without recognizing the taxes involved.⁴⁵ One could say categorically that the colonial era epitomised a period of sharp rise in taxes for the indigenous population. The unseen taxes of custom duties were generally passed on to them as consumers of dutied goods, and although the burden of trade tolls was removed at that time, the total result was an extraordinary rise in the cost of living, even before the imposition of additional and direct taxation.

ARTISANS AND TRADE UNIONISM IN THE COLONIAL PERIOD

The people, however, were at liberty to form unions that represented them when it was considered necessary. For instance, the Lagos and Ebute-Metta Barbers' Union sent their "resolution" to the colonial authority that their 1946/47 income tax assessment, which was computed on every individual barber in Lagos, was too high and that the sum of 2 shillings 6 pence, be allowed to stand instead of the earlier assessment of 10 shillings. The colonial government granted this request. The City Engineers and Contractors Limited also sent a similar appeal bothering on tax assessment to the colonial administration.⁴⁶ The African staff of the United African Company Ltd. (UAC) General Goods Department, Ibadan, also sent a letter

to the Resident, Oyo province, pleaded with the tax collecting authority that they be allowed to pay their taxes in three installments. It was noted in the letter that in places like Ibadan and Abeokuta, both Europeans and Africans paid taxes in installments. Therefore, they appealed to the tax collecting authority in Ibadan to allow them pay the tax on or before 20th December, 1946 when they would have received the "arrears of C.O.L.A"⁴⁷ This request was granted.

Groups from various Trade Unions like the Tailor, Bricklayers, the Nigerian Mercantile Workers Union, the Ibadan 'Baranda' cloth traders' Union-second-hand clothes traders, the Carpenters' and Goldsmith, etc. made representations to the colonial government asking for reduction in tax. The Goldsmiths, for instance, in their petition asked for exemption from the yearly income tax of 7 shillings, 6 pence because they could not get materials for their work. In response, the government reduced the Goldsmiths' tax to 5 shillings until the cessation of the Second World War. The Carpenters' group too asked to be allowed to pay 8 shillings as a result of the hard time they were passing through. They, like the Tailors' group, also got concession from the British colonial government.⁴⁸

Although "5% tax on rents" was also imposed in Ibadan when direct taxation was first imposed in 1918, during 1940/41, 163 persons were assessed to pay the rent tax and the total amount paid was one hundred and fifty seven pounds. (£157: =.)⁴⁹ It was considered reasonable by the Resident, Oyo province, Mr. H.M. White, to tax unearned income at a higher rate than earned income and it was thought to be equitable to classify rents as unearned income. Thus, the rate was not varied.

Tax revenue was obviously needed by the colonial regime so that infrastructural facilities can be put in place. This position is supported by the fact that when the people of Ikare, Ifon and Iwo sent their petition that a maternity home, a dispensary, "uncompleted water supply", planning of streets and construction of new roads needed attention in 1946, the Resident, Mr. E.V.S. Thomas, responded promptly and positively. Their income tax rate was, however, raised to 12.5%.⁵⁰ This shows that the colonial government's provision of social services was at the expense of the indigenous masses. Of course, they had to bear the brunt of the colonial tax policy because the home government made it abundantly clear that the British taxpayer's money was not meant to support the colonial structures and there was no other way the colonial government could source money other than through the taxation of people living within the colony.

TAX AVOIDANCE AND EVASION IN YORUBALAND

Mis-stating or omitting a source or sources of income is an illegal method of reducing one's tax liability and is known as tax evasion, whereas lawful methods of achieving the same purpose... with a view to splitting one's income with anyone other than one's wife and children etc are known as tax avoidance.⁵¹ Tax avoidance and evasion were considered as two of the most serious problems that confronted the colonial administrator. Tax avoidance was "a device whereby a man arranges his business in a way as to attract less tax under the existing tax rate".⁵² The only form of tax avoidance which was prevalent during the colonial era in Yorubaland was that in which salaried men registered their private business in the names of their wives. This was possible because up to April 1960, when payment of tax by women whose income was below three hundred pounds was abolished, many local authorities in the region did not tax self-employed women.⁵³ When they were taxed, it was illegally done.

Complete tax evasion is a situation where a person deliberately escapes from the payment of tax due from him each year and this was very common in Western Nigeria in the pre and early post-independence periods. In the case of tax avoidance, the tax authority under-assessed but in tax evasion, even after being properly assessed the individual avoided the payment of tax due to him. In 1957, an estimated four hundred thousand people evaded tax completely.⁵⁴

Under the Income Tax (Colony) Ordinance 22 of 1931 and Ordinance No. 17 of 1936, the government had difficulties in getting a true assessment. The householder's returns were almost invariably inaccurate because names were omitted and persons in regular jobs presented as unemployed. Individuals frequently changed their places of residence or their names, or quite frequently both, between the return of form 1 and the assessment. Unfortunately, taxes collected were sometimes lost through careless handling. For instance, a sum of forty-eight pounds and four shillings, which was the tax collected at Itawikin and Oriba district was stolen from the clerk on the 21st January, 1932. At times, taxes collected were lost as a result of theft by officials in charge of collection. The loss of considerable tax revenue was prevalent in cities like Ibadan in the Western Region because some women were able to register as many as four taxicabs in their names, and these taxi cabs were each bringing in about £225 pounds annually. Some astute men were also able to hide the size and identity of their business. They took to enterprises that had no need for permanent address, such as commercial transport business.

