THE STAPLE THEORY AND PALM PRODUCE PRODUCTION IN COLONIAL EASTERN NIGERIA

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Abstract
The Staple Theory and Palm produce production in colonial eastern Nigeria is a study that analyzes the historical and economic significance of palm production in Eastern Nigeria during the colonial period. Through in-depth research and analysis, this study aims to shed light on the impact of palm production on the colonial economy of Eastern Nigeria, as well as its role in shaping the social and political landscape of the region. By examining the key theories and factors behind palm production, this study provides valuable insights into the development and sustainability of the colonial economy in Eastern Nigeria. Overall, the findings of this study highlight the crucial role that palm production played in the growth and transformation of the region during the colonial era, making it a significant contribution to the existing literature on Nigerian history and economics.

Key words: Staple, Palm produce, Theory, Economy, Eastern Nigeria

Introduction
One remarkable achievement of the colonial export economy in Nigeria was the stimulation and enlargement of the peasant socio-economic base in the exchange economy. To that extent, increase in export staples, such as palm products, constituted the major sources of

whatever progress the indigenous peasant economy experienced during the colonial period. According to Njoku (2008), the colonial authorities saw this as the path towards the commercial revolution which they believed was a necessary condition for modern economic growth of the colonial territories[1].

With respect to Eastern Nigeria the colonial state's intervention clearly functioned, to guarantee the interests of capital vis-a-vis pre-capitalist modes of production in the region. By so doing Eastern Nigeria was made of peripheral part of the international capitalist system, that is, by being made a part of the British imperial state. British colonialism thus completes the process of peasant formation in Eastern Nigeria.

As formal colonial rule was established to further British capitalist interests of getting raw materials and maintaining a steady flow of trade, the colonial state had to carry out a number of functions as prerequisites for adequate resource exploitation. The functions contained in the administration and economic policies of the colonial state, reflected the basic capitalist interest of Britain. Hence in Colonial Eastern Nigeria Palm Produce became the staple produce for the colonial economy. It thus became the base of the colonial economy in Eastern Nigeria.

The Staple Theory

An economic historian known as Harold Innis developed the Staple Theory as a model to analyze the process of economic change in newly established areas. His focus at the time was Canada. Although the theory was used by Harold Innis to explain the economic dynamics in Canada at the time his writing had had an important impact within and outside of Canada, thus influencing the writing of economic history and the development of economic theory internationally.[2]

Scholars have argued that essential to the economic development of Canada and the United States were markets for staple products which were mainly raw materials as well as the strength of the people to maximize the potentials of the geographical location and the resources that it offers and then competitively market them. Therefore in this regard exports in staple products help to push for development in intensive growth as well as in extensive growth.[3] So this establishes the fact that there is a clear link between the export of staple products and economic development. It is with this understanding that Harold Innis asserted that from the onset of European settlement in Canada, the economy of Canada has been greatly rooted in the production of staple products such as cod, fur, timber, wheat, nickel etc, and this is as a result of the economic advantages they had from the export of these products. In exchanges for the staple products resources that boosted the Canadian economy was then accessed.[4]

Thus using this Staple Theory or model, this work would analyze or explain the impact of Palm products as a staple on the economy of Eastern Nigeria during the colonial period, thereby finding out if Palm produce as a staple had the same impact on the economy of colonial Eastern Nigeria as the staples of Canada had on its economy.

Objectives of the study

- Highlight on the origin of the Staple Theory
- Use the model to analyze the economy of the colonial Eastern Nigeria using Palm produce as the Staple product
- Highlight on the impact of the Staple product on the economy of colonial Eastern Nigeria

Origin of the Staple Theory

The Staple Theory as earlier noted is a theory used to analyze the economies of new countries- countries that began to exist after colonialism. It is primarily a Canadian innovation and its leading innovator was Harold Innis in his pioneering historical studies in Canada. His objective was to note the general impact of staple production on the economy and society[5]. A staple is anything that is regarded to be essential and important, hence staple products are core products or necessity goods that are essential to any economy.

Palm Produce as a Staple product in colonial Eastern Nigeria

Given that the theory is used to analyze new countries, agricultural products are mostly the staple products usually studied. In this case palm produce as a staple product and its production in colonial Eastern Nigerian is the focus of study.

According to Watkins (1963), the fundamental assumption of the Staple Theory is that staple exports are the leading sector of the economy and set the pace for economic growth. The central concept of the Staple Theory is concerned with the impact of export activity on domestic economy and society. Hence the aim here is to use the framework of this theory to assess the impact of the export of palm products from colonial Eastern Nigeria on its economy[6].