The possible loss of revenue to the council was substantial.⁵⁵ The District Officers simply ensured that the position of the Obas, the Baales and the

Quarter chiefs remained unchanged as far as tax collection was concerned. In places like Oye, Ijero, Iddi, Ado, Okemesi, Effon, Emure, Ilawe, Ara, Aiyede, Otin in Ekiti, to mention a few, tax collectors were appointed, and part of their duties was to ensure that petitioners who were under-assessed or over-assessed were appropriately and justly assessed. For example, Mr. J.E. Orifalo, a clerk in charge of John Holt in Akure, who appealed against the assessment of his income tax at 400 pounds was found to have been under-assessed and was therefore forced to pay an additional tax of 200 pounds in 1944.⁵⁶

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In 1938, a scheme was designed to bring relief to the low-income classes in the Lagos municipal residence so that they could meet their tax obligations without having their personal budgets dislocated. This was a form of installment payment of tax. There is no evidence to show that it was ever introduced, though the idea was mooted. However, this method was intended to assist the low-income earners in the Lagos Township through the buying and affixation of stamps to meet their tax obligations. It was hoped that the scheme would appeal to those people whose annual chargeable income did not exceed 50 pounds⁵⁹ and were therefore assessed at what was practically a poll tax of five shillings per annum.

It is also important to look into assessment and collection procedures; the procedure was for the local tax office to prepare the nominal roll of all taxpayers in the area and revise it annually. The roll reflected the names, addresses and professions of the tax payers in the various wards and quarters. An assessment committee then sent a letter requiring tax payers to send returns of their income⁶⁰ and it was on such returns that the committee based their assessments. Some people still succeeded in avoiding and evading the payment of taxes in spite of the colonial authority's efforts at ensuring that all possible loopholes were blocked.

TAXATION AND THE SOCIO-ECONOMIC DEVELOPMENT OF YORUBALAND

The British adoption of a colonial tax policy was intended to make the colony self-sustaining and self-protecting. Hence, the taxes collected were also expended on different areas of development. The Director of Medical and Sanitary Services made available the sum of £1000 from the colonial development fund for the erection, furniture and equipment of a training centre in Ibadan for African Sanitary Inspectors. The money was made available to the Ibadan Native Administration. Youths were admitted from the Oyo Province and their training usually lasted from between one to two years. The students received subsistence allowance of 15 shillings⁶¹ from the District Officer, Ibadan, during the course of their training. Ten pupils passed out of the training centre and were posted to Ibadan division on the 11th of April, 1935. There was no specific allocation for sanitary inspectors already posted to their station after completion of their training. The rate of their salary was £2:10 - per month compared to £1: = per month, while in training.⁶² The Colonial Development Fund Scheme was put in place in Western Region and it was from votes from this scheme that the training of administrative sanitary inspectors were effected.⁶³ How we wished this had continued. Today, Ibadan is the dirtiest capital in all the states in Nigeria!!

It is necessary to re-evaluate the socio-economic benefits said to have been enjoyed by the indigenous farmers in Yorubaland as a result of their involvement in the cocoa industry. It is also necessary to underpin whether the provision of these socio-economic facilities translated to development. The establishment of an answer to this question would necessarily generate another question as to whether the provision of some socio-economic infrastructures by the colonial government was intended or incidental. There is no denying the fact that colonialism presupposes the use of African resources for the benefit of Europe. Definitely, there were some undeniable positive impact that emanated from the British colonial administration. For instance, the colonial transport facilities made the movement of people and goods relatively easier. However, the provision of these infrastructures was dependent on the extent to which these areas needed to be opened to import/export activities. Means of communication were not laid down to facilitate internal trade in other commodities. They were put in place to make business possible and convenient for the European trading companies. This is best illustrated with the fact that greater emphasis was placed on roads that led to large cocoa growing areas in Yorubaland.

According to Lugard, 'the material development of Africa may be summed up in one word-transport' and the development of this singular

economic facility meant development. One could argue that although development projects were meant to facilitate colonial exploitation, the indigenes too benefited. Parts of the taxes collected were expended on providing social amenities and other facilities for the indigenous people by the colonial government. These taxes were channeled towards financing local administration, building and improving on the infrastructural facilities in the Western Region of Nigeria.

TAXATION AND INLAND TRANSPORT FACILITY

One of the measures adopted by the British colonial government to bring about socio-economic development was the construction of roads linking the major settlements in Western Nigeria.⁶⁴ For example, roads were constructed with the aim of easing trading activities between the hinterland and the coast, but these roads also facilitated local movement. This process started around August 1897 on the order of Sir Henry Macallum, the Governor of Lagos. Through the joint efforts of the colonial authorities and the Yoruba chiefs,⁶⁵ the British used the funds raised from taxes for this purpose.

There was an increasing demand from the people for new roads in all directions in order to open up trade. Consequently, tribute was paid with the same readiness as hitherto.⁶⁶ The local chiefs ensured the supply of adequate labour, which was much needed for the survival of the scheme. At first, labour supplied for road projects was free. By the 1920s, the Ibadan and Oyo, which is 33 miles apart, had been linked by good road. Resultantly, it was possible to commence a motor transport service between the two towns.⁶⁷ The other road networks that were subsequently developed included Oyo/Ogbomoso, and Oyo/Iseyin. As the railway sped on its way inland, feeder roads were also constructed, linking up stations with the road system built by the "native authorities" of Western Nigeria.⁶⁸

Members of the Nigerian Motor Transport Union with branches in Lagos, Abeokuta, Ibadan, Ijebu-Ode, Shagamu, Oyo, Ilorin, Oshogbo, Ile-Ife, Ilesha, Ondo, Akure, etc. failed to return the assessment form to the officers in charge of tax in the Oyo province. This was because most of the vehicle owners were illiterates who kept no working records of their lorries.⁶⁹ Although they really wanted to pay their income tax, they loathed the arbitrary assessment because it was repugnant in every respect to natural justice.

Apart from road transportation, other means of transport like railway and waterways were developed in Western Nigeria. These immensely facilitated the movement and transportation of bulky goods from the hinterland to the coast. Railway transport was exclusively the affair of the

colonial administration. Revenue generated from commercial and other taxes were invested in the construction of these projects. Ibadan and Ogbomoso became important railway stations. Although these infrastructures were put in place to facilitate the exploitation of available resources, the indigenous people ultimately benefited because trade and commerce were also facilitated. It is interesting to note that within a few years of the initiation of the British economic policies in Western Nigeria, the hinterland was opened up to British traders through good road construction and extensive navigability of creeks and rivers.⁷⁰ Directly or indirectly, the indigenous people too inevitably benefited.

TAXATION AND THE DEVELOPMENT OF WESTERN EDUCATION

Britain offered Africans in general and Western Nigerians in particular an effective training in self-government, which was directed towards developing communities through their own local institutions.⁷¹ To ensure efficient colonial administration, the British authority needed the assistance of the locally trained inhabitants who were to function as clerks, messengers, office attendants, to mention a few. This necessitated the introduction of Western education and schools were created with the aim of training personnel for the colonial administration.

The British colonial government provided social services for the people and their administration too benefited. Schools were built in just sufficient numbers to produce the clerks and technical assistants necessary for running government and commerce.⁷² In Nigeria generally, majority of schools were ran by missionaries, and in some areas, some educated and even uneducated pooled their resources together⁷³ to establish schools of their own where their children were sent to learn the ways of the Europeans. In some cases, the colonial government created Native Authority schools and the people were quick to realize that the only way their children could better themselves and later take part in government and administration of their country was by obtaining the same kind of knowledge that was at the disposal of their rulers. Education was, in fact, seen as a way of dealing with the impositions of colonial system.⁷⁴

The establishment of a multiplicity of Christian schools in Yorubaland generated awareness of formal education in the hinterland,⁷⁵ although in the countryside, it was held that the pursuit of western education took the children off the farm and taught them to be dissatisfied with the traditional ways of life. This explains why some parents were reluctant to send their children to school. Interestingly, it was from the towns that the nationalist movements developed.

In some cases, educational levies were later demanded but the purposes

for the education levy was imperfectly, if at all, understood by the taxpayers, and the Regional Government took a lot of pains to explain matters in their true light to the people.⁷⁶ Resultantly, the educational needs of the indigenous people were relatively met.

COLONIAL TAX SYSTEM AND AGRICULTURAL INFRASTRUCTURE

The colonial administration invested much in promoting the growth of cash crops in the Western Region. In this direction, serious and successful efforts were made to ensure cultivation of cotton and cocoa. That the West was considered to be the most wealthy and prosperous of all the regions in Nigeria was due to cocoa cultivation in high quantities on the southern part of Yoruba hills.⁷⁷ It was during the colonial period that extensive cultivation of cocoa, rubber, cotton and other crops were carried out for commercial purposes. The colonial administration spent some revenue from taxes to import farm needs and other important facilities needed for agricultural development. Although some of the cash crops cultivated were not consumed locally, the cultivation of such crops served as source of finance for the indigenes. However, cocoa was heavily taxed by the British colonial administration in Western Nigeria. The tax was originally introduced as a step towards the imposition of an income tax and also because cocoa was a particularly lucrative crop. Most, if not all, cocoa farmers supplemented their income from cocoa to some extent by subsistence farming, and from around 1940 to 1944, there was a tendency for them to pay attention to this type of farming.⁷⁸

It was not only in the area of trade and agriculture that Nigeria experienced development; the colonial tax policy, indeed, ensured that every facet of the economic and social life of the provinces was built up. Such was the situation around 1919 when the Lieutenant-Governor expressed the view that before many years, the tax should yield revenue of one million pound sterling, thus fully replacing the indirect tax accruing from duties on spirits.⁷⁹ The common people who live in Nigeria today wonder what has become of all these wonderful and remarkably laudable initiatives laid by the British colonial administration. The colonial government did everything they could to encourage the production of cash crops. The main product the British wanted from Western Nigeria was cocoa. From 1900-1930, Western Nigeria's production of cocoa increased from 1,000 to 80,000 tonnes.⁸⁰ Consequently, the Yoruba people of Nigeria experienced increase both in government revenue and living standard, but unfortunately, the financial returns for the cocoa planters was always fluctuating and most unstable. The income of the producer became

massively destabilized and by 1956, private savings and investment by producers was almost impossible. The Western Nigeria Cocoa Farmers began to live on the 'brink' from season to season, high or low prices translating either to brief prosperity or foreclosure and ruin.⁸¹