In assessing the impact of export activity on domestic economy Watkins stated that if the demand for the export staple increases, the quantity supplied by the new country will increase. This export expansion means a rise in income in the export sector. The spending of this income thus generates investment opportunities in other sectors both at home and abroad. During the colonial era especially in the period before World War II, there was an increase in the demand for the export of palm produce from Eastern Nigeria. This was the reason, as earlier noted, for the massive encouragement by the colonial administration for an increased production. This increase in production of Eastern Nigeria's palm produce led to export expansion bringing about a rise in income in the export sector.[7] Therefore the impact of the export activity on the domestic economy (Eastern Nigeria) would then be assessed by assessing the spending of the increased income to note whether or not it generated investment opportunities in other sectors.

By classifying the income flows, it stated the Staple Theory in the form of a disaggregated multiplier-accelerator mechanism. Watkins further noted that the inducement for domestic investment resulting from the increased activity of the export sector can be broken down into three linkage effects, namely- backward linkage, forward linkage and final demand linkage.

Backward linkage is a degree of the stimulation to spend money in the local production of components parts, for the increasing trade in export commodities. The export good's manufacture utility as well as the virtual costs of component parts will establish the nature as well as amount of component parts needed. Diversification would be proper when the component parts needed has to do with raw materials as well as technicalities which allow home production. The inputs for the palm produce expanding export include seedlings and machines for a better quality palm produce processing. The inducement to invest in the home production of these inputs was rather partial than complete; this is because in as much as the colonial administration maintained oil palm nurseries in abundance and from it distributed seedlings to farmers, the drive to introduce the use of machines in the processing of palm produce, talk less of its home production was lacking.[8] The colonial authorities prefer the palm products producers to process the produce manually using bare hands. It was much later that some machines such as the Hand Press, the Culley, and Duchascher oil press were introduced by the colonial authorities to ensure that a better quality of oil was produced as complaints were beginning to increase regarding the poor quality of oil being exported from Eastern Nigeria. Of course these machines were imported and not home-produced.

Forward linkage is the degree of the stimulation to spend money in the industrial sector making use of the products manufactured for export as component parts. The most obvious and typically most important example is the increasing value added in the export sector, the economic possibilities of further processing and the nature of foreign tariffs will be the prime determinants.[9] The outputs of palm produce export industry include the palm oil and kernel produced.[10] In this regard, the stimulation to spend money in the industries using these outputs was non-existent. The industries using these outputs as input include those involved in the production of finished products such as lubricants, cream, animal feeds, soaps etc, these industries were not established in the Eastern Nigeria by the colonial administration rather the palm products were shipped to Europe where the industries were located, there they processed it into finished products imported back.[11]

Final demand linkage has to do with the degree of stimulation to spend money on industrial activities at home that focus production on consumer goods for factors in the export trade. The key deciding factor is the magnitude of the internal/local market, which on the other hand is reliant on the degree of revenue- aggregate and average- and its distribution. A key factor in the palm produce export sector was labour. This factor is constituted by the indigenous men and women of Eastern Nigeria, who need food for energy to continue production, but unfortunately the colonial administration channeled most of the investment towards the production of cash crops to the detriment of food crops, creating a situation of food scarcity and hunger among the indigenous people of Eastern Nigeria, who were an essential factor in the production for the export sector.[12] It was not until towards the ending of colonial rule in 1940 that the colonial administration made little effort to encourage local production of foodstuffs and even at that, they still allowed for the importation of some foodstuffs into Nigeria, (Archival Records).[13] This slight encouragement for the local production of foodstuffs was actually as a result of the World War II that was ongoing at that time which was having a negative effect on the importation of food items from United Kingdom and Europe, (Archival Records).[14] Realizing their inability to meet up with the supply of foodstuffs giving the war situation, the colonial administration began to place restrictions on the sale of some food items pending when they are able to resume their supply, (Archival Records).[15] With this kind of situation and arrangement, food scarcity and hunger was inevitable in Eastern Nigeria, still the colonial administration made no serious effort to invest in local production of food. Thus it is clear that the stimulation to spend money in food production which was the domestic industry producing consumer goods for the labour factor involved in the export trade was quite abysmal.

Conclusion

Therefore using the Staple Theory as a framework for analysis, it becomes quite clear that export activity at the colonial dispensation in Eastern Nigeria did not lead to any serious advancement in the domestic economy. This was mainly because the inducement to invest the income generated from palm produce export activity was very low or even non-existent to a large extent as it was not concurrent with the imperialistic interest of the colonial authorities. The income generated was used for the development of Europe rather than being invested in other sectors of the domestic economy.

In the final analysis, the various steps taken by the British Colonial government in Eastern Nigeria to improve the amount as well as value of agricultural products must be seen as steps taken to guarantee optimum conditions under which foreign trading concerns could exploit local peasants. After all, the British colonial state was only acting in its capacity as a socio-political agent of the international imperialist economy. In order for the colonial state to fully accomplish this role it worked hand in hand with the trading companies.

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