Not much money was invested in agricultural research, though the British established an important research institution in Moor Plantation at Ibadan. The production of cocoa was left entirely in the hands of the Western Nigeria cocoa farmers and the farmers were at the mercy of fluctuations in the world market price for cocoa. The people therefore experienced much suffering when the price of cocoa fell, especially during the great world depression of the early 1930s.⁸² The colonial government took little interest in the production of staple food crops though concentration on cash crop production did not result in a decline in the production of food crops. Staple food crops were grown side by side with the cash crops in Western Nigeria.

Apologists of British colonialism have consistently given the impression that colonial economic policy was beneficial to all the indigenous people. They held that that once the administration reached the people, perpetual bliss became the new order, pretending not to know that the colonial economic policy was inexorably geared towards the exploitation and incorporation, and closing their eyes to the fact that the indigenous African producers have suffered from the most pernicious and unfavourable terms of trade. Some conventional accounts have generally placated and represented their roles with such labels as 'development', 'change' etc. Such accounts have always aligned with external agencies and have regarded them as 'prime movers' in all processes of economic change. They presumed that the African was a passive tool that lacked the initiative, drive and acumen to sustain an agricultural economy of such commercial magnitude. Today, we know that this position is far from being true. We also know that although the Yoruba farmer had no power, they demonstrated considerable initiatives, not only in farm management but also in their response to economic and market conditions. This is best illustrated by the fact that in the face of price collapse of the depression years, the farmers still combined the best of these qualities to maintain a consistency in the volume of cocoa export.

CONCLUSION

This work is premised on the following conclusions:

First, the institution of the colonial tax policy as a direct outcome of the indirect rule system of Lord Lugard definitely aided the British economic system in Southwestern Nigeria. British capitalism, which was dominated

by economic interest and extraction, led to the exploitation and expropriation of capital from the periphery to the centre.

Secondly, although taxation was seen as a burden during the colonial period in Western Nigeria, there is no doubt that it nevertheless contributed to the socio-economic development of the area under study. However, this development was incidental and not deliberate. Lugard actually saw direct taxation as essential for indirect rule. The British colonial administration simply confronted the people with the reality that the levying of duties was unavoidable and that there was no other way through which the expenses of administration could be met.⁸³ The taxes that were generated were channeled towards the development of the various sectors. Although the indigenous masses paid, though they were generally opposed to direct taxation.

Finally, this work is premised on the position that the implementation of the British tax policy led to socio-economic development of the south-western region, though the so called development was infinitesimal when compared to what Britain succeeded in carting out of the entire country. Apparently, the indigenous people too benefitted from the British colonial administration between as the educational, agricultural, transportation systems, etc. experienced the West's type of development during this period.

ENDNOTES

- ¹ An in-depth analysis of the British Economic Policies in other Protectorates within Nigeria amply justify the position maintained here.
- ² NAI. Oyoprof. 2/3, File No. C42, Ibadan-Oyo: relationship between. P.5. It is important to note that by 1st January, 1900, four distinct administrative units had emerged in Nigeria. They were (a) The Colony and Protectorate of Lagos under a Governor; (b) The Protectorate of Southern Nigeria under a High Commissioner; (c) The Protectorate of Northern Nigeria under a High Commissioner; and (d) The Egba United Government under the Alake of Abeokuta and his Chiefs. The arrangement had not always been as described above. Before 1900, the British officials in Nigeria were responsible to three different authorities. Those in the Niger Coast Protectorate, later known as the Protectorate of Southern Nigeria, were responsible to the Foreign Office; those in the Colony and Protectorate of Lagos, to the Colonial Office; while those in charge of the areas which later became the Protectorate of Northern Nigeria were responsible to the Board of Directors of the Royal Niger Company. This extra-ordinary administrative arrangement was

streamlined in 1900, and later rationalized in 1914 under the Governor-Generalship of Lord (then Sir-Fredrick) Lugard.

- ³ The other two pillars of indirect rule were the Native Authority and Native Court. Direct and indirect rule actually evolved into complementary ways of native control. Direct rule was the form of urban civil power. It was about the barring of natives from civil freedoms pledged to citizens in civil society. Indirect rule, however, signified a rural tribal authority. It was about incorporating natives into a state-enforced customary order. Reformulated, direct and indirect rule are better understood as variants of despotism. Lord Lugard had also argued that the creation of Native Treasury, from which the salaries of Native Administration personnel was to be paid, would put an end to the abuses of tax gatherers, which included former 'tribute,' irregular imposts and force labour. However, abuse of the chiefs or 'tax gatherer' continued and fuelled popular discontent among the indigenous people.
- ⁴ NAI. Oyo Prof. 1. File No. 1026 Vol. IX (i) Assessment and Incidence of Taxation General Report on Taxes, (ii) Tax Collection Authorities and Tax Collectors.
- ⁵ Direct taxation was not introduced to Western Nigeria before 1917. Although administrative officers were responsible for the monitoring of fiscal matters, but this did not deter occasional losses or even fraud. In 1919 for instance, a huge sum of 5000 pounds disappeared from the Native Treasury. Among other reasons, the need to create a strong colonial economy through the inauguration of an honest government that would lead to the emergence of a better society was made a moral issue. This so-called morality had a narrow revenue-centered interpretation. The real reason for imposing taxation was to have more revenue by imposing additional burden on the people, mostly the poor who were in the majority. See A. I. Asiwaju, 1976. *Western Yorubaland under European Rule: 1889-1945: A Comparative analysis of British and French Colonialism*. London: Longman Group Ltd. p. 121.
- ⁶ NAI. Abe Prof. 2. File No. ABP. 2785, Western Region Tax Assessment: General Correspondence, 2nd assessment, p. 12.
- ⁷ NAI. Ondo prof. 1/1. File No. 665, Vol. V, (i) Taxation; Ondo province (ii) Division of direct taxes between government and native authority. The first step which Lugard took in building a regime of "indirect rule" was to "endeavour to find a man of influence as chief and to group under him as many villages or districts as possible, to teach him to delegate power, and to take an interest in his 'Native Treasury,' to support his authority, and to inculcate a sense of responsibility." In other words, in the edifice of Native Authority, the chief became the

pillar of strength on which the entire system stood. In fact, the three pillars on which Lugard claimed the indirect rule stood - Native Court, Native Administration, and a Native Treasury- together crystallized the ensemble of powers merged in the office of the chief. The chief also exercised the fourth power; the power to make rules. It has, in fact, been noted by Mahmood Mamdani that the chief was the petty legislator, administrator, judge, and policeman all rolled in one. He was only answerable to a higher administrative authority, the white official stationed in his state as advisor, and who quietly remained in the background.

- ⁸ NAI. CSO 26/2, File No. 12725, Vol. II. Oyo Province, Annual Report, 1924, p. 170. Chiefs got their salaries from tributes and there were three distinct and recognized taxes in Yorubaland; *Ishakole*, which took the form of universal land rent, *Owo Ode*, tribute paid by men and women alike, partly in kind and partly in cash, varying from 5s to 20s per head, and *Owo Asingba*, consisted of personal services (such as building and repairing of town walls, work on the farms of chiefs, together with contributions of food. There were also the heaviest of all the taxes, which was the burden of fines, fees, bribes, presents in connection with court cases (*Obi*) together with tolls on trade, fees on appointment, and death duties. The abolition of these demands greatly impoverished the chiefs. However, abuse continued and fuelled popular discontent. In response, another so-called reform was implemented; in addition to being salaried, the position of the chief was made subject to appointment, transfer, and dismissal, thereby reducing to minimum his individual autonomy vis-à-vis the colonial power. Even the British, the high priests of indirect rule through traditional authority, asserted that the agent of tradition be not a hereditary but a colonial appointment; once the colonial establishment stabilized, even the position of pre-colonial kings and native aristocracies was made subject to appointment and dismissal. See Mahmood Mamdani, 2004, *Citizen and Subject: Contemporary Africa and the Legacy of Late Colonialism*. Kampala: Fountain Publishers, p. 52-61.
- ⁹ Mahmood Mamdani, 2004, *Citizen and Subject: Contemporary Africa and the Legacy of Late Colonialism*. Kampala: Fountain Publishers, p. 62.
- ¹⁰ W. Rodney, W. 1972. *How Europe Underdeveloped Africa*, 1972. p. 179.
- ¹¹ NAI. 2 Abeprof. (2nd accession) ABP. 2788 Provincial Administration Abeokuta-Entertainment Tax.
- ¹² For more on how the British colonial government deviously carried out this grand scale of exploitation, see West Africa Pilot. 31st October, 1944.

- ¹³ *West African Pilots*. 31st October. 1944.
- ¹⁴ Cf. *Lagos Weekly Record*, 8th June, 1895.
- ¹⁵ NAI. Comcol. 1. File Mo. 1899: Colony Tax Office-Handing Over of. (Tax authority as defined in Comcol. 1 in 1922-Income tax) Tax authority refers to the financial secretary and includes any other person authorized in writing by the financial secretary to perform any duty(ies) imposed upon the tax authority by the ordinance.
- ¹⁶ NAI. 1904. C. 16 Vol. 2 Income Tax Ordinance. No. 4 of 1937. Procedure in Connection with Regulation.
- ¹⁷ NAI. Comcol. 1. File No. 1899. Commissioner of the Colony. Colony Tax Office, Handing Over of.
- ¹⁸ NAI. 1940. File No. C/16, Vol. III. Comcol. Income Tax Ordinance. No. 4 of 1937; Procedure in Connection with Regulations. See also Nig. Gazette. No. 16 9th 3. 1960.
- ¹⁹ NAI. Oyo Prof. 1 1927. Vol. V. I Tax Collection, Oyo Province II. Tax Rates Schedule IIII Instructions General.
- ²⁰ NAI. 1940. File No. C/16, Vol. III. Comcol. Income Tax Ordinance. No. 4 of 1937; Procedure in Connection with Regulations. See also Nig. Gazette. No. 16 9th 3. 1960.
- ²¹ NAI. Comcol 1. File No 2264: Taxation: Municipal Area. 1938-1939
- ²² NAI. Comcol. I.C.C. 951 Vol. II K/I, Y/I. Annual General Report: Social and Economic Progress of the People of Nigeria, p. 150.
- ²³ NAI. Comcol. 1. File No 2264: Taxation: Municipal Area. 1938- 1939.
- ²⁴ NAI. Comcol. 1.C. 16. 1/8. Income Tax : monthly returns- Colony Districts.
- ²⁵ NAI. Oyo Prof. 1. File No. 1927. Vol. V. I. Tax Collection Oyo Province II. Tax rates schedule III. Instructions General.
- ²⁶ NAI. Abe-prof. 22nd Accession, Provincial Administration Department Papers. File No. ABP. 2668. "Rating Regulations".
- ²⁷ NAI. Abe Prof. 22nd Accession, Provincial Administration Department Papers. File No. ABP. 2668. "Rating Regulations".
- ²⁸ NAI. Abe-prof. 22nd Accession, Provincial Administration Department Papers. File No. ABP. 2668. "Rating Regulations".
- ²⁹ NAI. Abe Prof. 22nd Accession, Provincial Administration Department Papers. File No. ABP. 2668. "Rating Regulations".
- ³⁰ Galleli et al. 1965. *Nigerian Cocoa Farmers*. London: Oxford University Press. Pp. x-xvi.
- ³¹ Galleli et al. 1965. *Nigeria*. p. 217.
- ³² This ultimately led to the Agbekoya riots of 1968/69, which is outside the scope of this paper. See also Olatunbosun. 1975. *Nigeria's Neglected Rural Majority*. Ibadan: Oxford Press. Pp. 53-75. See also Ajayi, I and

Ojeyide, I. A.. 1974. "The Role of Cocoa on Nigeria's Economic Development." In *Economics of Cocoa Production and Marketing* (ed.) Koley Okali, University of Ghana, Legon. Pp. 225-236.

- ³³ The International Bank for Reconstruction and Development. 1961. *The Economic Development of Nigeria*. Baltimore: The John Hopkins Press, p. 14. British officials and writers who were inclined to think like them have concentrated on the 'positive' impact of the economic changes that came with the involvement of colonial rule to the extent of eulogizing every new measure. The reality that is often ignored is that most of the changes were not originally conceived to serve the interest of the indigenous people. Rather, the benefit that accrued to the people were just incidental. Local industry was not even encouraged while the production of raw materials for the capitalist market was limitlessly encouraged, sometimes at the expense of food production to the extent that a number of people complained of starvation. See also Cf. *Lagos Weekly Record*, 8th June, 1895. However, there is no doubt that there was rise in revenue between 1895-1905 from £52.2 thousand pounds to £115.3 thousand pounds, and this was caused by the opening up of the hinterland to unimpeded trade. This was accomplished by peaceful policing of the roads. This came before the construction of the railway which only began in December 1895 and was completed as far as Ibadan, (one hundred and twenty two and half miles), by March 1901. See U. Ibok, 1968. *The Tax System in Nigeria*. A dissertation submitted to the Faculty of Postgraduate School, Howard University, p. 21.
- ³⁴ NAI. Abe-Prof. 2 File No. 2607. (Direct Taxation Ordinance).
- ³⁵ NAI. Abe-Prof. 2 File No. ABP. 2607. (Direct Taxation Ordinance). Provincial Administration Department, Abeokuta.
- ³⁶ NAI. Comcol. I.C.C, 951 Vol. II. KY, Y/1. Annual General Report: Social and Economic Progress of the people of Nigeria, p. 2.
- ³⁷ The International Bank for Reconstruction and Development, *The Economic Development of Nigeria*. 1961, p. 17. Olatunbosun. 1975. *Nigeria's Neglected Rural Majority*. Ibadan: Oxford Press. Pp. 53-75.
- ³⁸ Lady Lugard, 1964. *A Tropical Dependency*, Frank Cass & Co. Ltd. 1964, p. 467.
- ³⁹ Ubok Uyo, 1968. *The Tax System in Nigeria*. Being a Dissertation submitted to the Faculty of Post Graduate School, Howard University, p. 51.
- ⁴⁰ NAI. Oyo Prof. 1. File No. 1927. Vol. V. 1 Tax Collection Oyo Province II, Tax Rates Schedule III. Instructions General.
- ⁴¹ Lugard and the Amalgamation of Nigeria. 1921. *A Documentary Record of Sir. F. D. Lugard on the Amalgamation of Northern and Southern*

- Nigeria, 1881-1921. as compiled by A.H.M. Kick-Greene, p. 97.1
- ⁴² NAI. Oyo Prof. 1. File No. 1927. Vol. V. 1 Tax Collection Oyo Province II, Tax Rates Schedule III. Instructions General.
- ⁴³ NAI. Oyo Prof. 1. File No. 1927. Vol. V. I. Tax Collection Oyo Province II. Tax Rates Schedule III. Instructions General.
- ⁴⁴ NAI. Oyo Prof. 1. File No. 06027, Annual Report 1921 Oyo Province, p. 62.
- ⁴⁵ A.I. Asiwaju, 1976. *Western Yorubaland under European Rule: 1889-1945. A Comparative Analysis of French and British Colonialism*, p. 119.
- ⁴⁶ NAI. Oyo Prof. 1. File No. 1927 Vol. V. I. Tax Collection Oyo Province II. Tax Rates Schedule III. Instructions General. The abbreviation, C.O.LA, meant Cost Of Living Allowance. It was paid to workers to ameliorate the sufferings of the people, which arose as a result of the 2nd World War that was concluded in 1945.
- ⁴⁷ NAI. Oyo Prof. 1. File No. 1927 Vol. V. I. Tax Collection Oyo Province Ii. Tax Rates Schedule Iii. Instructions General. The Abbreviation, C.O.LA, Meant Cost Of Living Allowance. It Was Paid To Workers To Ameliorate The Sufferings Of The People, Which Arose As A Result Of The 2nd World War That Was Concluded In 1945.
- ⁴⁸ NAI. Oyo Prof. 1. File No. 1927
- ⁴⁹ NAL Ondo Prof.1/1 File No. 308 Vol. 1.1. III (Income Tax Rate).
- ⁵⁰ NAI. Ondo Prof.1/1 File No. 308 Vol. 1.1.III (Income Tax Rate).
- ⁵¹ C.S. Ola, 1980. *Nigerian Taxation*, U.K. Graham Burns, p. 1. During the colonial era, the colonialist put in place two measures that were meant to prevent evasions. Evasion was a form of resistance against colonial economic system. The colonial government knew that there were evasions. although propaganda was put into circulation that taxes were willingly and readily paid, particularly after the 1916 Isehin/Okeiho riots. Propaganda was, however, not enough to a people who were not convinced that tax should be paid in the first instance. Measures, more concrete than words of admonition and appeal were, therefore, taken; the first of these measures was to establish a firm grip on the principal tax collectors-the chiefs. A chief was good if his views on taxation coincided with those of the colonial officials and were punished, sometimes, severely, when they showed lapses in collection. For more on this issue of taxation and evasion, see Toyin Falola, 1987. *Politics and Economy in Ibadan, 1893-1945* Ile-Ife p. 206-210.
- ⁵² O. Orewa. 1962. "*Taxation in Western Nigeria: The Problem of an Emergent State*", p. 16. Measures were also designed to enforce collection. Tax evaders, when caught, were severely punished. They were regarded as

debtors, and were forced to pay the tax as well as additional fine to cover the expenses incurred in 'flushing them out'. This measure, which was pursued, led to increase revenue from tax in the early 1923 in Ibadan. In the 1921/22, names of tax payers were recorded in order to monitor payment simply by examining receipts. It was in 1923 that it became obvious in Ibadan that taxation was, indeed, a burden to some people. Receipt became an important document in 1924. Before then, it was enough to refer to a chief or compound head as evidence of payment. The introduction of receipt was, indeed, a revolutionary innovation that made evasion more difficult. See Annual Report, 1924. See also NAI. Oyoprof. 2/3/C. 187. Director of Prison Department, October 30th 1924. Enclosure.

⁵³ O. Orewa, 1962. *"Taxation...."*

⁵⁴ O. Orewa, 1962. *"Taxation"* p. 16. Taxation was not welcomed by the Yoruba, though in 1919 the impression was created by Lugard through propaganda that it was. Lugard dismissed the anti-tax disturbances in Iseyin in 1916 and Abeokuta in 1918, alleging that they could not be ascribed 'to any one motive'. Although violence did not erupt in Ibadan, opposition was in the form of refusal to pay, evasions, complaints about extortions, etc. From around 1918, the payment of tax and participation in forced labour was regarded by the indigenous people as 'double punishment'. The tax season during which people were hunted to pay was politically tense. Only a few saw payments as a civic responsibility, and many, up to 25 percent by official reckoning, always evaded. To escape was regarded as an act of valour which was worthy of being boasted about. See field notes on Ibadan. Vol. 1. Entries! 11-117 and 128; Vol. 3. Entries 2. 18. 29. 56 and 110. See also NAI. Oyoprof.2/ 3/ C.187.

⁵⁵ NAI. Comcol. 1. File No. 1333/12. Loss of Income Tax. See also Orewa, 1962. *Taxation in Western Nigeria: The Problem of an emergent State*. Nigerian Social and Economic Studies, (London: Oxford University Press.

⁵⁶ NAI. Comcol. 1(1904/1) Colony Taxation Ordinance, 1937 :Schemes for Persons Assessed at Minimum Rate of Pay by Installments. Taxation was not welcomed by the Yoruba, though in 1919 the impression was created by Lugard through propaganda that it was. Lugard dismissed the anti-tax disturbances in Iseyin in 1916 and Abeokuta in 1918, alleging that they could not be ascribed 'to any one motive'. Although violence did not erupt in Ibadan, opposition was in the form of refusal to pay, evasions, complaints about extortions, etc. From around 1918, the payment of tax and participation in forced labour was regarded by the

indigenous people as 'double punishment'. The tax season during which people were hunted to pay was politically tense. Only a few saw payments as a civic responsibility, and many, up to 25 percent by official reckoning, always evaded. To escape was regarded as an act of valour which was worthy of being boasted about. See field notes on Ibadan. Vol. 1. Entries! 11-117 and 128; Vol. 3. Entries 2. 18. 29. 56 and 110. See also NAI. Oyoprof.2/ 3/C.187.

- 57 NAI. Comcol. 1. File No. 1333/12. Loss of Income Tax.
- 58 O. Orewa, 1962. *"Taxation in Western Nigeria: The Problem of an emergent State"*. Nigerian Social and Economic Studies, (London: Oxford University Press.
- 63 NAI. Oyo Prof. 1 File No. 699, Vol. III. Colonial Development Fund Schemes. Training Centre for African Sanitary Inspectors, (III) Erection of School Building at Ibadan. Ibadan is regarded as one of the dirtiest among the states in Nigeria in 2007.
- 64 J.A. Atanda, 1973. *The New Oyo Empire: Indirect Rule and Change in Western Nigeria, 1894-1934*, London: Longman Group Limited p. 228.
- 65 J.A. Atanda, 1973. *The New* p. 218.
- 66 NAI. Oyo Prof. 1. File No. 06027, Annual Report 1921, Oyo Province, p.10.
- 67 J.A. Atanda, 1973. *The New Oyo Empire: Indirect Rule and Change in Western Nigeria, 1894-1934*, p. 218.
- 68 W.I. Ofonagoro, 1979. *Trade and Imperialism in Southern Nigeria; 1881-1929*, p. 206.
- 69 NAI. Oyo Prof. 1. 1927. Vol. V. I. Tax Collection; Oyo Province II. Tax Rates Schedule III. Instructions General.
- 70 W.I. Ofonagoro, 1979. *Trade and Imperialism in Southern Nigeria; 1881-1929*, p. 196.
- 71 M. Perham, 1967. *Colonial Sequence: 1930-1949*, London: Methuen & Co. Ltd. p. 143.
- 72 M. Crowder & Abdullahi, G. 1979. *Nigeria: An introduction to its History*. London: Longman Group Limited, p. 170.
- 73 M. Crowder & Abdullahi, G. 1979. *Nigeria: An introduction to its History*.
- 74 M. Crowder & Abdullahi, G. 1979. *Nigeria: An introduction to its History*.
- 75 J.A. Atanda, 1973. *The New Oyo Empire: Indirect Rule and Change in Western Nigeria, 1894-1934*, p. 238.
- 76 W.R. Cmd.l. Tax collection in the Western Region, 1953-54. Nigeria: Government printers, 1954, p. 2. (Laid on the table of the Western House of Assembly by the Civil Secretary. February 1954).

- ⁷⁷ R. Niven, 1976. *Nigeria*. Great Britain: London; Ernest Benn Limited, Ec4, p. 45.
- ⁷⁸ NAI. Oyo Prof. 1. 1927. Vol. V. I. Tax Collection Oyo Province II. Tax rates schedule III. Instructions General.
- ⁷⁹ Lugard and the Amalgamation of Nigeria. 1921. A Documentary Record of Sir. F.D. Lugard on the Amalgamation of Northern and Southern Nigeria, 1881-1921, as compiled by A.H.M. Kick-Greene, p. 97.
- ⁸⁰ NAI. Oyo Prof. 1. 1927 Vol. V. I. Tax Collection Oyo Province II. Tax Rates Schedule III: Instructions General. It is important to note that the British Colonial Authority did very little or nothing to encourage the industrialization of the colony. For instance, in 1952, it was noted that the Ondo Native Authority had not been realizing any revenue under 'Head II- Trade and Industry.' Although the establishment of a pioneer oil mill that was meant to lead to more revenue, employment of youth and provision for a scientific method of extracting palm oil in Ondo (near Oni River) was proposed, very little was done to develop this industry as the African womenfolk continued to break nuts manually. See NAI. File No. D. 28. Ondo Prof. 1\3, *Palm Oil Industry in Nigeria: Development of. 18th 07\1946*. Also, contrary to the position of some British officials who must understandably justify colonial plunder, Falola has convincingly argued that colonial rule did not lead to the economic development of Yoruba land, that all the modifications put in place by the colonial government were targeted at overthrowing the indigenous economy and imposing a new exploitative colonial capitalist mode of production. The substantial gains of the cocoa business went to the metropolis. Yorubaland was gradually but systematically peripheralised. The economy of Britain and Western Nigeria in general was merged into one in an exploitative arrangement, which turned the Yorubaland into an agricultural arrangement, a countryside feeding Britain. Whatever economic or material gains the indigenous planters made from cocoa cultivation was insignificant when compared with the massive profits made by the colonial power for the metropolis. The relationship between Britain and Western Nigeria ensured the transfer of wealth from the latter to Britain. The Yorubaland became an extension of the British capitalist market, dependent on what the British companies were prepared to buy or sell. The tax instrument was a big tool which the colonialist used in executing this policy.
- ⁸¹ Baver. 1956. "Marketing Monopoly in British Africa." *Kylos: International Review for Social Sciences*. Vol. 9, pp. 164-180. The actual source of the marketing Board's 'surplus' arose from the systematic upholding of a large percentage of the fruits of the peasants labour.

- ⁸² M. Crowder, & Abdullahi, G. 1979. Nigeria: An introduction to its History. London: Longman Group Limited, p.167.
- ⁸³ W. I. Ofonagoro, 1979. *Trade and Imperialism in Southern Nigeria; 1881-1929*, p. 319.